

STRÖER SE & CO. KGAA, COLOGNE

FINANCIAL STATEMENTS AND COMBINED MANAGEMENT REPORT 2022

STRÖER

Ströer SE & Co. KGaA, Cologne

Balance sheet as at December 31, 2022

ASSETS

	Dec. 31, 2022 EUR	Dec. 31, 2021 EUR
NON-CURRENT ASSETS		
Intangible assets		
Purchased concessions, industrial and similar rights and assets, and licenses in such rights and assets	6,497,815.46	10,336,787.60
Prepayments	0.00	0.00
	6,497,815.46	10,336,787.60
Property, plant, and equipment		
Land, land rights, and buildings including buildings on third-party land	12,652,582.50	0.00
Other equipment, furniture, and fixtures	8,082,377.03	6,265,994.03
Prepayments and assets under construction	228,667.76	969,484.32
	20,963,627.29	7,235,478.35
Financial assets		
Shares in affiliates	654,359,419.21	656,471,590.06
Loans to affiliates	100,441,021.09	101,526,717.02
Equity investments	1,326,658.84	1,385,986.41
Other loans	4.00	4.00
	756,127,103.14	759,384,297.49
	783,588,545.89	776,956,563.44
CURRENT ASSETS		
Receivables and other assets		
Trade receivables	484,402.18	202,086.11
Receivables from affiliates	1,555,150,954.47	1,462,718,028.67
Receivables from other investees and investors		
	10,911.78	36,183.73
Other assets	10,588,735.84	7,766,755.60
	1,566,235,004.27	1,470,723,054.11
Cash on hand and bank balances	13,304,903.09	191,734.40
	1,579,539,907.36	1,470,914,788.51
PREPAID EXPENSES	4,979,223.25	2,687,420.72
	2,368,107,676.50	2,250,558,772.67

EQUITY AND LIABILITIES

	31.12.2022 EUR	31.12.2021 EUR
EQUITY		
Subscribed capital	56,691,571.00	56,691,571.00
Nominal value of treasury shares	-610,331.00	0.00
Issued capital	56,081,240.00	56,691,571.00
- Conditional capital: EUR 14,885,923.00 (prior year: EUR 14,885,923.00)		
Capital reserves	650,575,312.92	650,575,312.92
Retained earnings		
Other retained earnings	363,904,240.63	386,736,329.06
Accumulated profit	281,457,152.43	254,958,932.22
	1,352,017,945.98	1,348,962,145.20
PROVISIONS		
Tax provisions	28,665,668.85	18,946,501.52
Other provisions	26,347,616.49	26,135,635.72
	55,013,285.34	45,082,137.24
Liabilities		
Liabilities to banks	753,852,777.37	631,841,364.29
Trade payables	5,182,208.55	5,553,415.35
Liabilities to affiliates	182,466,761.41	218,353,744.70
Liabilities to other investees and investors		
	0.00	9,539.37
Other liabilities	754,162.08	756,426.52
- thereof for taxes: EUR 401,633.23 (prior year: EUR 395,799.04)		
	942,255,909.41	856,514,490.23
DEFERRED TAX LIABILITIES	18,820,535.77	0.00
	2,368,107,676.50	2,250,558,772.67

Ströer SE & Co. KGaA, Cologne

Income statement for 2022

	2022 EUR	2021 EUR
Revenue	33,139,045.79	28,708,953.29
Other operating income	24,821,466.51	8,373,472.78
- thereof income from currency translation: EUR 438,780.71 (prior year: EUR 20,498.37)		
Cost of materials		
Cost of purchased services	-9,187,384.36	-8,528,196.96
Personnel expenses		
Wages and salaries	-20,455,345.44	-18,753,309.89
Social security and pension costs	-3,451,910.60	-3,159,491.21
- thereof for old-age pensions: EUR 21,764.35 (prior year: EUR 16,891.95)		
Amortization, depreciation, and impairment of intangible assets and property, plant, and equipment	-8,356,345.18	-6,426,418.90
Other operating expenses	-52,467,771.97	-48,152,684.28
- thereof expenses from currency translation: EUR 71,329.83 (prior year: EUR 34,111.37)		
Income from equity investments	3,300,000.00	0.00
- thereof from affiliates: EUR 3,300,000.00 (prior year: EUR 0.00)		
Income from profit transfer agreements	247,631,235.04	215,966,064.79
Income from other securities and loans classified as non-current financial assets	2,395,211.37	2,057,666.72
- thereof from affiliates: EUR 2,341,639.16 (prior year: EUR 2,007,918.77)		
Other interest and similar income	5,090,722.90	46,185.45
- thereof from affiliates: EUR 5,086,264.33 (prior year: EUR 0.00)		
Impairment of financial assets	-10,000.00	0.00
Interest and similar expenses	-14,955,456.37	-9,837,225.54
- thereof to affiliates: EUR 1,178,678.83 (prior year: EUR 223,992.36)		
- thereof expenses from unwinding the discount: EUR 16.96 (prior year: EUR 841.21)		
Income taxes	-51,084,066.09	-25,222,590.06
- thereof expense from the change in the recognition of deferred taxes EUR 18,820,535.77 (prior year: EUR 0.00)		
Post-tax profit or loss	156,409,401.60	135,072,426.19
Other taxes	47,750.83	-113,493.97
Profit for the period	156,457,152.43	134,958,932.22
Profit carryforward from the prior year	125,000,000.00	120,000,000.00
Accumulated profit	281,457,152.43	254,958,932.22

Ströer SE & Co. KGaA, Cologne

Notes to the financial statements for 2022

A. General

Ströer SE & Co. KGaA, Cologne ("Ströer KGaA"), was established by transforming Ströer SE, Cologne (Cologne local court, HRB no. 82548), by way of a change in legal form in accordance with the resolution adopted by the extraordinary shareholder meeting on September 25, 2015. Its articles of association are dated June 23, 2016 and were last amended on December 15, 2021. It was entered in commercial register B of Cologne local court under HRB no. 86922 on March 1, 2016.

These separate financial statements were prepared in accordance with sections 242 et seq. and sections 264 et seq. of the German Commercial Code (HGB) and in accordance with the relevant provisions of the German Stock Corporation Act (AktG). The provisions for large corporations apply.

The income statement is structured in accordance with the nature-of-expense method.

B. Accounting policies

The following accounting policies, which essentially remained unchanged in comparison to the prior year, were used to prepare the separate financial statements.

Intangible assets and property, plant, and equipment are recognized at cost and, where applicable, are amortized/depreciated on a straight-line basis over their useful lives.

Amortization/depreciation is based on the following useful lives:

- Purchased concessions, industrial and similar rights and assets, and licenses in such rights and assets 3 to 10 years
- Land, land rights, and buildings, including buildings on third-party land 35 years
- Other equipment, furniture, and fixtures 3 to 13 years

Low-value assets with an individual net value not exceeding EUR 250.00 are written off/fully expensed in the year of acquisition, with their immediate disposal being assumed. For reasons of efficiency, a collective item is recognized for assets with an individual net value of more than EUR 250.00 but no greater than EUR 1,000.00 and depreciated at a flat rate of 20% p.a. in the year of acquisition and in each of the following four years. All other depreciation on additions to property, plant, and equipment is recognized pro rata. Depreciation of the collective item amounted to EUR 100k in 2022 (prior year: EUR 148k).

Under **financial assets**, equity investments are recognized at the lower of cost and fair value, while loans are recognized at nominal value. Interest-free or low-interest loans are discounted to their present value.

Receivables and other assets are recognized at their nominal value. Specific loss allowances are recognized for items subject to risk, while a general loss

allowance is recognized for general credit risk. Interest-free and low-interest receivables due in more than one year are discounted.

Payments made before the reporting date that constitute expenses for a certain period after this date are recognized as **prepaid expenses**.

Tax provisions and **other provisions** are recognized for all contingent liabilities and losses expected to be incurred from onerous contracts. They are recognized at the settlement value deemed necessary according to prudent business judgment (i.e. including future cost and price increases). Provisions with a residual term of more than one year are discounted.

Liabilities are recorded at the settlement value.

To determine **deferred taxes** arising due to temporary or quasi-permanent differences between the carrying amounts of assets, liabilities, prepaid expenses, and deferred income in the statutory accounts and their tax carrying amounts or due to tax loss carryforwards, these differences are valued using the Company-specific tax rate of 31.172% at the time they are reversed; the amounts of any resulting tax charge or benefit are not discounted. Deferred tax assets and liabilities are offset.

Foreign currency assets and liabilities are translated using the middle spot rate on the reporting date. If they have residual terms of more than one year, the realization principle (section 252 (1) no. 4 half-sentence 2 HGB) and the historical cost principle (section 253 (1) sentence 1 HGB) are applied.

All entities that are fully consolidated in Ströer KGaA's consolidated financial statements are classified as **affiliates**.

C. Notes to the balance sheet

1. Non-current assets

The change in the individual non-current asset items, including amortization, depreciation, and impairment for the financial year, is shown in the statement of changes in non-current assets.

	COST				ACCUMULATED AMORTIZATION, DEPRECIATION, AND IMPAIRMENT					NET CARRYING AMOUNTS		
	Jan. 1 2022 EUR	Additions EUR	Disposals EUR	Reclassifications EUR	Dec. 31, 2022 EUR	1.1.2022 EUR	Additions EUR	Reversals EUR	Reclassifications EUR	31.12.2022 EUR	31.12.2022 EUR	Dec. 31, 2021 EUR
Intangible assets												
Purchased concessions, industrial and similar rights and assets, and licenses in such rights and assets	27,133,575.37	863,734.33	720,858.63	0.00	27,276,451.07	16,796,787.77	4,702,539.61	720,691.77	0.00	20,778,635.61	6,497,815.46	10,336,787.60
	27,133,575.37	863,734.33	720,858.63	0.00	27,276,451.07	16,796,787.77	4,702,539.61	720,691.77	0.00	20,778,635.61	6,497,815.46	10,336,787.60
PROPERTY, PLANT, AND EQUIPMENT												
Land, land rights, and buildings including buildings on third-party land	0.00	12,725,803.03	0.00	0.00	12,725,803.03	0.00	73,220.53	0.00	0.00	73,220.53	12,652,582.50	0.00
Other equipment, furniture, and fixtures	24,119,503.75	4,455,123.33	2,723,511.48	880,950.45	26,732,066.05	17,853,509.72	3,503,459.65	2,707,280.35	0.00	18,649,689.02	8,082,377.03	6,265,994.03
Prepayments and assets under construction	969,484.32	752,708.34	612,574.45	-880,950.45	228,667.76	0.00	77,125.39	77,125.39	0.00	0.00	228,667.76	969,484.32
	25,088,988.07	17,933,634.70	3,336,085.93	0.00	39,686,536.84	17,853,509.72	3,653,805.57	2,784,405.74	0.00	18,722,909.55	20,963,627.29	7,235,478.35
Financial assets												
Shares in affiliates	656,471,590.06	25,000.00	2,137,170.85	0.00	654,359,419.21	0.00	0.00	0.00	0.00	0.00	654,359,419.21	656,471,590.06
Loans to affiliates	103,076,717.02	6,214,790.41	8,850,486.34	0.00	100,441,021.09	1,550,000.00	10,000.00	1,560,000.00	0.00	100,441,021.09	101,526,717.02	101,526,717.02
Equity investments	1,385,986.41	191,784.06	251,111.63	0.00	1,326,658.84	0.00	0.00	0.00	0.00	0.00	1,326,658.84	1,385,986.41
Other loans	21,515,000.00	0.00	0.00	0.00	21,515,000.00	21,514,996.00	0.00	0.00	0.00	21,514,996.00	4.00	4.00
	782,449,293.49	6,431,574.47	11,238,768.82	0.00	777,642,099.14	23,064,996.00	10,000.00	1,560,000.00	0.00	21,514,996.00	756,127,103.14	759,384,297.49
	834,671,856.93	25,228,943.50	15,295,713.38	0.00	844,605,087.05	57,715,293.49	8,366,345.18	5,065,097.51	0.00	61,016,541.16	783,588,545.89	776,956,563.44

a) Intangible assets

The item 'Purchased concessions, industrial and similar rights and assets, and licenses in such rights and assets' mainly comprise expenditure on the purchase of software.

b) Land, land rights, and buildings, including buildings on third-party land

The Company acquired the head office building at Ströer Allee 1 at a purchase price of EUR 12,000k (including acquisition-related costs) under a sale and purchase agreement dated July 14, 2022. Beneficial ownership was transferred on September 1, 2022.

c) Financial assets

The financial assets of Ströer KGaA decreased by EUR 3,257k to EUR 756,127k as at December 31, 2022. This decrease was the result of the repayment of intragroup loans that were only partly offset by loan drawdowns.

2.Receivables and other assets

	Dec. 31, 2022	Dec. 31, 2021
	EUR k	EUR k
Trade receivables	484	202
thereof due in more than one year	0	0
Receivables from affiliates	1,555,151	1,462,718
thereof due in more than one year	0	0
Receivables from other investees and investors	11	36
thereof due in more than one year	0	0
Other assets	10,589	7,767
thereof due in more than one year	36	36
	1,566,235	1,470,723

Receivables from affiliates related to the profit-and-loss transfer agreement with Ströer Media Deutschland GmbH, Cologne ('SMD') (EUR 95,941k; prior year: EUR 82,755k), and to the profit-and-loss transfer agreements with Ströer Digital Publishing GmbH, Cologne ('SDP') (EUR 78,459k; prior year: EUR 69,375k), with Ströer Sales Group GmbH, Cologne ('SSG') (EUR 47,213k; prior year: EUR 34,732k), with Ströer Content Group GmbH, Cologne ('SCG') (EUR 20,774k; prior year: EUR 12,073k), with blowUP media GmbH, Cologne ('BUM') (EUR 4,917k; prior year: EUR 10,440k), and Ströer Digital Commerce GmbH, Cologne ('SDC') (EUR 328k; prior year: EUR 6,592k). There were also trade receivables of EUR 9,266k (prior year: EUR 3,778k). In addition, there were receivables from cash pooling of EUR 972,308k (prior year:

EUR 931,431k) with SMD, of EUR 185,139k (prior year: EUR 186,858k) with SCG, of EUR 77,806k (prior year: EUR 52,638k) with SDC, of EUR 60,718k (prior year: EUR 72,047k) with SSC, and of EUR 2,284k (prior year: liability of EUR 6,742k) with Ströer X GmbH, Leipzig.

3. Equity

a) Subscribed capital

The Company's subscribed capital did not change in 2022 and amounted to EUR 56,691,571.00 as at December 31, 2022. The subscribed capital was thus divided into 56,691,571 no-par-value bearer shares as at December 31, 2022. They have a nominal value of EUR 1.00 each and are fully paid up.

The following disclosures are mainly taken from the articles of association of Ströer SE & Co. KGaA.

b) Treasury shares

In accordance with the resolution passed by the shareholder meeting on November 4, 2020, the Company is authorized, in the period up to and including November 3, 2025, to purchase treasury shares for any permissible purpose in an amount equivalent to no more than 10% of the Company's share capital at the time of adoption of the resolution or – if this figure is lower – at the time the authorization is exercised. The shares purchased on the basis of this authorization, together with other shares of the Company that the Company has already purchased and still owns, or that are attributable to the Company pursuant to sections 71a et seq. AktG, must not exceed 10% of the share capital at any time. The authorization must not be used for the purpose of trading in treasury shares. In each instance, the general partner decides whether the

purchase is to be made through the stock exchange, by way of a public purchase offer to all shareholders, by way of a public invitation to the Company's shareholders to tender their shares, or by another means that is in compliance with the principle of equal treatment (section 53a AktG).

Based on the authorization from the annual shareholder meeting on November 4, 2020, Ströer SE & Co. KGaA decided on September 28, 2022 to carry out a share buyback program with a total maximum repurchase volume of EUR 50,000,000.00. The volume of EUR 50,000,000.00 represents the likely maximum number of shares that can be acquired over the subsequent six months within the regulatory limits. The Company launched the program on October 3, 2022. A total of 610,331 treasury shares had been purchased under the program by December 31, 2022 and were still held as at that date. The average purchase price for these shares was approximately EUR 42.35 per share. In accordance with section 71b AktG, shares held by the Company on the day of the shareholder meeting do not confer any voting rights and are not dividend-bearing. However, Ströer SE & Co. KGaA did not hold any treasury shares on the day of the shareholder meeting on June 22, 2022. This share buyback program is intended to enable shareholders of Ströer SE & Co. KGaA to share in the Company's profit. This flexible instrument represents an addition to our capital allocation options that include dividend payments.

The nominal share in subscribed capital of the treasury shares repurchased in 2022 comes to EUR 610,331, or 1.076%.

2019 approved capital

Subject to the approval of the Supervisory Board, the general partner is authorized until June 18, 2024 to increase the Company's share capital once or several times by a maximum of EUR 5,652,657.00 in total by issuing up to 5,652,657 new no-par-value bearer shares for contributions in cash and/or in kind (2019 approved capital).

The shareholders must as a matter of principle receive a pre-emption right. The legal pre-emption right may also be granted by way of the new shares being acquired by a bank or an entity that operates in accordance with section 53 (1) sentence 1 or section 53b (1) sentence 1 (7) of the German Banking Act (KWG), subject to the requirement that they are offered indirectly to shareholders for subscription in accordance with section 186 (5) AktG. However, the general partner is authorized, subject to the approval of the Supervisory Board, to exclude the shareholders' legal pre-emption rights for one or more capital increases within the scope of the approved capital:

- (i) in order to exclude fractional amounts from the shareholders' pre-emption rights;
- (ii) if the capital increase is made in return for contributions in kind including for, but not limited to, the purpose of acquiring entities, parts of entities, or equity investments in entities;
- (iii) if the capital increase is made in return for cash contributions and the issue price of the new shares is not significantly below – in accordance with section 203 (1) and (2) and section 186 (3) sentence 4 AktG – the market price of shares of the same class and voting rights already listed on the stock market on the date on

which the final issue price is determined, and the portion of the share capital attributable to the new shares issued in accordance with this clause (iii), subject to the exclusion of pre-emption rights pursuant to section 186 (3) sentence 4 AktG, does not exceed 10% of the total share capital at the time that such authorization becomes effective or is exercised. The proportional amount of the share capital attributable to new or treasury shares issued or sold since June 19, 2019, subject to the simplified exclusion of pre-emption rights in accordance with, or analogously to, section 186 (3) sentence 4 AktG, must be added to this maximum amount, as must the proportional amount of the share capital attributable to shares with attaching warrants and/or conversion rights/option obligations and/or mandatory conversion requirements from debt securities or participation rights issued since June 19, 2019, applying section 186 (3) sentence 4 AktG analogously; and/or

- (iv) to the extent necessary to issue pre-emption rights for new shares to holders of bonds with warrants or beneficial owners of convertible bonds or participation rights with conversion rights or warrants that are issued by the Company or entities that it controls or in which it holds a majority stake in the scope to which they would be entitled after exercising the warrants or conversion rights or after fulfilling the mandatory conversion requirement.

The shares issued under the above authorization subject to the exclusion of shareholders' pre-emption rights in capital increases in return for cash contributions or contributions in kind may not exceed 10% of the share capital either at the time such authorization becomes effective or – if this figure is lower – at the time it is exercised. The proportionate amount of the share capital attributable to those shares that are issued during the term of this authorization under another authorization subject to the exclusion of pre-emption rights must be deducted from this maximum amount of 10%. Likewise, rights that were issued during the term of this authorization until the date of their exercise under other authorizations, subject to the exclusion of pre-emption rights, and that carry the ability or obligation to subscribe to the Company's shares must also be deducted.

Subject to the approval of the Supervisory Board, the general partner decides on the content of the share rights, the issue price, the consideration to be paid for the new shares, and the other conditions of share issue. After a full or partial increase in the share capital from approved capital or after expiry of the authorization period, the Supervisory Board is authorized to make amendments to the articles of association that only affect the wording.

2015 conditional capital

The share capital is subject to a conditional increase of a maximum of EUR 1,629,523.00 by issuing a maximum of 1,629,523 no-par-value bearer shares (2015 conditional capital). This conditional capital increase, however, may not exceed the remaining amount and the remaining number of shares under the conditional capital increase pursuant to article 6b (1) of the articles of association of Ströer SE on the date on which the change in the legal form of Ströer SE to a partnership limited by shares pursuant to the conversion resolution dated September 25, 2015 took effect. The sole purpose of the conditional capital increase is for the Board of Management to grant, as authorized by resolution of the shareholder meeting dated September 25, 2015, rights to holders of stock options under the 2015 Stock Option Plan. The conditional capital increase will only be implemented to the extent that the holders of stock options granted under the authorization of the shareholder meeting on September 25, 2015 exercise these stock options and that the Company does not settle the stock options in cash. The new shares are eligible for dividend from the beginning of the financial year for which no resolution on the appropriation of profit has been adopted by the shareholder meeting at the time of their issue.

Subject to the approval of the Supervisory Board, the general partner is authorized to determine the further details of the conditional capital increase unless stock options and shares are to be granted to members of the general partner's Board of Management. If this is the case, the Supervisory Board will determine the further details of the conditional capital increase. The Supervisory Board is authorized to amend the articles of association to reflect the scope

of the capital increase from the 2015 conditional capital.

2017 conditional capital

The Company's share capital is subject to a conditional increase of a maximum of EUR 11,056,400.00 by issuing a maximum of 11,056,400 new no-par-value bearer shares (2017 conditional capital). The purpose of the conditional capital increase is to grant no-par-value bearer shares to holders/beneficial owners of convertible bonds and/or bonds with warrants that are being issued by the Company or an investee as a result of the authorization granted under item 9 on the agenda of the shareholder meeting on June 14, 2017. New no-par-value bearer shares are issued at a particular conversion or option price determined by the aforementioned authorization resolution. The conditional capital increase will only be implemented to the extent that conversion or option rights are exercised or holders/beneficial owners who are obliged to do so fulfill their obligation to exercise their conversion rights and provided that a cash settlement is not granted or use is not made of treasury shares or new shares issued from approved capital. The new no-par-value bearer shares are eligible for dividend from the beginning of the financial year in which they are formed as a result of the exercise of warrants or conversion rights or after fulfillment of the mandatory conversion requirements. Subject to the approval of the Supervisory Board, the general partner is authorized to determine the further details of the conditional capital increase.

2019 conditional capital

The share capital is subject to a conditional increase of a maximum of EUR 2,200,000.00 by issuing a maximum of 2,200,000 no-par-value bearer shares (2019 conditional capital). The sole purpose of the conditional capital increase is for rights to be granted, as authorized by the shareholder meeting on June 19, 2019, to holders of stock options under the 2019 Stock Option Plan. The conditional capital increase will only be implemented to the extent that the holders of stock options granted under the authorization of the shareholder meeting on June 19, 2019 exercise these stock options and that the Company does not settle the stock options in cash or by granting treasury shares. The new shares are eligible for dividend from the beginning of the financial year for which no resolution on the appropriation of profit has been adopted by the shareholder meeting at the time of their issue. The general partner is authorized to determine the further details of the conditional capital increase unless stock options and shares are to be granted to members of the general partner's Board of Management. If this is the case, the Supervisory Board of the general partner will determine the further details of the conditional capital increase. The Company's Supervisory Board is authorized to amend the articles of association to reflect the scope of the capital increase from the 2019 conditional capital.

c) Capital reserves

As at the reporting date, the Company had capital reserves of EUR 650,575k (of which EUR 616,124k pursuant to section 272 (2) no. 1 HGB and EUR 34,451k pursuant to section 272 (2) no. 2 HGB), which exceeds 10% of the subscribed capital.

The Company's capital reserves did not change in 2022.

d) Retained earnings

In 2022, a total of 610,331 treasury shares were acquired at an acquisition cost of EUR 25,845k. Of this amount, EUR 610k represented the nominal share in subscribed capital. The remaining amount of EUR 25,235k was deducted from retained earnings.

In accordance with the resolution of the shareholder meeting on June 22, 2022, a total of EUR 2,403k of the accumulated profit for 2021 was transferred to retained earnings.

All in all, the Company's retained earnings decreased by EUR 22,832k in 2022, from EUR 386,736k to EUR 363,904k.

e) Accumulated profit

By resolution of the shareholder meeting on June 22, 2022, a sum of EUR 127,556k was distributed as a dividend (EUR 2.25 per dividend-bearing no-par-value share) and a sum of EUR 2,403k was transferred to other retained earnings. The remainder of the accumulated profit for 2021 of EUR 125,000k was carried forward to the next accounting period.

4. Tax provisions

Tax provisions predominantly consisted of provisions for trade tax of EUR 3,357k (prior year: EUR 2,380k) and provisions for corporate income tax of EUR 25,214k (prior year: EUR 16,496k). They also included other tax provisions of EUR 94k (prior year: EUR 71k) for VAT-related matters identified during the 2013–2016 tax audit.

5. Other provisions

Other provisions can be broken down as follows:

	EUR k
Outstanding invoices	19,990
Other provisions resulting from disposals	2,984
Financial statement and audit costs	1,263
Personnel provisions	928
Potential losses and litigation risks	873
Miscellaneous	310
Total	26,348

6. Liabilities

A breakdown of liabilities by remaining term is presented in the following statement of changes in liabilities:

	Thereof due in			
	Total amount EUR k	Up to 1 year EUR k	1 to 5 years EUR k	More than 5 years EUR k
Liabilities to banks	753,853 <i>(prior year: 631,841)</i>	27,853 <i>(prior year: 310,841)</i>	288,000 <i>(prior year: 321,000)</i>	438,000 <i>(prior year: 0)</i>
Trade payables	5,182 <i>(prior year: 5,553)</i>	5,182 <i>(prior year: 4,110)</i>	0 <i>(prior year: 1,443)</i>	0 <i>(prior year: 0)</i>
Liabilities to affiliates	182,467 <i>(prior year: 218,354)</i>	182,467 <i>(prior year: 218,354)</i>	0 <i>(prior year: 0)</i>	0 <i>(prior year: 0)</i>
Liabilities to other investees and investors	<i>(prior year: 10)</i>	<i>(prior year: 10)</i>	<i>(prior year: 0)</i>	<i>(prior year: 0)</i>
Other liabilities	754 <i>(prior year: 756)</i>	754 <i>(prior year: 756)</i>	0 <i>(prior year: 0)</i>	0 <i>(prior year: 0)</i>
	942,256 <i>(prior year: 856,514)</i>	216,256 <i>(prior year: 534,071)</i>	288,000 <i>(prior year: 322,443)</i>	438,000 <i>(prior year: 0)</i>

Liabilities to banks of EUR 417,460k were secured by way of joint and several liability of entities of the Ströer KGaA Group (guarantors) as evidenced by an independent guarantee.

Of the liabilities to affiliates, EUR 139,456k (prior year: EUR 188,313k) was attributable to cash pooling with companies in the Ströer Group. Once again, short-term loans were granted in the reporting year by StayFriends GmbH, Berlin (EUR 21,700k; prior year: EUR 8,607k), Ströer Netherlands C.V., Amsterdam, Netherlands (EUR 6,389k; prior year: EUR 5,350k), Business Advertising GmbH, Düsseldorf (EUR 4,750k; prior year: EUR 3,600k), Yieldlove GmbH, Hamburg (EUR 3,500k; prior year: EUR 3,500k), Hamburger Verkehrsmittel-Werbung GmbH, Hamburg (EUR 3,500k; prior year: EUR 3,500k), Permodo GmbH, Munich (EUR 1,321k; prior year: EUR 1,321k), and OPS Online Post Service GmbH, Berlin (EUR 350k; prior year: EUR 0k). This item also included trade payables of EUR 1,501k (prior year: EUR 563k).

7. Deferred taxes

Deferred taxes at the level of Ströer SE & Co. KGaA (tax group parent) were calculated on the basis of a tax rate of 31.172% (prior year: 31.546%). This comprises corporate income tax of 15%, the solidarity surcharge on corporate income tax of 5.5% (15.825% in total), and average trade tax of 15.347%.

As in the past, deferred taxes are attributable to the consolidation of the tax bases of the subsidiaries in the tax group at the level of Ströer SE & Co. KGaA, the tax group parent.

In 2021, deferred tax assets exceeded deferred tax liabilities overall. The option to recognize deferred tax assets afforded by section 274 HGB was not exercised.

In 2022, deferred tax liabilities exceeded deferred tax assets by EUR 18,821k overall. Pursuant to section 274 (1) sentence 1 HGB, this net figure for deferred tax liabilities must be recognized on the balance sheet.

As at December 31, 2022, the deferred tax assets essentially arose from the different treatment of goodwill and from the difference in how provisions are recognized for tax purposes.

Deferred tax liabilities mainly arose from the temporary differences in respect of equity investments. Ströer intends to utilize the option to recognize a reserve in accordance with section 34 (6e) of the German Corporate Income Tax Modernization Act (KöMoG). The resulting deferred tax liabilities will be recognized through profit or loss. This is because the option to recognize a reserve has been introduced for tax groups established for income tax purposes, replacing the adjustment item method. The reserve option under KöMoG can be exercised for the first time for financial years ending after December 31, 2021.

The deferred tax liabilities are offset against the deferred tax assets. A breakdown of deferred taxes is presented in the table below:

EUR k	Dec. 31, 2022	Change	Dec. 31, 2021
Deferred tax assets	13,188	-8,368	21,556
Deferred tax liabilities	32,009	14,643	17,366

D. Notes to the income statement

1. Revenue

In 2022, revenue amounted to EUR 33,139k (prior year: EUR 28,709k) and was generated in Germany, mainly from commercial, motor vehicle, cycle-to-work, and IT services rendered for subsidiaries of the Ströer Group (EUR 24,178k; prior year: EUR 20,389k) and from rental income (EUR 8,924k; prior year: EUR 8,277k).

2. Other operating income

Other operating income included income of EUR 9,549k from the disposal of non-current assets of the equity investment in SEM Internet Reklam Hizmetleri ve Danismanlik A.S., Istanbul, Turkey, income of EUR 3,150k from payments received in respect of receivables that had previously been written down, and out-of-period income of EUR 206k resulting from the reimbursement of costs for prior years.

3. Other operating expenses

Other operating expenses included out-of-period expenses of EUR 409k for services received in prior years but billed in 2022. These primarily consisted of out-of-period expenses resulting from retrospective payments of operating and maintenance costs relating to prior years (EUR 62k).

In 2022, there were also extraordinary expenses of EUR 305k for digitalization projects aimed at optimizing processes and of EUR 113k for measures in connection with the coronavirus pandemic (hygiene protocols, face masks, rapid testing).

4. Income taxes

Due to the Company's function as tax group parent, all of the tax bases of the subsidiaries in the tax group are transferred to the Company. In this context, trade tax add-backs, restrictions on the deduction of interest expense, and rules on minimum taxation give rise to taxable income/trade earnings.

Income taxes included amounts totaling EUR 1,985k relating to prior years.

E. Other notes

1. Contingent liabilities and other financial obligations

a) Contingent liabilities

In connection with the acquisition of Ströer DERG Media GmbH, Kassel, Ströer KGaA issued an indefinite guarantee to Deutsche Bahn AG for the obligations of Ströer DERG Media GmbH under the advertising space agreement. These particularly relate to expenses for advertising media intended for the installation and operation of digital real-time systems for information and entertainment and the upgrading of existing advertising media. Over the term of the long-term agreement, the investment volume comes to roughly EUR 20m plus ongoing operating and maintenance costs and overheads. The level of the ongoing costs depends, on the one hand, on the scope and duration of implementation and, on the other, on the use of existing electronic media structures within the Ströer Group.

Under the rental agreement concluded between Deka Immobilien Investment GmbH, Frankfurt am Main, and the tenant STRÖER media brands AG, Berlin, with effect from July 1, 2015 for the building at Torstrasse 49 in Berlin, Ströer KGaA assumed an indefinite guarantee in an amount of EUR 107k.

Under the agreement on the exercise of advertising rights for public spaces of the City of Ulm between the City of Ulm and DSM dated July 21, 2017, Ströer KGaA assumed a guarantee of EUR 1,500k that runs until December 31, 2033.

Under the agreement on the exercise of advertising rights for public spaces of the City of Ravensburg between the City of Ravensburg and DSM dated May 23, 2015, Ströer KGaA assumed a guarantee of EUR 300k that runs until December 31, 2024.

With regard to an agreement concluded between SEM Internet Reklam Hiz. Ve Dan. A.S., Istanbul, Turkey, and Facebook Ireland Ltd., Dublin, Ireland, in January 2014, Ströer KGaA assumed an indefinite guarantee for an amount equivalent to EUR 469k (USD 500k) on August 19, 2015.

Under the rental agreement concluded with FAKT RUHRTURM GmbH, Essen, for the building at Huttropstrasse 60 in Essen dated January 14, 2014, Ströer KGaA assumed an indefinite guarantee on November 22, 2017 for the tenant Avedo Essen GmbH, Essen, in an amount of EUR 55k.

Under the rental agreement dated December 1, 2017 between MS Immobilien Fonds-Objekt Leipzig GmbH & Co. KG, Stuttgart, and Avedo Leipzig West GmbH, Leipzig, Ströer KGaA assumed an indefinite guarantee of EUR 79k.

For the rental agreement from 2012 and its addendum from 2016 concluded between Blue Building Grundstücks GbR, Bonn, and Avedo Köln GmbH, Cologne, Ströer KGaA assumed an indefinite guarantee of EUR 114k.

In connection with a rental agreement concluded between Statista GmbH, Hamburg, and Immobilienverwaltungsgesellschaft der ver.di GmbH, Berlin, in

December 2021, Ströer KGaA assumed a guarantee of EUR 52k that runs until December 31, 2026.

Statista Inc., New York, USA, entered into a rental agreement with Dixon Hughes Goodman LLP, New York, USA, on December 21, 2021. For this rental agreement, Ströer KGaA assumed a guarantee for an amount equivalent to EUR 2,344k (USD 2,500k) that runs until April 30, 2025.

On June 5, 2018, Ströer KGaA assumed an absolute guarantee vis-à-vis Deutsche Bank AG for Omnea GmbH, Berlin, of EUR 300k. The guarantee is indefinite.

For an agreement concluded between Ranger Marketing & Vertriebs GmbH, Düsseldorf, and Telekom Deutschland GmbH, Bonn, on campaign-based direct marketing, Ströer KGaA assumed an indefinite absolute guarantee for all of Telekom's existing and future claims under the data protection agreements. The liability amount is not capped and it is not possible to estimate the extent of a potential claim.

Other guarantees and indemnities covering a total of EUR 87k were also in place as at December 31, 2022, but individually the amounts were not high enough for them to be considered material.

Ströer KGaA has issued letters of comfort for Ströer SSP GmbH, Munich (December 19, 2017), Statista GmbH, Hamburg (December 15, 2022), Edgar Ambient Media Group GmbH, Hamburg (December 15, 2022), Regiohelden GmbH, Stuttgart (December 15, 2022), Content Fleet GmbH, Hamburg (December 15, 2022), StayFriends GmbH, Berlin (December 15, 2022), Business Advertising GmbH, Düsseldorf

(December 15, 2022), KWS Verkehrsmittelwerbung GmbH, Stuttgart (July 27, 2022), and Asam Betriebs-GmbH (July 12, 2022). The letter of comfort for Ströer SSP GmbH is for an indefinite term and unlimited amount. The letter of comfort for Statista GmbH is limited in time until the end of December 31, 2023 and is for an amount of EUR 100m. The letter of comfort for StayFriends GmbH is for an amount of EUR 15m. The letter of comfort for KWS Verkehrsmittelwerbung GmbH is limited in time until the end of December 31, 2025 and is for an amount of EUR 500k. The letter of comfort for Asam Betriebs-GmbH is limited in time until the end of June 30, 2023 and is for an amount of EUR 700k. Each of the other letters of comfort is limited in time until the end of December 31, 2023 and is for an unlimited amount.

We currently deem the risk of a claim under the above guarantees and letters of comfort to be low because each of the underlying obligations can be met by the respective subsidiary of Ströer KGaA and a claim is therefore unlikely.

b) Total amount of other off-balance-sheet financial obligations

In addition to the contingent liabilities, there are other financial obligations amounting to EUR 60,103k. These obligations relate to the following matters:

The Company has other financial obligations from the rental and leasing of administrative and warehouse buildings at various locations, particularly Cologne, Hamburg, and Munich. The remaining terms can be broken down as follows:

■ Up to 1 year:	EUR 11,139k
■ 1 to 5 years:	EUR 39,366k
■ More than 5 years:	EUR 1,618k

The buildings were rented or leased to avoid the cash outflows and financing that would have been required if the buildings had been purchased. However, these benefits result in fixed and contractually agreed payment obligations over the contractual term.

There are other financial obligations relating to other rental agreements and leases for other furniture and fixtures and for software:

Lease payments:

■ Up to 1 year:	EUR 456k
■ 1 to 5 years:	EUR 385k

Other financial obligations also arise in connection with leased cars.

Lease payments:

■ Up to 1 year:	EUR 3,501k
■ 1 to 5 years:	EUR 3,638k

2. Related party transactions

The following significant transactions with related parties were conducted:

Type of relationship	Other related parties	
	Subsidiaries EUR k	Other related parties EUR k
Provision of services	4,472	498
Provision of other services	1,873	559
Purchase of other services	337	12,330
Loans granted	1,000	0
Repayment of loans granted	800	0
Loans received	6,150	0
Repayment of loans received	5,300	0

The subsidiaries are fully included in Ströer KGaA's consolidated financial statements but are not directly or indirectly wholly owned.

Other related parties comprise companies that are not fully included in Ströer KGaA's consolidated financial statements and companies in which persons on a Ströer KGaA governing board have an equity interest. Furthermore, other related parties include companies that can exercise significant influence over Ströer KGaA and key management personnel.

The Company provides services in connection with subletting, IT services, central procurement, and personnel services.

In addition, the Company provides other services in the form of interest-bearing loans to subsidiaries and in connection with subletting.

The purchase of other services mainly relates to expenses for intragroup charging by subsidiaries.

For information on further transactions with the Board of Management and the Supervisory Board, please refer to our disclosures in E.4.

3. Audit and consulting fees

The total fee charged by the auditor for the reporting year pursuant to section 285 no. 17 HGB is included in the relevant disclosures in the notes to the consolidated financial statements.

4. Board of Management and Supervisory Board

The composition of the Board of Management of the general partner, Ströer Management SE, Düsseldorf ('Board of Management') and the Supervisory Board

of Ströer KGaA is shown in the following table, along with the statutory supervisory boards and comparable oversight bodies to which the members of the Board of Management and Supervisory Board also belong:

Name	Membership of statutory supervisory boards	Membership of comparable oversight bodies
Board of Management		
Udo Müller (Co-CEO)		
Christian Schmalzl (Co-CEO)		Internet Billboard a.s., Ostrava, Czech Republic Monogram Network Inc., L.A., USA
Dr. Christian Baier (COO) (until July 31, 2022)		
Henning Gieseke (CFO)		
Supervisory Board		
Christoph Vilanek CEO freenet AG, Büdelsdorf (Chairman)	CECONOMY AG, Düsseldorf eXaring AG, Munich Ströer Management SE, Düsseldorf VNR Verlag für die Deutsche Wirtschaft AG, Bonn	
Ulrich Voigt Chief Executive Officer of Sparkasse KölnBonn (Deputy Chairman)	Ströer Management SE, Düsseldorf Landesbank Berlin Holding AG, Berlin Landesbank Berlin AG, Berlin	
Dr. Karl-Georg Altenburg Vice Chairman of the Board of Directors of Plastic Energy Global S.L, Madrid, Spain	Ströer Management SE, Düsseldorf	MedShr Ltd., London, UK
Angela Barzen Coach and business trainer for managers and companies (until June 22, 2022)		
Martin Diederichs Attorney	Pison Montage AG, Dillingen Ströer Management SE, Düsseldorf	DSD Steel Group GmbH, Saarlouis
Andreas Güth Regional manager at Eisenbahn- und Verkehrsgewerkschaft in Kassel (EVG) (since June 22, 2022)		

Andreas Huster Chairman of the works council of tricones360 Gera GmbH, Gera	tricones360 Verwaltung Hamburg GmbH, Hamburg
Sabine Hüttinger Employee in the Public Affairs department at Ströer Deutsche Städte Medien GmbH, Cologne	
Christian Kascha Team and project leader for research and consulting projects at Statista GmbH (since June 22, 2022)	
Simone Kollmann-Göbels Senior Vice President Procurement & Real Estate at Ströer SE & Co. KGaA (since June 22, 2022)	
Elisabeth Lepique Managing Partner at Luther Rechtsanwalts- gesellschaft mbH, attorney, tax accountant (since June 22, 2022)	
Barbara Liese-Bloch Managing Director of MONOFIL-TECHNIK Gesell- schaft für Synthese Monofile mbH, Hennef	
Petra Loubek Head of Regional Internal Services at Ströer Media Deutschland GmbH, Cologne (until June 22, 2022)	
Rachel Marquardt Head of Collective Bargaining Policy – Industry, Publishing, Printing, and Paper (ver.di) (until June 22, 2022)	Bundesdruckerei Gruppe GmbH, Berlin Bundesdruckerei GmbH, Berlin
Tobias Meuser Area Manager at Ströer Deutsche Städte Medien GmbH, Cologne	
Dr. Thomas Müller Head of Telecommunications/ Information Technology (ver.di) (until June 22, 2022)	Deutsche Telekom Services Europe SE, Bonn
Nadine Reichel Commercial Manager for Accounting/Financial Planning and Reporting at Infoscreen GmbH, Cologne (until June 22, 2022)	

Christian Sardiña Gellesch
Head of Portfolio Management for the West region
at Ströer Media Deutschland GmbH
(until June 22, 2022)

Dr. Kai Sauermann Ströer Management SE, Düsseldorf
Auditor/tax accountant,
shareholder-managing director of
SEJ GmbH-Steuerberatungsgesellschaft

Stephan Somberg
Labor Union Secretary
(ver.di)
(since June 22, 2022)

Tobias Schleich
Chairman of the works council of
Ströer Digital Media GmbH
(since June 22, 2022)

Petra Sontheimer
Management coach and organizational consultant
at cidpartners GmbH, Bonn

Until December 31, 2018, the employment contracts for the members of the Board of Management of the unlisted Ströer Management SE were between the board member concerned and Ströer KGaA; since January 1, 2019, the contracts have been with Ströer Management SE. Since 2019, Ströer Management SE has paid remuneration directly to the members of its Board of Management, but then charged the amount on to Ströer KGaA in accordance with article 9 (3) sentence 2 of the latter's articles of association. Disclosures are made below on the structure and amount of the remuneration of the Board of Management and Supervisory Board of Ströer Management SE and Ströer SE & Co. KGaA.

Mr. Müller, Mr. Schmalzl, Dr. Baier, and Mr. Gieseke exercised their Board of Management functions on a full-time basis. Dr. Baier stepped down from the Board of Management with effect from July 31, 2022.

The total remuneration for the Board of Management's performance of its duties amounted to EUR 11,118k for 2022 (prior year: EUR 11,349k). This included share-based payments with a fair value of EUR 67k at the time of grant (prior year: EUR 395k). In 2022, the active members of the Board of Management were granted 20,000 stock options (prior year: 60,000) under the 2019 Stock Option Plan.

In 2022, the members of the Supervisory Board were granted total remuneration of EUR 477k (prior year: EUR 414k) for their work on the Supervisory Board. The remuneration of the individual Supervisory Board members is disclosed in the remuneration report.

Short-term benefits primarily comprise salaries, remuneration in kind, and performance-based remuneration components that are not paid until the following financial year. Long-term benefits comprise performance-based remuneration components granted to the Board of Management – excluding share-based payments – that are only paid in later years.

Of all the long-term benefits (LTI), a sum of EUR 3,904k is due for payment in 2023.

Stock Option Plan:

Under the Stock Option Plan resolved upon by the shareholder meeting in 2015 (2015 SOP), the Board of Management was granted no options in 2022, bringing the total to 1,097,846 options, of which 200,000 options expired in 2022.

In 2019, another Stock Option Plan (2019 SOP) was resolved upon, under which the Board of Management was granted 20,000 options in 2022, bringing the total to 1,560,000, of which 1,520,000 options expired in 2022.

The option rights can be exercised at the earliest at the end of a four-year vesting period beginning on the option grant date. The options have a contractual term of seven or eight years. The Company has the right to settle the options in cash instead of granting new shares. The right to exercise the stock options is dependent on the fulfillment of a certain length of service (vesting period), the Company's share price, and a minimum EBITDA (adjusted) for the Group of EUR 250m (2015 SOP) or EUR 600m (SOP 2019). The gain that can be achieved by option

holders from exercising their stock options must not exceed three times the relevant exercise price.

As at the grant date, the fair value of the stock options granted is determined using a Black-Scholes model and taking into account the conditions at which the stock options were issued.

The weighted average fair value of all options granted under the 2015 SOP was EUR 8.09 (prior year: EUR 9.78). The weighted average fair value of all options granted under the 2019 Stock Option Plan was EUR 5.16 (prior year: EUR 8.77).

As at December 31, 2022, a total of EUR 16,227k (prior year: EUR 16,222k) was recognized as provisions for all potential future short-term and long-term bonus entitlements of the Board of Management, of which EUR 424k (prior year: EUR 1,090k) was attributable to current share-based payment entitlements.

5. Employees

In 2022, there was an average of 282 salaried employees (prior year: 262) and eleven temporary members of staff (prior year: 15).

6. List of shareholdings

The disclosures pursuant to section 285 no. 11 HGB on the Company's equity investments as defined by section 271 (1) HGB and the disclosures pursuant to section 285 no. 11b HGB on equity investments in large corporations exceeding 5% of the voting rights are presented in the following list of shareholdings:

	Equity interest as at Dec. 31, 2022 %	Equity as at Dec. 31, 2022 EUR k	Profit or loss in 2022 EUR k
Direct equity investments			
blowUP media GmbH, Cologne	100.0	1,105	*4,917
eValue 2nd Fund GmbH, Berlin (in liquidation)	33.3	**3,043	** -7
Internet Billboard a.s., Ostrava, Czech Republic	100.0	1,188	375
Ströer Content Group GmbH, Cologne	100.0	50	*20,774
Ströer Digital Commerce GmbH, Cologne	100.0	25	*328
Ströer Digital Publishing GmbH, Cologne	100.0	111,982	*78,489
Ströer Media Deutschland GmbH, Cologne	100.0	121,245	*95,941
Ströer Polska Sp. z.o.o., Warsaw, Poland	100.0	7,811	156
Ströer Sales Group GmbH, Cologne	100.0	50	*47,213
Indirect equity investments			
4EVER YOUNG GmbH, Munich	100.0	670	535
ad.audio GmbH, Hamburg	20.0	18	-4
Adscale Laboratories Ltd., Christchurch, New Zealand	100.0	1,442	127
ahuhu GmbH, Unterföhring	80.0	970	921
Ambient-TV Sales & Services GmbH, Hamburg	70.0	1,648	1,598
andré media West GmbH, Cologne (formerly: Super M&N GmbH, Cologne)	60.0	-1,118	-137
ARGE Außenwerbung Schönefeld GbR, Berlin	50.0	21	10
Asam Betriebs-GmbH, Beilngries	100.0	8,510	*6,953
ASAMBEAUTY GmbH, Unterföhring	100.0	450	* -964
ASAMBEAUTY TRADING (SHANGHAI) CO., LTD., Shanghai, China	100.0	73	-1,308
ASAMBEAUTY US INC., Hollywood, USA	100.0	-4,051	-2,513
Avedo Albania SHPK, Tirana, Albania	100.0	16	-30
Avedo Bulgaria EOOD, Plovdiv, Bulgaria	100.0	-18	-44
Avedo Essen GmbH, Essen	100.0	982	*315
AVEDO Gelsenkirchen GmbH, Gelsenkirchen	100.0	25	* -584
Avedo Hellas M.A.E., Thessaloniki, Greece	100.0	173	6
Avedo II GmbH, Pforzheim	100.0	1,131	*552
Avedo Kosovo L.L.C., Pristina, Kosovo	100.0	510	0
Avedo Köln GmbH, Cologne	100.0	515	*1,047
Avedo Leipzig GmbH, Leipzig	100.0	965	*690
AVEDO Leipzig West GmbH, Leipzig	100.0	25	*896
Avedo München GmbH, Munich	100.0	155	*320
Avedo Palma S.A.U., Palma de Mallorca, Spain	100.0	2,374	381
Avedo Rostock GmbH, Rostock	100.0	2,989	*1,506
BHI Beauty & Health Investment Group Management GmbH, Unterföhring	51.0	36,841	*2,907
blowUP media Belgium BVBA, Antwerp, Belgium	100.0	1,628	666
blowUP media Benelux B.V., Amsterdam, Netherlands	100.0	6,998	1,752

blowUP media U.K. Ltd., London, UK	100.0	4,443	2,187
Business Advertising GmbH, Düsseldorf	65.7	2,253	1,513
Business Power GmbH, Düsseldorf	100.0	211	136
Contactar Sarl, Tunis, Tunisia	100.0	40	-25
Content Fleet GmbH, Hamburg	100.0	2,320	1,362
Courtier en Economie d'Énergie S.A.S.U., Metz, France	100.0	-684	-1,337
Dea Holding S.r.l., Bergamo, Italy	51.0	28,056	4,956
Dea S.r.l., Bergamo, Italy	100.0	369	270
DERG Vertriebs GmbH, Cologne	100.0	50	*332
Diciotto Plus S.r.l., Bergamo, Italy	100.0	55	32
Dieci S.c.a.r.l., Bergamo, Italy	100.0	199	61
Diler Power Italia S.r.l., Bergamo, Italy	100.0	706	349
DSA Schuldisplay GmbH, Hamburg	51.0	-91	-26
DSMDecaux GmbH, Munich	50.0	17,678	16,119
DSM Deutsche Städte Medien GmbH, Frankfurt am Main	100.0	607,512	*77,622
DSM Krefeld Außenwerbung GmbH, Krefeld	51.0	1,582	113
DSM Rechtesgesellschaft mbH, Cologne	100.0	25	*73,196
DSM Werbeträger GmbH & Co. KG, Cologne	100.0	30,826	425
DSM Zeit und Werbung GmbH, Cologne	100.0	1,453	*506
ECE flatmedia GmbH, Hamburg	75.1	50	*10,290
Edgar Ambient Media Group GmbH, Hamburg	82.4	2,296	1,740
FA Business Solutions GmbH, Hamburg	50.0	930	484
Fahrgastfernsehen Hamburg GmbH, Hamburg	100.0	1,408	172
grapevine marketing GmbH, Munich	62.2	637	467
Hamburger Verkehrsmittel-Werbung GmbH, Hamburg	75.1	205	*1,148
HanXX Media GmbH, Cologne	51.0	197	160
iBillBoard Internet Reklam Hizmetleri ve Bilisim Teknolojileri A.S., Istanbul, Turkey	96.0	-9	20
iBillBoard Poland Sp. z.o.o., Warsaw, Poland	100.0	-180	-60
INFOSCREEN GmbH, Cologne	100.0	8,227	*79,916
InnoBeauty GmbH, Unterföhring	100.0	200	*-260
Institute for Digital Out of Home Media GmbH, Munich	45.0	21	-4
Instytut Badań Outdooru IBO Sp. z.o.o., Warsaw, Poland	50.0	132	-16
Interactive Media CCSP GmbH, Cologne	94.2	100,334	*27,894
ITwo S.r.l., Bergamo, Italy	100.0	697	657
Klassenfreunde.ch GmbH, Alpnach, Switzerland	100.0	286	24
Klassträffen Sweden AB, Karlskoga, Sweden	100.0	199	33
KWS Verkehrsmittelwerbung GmbH, Stuttgart	100.0	592	422
LSP Digital GmbH & Co. KG, Hamburg	100.0	1,297	-329
M. Asam GmbH, Unterföhring	100.0	5,764	*-5,408
MBR Targeting GmbH, Berlin	100.0	-2,640	767
Media-DirektSERVICE GmbH, Cologne	100.0	-4,779	-630
mediateam Stadtservice GmbH / Ströer Media Deutschland GmbH in GbR, Berlin	50.0	-5	-5
Neo Advertising GmbH, Hamburg	100.0	484	75

nxt statista Management GmbH, Hamburg (formerly: LSP Digital Management GmbH, Hamburg)	100.0	30	-1
Omnea GmbH, Berlin	100.0	1,233	1,986
OPS Online Post Service GmbH, Berlin	100.0	805	*560
optimise-it GmbH, Hamburg	100.0	14	-236
OS Data Solutions GmbH & Co. KG, Hamburg	50.0	1,029	325
OS Data Solutions Verwaltung GmbH, Hamburg	50.0	24	0
"Outsite Media GmbH", Mönchengladbach (formerly: Outsite Media GmbH, Mönchengladbach)	51.0	1,008	978
Permodo GmbH, Düsseldorf	100.0	52	*8,231
PosterSelect Media-Agentur für Aussenwerbung GmbH, Baden- Baden	100.0	1,939	88
PrintSafari.com GmbH, Berlin	100.0	-514	-333
PrintSafari.com Inc., Ashburnham, USA	100.0	146	-15
Ranger France S.A.S.U., Paris, France	100.0	5,609	739
Ranger Marketing & Vertriebs GmbH, Düsseldorf	100.0	24,781	*47,797
RegioHelden GmbH, Stuttgart	100.0	5,805	1,970
Retail Media GmbH, Cologne	100.0	25	*399
SA1 Immobilien GmbH, Cologne	100.0	29	4
Sales Holding GmbH, Düsseldorf	100.0	26,607	*41,329
Seeding Alliance GmbH, Cologne	70.0	124	*1,063
Service Planet GmbH, Düsseldorf	100.0	985	*215
Services PrintSafari.com Canada Inc., Montreal, Canada	100.0	-235	4
SIGN YOU mediascreen GmbH, Oberhausen	100.0	538	43
SMD Rechtesgesellschaft mbH, Cologne	100.0	25	*42,041
SMD Werbeträger GmbH & Co. KG, Cologne	100.0	18,438	215
SRG Rechtesgesellschaft mbH, Cologne	100.0	25	*29,748
SRG Werbeträger GmbH & Co. KG, Cologne	100.0	14,331	136
Statista Australia Pty. Ltd., North Sydney, Australia	100.0	9	-58
Statista GmbH, Cologne	100.0	-48,372	-17,833
Statista Inc., New York, USA	100.0	9,132	2,583
Statista Japan Ltd., Tokyo, Japan	100.0	43	79
Statista Ltd., London, UK	100.0	-902	332
Statista Pte. Ltd., Singapore, Singapore	100.0	516	232
Statista S.a.r.l., Paris, France	100.0	574	135
StayFriends GmbH, Berlin	100.0	16,919	8,473
Ströer Content Group Sales GmbH, Cologne	100.0	25	*222
Ströer Core GmbH & Co. KG, Leverkusen	100.0	5,503	-3,505
Ströer Core Verwaltungs GmbH, Leverkusen	100.0	27	1
Ströer DERG Media GmbH, Kassel	100.0	5,492	*7,277
Ströer Deutsche Städte Medien GmbH, Cologne	100.0	500	*6,666
Ströer Digital Group GmbH, Cologne	100.0	94,014	*20,802
Ströer Digital Media GmbH, Hamburg	100.0	12,692	*9,262
Ströer media brands apps d.o.o., Zagreb, Croatia	100.0	143	44
Ströer media brands GmbH, Berlin	100.0	2,335	*8,569
Ströer Media Sp. z.o.K., Warsaw, Poland	100.0	5,124	736

Ströer Media Sp. z.o.o., Warsaw, Poland	100.0	4	-1
Ströer Netherlands B.V., Amsterdam, Netherlands	100.0	0	1
Ströer Netherlands C.V., Amsterdam, Netherlands	100.0	5,508	41
Ströer News Publishing GmbH, Cologne	100.0	305	*397
Ströer Next Publishing GmbH, Cologne	100.0	25	*-583
Ströer Sales & Services GmbH, Cologne	100.0	272	*21,770
STRÖER SALES France S.A.S.U., Paris, France	100.0	22,509	302
Ströer Social Publishing GmbH, Berlin	100.0	25	*1,840
Ströer SSP GmbH, Munich	100.0	-11,264	-10,353
Ströer Werbeträgerverwaltungs GmbH, Cologne	100.0	25	*4
Ströer X GmbH, Leipzig	100.0	39,517	*46,738
Tom S.r.l., Bergamo, Italy	100.0	696	566
tricontes360 GmbH, Cologne	50.0	**7,799	**6,008
Trombi Acquisition SARL, Paris, France	100.0	-998	27
X-City Marketing Hannover GmbH, Hannover	50.0	12,564	1,580
Yieldlove GmbH, Hamburg	100.0	25	*5,715

*Profit or loss before profit-or-loss transfer.

**Prior-year figures.

7. Consolidated financial statements

The Company prepares the consolidated financial statements for the largest and smallest group of entities. The consolidated financial statements are published in the Company Register.

8. General partner

Ströer Management SE, Düsseldorf, which is the general partner, reported subscribed capital of EUR 120k as at December 31, 2022.

9. Disclosures pursuant to section 160 (1) no. 8 AktG

As at December 31, 2022, Udo Müller, founder and Co-Chief Executive Officer, held a total of 23.34% of the shares directly and indirectly through interposed subsidiaries; Dirk Ströer held 19.64%, also directly and indirectly. Based on the notifications received by the Company, we are aware of the following parties that hold more than 3.00% of the voting rights in Ströer KGaA: ValueAct Holdings GP, LLC 15.06%, JPMorgan Chase & Co. 9.78%, Allianz Global Investors GmbH 9.01%, DWS Investment 4.92%, and Credit Suisse 3.44%. The free float came to 43.44%.

10. Proposal for the appropriation of profit

The general partner proposes, subject to the approval of and discussion with the Supervisory Board, that the accumulated profit of EUR 281,457,152.43 disclosed in the separate financial statements as at December 31, 2022 be appropriated as follows:

- Distribution of a dividend of EUR 1.53 per dividend-bearing no-par-value share, which makes EUR 85,804,297.20 in total (with 56,081,240 no-par-value shares)
- Allocation of EUR 652,855.23 to retained earnings
- Carryforward of the remaining EUR 195,000,000.00 to the next accounting period.

11. Subsequent events

Ströer SE & Co. KGaA launched its first share buy-back program on October 3, 2022. The program has a total volume of up to EUR 50,000k. By December 31, 2022, a total of 610,331 treasury shares had been repurchased under the program for a total amount of EUR 25,845k. This represented an average purchase price of around EUR 42.35 per share. The program was continued unchanged in 2023. In the period from January 1 to February 28, 2023, a further 144,256 treasury shares were repurchased for a total of EUR 7,383k. This corresponded to an average purchase price of around EUR 51.18 per share.

There were no other material events after the close of the financial year that have a significant financial effect.

12. Declaration pursuant to section 161 AktG on the German Corporate Governance Code

The Board of Management of the general partner of Ströer KGaA, Ströer Management SE, Düsseldorf, and the Supervisory Board of Ströer KGaA submitted the annual declaration of compliance with the German Corporate Governance Code in accordance with section 161 AktG on December 9, 2022 and made it permanently available to shareholders on the Company's website at <https://ir.stroeer.com/investor-relations/corporate-governance/>.

Cologne, March 17, 2023

Ströer SE & Co. KGaA

represented by: Ströer Management SE (general partner)

Udo Müller

Christian Schmalzl

Henning Gieseke

Responsibility statement

To the best of our knowledge, and in accordance with the applicable financial reporting principles, the separate financial statements give a true and fair view of the net assets, financial position, and financial performance of the Company, and the combined management report of the Company and the Group includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal opportunities and risks associated with the expected future development of the Company.

Cologne, March 17, 2023

Ströer SE & Co. KGaA

represented by: Ströer Management SE (general partner)

Udo Müller

Christian Schmalzl

Henning Gieseke

Exhibit 1 to the notes to the financial statements of Ströer SE & Co. KGaA, Cologne
Disclosures pursuant to section 160 (1) no. 8 of the German Stock Corporation Act (AktG)

The Company published the following notifications:

Deutsche Telekom AG, Bonn, Germany

February 8, 2022 3.35 p.m.

Ströer SE & Co. KGaA

Ströer SE & Co. KGaA: publication pursuant to section 40 (1) WpHG with the aim of Europe-wide distribution

February 8, 2022 / 3.35 p.m.

Publication of a voting rights notification transmitted by DGAP – a service of EQS Group AG. The issuer/publisher is responsible for the content of the notification.

Voting rights notification

1. Information about the issuer

Name:	Ströer SE & Co. KGaA
Street, number:	Ströer Allee 1
ZIP code:	50999
City:	Cologne Germany
Legal Entity Identifier (LEI):	529900MBF3N1ATE55378

2. Reason for notification

<input checked="" type="checkbox"/>	Purchase or sale of shares bearing voting rights
<input type="checkbox"/>	Purchase or sale of instruments
<input type="checkbox"/>	Change in total number of voting rights
<input type="checkbox"/>	Other reason:

3. Information about the notifying party

Legal entity: Deutsche Telekom AG
Registered office, country: Bonn, Germany

4. Names of shareholders

holding 3% or more of voting rights, if not identical to 3.

5. Date threshold reached:

February 2, 2022

6. Total share of voting rights

	Share of voting rights (total 7.a.)	Share of instruments (total 7.b.1.+ 7.b.2.)	Total share (total 7.a. + 7.b.)	Total number of voting rights pursuant to section 41 WpHG
New	2.59%	0.00%	2.59%	56,691,571
Last notification	4.94%	0.00%	4.94%	/

7. Details of voting rights**a. Voting rights (sections 33 and 34 WpHG)**

ISIN	Absolute		%	
	Direct (section 33 WpHG)	Attributed (section 34 WpHG)	Direct (section 33 WpHG)	Attributed (section 34 WpHG)
DE0007493991	0	1,469,099	0.00%	2.59%
Total	1,469,099		2.59%	

b.1. Instruments as defined by section 38 (1) no. 1 WpHG

Type of instrument	Maturity/expiry date	Exercise period/term	Voting rights (absolute)	Voting rights (%)
			0	0.00%
		Total	0	0.00%

b.2. Instruments as defined by section 38 (1) no. 2 WpHG

Type of instrument	Maturity/expiry date	Exercise period/term	Cash or physical settlement	Voting rights (absolute)	Voting rights (%)
				0	0.00%
			Total	0	0.00%

8. Information about the notifying party

<input type="checkbox"/>	The notifying party (3.) is neither controlled by nor controls other entities that hold voting rights in the issuer (1.) or to whom voting rights in the issuer are attributed.
<input checked="" type="checkbox"/>	Complete chain of subsidiaries starting with the ultimate controlling person or entity:

Entity	Voting rights (%) if 3% or more	Instruments (%) if 5% or more	Total (%) if 5% or more
Deutsche Telekom AG	%	%	%
Deutsche Telekom Trust e.V.	%	%	%

9. If authority granted in accordance with section 34 (3) WpHG

(only possible if attributed pursuant to section 34 (1) sentence 1 no. 6 WpHG)

Date of shareholder meeting:

Total share of voting rights (6.) after shareholder meeting:

Share of voting rights	Share of instruments	Total share
%	%	%

10. Other information:

On August 14, 2019, Deutsche Telekom AG (DTAG) transferred legal ownership of its Ströer SE & Co. KGaA shares to Deutsche Telekom Trust e.V. (DT Trust), the trustee organization of the DT Group. Beneficial ownership remained with DTAG. According to BaFin's interpretation of the WpHG, DT Trust is controlled by DTAG. DT Trust sold shares on February 2, 2022.

Date

February 7, 2022

Language: German

Entity: Ströer SE & Co. KGaA

Ströer Allee 1

50999 Cologne

Germany

Internet: www.stroeer.com

End of News DGAP News Service

1278103 February 8, 2022

ValueAct Holdings GP, LLC, Wilmington, Delaware, United States of America (USA)

February 8, 2022 4.49 p.m.

Ströer SE & Co. KGaA

Ströer SE & Co. KGaA: publication pursuant to section 40 (1) WpHG with the aim of Europe-wide distribution

February 8, 2022 / 4:49 p.m.

Publication of a voting rights notification transmitted by DGAP – a service of EQS Group AG. The issuer/publisher is responsible for the content of the notification.

Voting rights notification

1. Information about the issuer

Name:	Ströer SE & Co. KGaA
Street, number:	Ströer Allee 1
ZIP code:	50999
City:	Cologne Germany
Legal Entity Identifier (LEI):	529900MBF3N1ATE55378

2. Reason for notification

<input checked="" type="checkbox"/>	Purchase or sale of shares bearing voting rights
<input type="checkbox"/>	Purchase or sale of instruments
<input type="checkbox"/>	Change in total number of voting rights
<input type="checkbox"/>	Other reason:

3. Information about the notifying party

Legal entity: ValueAct Holdings GP, LLC
Registered office, country: Wilmington, Delaware, United States of America (USA)

4. Names of shareholders

holding 3% or more of voting rights, if not identical to 3.

ValueAct Capital Master Fund, L.P.

5. Date threshold reached:

February 2, 2022

6. Total share of voting rights

	Share of voting rights (total 7.a.)	Share of instruments (total 7.b.1.+ 7.b.2.)	Total share (total 7.a. + 7.b.)	Total number of voting rights pursuant to section 41 WpHG
New	11.42%	0.00%	11.42%	56,691,571
Last notification	6.18%	0.00%	6.18%	/

7. Details of voting rights

a. Voting rights (sections 33 and 34 WpHG)

ISIN	Absolute		%	
	Direct (section 33 WpHG)	Attributed (section 34 WpHG)	Direct (section 33 WpHG)	Attributed (section 34 WpHG)
DE0007493991	0	6,472,124	0.00%	11.42%
Total	6,472,124		11.42%	

b.1. Instruments as defined by section 38 (1) no. 1 WpHG

Type of instrument	Maturity/expiry date	Exercise period/term	Voting rights (absolute)	Voting rights (%)
			0	0.00%
		Total	0	0.00%

b.2. Instruments as defined by section 38 (1) no. 2 WpHG

Type of instrument	Maturity/expiry date	Exercise period/term	Cash or physical settlement	Voting rights (absolute)	Voting rights (%)
				0	0.000%
			Total	0	0.0%

8. Information about the notifying party

<input type="checkbox"/>	The notifying party (3.) is neither controlled by nor controls other entities that hold voting rights in the issuer (1.) or to whom voting rights in the issuer are attributed.
<input checked="" type="checkbox"/>	Complete chain of subsidiaries starting with the ultimate controlling person or entity:

Entity	Voting rights (%) if 3% or more	Instruments (%) if 5% or more	Total (%) if 5% or more
ValueAct Holdings GP, LLC	%	%	%
ValueAct Holdings, L.P.	%	%	%
VA Partners I, LLC	%	%	%
ValueAct Capital Master Fund, L.P.	11.42%	%	11.42%
ValueAct Holdings GP, LLC	%	%	%
ValueAct Holdings II, L.P.	%	%	%
ValueAct Capital Management, LLC	%	%	%
ValueAct Capital Management, L.P.	11.42%	%	11.42%

9. If authority granted in accordance with section 34 (3) WpHG
(only possible if attributed pursuant to section 34 (1) sentence 1 no. 6 WpHG)

Date of shareholder meeting:

Total share of voting rights (6.) after shareholder meeting:

Share of voting rights	Share of instruments	Total share
%	%	%

10. Other information:

Date

February 8, 2022

Language:

German

Entity:

Ströer SE & Co.
KGaA
Ströer Allee 1
50999 Cologne
Germany
www.stro-
eer.com

Internet:

End of News

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vice

Ströer SE & Co. KGaA: publication pursuant to section 40 (1) WpHG with the aim of Europe-wide distribution

March 7, 2022 11:37 a.m.

Ströer SE & Co. KGaA

Ströer SE & Co. KGaA: publication pursuant to section 40 (1) WpHG with the aim of Europe-wide distribution

March 7, 2022 / 11:37 a.m.

Publication of a voting rights notification transmitted by DGAP – a service of EQS Group AG. The issuer/publisher is responsible for the content of the notification.

Pursuant to section 43 (1) WpHG, ValueAct Holdings GP, LLC notifies, also for ValueAct Holdings, L.P., VA Partners I, LC, ValueAct Capital Master Fund, L.P., ValueAct Holdings II, L.P., ValueAct Capital Management and LLC, ValueAct Capital Management, L.P. (each a 'Notifying Party') the following to Ströer SE & Co. KGaA, referring to the voting rights notification by ValueAct Holdings GP, LLC pursuant to sections 33, 34 WpHG dated February 8, 2022 following the crossing of the threshold of 10% of voting rights in Ströer SE & Co. KGaA on February 2, 2022:

1. Aim of the investment (section 43 (1) sentences 1 & 3 WpHG)

a) The Notifying Parties acquired the securities of Ströer SE & Co. KGaA reported herein based on their belief that the securities were undervalued and represented an attractive investment opportunity. Therefore, the Notifying Parties intend to generate trading profits with their investments and do not pursue any strategic objectives with the acquisition.

b) There are currently no concrete intentions to acquire additional voting rights during the course of the next twelve months. However, depending on the stock market price and the general economic situation of Ströer SE & Co. KGaA the Notifying Parties might acquire further voting rights within the next twelve months.

c) The Notifying Parties intend, by expressing opinions and/or deliberations, to exert influence on the appointment or removal of members of administrative, managing, and supervisory bodies of Ströer SE & Co. KGaA.

d) The Notifying Parties have no intention to achieve a material change in Ströer SE & Co. KGaA's capital structure, in particular as regards the ratio between its own funds and external funds and the dividend policy.

2. Source of funds used (section 43 (1) sentence 4 WpHG)

The source of funds used for the purchase of the Ströer SE & Co. KGaA securities is the working capital of ValueAct Capital Master Fund, L.P.

March 7, 2022 The DGAP Distribution Services include Regulatory Announcements, Financial/Corporate News and Press Releases.
Archive at www.dgap.de

Language: German

Entity: Ströer SE & Co. KGaA

Ströer Allee 1

50999 Cologne

Germany

Website: www.stroeer.com

End of News DGAP News Service

1293915 March 7, 2022

JPMorgan Chase & Co., Wilmington, Delaware, United States of America (USA)

April 20, 2022 8.13 p.m.

Ströer SE & Co. KGaA

Ströer SE & Co. KGaA: publication pursuant to section 40 (1) WpHG with the aim of Europe-wide distribution

April 20, 2022 / 8.13 p.m.

Publication of a voting rights notification transmitted by DGAP – a service of EQS Group AG. The issuer/publisher is responsible for the content of the notification.

Notification of major holdings

1. Information about the issuer

Name:	Ströer SE & Co. KGaA
Street:	Ströer Allee 1
ZIP code:	50999
City:	Cologne
Legal Entity Identifier (LEI):	529900MBF3N1ATE55378

2. Reason for notification

<input checked="" type="checkbox"/>	Purchase or sale of shares bearing voting rights
<input type="checkbox"/>	Purchase or sale of instruments
<input type="checkbox"/>	Change in total number of voting rights
<input type="checkbox"/>	Other reason:

3. Information about the notifying party

Legal entity: JPMorgan Chase & Co. Registered office, country: Wilmington, Delaware, United States of America (USA)
--

4. Names of shareholders

holding 3% or more of voting rights, if not identical to 3.

J.P. Morgan Securities LLC

5. Date threshold reached:

April 13, 2022

6. Total share of voting rights

	Share of voting rights (total 7.a.)	Share of instruments (total 7.b.1.+ 7.b.2.)	Total share (total 7.a. + 7.b.)	Total number of voting rights pursuant to section 41 WpHG
New	8.92%	0.86%	9.78%	56,691,571
Last notification	n/a	n/a	n/a	/

7. Details of voting rights

a. Voting rights (sections 33 and 34 WpHG)

ISIN	Absolute		%	
	Direct (section 33 WpHG)	Attributed (section 34 WpHG)	Direct (section 33 WpHG)	Attributed (section 34 WpHG)
DE0007493991	0	5,055,270	0.00%	8.92%
Total	5,055,270		8.92%	

b.1. Instruments as defined by section 38 (1) no. 1 WpHG

Type of instrument	Maturity/expiry date	Exercise pe- riod/term	Voting rights (abso- lute)	Voting rights (%)
Right to recall shares lent out	n/a	n/a	23,262	0.04%
		Total	23,262	0.04%

b.2. Instruments as defined by section 38 (1) no. 2 WpHG

Type of in- strument	Maturity/expiry date	Exercise pe- riod/term	Cash or physical settlement	Voting rights (absolute)	Voting rights (%)
Equity swap	April 21, 2022–May 4, 2027	April 21, 2022–May 4, 2027	Cash	464,974	0.82%
			Total	464,974	0.82%

8. Information about the notifying party

<input type="checkbox"/>	The notifying party (3.) is neither controlled by nor controls other entities that hold voting rights in the issuer (1.) or to whom voting rights in the issuer are attributed.
<input checked="" type="checkbox"/>	Complete chain of subsidiaries starting with the ultimate controlling person or entity:

Name	Voting rights (%) (if 3% or more)	Instruments (%) (if 3% or more)	Total (%) (if 5% or more)
JPMorgan Chase & Co.	%	%	%
JPMorgan Chase Bank, National Association	%	%	%
J.P. Morgan International Finance Limited	%	%	%
J.P. Morgan Capital Holdings Limited	%	%	%
J.P. Morgan Securities plc	%	%	%
-	%	%	%
JPMorgan Chase & Co.	%	%	%
JPMorgan Chase Holdings LLC	%	%	%
J.P. Morgan Broker-Dealer Holdings Inc.	%	%	%
J.P. Morgan Securities LLC	8.82%	%	8.82%

9. If authority granted in accordance with section 34 (3) WpHG
(only possible if attributed pursuant to section 34 (1) sentence 1 no. 6 WpHG)

Date of shareholder meeting:

Total share of voting rights (6.) after shareholder meeting:

Share of voting rights	Share of instruments	Total share
%	%	%

10. Other information:

Date

April 19, 2022

Language: German

Entity: Ströer SE & Co. KGaA
Ströer Allee 1
50999 Cologne
Germany

Website: www.stroeer.com

End of News DGAP News Service

1331419 April 20, 2022

ValueAct Holdings GP, LLC, Wilmington, Delaware, United States of America (USA)**October 12, 2022 9.32 a.m.**

Ströer SE & Co. KGaA

Ströer SE & Co. KGaA: publication pursuant to section 40 (1) WpHG with the aim of Europe-wide distribution

October 12, 2022 / 9.32 a.m. CET/CEST

Publication of a voting rights notification transmitted by EQS News – a service of EQS Group AG.

The issuer/publisher is responsible for the content of the notification.

Voting rights notification**1. Information about the issuer**

Name:	Ströer SE & Co. KGaA
Street, number:	Ströer Allee 1
ZIP code:	50999
City:	Cologne Germany
Legal Entity Identifier (LEI):	529900MBF3N1ATE55378

2. Reason for notification

<input checked="" type="checkbox"/>	Purchase or sale of shares bearing voting rights
<input type="checkbox"/>	Purchase or sale of instruments
<input type="checkbox"/>	Change in total number of voting rights
<input type="checkbox"/>	Other reason:

3. Information about the notifying party

Legal entity: ValueAct Holdings GP, LLC
Registered office, country: Wilmington, Delaware, United States of America (USA)

4. Names of shareholders

holding 3% or more of voting rights, if not identical to 3.

ValueAct Capital Master Fund, L.P.

5. Date threshold reached:

October 6, 2022

6. Total share of voting rights

	Share of voting rights (total 7.a.)	Share of instruments (total 7.b.1.+ 7.b.2.)	Total share (total 7.a. + 7.b.)	Total number of voting rights pursuant to section 41 WpHG
New	15.06%	0.00%	15.06%	56,691,571
Last notification	11.42%	0.00%	11.42%	/

7. Details of voting rights

a. Voting rights (sections 33 and 34 WpHG)

ISIN	Absolute		%	
	Direct (section 33 WpHG)	Attributed (section 34 WpHG)	Direct (section 33 WpHG)	Attributed (section 34 WpHG)
DE0007493991	0	8,536,422	0.00%	15.06%
Total	8,536,422		15.06%	

b.1. Instruments as defined by section 38 (1) no. 1 WpHG

Type of instrument	Maturity/expiry date	Exercise period/term	Voting rights (absolute)	Voting rights (%)
			0	0.00%
		Total	0	0.00%

b.2. Instruments as defined by section 38 (1) no. 2 WpHG

Type of instrument	Maturity/expiry date	Exercise period/term	Cash or physical settlement	Voting rights (absolute)	Voting rights (%)
				0	0.00%
			Total	0	0.00%

8. Information about the notifying party

<input type="checkbox"/>	The notifying party (3.) is neither controlled by nor controls other entities that hold voting rights in the issuer (1.) or to whom voting rights in the issuer are attributed.
<input checked="" type="checkbox"/>	Complete chain of subsidiaries starting with the ultimate controlling person or entity:

Entity	Voting rights (%) if 3% or more	Instruments (%) if 5% or more	Total (%) if 5% or more
ValueAct Holdings GP, LLC	%	%	%
ValueAct Holdings, L.P.	%	%	%
VA Partners I, LLC	%	%	%
ValueAct Capital Master Fund, L.P.	15.06%	%	15.06%
-	%	%	%
ValueAct Holdings GP, LLC	%	%	%
ValueAct Holdings II, L.P.	%	%	%
ValueAct Capital Management, LLC	%	%	%
ValueAct Capital Management, L.P.	15.06%	%	15.06%

9. If authority granted in accordance with section 34 (3) WpHG

(only possible if attributed pursuant to section 34 (1) sentence 1 no. 6 WpHG)

Date of shareholder meeting:

Total share of voting rights (6.) after shareholder meeting:

Share of voting rights	Share of instruments	Total share
%	%	%

10. Other information:

Date

October 11, 2022

Language: German
Entity: Ströer SE & Co. KGaA
Ströer Allee 1
50999 Cologne
Germany
Website: www.stroeer.com

End of News EQS News Service

COMBINED MANAGEMENT REPORT

The references made in this combined management Report of Ströer SE & Co. KGaA (hereinafter referred to as Ströer KGaA) to page numbers refer to the numbering in the annual report.

BACKGROUND AND STRATEGY OF THE STRÖER GROUP

Strategy

In 2022, Ströer forged ahead with its 'OOH plus' strategy and continued to build on its strengths.

The advantages of this strategic approach were underscored once again when OOH outperformed other segments of the advertising market.

The 'OOH plus' strategy is primarily based on:

- Out-of-Home (OOH) as the strong and resilient core business;
- focus on the core market of Germany backed up by a broad and effective nationwide sales structure;

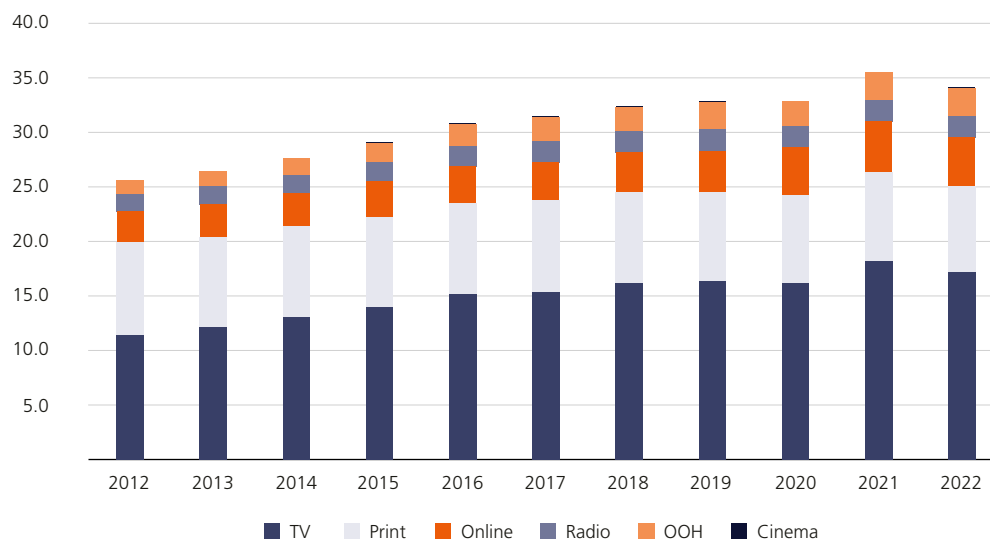
- use of the unique synergistic opportunities arising – through particularly broad access to customers or the integration of technology, data, and content – from the Digital, Content Media and Direct Media businesses (brought together in the Digital & Dialog Media segment) for the long-term capitalization of the core OOH business.

Despite the tangible repercussions of the pandemic that were still being felt in the first few months of the year and the downturn in the economy due to Russia's war of aggression, Ströer further consolidated its market position in Germany in terms of advertising revenue from out-of-home advertising in 2022.

The Board of Management of the general partner believes the Company's strategy has secured the foundations of the business model for many years to come. The capital expenditure that was carried out in 2022 despite the challenging macroeconomic conditions and the capital expenditure that is planned for subsequent years – aimed at the continued expansion of digital OOH infrastructure in Germany – are an important building block for ensuring sustained growth in value.

Performance of the German advertising market 2012–2022

In EUR b



Source: Nielsen Germany, gross advertising spend. All figures adjusted (excluding direct mailing) Figures for 2022 to be considered provisional until back data is delivered in mid-February (as at January 2023).

Compared with 2019, the last year before the pandemic, the advertising market in Germany did not grow in 2022 due to macroeconomic challenges such as spiraling inflation, supply chain difficulties, and rising energy prices, but over the course of the year it did improve against 2021. The out-of-home segment has been expanding steadily since 2014, typically outperforming the rest of the market in that time. The stark restrictions on movement imposed on people at the start of the pandemic in 2020 and, to a lesser extent, in 2021 were virtually non-existent in 2022. The advertising market proved itself to be stable and resilient as the end of pandemic-related restrictions saw out-of-home advertising regain its previous momentum.

Other factors are having a positive impact on this potential:

- Germany is witnessing ever greater levels of travel (source: RAAI 2021, Placense Ltd). The more that people travel, the larger the audience is for out-of-home advertising, which grew by more than 15% on average in 2022 compared with 2020.
- Out-of-home advertising does not interrupt what people are listening to or watching.

Another key aspect that the 'OOH plus' strategy takes into account is the increasing automation of out-of-home advertising. With planning cycles becoming ever shorter due to the combination of an economic downturn and advances in digitalization, demand for automation has shifted up another gear. This is opening up new (programmatic) sales channels, allowing better use of inventories (available at short notice, granular, can be packaged dynamically), and offering better technical possibilities, including for dynamic advertising formats (e.g. the integration of up-to-date information such as sports results or weather forecasts, warnings, share prices, etc.).

In recent years, programmatic advertising has become established in automated marketing worldwide. Programmatic inventories are traded automatically – with great speed and flexibility and at short notice. The additional use of target group (movement) data also enables further customer potential to be unlocked. The mechanism was developed in online marketing and involves automated marketplaces employing algorithms to match supply-side platforms (SSPs) with demand-side platforms (DSPs).

For the programmatic marketing of its digital out-of-home advertising inventory, Ströer can rely on the expertise of the Ströer Digital Group, one of Germany's leading online marketers, as ranked by the German Association of Online Research (agof). Over the past seven years, since it began

to market programmatic digital out-of-home-advertising, Ströer believes it has gleaned a wealth of experience in this field. Its digital indoor infrastructure, built up over the past ten years or so, features around 7,036 public video screens in train stations, shopping malls, premium indoor locations, and local public transport systems (figure as at December 31, 2022). This infrastructure is used and marketed not only as conventional digital out-of-home advertising but also increasingly as programmatic inventory. The rapidly growing inventory of digital out-of-home advertising space on the street is now also being marketed programmatically, and, thanks to the installations made over the past three years, now has the critical mass in many major cities to also be relevant for national customers. Without the expertise in programmatic advertising marketing, Ströer would not have been able to establish its functioning programmatic OOH infrastructure and market it successfully so quickly. In our opinion, the resulting product combines the best of both worlds: the visibility and reach of OOH advertising with the flexibility and granularity of programmatic online advertising.

We believe digital OOH advertising technology capitalizes on the strategic opportunities seized by Ströer in the past:

1. suitable locations and rights, generally secured by long-term contracts
2. the resources to quickly expand infrastructure, including complex infrastructure in specific locations, and to operate it reliably on a long-term basis
3. knowledge of how to rapidly adapt, integrate, and – thanks to the comprehensive access to sales channels – monetize new technologies
4. the ability to package the inventory and data in the best way possible for customers' differing needs
5. access to all relevant customer segments through sales activities at both national and local level, and to direct customers, agencies, and specialists

Ströer's portfolio resulting from its 'OOH plus' strategy is also creating broader and deeper relationships with its national, regional, and local customers from a wide variety of different sectors and industries, making the business resilient even in times of crisis.

Advertising is sold both through a national sales organization that serves customers and their agencies centrally from all major cities and through a regional and local sales organization that is able to provide a personal service, either in person or remotely, to even the smallest customers. The latest sales-support, CRM, and bidding systems facilitate the work of all sales segments and enable resources and inventory to be managed on a centralized basis.

Business model

Ströer is a provider of out-of-home and online advertising space and of manifold aspects of dialogue marketing. It focuses on the German advertising market. It also operates 'data as a service' services (DaaS, brought together under the Statista brand) and an online cosmetics store (via the AsamBeauty brand).

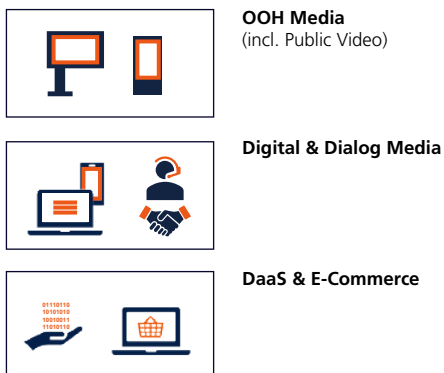
Segments and organizational structure

General

In 2022, the Ströer Group's reporting segments were Out-of-Home Media, Digital & Dialog Media, and DaaS & E-Commerce.

The segments operate independently in the market, working in close cooperation with the Group holding company Ströer SE & Co. KGaA.

Ströer reporting segments since 2021



This cooperation extends, in particular, to the strategy used for the overall management of the Ströer Group and to sales activities in the national, regional, and local advertising markets, as well as to Group functions such as human resources, IT, governance, security, finance, legal, strategy & innovation, and corporate communications. It enables the targeted sharing of knowledge among the individual segments. This frequently spawns new offerings for our customers and consolidates and expands existing customer relationships.

Financing and liquidity are also managed centrally in the Ströer Group. This means that the segments are well funded and supplied with sufficient liquidity, giving the operating units the flexibility they need to exploit and invest in market opportunities as soon as they arise.

Out-of-Home Media

The Out-of-Home Media segment incorporates all of Ströer's analog out-of-home advertising spaces (OOH) and all of its digital out-of-home advertising spaces (DOOH). Ströer uses the generic term 'public video' to describe all digital advertising spaces that are at least 2m² in size.

Basis of the out-of-home advertising business

Ströer's out-of-home advertising business has an attractive portfolio of contracts with private and public-sector owners of land and buildings that give Ströer advertising concessions for high-traffic sites. Of major importance are contracts with municipalities, for which Ströer – in its capacity as a systems provider – develops smart and bespoke communications solutions that can enhance the cityscape or enable additional services to be provided. However, contracts with private individuals and contracts with commercial enterprises also play a role in its balanced portfolio of rights. Ströer provides direct points of contact for local infrastructure partners – municipalities, companies, and private lessors of areas for advertising installations.

The contracts with Deutsche Bahn, the ECE group, and numerous local public transport providers are also very important. The product portfolio covers all forms of outdoor advertising media, including traditional posters (various sizes), advertisements at bus and tram shelters and on public transport, and digital advertising installations, with several hundred different formats and sizes available.

Contracts with private partners generally provide for the payment of a fixed lease. The majority of the concession contracts with municipalities entail revenue-based lease payments, some of which have a lower limit (minimum lease) or an upper limit (maximum fee). Unforeseen events for which no party is responsible often enable many fees to be dealt with flexibly based on actual traffic.

As in previous years, municipal and private advertising concessions were expanded in 2022. Ströer won the digital tender in Stuttgart, the advertising rights in Dresden (18/1, City Light Pillars) were retained with an additional digitalization option. Comprehensive digitalization (18/1, City Light Posters) was added to the existing advertising rights in Hannover; a new digital medium was introduced in Hamburg in the shape of the digital pillar. Additional advertising rights were won in Bonn (transport advertising) and Leipzig (shopping malls at Leipzig main station). The shopping malls at Leipzig main station also underwent extensive digitalization. And we did not lose any significant municipal concession contracts.

Digitalization

The use of digital technologies at existing and new advertising locations was again a focus with regard to both old and new advertising concessions. Ströer is involved with the German Federal Association for City and Town Marketing (BCSD) and various other associations in order to play its part in the digitalization of towns and cities. The objective is to use Ströer's infrastructure and capabilities to simplify communication in public spaces and provide smart municipal services to help people go about their increasingly digitalized daily lives. It is particularly important that municipalities can inform and warn large numbers of people quickly. This is precisely where digital municipal information systems come in, and they have therefore played a key role not only in managing unforeseen events (weather, bomb disposals, etc.) but also in fighting the pandemic by providing guidance and information. Ströer's advertising installations are included in federal and regional government plans for dealing with emergencies and are generally used in test exercises.

Ströer engages in intensive dialogue with many German municipalities about the future and the development of Germany's towns and cities. In 2020, Bonn was selected as a model smart city and various joint initiatives were developed in order to provide long-term support for environmental action, community dialogue, and the arts in Bonn through the intelligent use of cutting-edge installations. We were also involved in a wealth of prototypes and new solutions for a number of other cities. These included the 'Stadtssignale' semantic content management with the city of Hamburg and the greening of infrastructure in Frankfurt, Munich, Duisburg, and Essen.

Every year, Ströer supports charitable organizations, such as Unicef (the United Nations Children's Fund)¹, by donating free advertising space. In 2022, advertising space was also made available to help Ukraine, for providing welcome information for refugees arriving at train stations and for aid organisations in Ukraine. The gross advertising value of these pro bono services came to over EUR 28m.

Research and development

Ströer has its own research and development department with offices in Cologne and Shanghai. The department maintains and enhances product lines and comes up with innovations, with recent examples including digital pillars and sustainability-focused solutions – such as the integration of 'bee hotels', living roofs on advertising installations, and the bus and tram shelter of the future. At the 2022 Greentech Festival in Berlin, Ströer unveiled a new bus and tram shelter that has a living roof, a rear wall incorporating fine particulate filters, and an e-ink display.

A number of investee companies are assigned to the Out-of-Home Media segment that complement the customer-centric offering. These include Edgar Ambient Media Group GmbH (formerly United Ambient Media Group GmbH (UAM)), which caters to all ambient media, and blowUP media GmbH, which focuses on formats bigger than 20m². Ströer also operates an out-of-home advertising business in Poland.

The digital and therefore flexible use of digital out-of-home advertising spaces makes it possible to market them across all sales channels. Moreover, fully digitalized logistics enables very flexible and granular solutions to be offered, from bundles and networks to individual spaces, from campaigns spanning a longer period to specifically timed campaigns. At the same time, available inventories (yields) can be marketed at very short notice. The extensive underlying technology needed for this at all sales levels is being continually expanded, for example to accommodate flexible creative developments or to time adverts to run depending on particular circumstances relevant to the product (such as rainfall, temperature, or coronavirus case numbers).

The DOOH business is divided into three categories:

- **Premium public video roadside screens**
All digital advertising spaces that are installed along a road and are more than 2m² in size
- **Premium indoor screens**
Premium digital advertising spaces with a screen size of at least 60", installed in train stations, public transport systems, shopping malls, and airports.
- **Longtail**
All digital indoor advertising spaces, often in a smaller format and usually in retail settings

¹ <https://blog.stroer.de/nachhaltigkeit/unicef-bedankt-sich-bei-stroer-fuer-die-hilfe-in-2022/> (unaudited)

Digital & Dialog Media

Ströer Digital Media

Besides OOH, Ströer also provides solutions for online advertising in the context of proprietary and third-party content. The scalable products marketed on this basis range from branding and storytelling to performance, native advertising, and social media.

Thanks to its huge reach², Ströer Digital Media GmbH is ranked the number one digital marketer in Germany by the German Association of Online Research (agof), making it one of the most important display and mobile marketers in the German advertising market.

In the area of display and mobile marketing, Ströer Digital Media has a large number of direct customers, its own websites, and an automated technology platform (for both the demand and the supply side).³

The websites include t-online.de as well as special interest portals such as giga.de, familie.de, desired.de, and kino.de. Ströer has pooled its marketing capacity for direct customers and now has numerous marketing rights for digital offerings.

Ströer X (Avedo/Ranger)

The Avedo Group and the Ranger Group were acquired by Ströer back in 2017. The Avedo Group's call center business focuses on customer experience and sales. It has expertise in a wide range of sectors, in particular telecommunications, energy, IT, tourism, multimedia, and e-commerce. The acquisition of the Ranger Group, which operates in performance-based direct sales (door to door), creates an additional channel alongside the Avedo Group's performance marketing business.

The acquisitions in this segment in recent years have resulted in the creation of the Ströer Dialog Group, which is responsible for dialogue marketing within the Ströer Group. It has become a major provider of call center capacity in Germany and is one of Europe's largest providers of performance-based direct sales. In 2021, the group was renamed Ströer X.

Highlights in 2022 (Avedo):

- Three nearshore locations established comprising 1 EU location (Plovdiv, Bulgaria) and 2 non-EU locations (Tirana, Albania, and Pristina, Kosovo).
- New customers acquired in strategic growth industries: distance selling/e-commerce, power utilities, financial services, pharmaceuticals/medical technology

The Ranger Group is a field sales specialist providing performance-guided direct sales services on behalf of its clients. The company sells products to retail and business customers on behalf of its clients in sectors such as telecommunications, energy, retail, financial services, and media.

Ranger took a huge hit from the energy crisis. In 2022, it had to virtually cease marketing electricity and gas products in France and Italy entirely as there were no marketable products available. However, we shifted our sights to the telecommunications industry in every country and on the marketing of fiber-optic broadband in particular.

1. Fiber-optic drove growth in 2022 and is expected to continue to do so. The rate of fiber-optic expansion (FTTH⁴) in the countries where Ranger operates is lower than the EU average for FTTH. We therefore anticipate high demand from private and business customers for several years to come. FTTH sales account for at least 50% of traditional door-to-door business. We therefore see huge potential for long-term growth.
2. Ranger continues to expand its sales to business customers, which is giving it an even bigger share of the huge market for direct marketing to business customers. We will continue to invest additional resources in 2023 in order to maintain our exceptional levels of growth.
3. Ranger continues to invest in innovation and digital transformation. As one of the strongest market players in Europe, we will continue to offer our customers state-of-the-art processes and optimal performance. And to do so we will make increasing use of AI and big data.

² agof daily digital facts, Nov 2022, 16+

³ Demand-side platforms (DSPs) and supply-side platforms (SSPs)

⁴ Fiber to the home

DaaS & E-Commerce

Statista

Statista can once again look back on a very successful year. Its revenue grew by more than 30% to around EUR 136m. This was testimony to the resilience of the company's business model that enabled it to pursue its growth strategy in spite of the economic crisis.

The increasingly international business model played a key part in Statista's success in 2022. The expansion of business in the US saw it become the company's biggest sales market. To promote growth, Statista opened offices in India and Australia.

In 2022, it also focused on expanding its product range and improving its services. At the heart of this was the launch of *Business Suite*, which combines all of Statista's products, e.g. all statistics, reports, and other products. The latter include the *Insights* products, which is the umbrella name Statista has given to its *Market Insights*, *Company Insights*, and *Consumer Insights* offerings. This new portfolio structure with its uniform product names is intended to grow average revenue per customer.

Statista R's media partnerships in the US were also successful with new partnerships established with The Wall Street Journal, Fortune, and USA Today. These partnerships are intended to increase revenue in the US and boost the visibility and standing of the Statista brand.

The expansion of video business is driven by a similar aim and was also a focus in 2022. The expansion of Statista Studios and a heightened focus on social media channels brought considerable reach. The company notched up more than 12 million video views across all of its channels, with one YouTube video alone accounting for more than a million views.

AsamBeauty

The BHI Group (Beauty and Health Investment Group GmbH) enjoyed another successful year in 2022, again surpassing the prior year's record level of revenue by EUR 18m or 13% to reach EUR 158m.

The main drivers of growth are as follows:

- Strong and well-known brands whose attractive products cover all relevant segments in the beauty sector. The well-known product lines are M.Asam (personal care and fragrance), Magic Finish (cosmetics), Youthlift (skincare), FloraMare (personal care and fragrance), and the ahuhu brand (hair products). These brands and product families cover all customer segments.

- Unique product innovations based on the brand's own research. A total of 60 years of inhouse research give AsamBeauty a wealth of knowledge and innovative capabilities to draw on. For example, this research has led to advances in the use of grape seed extract (OPC) and resveratrol in the personal care segment and hyaluron and collagen in hair products.
- Inhouse production in Germany at the factories in Beilngries and Steinach meet the highest standards of quality, efficiency, and flexibility. The brand's dependence on international supply chains is very low for the industry.
- AsamBeauty products are available through a broad range of channels, an omnichannel marketing approach that encompasses its own online store, home shopping and live stream shopping, and traditional physical retail.

In 2021, AsamBeauty began to internationalize its sales activities and, in 2022, also sold its range in the US and China, which are important growth markets for beauty products.

Strategic environment

Ströer focuses on segments in the core 'OOH plus' business (OOH Media and Digital & Dialog Media) that can be developed proactively using its own resources, primarily in Germany, and that offer clear medium and long-term opportunities for growth and excellent opportunities for value creation. These segments have an inventory, both OOH and online, with a highly diversified portfolio of rights and are particularly demanding in terms of operational excellence. They are also segments in which a high level of local market knowledge is required of managers and product developers. Mostly they are not globally scalable as there are major differences between countries, particularly in OOH, in terms of market structure, language, culture, and regulatory requirements.

Exploiting the potential of such business segments calls for a strong and integrated local provider such as Ströer.

Under its 'OOH plus' strategy, Ströer's traditional core segment, Out-of-Home Media, is seeing sustained growth impetus from the development of the digital business in connection with German content (Digital & Dialog Media). Traditional OOH products can be offered on a more granular, flexible, and fast-paced basis and are available through new automated channels thanks to programmatic advertising.

Historically, the out-of-home business was always characterized by limited standardization options, partly because

of Germany's diverse urban landscape. This means that each rights contract has to be individually developed and maintained, while international economies of scale, for example in product development and procurement, are insignificant.

From the perspective of the Board of Management of the general partner, the main reasons for the success of Ströer's core segments are:

Broad and in-depth proprietary knowledge, meaning detailed knowledge of the very different local conditions, e.g. each individual advertising location, each individual website, or each individual call center.

Individual quality in management and execution, meaning the wish to ensure maximum precision, down to regional and local level, and not to work with standard solutions that are not geared to specific requirements; consequently, Ströer sells over 210 different product variants in the out-of-home media business alone, with the digital solutions also sold locally through specialist agents.

Proprietary solutions tailored to the customer, with the objective of maximizing customer satisfaction in even the smallest segments.

Direct access to all customers at all levels, meaning the continual expansion of all sales resources to ensure customer contact with the maximum breadth and depth in the market; this includes the small and medium-sized enterprise (SME) sector, for which other providers cannot provide a comprehensive range of services.

In order to make the most of capital expenditure on its own portfolio, Ströer continually optimizes capacity utilization and the value added by the portfolio. The opportunities resulting from the digitalization of infrastructure enables the 'historical dividend' to be optimally monetized in the form of long-standing proprietary rights and products. Advertising spaces that have not yet been monetized and existing marketing infrastructure increase the value of the strategic and profitable equity investments and additional business acquired in prior years.

In organizational terms, this calls for considerable elasticity and scope, centrally supported by the new CRM and ERP

systems, as well as a continual process of optimization thanks to artificial intelligence. This can range from the needs of large national advertisers and their agency partners, which are increasingly looking for automated, programmatic, and data-driven solutions with a high degree of flexibility, to the needs of small and medium-sized regional customers, for whom Ströer can act as a single source to provide local, direct advice on every aspect of the offering thanks to its growing local sales organization. These are customers who typically require solutions that are scalable in organizational rather than technical terms.

In the opinion of the Board of Management of the general partner, Ströer is therefore very well placed to be able to continue operating successfully in the German advertising market over the long term.

Advertising market

For our long-term analysis on a like-for-like basis, the above-the-line (ATL) advertising market does not include direct mail, in contrast with many other industry analyses. It should also be taken into account that many online advertising formats, such as search engines and social media, are only included in advertising market analysis to a limited extent and are thus underrepresented.

Under this narrower definition, the gross advertising market (i.e. before discounts) came to EUR 35.54b in 2021 and to EUR 34.15b in 2022, which was a contraction of around 4%. Broken down by season, the second half of 2022 was marked by declines against 2021, which were very likely induced by inflation and the energy crisis.

The market volume for out-of-home advertising came to around EUR 2.55b in 2021 and around EUR 2.61b in 2022, which equated to growth of 2.1%.

This meant that the out-of-home market performed considerably better than the advertising market as a whole.

The segment with the largest decline was TV, down from EUR 18.14b in 2021 to EUR 17.15b in 2022, a fall of around EUR 1b or 5.5%. Radio held steady at around EUR 1.92b and with a smaller volume than out-of-home. Popular magazines recorded a fall of 2.5%, from EUR 2.90b in 2021 to EUR 2.82b in 2022. Daily

newspapers declined by 4.5%, with volume down from EUR 5.31b in 2021 to approximately EUR 5.07b in 2022. The online segment shrank from EUR 4.67b to EUR 4.49b, equating to a decline of 3.9%.

By this market definition, the market share of out-of-home grew from 7.2% in 2021 to 7.6% in 2022, i.e. by 0.4 percentage points according to Nielsen Market Research.

In 2022, a number of new providers entered the advertising market with their first offerings. The popular streaming service Netflix offered advertising customers options to advertise to subscribers who have chosen the plan that comes with adverts. Disney+ also launched an advertising model. Paramount started a new streaming service. Social media platforms, particularly TikTok, are also garnering a huge amount of attention from advertising customers. Linear TV offerings will likely remain under pressure. Many social media platforms make intensive use of digital out-of-home advertising to increase the visibility of their offerings and grow their customer base.

Product development

A key part of the strategy is based on the Group's continuously evolving technology position, which enables it to operate at local and regional level and in direct marketing. Technologies for the precise targeting of campaigns and the professional management of anonymized data are becoming increasingly critical to success. They enable the seamless integration of brand marketing and performance marketing into strategies that together make optimum use of various media channels. In addition to the development of special applications and software solutions for digital advertising, the Ströer Group is also focusing on the development of the next generation of OOH advertising media. Ströer's proprietary development center in Cologne is responsible for product innovations in advertising media, working in close collaboration with our office in Shanghai and other partners. This enables us to tailor products to the specific circumstances of our local and regional partners and to fully account for the features of the wider Germany market. In 2022, a brand new advertising medium was created, the Public Video City Tower. Public video is Ströer's generic term for premium digital OOH advertising media. The City Tower is a digital pillar with extremely sophisticated technical specifications due to its rounded outer surface. Ströer's Public Video City

Tower contains up to three screens each with a display area of 3.25m², which means that messages can be easily seen from a distance. Sensors adjust the brightness to the ambient conditions, the 2.8mm pixel pitch provides excellent quality, and the Tower is of course energy efficient. In 2022, more than 300 screens were installed in Hamburg; in 2023, we plan to erect another 110 installations, primarily in Stuttgart. The City Towers run on a fully programmatic basis and are linked to a number of content and warning systems, making them a key part of communication with the public.

In 2022, our multi-functional bus and tram shelters were also enhanced and erected for the first time in selected test cities. These shelters offer a host of additional service features, are modular, and have extremely low emissions. The shelters are equipped with living roofs and solar technology meaning that they can also be run independently.

A capitalization rate of 74.2% was achieved in 2022 (prior year: 53.6%) and there were write-downs amounting to EUR 6.8m (prior year: EUR 4.5m).

Value-based management

The Ströer Group is managed using internally defined financial and non-financial key performance indicators with the aim of achieving a sustained, long-term increase in value. These key performance indicators follow the internal reporting structure. As management and monitoring instruments, they reflect the business model and management structures but are not defined in the International Financial Reporting Standards (IFRS). The Group's main key performance indicators are organic revenue growth and EBITDA (adjusted). Other key performance indicators are adjusted consolidated profit or loss for the period, free cash flow (before M&A transactions), return on capital employed (ROCE), and the leverage ratio.

Revenue growth is one of the key indicators for measuring the growth of the Group and is therefore an important metric for managing the Ströer Group's segments. As part of the budgeting and medium-term planning process, growth expectations and revenue targets broken down to the relevant segment level are set for the individual segments; progress toward these targets is continuously monitored throughout the year. Both organic revenue growth and nominal revenue growth are monitored to determine whether it is likely that the relevant targets will be attained or if there will be a shortfall.

→ For further information on the calculation of organic revenue growth, see page 22.

At the start of 2022, the Ströer Group changed the way it calculates ← organic revenue growth. Additional revenue from newly acquired companies is now only included in the calculation of organic revenue growth after one year. Disposals are treated in the same way. In addition, adjustments are made for exchange rate effects in the calculation of organic revenue growth. Under the new method, organic revenue growth in the Ströer Group came to 9.3% in 2022 (prior year: 13.2%).

→ For further information on the calculation of EBITDA (adjusted) and adjusted consolidated profit or loss for the period, see page 23.

EBITDA (adjusted) – consolidated profit or loss for the period before interest, taxes, depreciation, amortization, and impairment, and adjusted for exceptional items (e.g. capital structure measures, restructuring measures, and other exceptional items) – is another key performance indicator ← and gives an insight into the Group's long-term earnings performance. Furthermore, EBITDA (adjusted) is a key input for determining the leverage ratio to be reported to the lending banks on a quarterly basis. EBITDA (adjusted) is a standard capital market metric for determining enterprise value using a multiples-based method.

→ For further information on net debt, see page 35.

Adjusted consolidated profit or loss for the period is one of the main indicators for determining the dividend to be proposed to the shareholder meeting. In line with its shareholder value-based approach to corporate management, Ströer strives to adopt a dividend policy, to the extent permitted under German commercial law, under which 50% to 75% of the adjusted consolidated profit for the period is paid to its shareholders as a dividend.

→ For further information on free cash flows before M&A transactions, see page 35.

← Free cash flow (before M&A transactions) is another key performance indicator used by the Group. It is calculated from the cash flows from operating activities less net cash paid for investments, i.e. the sum of cash received from and paid for intangible assets and property, plant, and equipment. Free cash flow (before M&A transactions) therefore represents the cash earnings power of the Company and is thus the principal metric for guiding investment, financing, and dividend policy.

One of the main aims of the Ströer Group is to increase the return on capital employed (ROCE) on a sustained basis. To achieve this and monitor target achievement on an ongoing basis, Ströer has developed a management and financial control system.

ROCE is EBIT (adjusted) divided by capital employed. EBIT (adjusted) is defined as follows: consolidated profit or loss for the period before interest and taxes, write-downs arising from purchase price allocations, and impairment losses, and adjusted for exceptional items. Capital employed comprises total intangible assets, property, plant, and equipment, and current assets less non-interest-bearing liabilities (trade payables and other non-interest-bearing liabilities). It is the arithmetic mean of these values at the start of the year and the end of the year. ROCE provides Ströer with a tool that enables value-based management of the Group and its segments. Positive value added, and thus an increase in the Company's value, is achieved when ROCE exceeds the cost of capital of the cash-generating unit (CGU).

Net debt ← and the leverage ratio are also key performance indicators for the Group. The leverage ratio is an important factor for the capital markets, which use it to assess the quality of the Company's financial position. The leverage ratio is the ratio of net debt to EBITDA (adjusted). Net debt is the sum of liabilities from the facility agreement, from note loans, and from other financial liabilities less cash.

The Company uses workforce-related key figures, such as headcount at Group level on the reporting date, as non-financial indicators.

Reconciliation: organic revenue growth

The following table presents the reconciliation to organic revenue growth. The method of calculating organic revenue growth was changed as at January 1, 2022; the comparative prior-year figure was restated accordingly. For 2022, it shows that the increase in revenue (excluding foreign exchange rate effects) of EUR 150.8m and adjusted revenue for the prior year of EUR 1,617.3m gives rise to organic growth of 9.3%.

EUR k	2022	2021
Revenue for prior year (reported)	1,627,323	1,442,159
Entities sold	-10,050	-9,043
Revenue for prior year (adjusted)	1,617,273	1,433,115
Foreign exchange rate effects	-51	-7,842
Organic revenue growth	150,804	188,860
Revenue for current year (adjusted)	1,768,026	1,614,133
Acquisitions	3,916	13,189
Revenue for current year (reported)	1,771,942	1,627,323

Reconciliation: EBITDA (adjusted)

The segment performance indicator EBITDA (adjusted) is adjusted for certain exceptional items. The Group has defined the following as exceptional items: expenses and income from changes in the investment portfolio (e.g. transaction costs for due diligence, legal advice, recording by a notary, purchase price allocations), reorganization and restructuring measures (e.g. costs for integrating entities and business units, adjustments for exceptional items arising from material restructuring and from performance improvement programs), and capital structure measures (e.g. material fees for amending and adjusting loan agreements, including external consulting fees), and other exceptional items (e.g. costs for potential legal disputes, currency effects, other non-cash valuation effects).

The exceptional items are broken down into individual classes in the table below:

EUR k	2022	2021
Expenses and income from changes in the investment portfolio	2,257	-886
Expenses and income from capital structure measures	-113	-1
Reorganization and restructuring expenses	-4,928	-4,547
Other exceptional items	3,597	-490
Total	813	-5,923

In 2022, expenses and income from changes in the investment portfolio principally reflected the provisional proceeds of EUR 4,079k from the sale of SEM Internet Reklam Hizmetleri ve Danismanlik A.S.

The reorganization and restructuring expenses in 2022 mainly related to new restructuring measures by various group companies, including the Asam Group (EUR 614k), the Statista Group (EUR 576k), and Ströer Digital Publishing GmbH (EUR 502k). In the prior year, expenses of EUR 1,292k had comprised salary and severance payments under the voluntary redundancy scheme of Ströer Digital Publishing GmbH.

Other exceptional items represented income of EUR 3,597k in 2022 (prior year: expense of EUR 490k). The change was chiefly due to income under the stock option plan of EUR 9,285k (prior year: allocation of EUR 5,227k). This was mainly the result of stock options for which the conditions of exercise were no longer met. An impairment loss of EUR 5,810k on the equity-accounted investment tricontes360 GmbH had the opposite effect on this item (prior year: reversal of an impairment loss of EUR 7,060k).

The reconciliation from segment figures to Group figures contains information on Group units that do not meet the definition of a segment ('reconciliation items'). They mainly relate to all costs for central functions, such as the Board of Management, corporate communications, accounting, and financial planning and reporting less their income from services rendered.

The following table shows the reconciliation of segment earnings to the figures included in the consolidated financial statements:

EUR k	2022	2021
EBITDA (adjusted) – total segment earnings	571,490	545,278
Reconciliation items	-30,090	-32,005
EBITDA (adjusted)	541,401	513,272
Adjustments	813	-5,923
EBITDA	542,214	507,349
Depreciation (right-of-use assets under leases (IFRS 16))	-197,040	-193,885
Amortization and depreciation (other non-current assets)	-102,505	-102,152
Impairment losses (including goodwill impairment)	-3,962	-14,029
Net finance income/costs	-27,894	-28,576
Profit or loss before taxes	210,813	168,706

Reconciliation of the consolidated income statement to the management accounting figures

EUR m	Income statement in accordance with IFRS 2022	Reclassification of amortization, depreciation, and impairment	Reclassification of exceptional items	Income statement for management accounting purposes
Revenue	1,771.9			1,771.9
Cost of sales	-1,015.5	256.1	1.1	-758.3
Selling expenses	-315.4			
Administrative expenses	-227.1			
Total selling and administrative expenses	-542.5	47.4	10.2	-484.9
Other operating income	43.0			
Other operating expenses	-19.8			
Total other operating income and other operating expenses	23.2		-17.9	5.4
Share of the profit or loss of investees accounted for using the equity method	1.5		5.8	7.3
EBITDA (adjusted)				541.4
Amortization, depreciation, and impairment		-303.5		-303.5
EBIT (adjusted)				237.9
Exceptional items ¹			0.8	0.8
Net finance income/costs	-27.9			-27.9
Income taxes	-59.0			-59.0
Consolidated profit or loss for the period	151.8	0.0	0.0	151.8

¹ For further information on exceptional items, please refer to the section 'Reconciliation: EBITDA (adjusted)' on page 23.

Amortization and depreciation from purchase price allocations	Exchange rate effects from intragroup loans	Tax normalization	Elimination of exceptional items and impairment losses	Adjusted income statement 2022	Adjusted income statement 2021
				1,771.9	1,627.3
				-758.3	-714.3
				-484.9	-439.6
				5.4	27.3
				7.3	12.5
				541.4	513.3
23.3			4.0	-276.2	-264.1
23.3			4.0	265.2	249.1
			-0.8	0.0	0.0
	-0.2		-2.1	-30.2	-28.2
		-4.4		-63.4	-50.8
23.3	-0.2	-4.4	1.0	171.5	170.2

Management and control

As at December 31, 2022, the Board of Management of the general partner, Ströer Management SE, Düsseldorf, comprised three members: Mr. Udo Müller (Co-CEO), Mr. Christian Schmalzl (Co-CEO), and Henning Gieseke (CFO). The following overview shows the responsibilities of each member of the Board of Management in the Group:

Name	Appointed until	Responsibilities
Udo Müller	July 2025	Co-CEO Corporate strategy M&A Public affairs & government relations Internal/external corporate communications OOH infrastructure development & inventory management OOH R&D
Christian Schmalzl	July 2025	Co-CEO OOH marketing, national OOH marketing, regional/local OOH foreign equity investments Digital marketing & digital services Digital publishing Direct & Dialog Media Data as a Service & E-Commerce Human resources
Henning Gieseke	May 2024	Chief Financial Officer (CFO) Group purchasing Corporate IT Group accounting & treasury Shared service center & tax Group financial planning and reporting Investor relations & ESG Governance, risk & compliance Legal

The members of the Board of Management collectively bear responsibility for managing the Group.

In addition to the Board of Management, there is an executive committee that acts as an extended managerial body. Its role is to professionalize and support governance and to embed key topics within the culture of the Ströer Group. Regular in-person meetings are held to discuss fundamental issues and to ensure that the entire Group has a uniform strategic focus.

The term of appointment of the following Supervisory Board members ended with the annual shareholder meeting of the Company on June 22, 2022: Angela Barzen, Petra Loubek, Rachel Marquardt, Dr. Thomas Müller, Nadine Reichel, and Christian Sardiña-Gellesch. At the annual shareholder meeting on June 22, 2022, Ms. Elisabeth Lepique was elected as a new shareholder representative on the Supervisory Board for a term of three years. Andreas Güth, Christian Kascha, Simone Kollmann-Göbels, Tobias Schleich, and Stephan Somberg were elected as employee representatives. Their five-year term of office began on June 22, 2022.

The Supervisory Board of Ströer SE & Co. KGaA comprises 16 members in accordance with section 278 (3) and section 95 et seq. of the German Stock Corporation Act (AktG) in conjunction with article 10 (1) of the articles of association of Ströer SE & Co. KGaA. The Supervisory Board consists of the eight shareholder representatives Mr. Christoph Vilanek (chairman), Mr. Ulrich Voigt (deputy chairman), Dr. Karl-Georg Altenburg, Ms. Elisabeth Lepique, Mr. Martin Diederichs, Ms. Barbara Liese-Bloch, Dr. Kai Sauermann, and Ms. Petra Sontheimer, and the eight employee representatives Mr. Andreas Huster, Ms. Sabine Hüttinger, Mr. Andreas Güth, Mr. Christian Kascha, Ms. Simone Kollmann-Göbels, Mr. Tobias Meuser, Mr. Tobias Schleich, and Mr. Stephan Somberg.

For more information on the cooperation between the general partner and the Supervisory Board and on other standards of corporate management and control, see the corporate governance declaration pursuant to section 289f of the German Commercial Code (HGB), which also includes the declaration of compliance with the German Corporate Governance Code pursuant to section 161 AktG. All documents are published on the website of Ströer (www.stroeer.com/investor-relations).

For 2022, Ströer SE & Co. KGaA will once again prepare a Group non-financial report pursuant to section 315b HGB, a remuneration report, and a sustainability report. They will be available from March 30, 2023 on our website <https://ir.stroeer.com/investor-relations/financial-reports/>.

Markets and factors

The Ströer Group's business model means that it operates in the markets for out-of-home advertising and online and mobile marketing and in the dialogue marketing, e-commerce, and data-driven services segments. In out-of-home advertising, the Group's economic situation is naturally affected by the advertising markets that it serves, which in turn are highly sensitive to macroeconomic developments and changes in the behavior of consumers and advertisers. A distinction should be made between the behavior of national (often also international) advertisers and the behavior of regional or local advertisers. International advertisers' advertising spend often responds to global economic conditions, in some cases – such as during the pandemic – in a countercyclical way. National, regional, and local advertisers are guided primarily by their domestic economy, making these customers' advertising

budgets significantly less volatile. One of the aims of Ströer's product and sales strategy is to increase the proportion of national, regional, and local customers. In 2022, Ströer recorded a sharp increase in demand from ministries and institutions, which are increasingly using out-of-home and online advertising as well as dialogue services to disseminate information on healthcare and public-interest matters, and to communicate warnings and disease prevention messages.

The way in which municipalities grant advertising concessions, and general advertising bans for certain products (e.g. tobacco) can have a particular impact on out-of-home advertising. Regulatory frameworks, especially the General Data Protection Regulation (GDPR), are an important factor affecting online advertising and dialogue marketing.

In the out-of-home advertising industry, customers are increasingly placing bookings with shorter lead times. Thanks to the advancing digitalization of its out-of-home inventory, Ströer is increasingly able to offer its products on a more granular basis and at much shorter notice. Order intake reflects the seasonal fluctuations seen in the broader media market. There is generally a concentration of out-of-home activities in the second and fourth quarters, around Easter and Christmas. However, sports events, such as the soccer world cup, rarely tend to stimulate out-of-home advertising. On the cost side, changes in lease payments, personnel expenses, and other overheads (including electricity, building, and maintenance costs) are a key factor. The microprocessor shortage and the disruption to global supply chains had little effect on the speed and costs of installations in the DOOH network in 2022. Ströer achieved its installation targets by taking proactive measures in its warehousing.

In the online segment, advance booking times by customers have got even shorter – often as little as a few minutes before posting – than in out-of-home advertising, due to the high degree of automation. By far the greatest revenue-generating activity falls in the fourth quarter for online business. A key factor for online advertising is the further penetration of the market using automated programmatic platforms, where Ströer makes its digital inventory for out-of-home advertising available online. Apart from the commission paid to website operators, the main cost drivers are personnel and IT operating expenses (data centers, security systems, etc.).

Dialogue marketing is less seasonal, although the second half of the year tends to be stronger. Due to the long-term nature of relationships and the high level of customer loyalty as well as the relatively long lead times, the service business in dialogue marketing is characterized by relatively low volatility. The factors shaping revenue growth lie in employee productivity and an increase in headcount (recruitment, training, development). In the service business, productivity always depends on the working days effectively available each month. Seasonal fluctuations are therefore limited to December due to the generally lower productive working time given the public holiday and vacation days. In the area of field sales, the addition of new areas of application gives rise to countercyclical revenue effects. The anticipated increase in the minimum wage and the sharp fluctuations in the availability of workers are among the key factors here.

The regulatory environment also impacts on the economic situation of the Ströer Group. If regulatory amendments are made in the area of out-of-home advertising, Ströer will be able to soften the impact on its business volume through appropriate marketing and sales activities thanks to the usual lead times applicable to changes in legislation. The current assumption is that OOH tobacco advertising will be completely banned from 2023. In fact, advertisers had already begun to scale back the relevant budgets quite some time ago.

The regulatory environment in the online advertising segment is mainly determined by data privacy aspects at national and European level, which give national lawmakers leeway in drafting guidelines.

On the e-commerce front, the Ströer Group is benefiting from the growing importance of online shopping in the context of the pandemic. As with the data-driven information services, the internationalization of the business model means that it is influenced by increasing regulation in other markets, including non-European markets.

Overall, the Ströer Group is very well positioned to benefit from the medium to long-term market trends of increasing mobility, digitalization, and urbanization, thanks to its integrated portfolio. The expectation is that the market will focus ever more directly on media users and their patterns of usage, which involves more media consumption via mobile devices in the private, professional, and public spheres.

There remains substantial potential for regional online advertising campaigns and increasing digitalization of out-of-home advertising inventory, including in cities with less than 100,000 people.

ECONOMIC REPORT¹

Business environment

Macroeconomic developments in 2022

Under the 'OOH plus' strategy, Ströer focuses on its home market of Germany, which is of key importance as around 90% of the Company's revenue is generated there. Aside from this, the Ströer Group has out-of-home activities in Poland and international activities through Statista and Asam. Overall, however, the international business carries much less significance.

After two years of COVID-19, the German economy started the year in a good position and strong growth was expected to offset the impact of the pandemic. However, these expectations did not come to fruition as Russia attacked Ukraine on February 24, 2022. The German economy had to contend with persistently difficult conditions from then on. In the third quarter of 2022² did gross domestic product (GDP) return to the pre-pandemic level of the fourth quarter of 2019 for the first time again.³ Against the backdrop of the war in Ukraine with its repercussions for the international economy and the rise in inflation over the course of the year, the much hoped-for rebound failed to materialize for Germany. In 2022 as a whole, GDP only rose by 2.0%⁴ having risen by 2.8%⁵ in the prior year.

These developments also affected business sentiment in Germany. After peaking at 98.8 points⁶ in February 2022, the ifo Business Climate Index fell seven times in a row after the start of the war before bottoming out at 84.3 points⁷ in September 2022. However, the mood of the German economy picked up again slightly at the end of the year with the index rising to 88.6 points.⁸

The average inflation rate in 2022 was 7.9%⁹. This significantly higher rate was due to the leap in prices, particularly for energy and food, since the outbreak of the war. By contrast, the debt ratio as a percentage of nominal GDP fell slightly as the pandemic receded, from 68.7% in 2021 to 67.1% in 2022.¹⁰

As already described, the German economy is under immense strain. However, the country's labor market remained relatively stable despite the fallout from Russia's war against Ukraine. Average unemployment for the year was actually down in real terms, with a rise in the number of people in employment.¹¹ However, the nominal rate of unemployment edged up at the end of December due to Ukrainian refugees being included in the figures. This pushed the rate of unemployment up to 5.4%¹² at the end of 2022 (prior year: 5.1%)¹³.

The number of people in employment and earning sufficiently to pay social insurance contributions has swelled by contrast and demand for new staff remains high. In 2022, the average number of people in employment in Germany stood at around 45.6 million.¹⁴ This figure was the highest it had been since German reunification in 1990. Based on preliminary estimates by the Federal Statistical Office (Destatis), the average number of people in employment rose steeply by 589,000 (up by 1.3%) in 2022. This figure was 292,000 people, or 0.6%, higher than at its last peak in 2019 (45.3 million people).

Disposable income in Germany (up by approximately 3.1%¹⁵) lagged well behind inflation in 2022.

¹ By contrast with the figures for the financial year, the disclosures for the quarters contain unaudited information.

² German Federal Statistical Office – press release no. 563, December 27, 2022.

³ German Federal Statistical Office – press release no. 563, December 27, 2022.

⁴ German Federal Statistical Office – press release no. 20, January 13, 2023 (GDP price- and calendar-adjusted).

⁵ German Federal Statistical Office – press release no. 39, January 28, 2022 (GDP price- and calendar-adjusted).

⁶ ifo Institute – ifo business survey, December 2022.

⁷ ifo Institute – ifo business survey, December 2022.

⁸ ifo Institute – ifo business survey, December 2022.

⁹ German Federal Statistical Office – press release no. 22, January 17, 2023.

¹⁰ Kiel Institute for the World Economy 2022 winter forecast, December 15, 2022.

¹¹ German federal government – December figures, January 3, 2023.

¹² German federal government – December figures, January 3, 2023.

¹³ German Federal Employment Agency, Monthly report on the labor and training market, January 4, 2022.

¹⁴ German Federal Statistical Office – press release no. 1, January 2, 2023.

¹⁵ BMF – Disposable income per employee (single, no children) in Germany between 1960 and 2022, May 2, 2022.

Performance of the out-of-home and online advertising industry in 2022¹⁶

As a result of the challenges in the wider market, gross advertising spend fell in 2022. According to data collected by Nielsen, gross advertising expenditure in Germany dipped by 3.4% year on year in 2022. There were considerable differences, however, between the various advertising categories. Of the four major advertising categories, print, TV, online, and out-of-home advertising, all except the latter were down, with TV seeing the largest reduction of 5.5%. In prior years, online advertising spend had been an engine of growth but it also stalled in 2022 with Nielsen reporting a decline of around 3.9% in this category. Advertising spend in the print segment fell by 3.6% overall in the reporting year. Out-of-home advertising, by contrast, outperformed the overall advertising market with growth of 2.1% and gained market share.

Market growth of top four advertising categories in 2022 vs. 2021¹⁷

Total	OOH	TV	Print	Online
-3.4%	2.1%	-5.5%	-3.6%	-3.9%

In our view, however, the gross advertising data provided by Nielsen only indicates trends and can only be used to a limited extent to draw conclusions about net figures due to differing definitions and market territories.

Exchange rates in 2022

In spite of Statista and Asam's international business activities, the effects of exchange rates on the Ströer Group's business were negligible because the Group is primarily focused on its core German market.

Financial performance of the Group

The Board of Management's overall assessment of the economic situation

Given the challenges triggered by the war in Ukraine and the resulting economic downturn, the Board of Management believes that 2022 as a whole was a successful year for the Ströer Group nonetheless. The Ströer

Group benefited from strong organic growth as reflected first and foremost in its key performance indicators of revenue and EBITDA (adjusted). Ströer grew its revenue by EUR 144.6m in 2022 to EUR 1,771.9m, which was a new record. EBITDA (adjusted) also rose by EUR 28.1m year on year to EUR 541.4m (prior year: EUR 513.3m).

From the perspective of the Board of Management, the Group continued to enjoy a solid and well-balanced financial position in 2022 in terms of its net assets and capital structure. In terms of external financing, in December 2022, the Group entered into a new loan facility for a further five years to ensure that it has access to a comprehensive pool of liquidity at all times. This was complemented by its strong cash flows from operating activities, demonstrating once again the strength of Ströer's internal financing capability. Despite extensive investment in growth, the distribution of a dividend, considerable tax backpayments, and a share buyback, the leverage ratio increased only marginally and thus remained at a comfortable level. This positive overall picture was rounded off, in the view of the Board of Management, by the Group's equity ratio, which remained at a stable level.

Overall, we believe the Ströer Group continues to be very well positioned – both in operational and in financial terms – to be able to tackle future challenges and flexibly make use of opportunities arising from the structural changes occurring in the media market.

Comparison of forecast and actual business performance

The forecasts we made for 2022 were based on a cautiously optimistic assessment of economic conditions going forward. However, annual forecasts are naturally subject to major uncertainties, and particularly so during the COVID-19 pandemic and the war in Ukraine. Although the economic climate became considerably more subdued over the course of the year as a result of the war, many of the targets originally set for 2022 were almost achieved.

¹⁶ Nielsen gross advertising spend in 2022.

¹⁷ Nielsen gross advertising spend in 2022.

	Projected results for 2022	Actual results in 2022
Organic revenue growth	Growth between 10% and 14% (prior year: 13.2%)	9.3%
EBITDA (adjusted)	Percentage growth largely in line with revenue (prior year: EUR 513.3m)	EUR 541.4m (+5.5%)
ROCE	Comparable with prior year (prior year: 20.0%)	20.0%
Adjusted consolidated profit or loss for the period	Growth comparable with that of EBITDA (adjusted) (prior year: EUR 170.2m)	EUR 171.5m (+0.8%)
Free cash flow before M&A transactions (incl. IFRS 16 payments for the principal portion of lease liabilities)	Growth in line with EBITDA (adjusted) (prior year: EUR 147.0m)	EUR 50.4m
Leverage ratio	In line with or slightly below the prior year (notwithstanding an increase in dividends and M&A transactions) (prior year: 2.0)	2.2

Financial performance of the Group

Consolidated income statement

EUR m	2022	2021
Revenue	1,771.9	1,627.3
EBITDA	542.2	507.3
EBITDA (adjusted)	541.4	513.3
EBIT	238.7	197.3
Net finance income/costs	-27.9	-28.6
Profit or loss before taxes	210.8	168.7
Income taxes	-59.0	-38.5
Consolidated profit or loss for the period	151.8	130.3

For 2022 as a whole, the Group's **revenue** stood at EUR 1,771.9m, representing an increase of EUR 144.6m on 2021 (prior year: EUR 1,627.3m). Ströer generated especially strong year-on-year growth in the first two quarters, while the progressive slowdown in the economy had a particularly negative impact on some of the Group's businesses in the fourth quarter. Compared with the prior year, full-year revenue growth came to 9.3% (organic) and 8.9% (nominal).

The following table shows the change in external revenue by segment:

EUR m	2022	2021
Out-of-Home Media	741.1	658.1
Digital & Dialog Media	736.6	727.4
DaaS & E-Commerce	294.2	241.8
Total	1,771.9	1,627.3

The geographical breakdown of consolidated revenue did not change materially in structural terms in 2022. Revenue in Germany rose from EUR 1,453.5m to EUR 1,589.9m. Revenue outside Germany also increased year on year, climbing by EUR 8.1m to EUR 182.0m (prior year: EUR 173.9m). A total of 10.3% of revenue was therefore generated outside Germany (prior year: 10.7%).

The Ströer Group's revenue is subject to considerable seasonal fluctuations, as is revenue in the rest of the overall media industry. This impacts the level of revenue and earnings for the Group over the course of the year. While the fourth quarter is generally characterized by significantly higher revenue and earnings contributions, the first quarter in particular tends to be somewhat weaker. And things were no different in 2022, although the slowing economy toward year-end dampened the positive fourth-quarter effect somewhat.

In line with the increase in revenue, the Group's **cost of sales** increased by EUR 37.1m to EUR 1,015.5m (prior year: EUR 978.3m). Besides higher running costs and revenue-based lease payments in out-of-home advertising, this item was also significantly impacted by higher revenue-based fees in dialogue marketing (door to door). Overall, **gross profit** climbed by EUR 107.5m to EUR 756.5m (prior year: EUR 649.0m).

Selling and administrative expenses in the Group also increased, rising by EUR 51.6m to EUR 542.5m (prior year: EUR 491.0m). This was the result of higher investments in growth in some areas of the business compared with the prior year and the continued increase in operating business. Selling and administrative expenses as a percentage of revenue were thus marginally higher than in the prior year at 30.6% (prior year: 30.2%). **Other operating income** also increased slightly year on year, standing at EUR 43.0m for the year (prior year: EUR 41.0m). Whereas in the prior year this item had been positively impacted by the reversal of the loss allowance for trade receivables that had originally been recognized due to the COVID-19 pandemic, in 2022, the gain on the sale of a Turkish subsidiary increased this item. This contrasted with **other operating expenses** which were slightly lower year on year at EUR 19.8m (prior year: EUR 21.1m). The Group's **share of the profit or loss of investees accounted for using the equity method** was considerably lower in 2022 than in 2021 at EUR 1.5m (prior year: EUR 19.3m). Essentially, the 2022 figure was adversely affected by an impairment loss on the dialogue marketing business, whereas in 2021, this figure had been boosted by reversals of impairment losses.

In terms of operating business in 2022, the Ströer Group – despite a confluence of challenges towards the end of the year – notched up tangible growth with **EBIT** of EUR 238.7m crossing the EUR 200.0m mark for the first time (prior year: EUR 197.3m). **EBITDA (adjusted)** also increased significantly, up by EUR 28.1m year on year to EUR 541.4m (prior year: EUR 513.3m). At 20.0%, the return on capital employed (**ROCE**) remained at a high level (prior year: 20.0%).

The Group achieved a small improvement in its **net finance costs**, which amounted to EUR 27.9m (prior year: EUR 28.6m). Besides general funding costs for existing liabilities to banks, this figure has primarily consisted of expenses from unwinding the discount on lease liabilities since the introduction of IFRS 16. Overall, the adverse impact on net finance costs of increased interest rates in 2022 was more than offset by the payments received in respect of receivables that had previously been fully written down.

The Ströer Group's much improved financial performance led to a corresponding increase in the tax base, as a result of which the **tax expense** for 2022 of EUR 59.0m was much higher than in 2021 (prior year: EUR 38.5m).

All in all, despite the macroeconomic challenges, the Ströer Group achieved **consolidated profit for the period** of EUR 151.8m in 2022, which was EUR 21.6m higher than the prior-year figure of EUR 130.3m, which was itself a record. **Adjusted consolidated profit for the period** was up EUR 1.4m year on year to EUR 171.5m (prior year: EUR 170.2m).

Net assets and financial position

Overall assessment of the net assets and financial position

The Board of Management believes that the Ströer Group remains in a strong position – even in light of uncertainties such as the war in Ukraine and the COVID-19 pandemic – thanks to its good balance of assets and liabilities and solid financial footing. The cornerstone of this sound financial structure is robust external financing in the form of long-term commitments providing a comfortable level of liquidity. By entering into a new loan facility agreement with a volume of EUR 650m in December 2022 – ahead

of schedule – Ströer ensured that it has access to this pool of liquidity at all times for a further five years. These long-term credit facilities, together with the cash balance, meant that funds totaling EUR 301.5m were freely available as at the reporting date (prior year: EUR 365.4m). This robust external financing was complemented by the Group's internal financing strength, which was proven once again with substantial cash flows from operating activities of EUR 410.9m (prior year: EUR 426.5m). The leverage ratio (defined as the ratio of net debt to EBITDA (adjusted)) of 2.20 (prior year: 1.97) remains very sound in the Board of Management's opinion. The Group's equity ratio, which remains at a stable level, completes the overall picture.

Main features of the financing strategy

Ströer is steadfastly pursuing a conservative and long-term financing strategy. Securing financial flexibility is a top priority for the Group. We ensure this by taking appropriate account of criteria such as market capacity, investor diversification, flexibility of drawdown options, covenants, and maturity profile when selecting financial instruments.

The main objectives of the Ströer Group's financial management include:

- Safeguarding liquidity and ensuring its efficient management throughout the Group
- Maintaining and continuously optimizing the Group's financing capabilities
- Reducing financial risk, including the use of financial instruments
- Optimizing the cost of capital for debt and equity

The financing of the Ströer Group is structured in such a way that it provides us with a sufficient degree of flexibility to react appropriately to changes in the market or competition. Further important financing objectives are the ongoing optimization of our financing costs and loan covenants and the diversification of our investors.

As part of our financing, we ensure that our financial liabilities have an appropriate maturity profile and that the portfolio of banks and financial intermediaries with which we work is balanced and stable. We operate on the basis of binding standards that ensure transparency and fairness for lenders. One of our priorities is to establish long-term and sustainable relationships with our lending banks.

The external financing at our disposal and our financial flexibility are mainly based on two instruments. The first instrument comprises several note loans that Ströer SE & Co. KGaA placed on the capital markets in June 2016, October 2017, and June 2022 and which amounted to EUR 18.0m, EUR 113.0m, and EUR 203.0m respectively as at December 31, 2022. These loans consist of several tranches with terms of three, five, or seven years maturing between June 2023 and June 2029. An amount of EUR 178.5m is subject to fixed interest rates ranging between 127bp and 277bp; the floating rates on the loans range between 70bp and 110bp plus Euribor. Thanks to the large number of banks involved in these note loans, our investor base is highly diversified.

The second instrument is a new credit facility of EUR 650.0m that was arranged with a banking syndicate in December 2022 and may be extended by a further EUR 100.0m if required. This new facility replaced the previous credit facility dating from 2016. The facility's variable interest rate is in line with the market at Euribor plus a margin that ranges between 80bp and 175bp depending on the leverage ratio. The documentation also reflects the Ströer Group's investment-grade status. The facility has been committed for a fixed term ending in December 2027 with the option to be extended by a maximum of two years. The total volume of EUR 650.0m is structured as a flexible revolving facility including bilateral credit lines, giving the Ströer Group enormous financial flexibility.

For both financing instruments, the loans were granted without collateral. The financial covenants relate to the leverage ratio, which was comfortably met as at the end of the year. The costs incurred in connection with setting up the two financing instruments will be amortized over the term of the respective agreements. Overall, this provides the Ströer Group with very flexible and stable long-term financing in our opinion. As at December 31, 2022, the Group had available funding at its disposal of EUR 301.5m (prior year: EUR 365.4m) from unutilized credit lines under the credit facility, including a cash balance of EUR 79.9m.

As at the reporting date, no single bank accounted for more than 20% of all loan amounts drawn down in the Ströer Group, ensuring a well-diversified supply of credit. As part of the financing strategy, the Board of Management also regularly examines the possibility of hedging interest-rate risk by also using fixed-interest derivatives.

Our cash management is focused on managing our liquidity and optimizing the cash flows within the Group. The financing requirements of subsidiaries, if they cannot be covered from their own internal funds, are primarily met by intercompany loans as part of the automated cash pooling process. In exceptional circumstances, credit lines are also agreed with local banks in order to meet legal, tax, or operational requirements. In accordance with these guiding principles, the subsidiaries were once again mainly financed via the Group holding company in 2022. Where legally possible, any liquidity surpluses in the individual entities are pooled at Group level. Through the Group holding company, we ensure that the financing requirements of the individual Group entities are adequately covered at all times.

The Ströer Group's leverage ratio increased only slightly to 2.20 in the reporting year (prior year: 1.97) despite extensive investment in growth and the challenging economic conditions created by the war in Ukraine. In 2022, Ströer SE & Co. KGaA and its Group entities complied with all loan covenants and obligations under financing agreements.

The continuously increasing capital requirements imposed on banks are having a significant impact on their lending. As a result, we regularly consider whether and how we can diversify our financing structure, which is based heavily on banks at present, in favor of more capital market-oriented debt. In this context, we periodically examine various alternative financing options (such as issuing corporate bonds) in order to optimize the maturity profile of our financial liabilities where possible.

Financial position

Liquidity and investment analysis

The Ströer Group's cash flows in the reporting period are presented below:

EUR m	2022	2021
Cash flows from operating activities	410.9	426.5
Cash received from the disposal of intangible assets and property, plant, and equipment	1.1	5.2
Cash paid for investments in intangible assets and property, plant, and equipment	-163.6	-106.5
Cash received and cash paid in relation to investees accounted for using the equity method and to financial assets	6.3	2.5
Cash received from and cash paid for the sale and acquisition of consolidated entities	7.8	-0.4
Cash flows from investing activities	-148.4	-99.3
Cash flows from financing activities	-246.0	-349.2
Change in cash	16.5	-22.1
Cash at the end of the period	79.9	63.4
Free cash flow before M&A transactions (incl. IFRS 16 payments for the principal portion of lease liabilities)	50.4	147.0
Free cash flow before M&A transactions	248.3	325.1

Whereas the Ströer Group's cash flows from operating activities were considerably higher year on year in the first half of 2022, this positive trend faltered slightly toward the end of 2022 due to the downturn in the wider economy and the fact that the fourth quarter of 2021 had been strong. Given that operating activities picked up significantly over the course of the year as a whole, which was evident in the tangibly improved EBITDA (EUR +34.9m), it was mainly higher tax backpayments for prior years and adverse effects on provisions and working capital with an impact on cash that were responsible for the overall decline in cash flows from operating activities. Ultimately, at EUR 410.9m, **cash flows from operating activities** only reflected the tangible overall improvement in operating activities in 2022 to a very limited extent (prior year: EUR 426.5m).

On the back of its encouraging business performance across the year as a whole, the Ströer Group pushed ahead with its investment in organic growth – particularly in digitalizing its core business. Other investments included the Group's headquarters in Cologne, which Ströer acquired for around EUR 11.2m in the third quarter. In terms of M&A activities, by contrast, we sold the Turkish Group entity SEM Internet Reklam Hizmetleri ve Danismanlik A.S., Istanbul, Turkey, in 2022. Overall, **cash flows from investing activities** amounted to a net outflow of EUR –148.4m as at the reporting date, which was substantially higher than in the prior year (prior year: net outflow of EUR –99.3m). The aforementioned tax backpayments, together with investments in growth, were particularly significant factors in a corresponding decline in **free cash flow before M&A transactions** to EUR 248.3m (prior year: EUR 325.1m). Including IFRS 16 payments for the principal portion of lease liabilities, free cash flow before M&A transactions totaled EUR 50.4m (prior year: EUR 147.0m).

In light of the effects described above and the increase in cash, **cash flows from financing activities** declined by EUR 103.2m to a net outflow of EUR –246.0m (prior year: net outflow of EUR –349.2m). As in the prior year, cash flows from financing activities were heavily influenced

by the payment of a dividend to the shareholders of Ströer SE & Co. KGaA as well as payments for the principal portion of lease liabilities in connection with IFRS 16. For the first time, payments under the share buyback program also played their part. The program was launched at the start of October 2022 and had reached half of its target volume by year-end. Furthermore, the early repayment and replacement of the credit facility dating from 2016 with a new one that was disbursed in December 2022 also led to a corresponding increase in borrowing and loan repayments. Cash paid for the acquisition of shares not involving a change in control also declined in line with the scaling back of M&A activities over the past few years. The net result of all these changes was that the Ströer Group had **cash** of EUR 79.9m at the end of 2022 (prior year: EUR 63.4m).

Financial structure analysis

The Ströer Group's **financial liabilities** came to EUR 1,701.7m as at December 31, 2022 (prior year: EUR 1,648.4m). This rise of EUR 53.4m was mainly due to increased investments in digital advertising media, the acquisition of the headquarters in Cologne, the increase in working capital, and the launch of the share buyback program in October 2022. The Group's lease liabilities (IFRS 16) declined by contrast. Within financial liabilities, there was a shift from current to non-current liabilities, primarily due to the repayment of maturing note loans of EUR 219.0m in 2022. These repayments were funded by drawing on long-term credit lines under the facility agreement.

The Ströer Group bases the calculation of its **net debt** on the loan agreements in place with its lending banks. The additional lease liabilities that have had to be recognized since the introduction of IFRS 16 are excluded from the calculation of net debt both in the facility agreement and in the note loans. This is because the contracting parties do not believe that the financial position of the Ströer Group has changed as a result of the new standard being introduced. To maintain consistency, the positive impact of IFRS 16 on EBITDA (adjusted) is also excluded from the calculation of the leverage ratio.

EUR m		Dec. 31, 2022	Dec. 31, 2021
(1)	Lease liabilities (IFRS 16)	876.6	945.1
(2)	Liabilities from the facility agreement	414.1	280.6
(3)	Liabilities from note loans	333.3	349.8
(4)	Liabilities to purchase own equity instruments	27.3	27.5
(5)	Liabilities from dividends to be paid to non-controlling interests	2.5	4.9
(6)	Other financial liabilities	48.0	40.4
(1)+(2)+(3) +(4)+(5)+(6)	Total financial liabilities	1,701.7	1,648.4
(2)+(3)+(5)+(6)	Total financial liabilities excluding lease liabilities (IFRS 16) and liabilities to purchase own equity instruments	797.8	675.7
(7)	Cash	79.9	63.4
(2)+(3)+(5)+(6)-(7)	Net debt	718.0	612.3
Leverage ratio		2.2	2.0

The Ströer Group's net debt went up by EUR 105.6m to EUR 718.0m in 2022. The rise is attributable in particular to increased investment in digital advertising media, tax backpayments, the acquisition of the headquarters in Cologne, the increase in working capital, and the launch of a share buyback program in October 2022. This means that despite an increase in EBITDA (adjusted), the leverage ratio (defined as the ratio of net debt to EBITDA (adjusted)) has risen slightly year on year but remains at a comfortable level of 2.20 (prior year: 1.97).

Current and non-current **other liabilities** (EUR 128.8m; prior year: EUR 128.9m) were virtually unchanged year on year. Current and non-current **trade payables** (EUR 218.1m; prior year: EUR 227.9m) decreased slightly compared with the prior year. The changes in current and non-current **other provisions** were also marginal (EUR 119.5m; prior year: EUR 114.3m). The Group's **pension provisions** by contrast were significantly lower in 2022, falling by EUR 12.5m to EUR 31.0m (prior year: EUR 43.4m), mainly as a result of the considerable increase in the underlying discount rate. **Deferred tax liabilities** – in line with deferred tax assets – increased moderately year on year (EUR 38.8m, prior year: EUR 22.3m).

In the prior year, the EUR 7.1m recognized on the statement of financial position for **liabilities associated with assets held for sale** related to the Turkish subsidiary SEM Internet Reklam Hizmetleri ve Danismanlik A.S., Istanbul, Turkey. This company was sold on June 30, 2022.

Ultimately, the Ströer Group closed 2022 with **equity** of EUR 473.7m, which was slightly lower than the figure for 2021 (prior year: EUR 483.9m). The distribution of a dividend to the shareholders of Ströer SE & Co. KGaA and the share buyback had initially led to a decline in equity, but this effect was almost entirely offset over the year as a whole by the Ströer Group's substantial profit for the period of EUR 151.8m. The equity ratio fell marginally from 17.8% as at December 31, 2021 to 17.2% as at December 31, 2022. Adjusted for the lease liabilities accounted for in accordance with IFRS 16, the equity ratio was 25.2% as at the reporting date (prior year: 27.3%).

Capital costs

In the Ströer Group, the cost of capital relates to the risk-adjusted required rate of return and, for the purpose of measurement in the consolidated financial statements, is determined in accordance with the capital asset pricing model and the weighted average cost of capital (WACC) approach. The cost of equity is the return expected by shareholders, as derived from capital markets information. We use yields on long-term corporate bonds as the basis for borrowing costs. In order to take account of the different return/risk profiles of our main activities, we calculate individual cost of capital rates after income taxes for each of our business segments.

Net assets

Consolidated statement of financial position

EUR m	Dec. 31, 2022	Dec. 31, 2021
Assets		
Non-current assets	2,359.9	2,360.9
Current assets	396.2	347.8
Held for sale ¹	0.0	9.0
Total assets	2,756.2	2,717.7
Equity and liabilities		
Equity	473.7	483.9
Non-current liabilities	1,583.1	1,307.6
Current liabilities	699.3	919.1
Held for sale ¹	0.0	7.1
Total equity and liabilities	2,756.2	2,717.7

¹ The item 'Held for sale' includes assets classified as held for sale and the associated liabilities.

Analysis of the asset structure

The Group's **non-current assets** only decreased marginally overall in 2022, from EUR 2,360.9m to EUR 2,359.9m. Within non-current assets, the carrying amount of equity investments accounted for using the equity method declined, which in turn was due to profit distributions from those companies to their shareholders during the year and to a write-down on one of the investments. This contrasted in particular with an increase in deferred tax assets. There was only a small change in intangible assets and property, plant, and equipment, as the considerable investment in advertising media under property, plant, and equipment was almost entirely offset by depreciation of IFRS 16 right-of-use assets.

Current assets increased by EUR 48.4m to EUR 396.2m in the same period. However, the only notable changes within current assets affected cash and trade receivables, and those changes were within their usual ranges in both cases.

The sum of EUR 9.0m reported under **assets classified as held for sale** in the prior-year statement of financial position related to the Turkish subsidiary SEM Internet Reklam Hizmetleri ve Danismanlik A.S., Istanbul, Turkey. This company was sold on June 30, 2022.

Thanks to the strong market position of the Ströer Group, the **assets not reported in the statement of financial position** include a broad-based portfolio of long-standing customer relationships. Of these customer relationships, only a small proportion that arose from acquisitions and have not yet been fully amortized are recognized as an asset.

Financial performance of the segments

Out-of-Home Media

EUR m	2022	2021	Change	
Segment revenue, thereof	790.9	700.8	90.1	12.9%
Classic OOH	497.9	473.7	24.2	5.1%
Digital OOH	233.7	173.8	59.9	34.4%
OOH Services	59.3	53.3	6.0	11.4%
EBITDA (adjusted)	373.0	335.9	37.1	11.1%
EBITDA margin (adjusted)	47.2%	47.9%	-0.8 percentage points	

The OOH Media segment saw another considerable year-on-year improvement in **revenue** in 2022, to EUR 790.9m (prior year: EUR 700.8m). This is equivalent to a rise of EUR 90.1m or 12.9%. Out-of-home advertising, with its attractive portfolio of advertising media and strong sales performance, fared well in a market that became increasingly challenging over the course of the year, although its growth tailed off slightly as the year progressed, particularly in respect of national campaign customers. Revenue was nevertheless higher year on year across all product groups.

The **Classic OOH** product group offers traditional out-of-home advertising products to our customers. Its revenue of EUR 497.9m in the reporting period represented a significant year-on-year increase (prior year: EUR 473.7m). The **Digital OOH** product group, which consists of our digital out-of-home products (particularly public video and roadside screens), grew its revenue by a very considerable 34.4% to EUR 233.7m in the reporting period. Our attractive network of digital advertising media saw notably strong year-on-year growth on the back of the ongoing expansion of our roadside screen portfolio. Ever

more customers are opting for programmatic placement of advertising using our digital advertising media. Revenue in the **OOH Services** product group was also much higher year on year at EUR 59.3m (prior year: EUR 53.3m). This product group includes the local marketing of digital products to small and medium-sized customers as well as smaller, complementary activities that are a good fit with the customer-centric offering in the out-of-home advertising business.

The very healthy business performance had a noticeable positive impact on earnings, especially in the first half of 2022. For the year as a whole, the segment was able to significantly exceed the level of earnings reported a year earlier, with its **EBITDA (adjusted)** rising by EUR 37.1m to EUR 373.0m in the reporting period (prior year: EUR 335.9m). The fact that government subsidy programs (short-time working) were still being used in the prior-year period makes this increase particularly encouraging. Against a backdrop of challenging market conditions marked by general price increases, the **EBITDA margin (adjusted)** was roughly on a par with the prior year at 47.2% (prior year: 47.9%).

Digital & Dialog Media

EUR m	2022	2021	Change	
Segment revenue, thereof	743.7	733.9	9.9	1.3%
Digital	387.6	429.5	-41.9	-9.8%
Dialog	356.1	304.3	51.8	17.0%
EBITDA (adjusted)	177.8	187.4	-9.6	-5.1%
EBITDA margin (adjusted)	23.9%	25.5%	-1.6 percentage points	

Revenue in the Digital & Dialog Media segment rose by EUR 9.9m overall to EUR 743.7m in 2022. The **Digital** product group, which encompasses our online marketing activities, reported revenue of EUR 387.6m in the reporting period, which was significantly down on the prior-year figure of EUR 429.5m. In our publisher portfolio, our own special interest portals managed to escape the general market pressure and generated a considerable year-on-year increase in revenue. However, the darkening economic outlook coupled with the challenging news environment increasingly took their toll on our performance over the course of the reporting period. Some of the decline in revenue – a low double-digit million figure – is due to our peripheral digital activities in Turkey, which we sold mid-year. For this reason, the figures are not entirely comparable with those of the prior year. The

Dialog product group comprises our call center activities and direct sales activities (door to door). Its revenue rose sharply again in 2022, jumping by EUR 51.8m to EUR 356.1m. This reflected the tremendous success of our door-to-door sales business in selling telecommunications products, which more than made up for the difficulties in selling products in the energy sector and the only moderate development in the call center business.

The challenging market environment in both product groups was reflected in earnings. Overall, the segment generated **EBITDA (adjusted)** of EUR 177.8m in the reporting period (prior year: EUR 187.4m) and an **EBITDA margin (adjusted)** of 23.9% (prior year: 25.5%).

DaaS & E-Commerce

EUR m	2022	2021	Change	
Segment revenue, thereof	294.4	241.9	52.5	21.7%
Data as a Service	136.2	101.8	34.3	33.7%
E-Commerce	158.2	140.1	18.1	13.0%
EBITDA (adjusted)	20.7	22.1	-1.3	-6.1%
EBITDA margin (adjusted)	7.0%	9.1%	-2.1 percentage points	

In 2022, the DaaS & E-Commerce segment recorded a further significant increase in **revenue**, which was up by EUR 52.5m, or 21.7%, to EUR 294.4m, despite the general uncertainty¹⁸ prevailing in the market. The **Data as a Service** product group saw its revenue rise sharply by EUR 34.3m to EUR 136.2m thanks to Statista's ongoing expansion strategy both in Germany and internationally. The product group's revenue in the first nine months alone virtually equaled that for the entire prior year. The **E-Commerce** product group, which encompasses AsamBeauty's business, also generated a

further substantial EUR 18.1m increase in revenue to EUR 158.2m. The e-commerce and retail sales channels delivered the biggest contributions to this positive trend.

Overall, the segment delivered **EBITDA (adjusted)** of EUR 20.7m in 2022 (prior year: EUR 22.1m). With regard to costs, a high ongoing level of investment in the dynamic expansion of the platforms coupled with general increases in the prices of procured items in the e-commerce business had a negative impact. All in all, the **EBITDA margin (adjusted)** stood at 7.0% (prior year: 9.1%).

¹⁸ ifo Institute – ifo business survey, December 2022.

INFORMATION ON STRÖER SE & CO. KGAA

The management report of Ströer SE & Co. KGaA and the group management report for 2022 have been combined pursuant to section 315 (5) HGB in conjunction with section 298 (2) HGB. The separate financial statements and the combined management report of the Company and the Group are published at the same time in the electronic German Federal Gazette.

Description of the Company

Ströer SE & Co. KGaA operates as the holding company. It exclusively performs Group management duties and renders administrative and other services for the Group. These include, in particular, finance and Group accounting, corporate and capital market communications, IT services, Group financial planning and reporting, risk management, legal, and compliance.

The following figures and disclosures relate to the separate financial statements of Ströer SE & Co. KGaA, which were prepared in accordance with the provisions of HGB and AktG. Profit or loss for the period is the most important performance indicator for the Company.

Financial performance

After an initially good start to the year in the first six months of 2022 and achieving considerable growth on the prior year (which had been adversely affected by the COVID-19 pandemic), operating business weakened noticeably in the fourth quarter as a result of the macro-economic challenges. Nonetheless, the Group reported a significant increase in both revenue and earnings for the year as a whole. Ströer SE & Co. KGaA's profit for the period grew significantly on the back of this upward trend, not least due to a renewed rise in intragroup profit transfers, resulting in a further year-on-year increase to EUR 156.5m (prior year: EUR 135.0m).

Our prior-year forecast for 2022 was based on Ströer SE & Co. KGaA generating a significantly higher profit for the period. Ströer delivered a profit for 2022 of EUR 156.5m, equating to a rise of EUR 21.5m or 15.9% (prior year: EUR 135.0m). The forecast can therefore be considered to have been met.

EUR k	2022	2021
Revenue	33,139	28,709
Other operating income	24,821	8,373
Cost of materials	-9,187	-8,528
Personnel expenses	-23,907	-21,913
Amortization, depreciation, and impairment of intangible assets and property, plant, and equipment	-8,356	-6,426
Other operating expenses	-52,468	-48,153
Income from equity investments	3,300	0
Income from profit transfer agreements	247,631	215,966
Income from other securities and loans classified as non-current financial assets	2,395	2,058
Other interest and similar income	5,091	46
Impairment of financial assets	-10	0
Other interest and similar expenses	-14,955	-9,837
Income taxes	-51,084	-25,223
Post-tax profit or loss	156,409	135,072
Other taxes	48	-113
Profit for the period	156,457	134,959
Profit carryforward from the prior year	125,000	120,000
Accumulated profit	281,457	254,959

In its capacity as Group holding company, Ströer SE & Co. KGaA undertakes the procurement and administration of office space and company vehicles and provides other intragroup services for many of its Group companies. In 2022, the **revenue** generated from these intragroup services totaled EUR 33.1m and was EUR 4.4m higher than in the prior year (prior year: EUR 28.7m), which was due mainly to the services provided in respect of company vehicles. **Other operating income** swelled to EUR 24.8m in 2022, representing an increase of EUR 16.4m on the EUR 8.4m generated by the Group holding company in the prior year. Of particular note in this context is the gain on the disposal of the Turkish subsidiary SEM Internet Reklam Hizmetleri ve Danismanlik A.S., Istanbul, Turkey, which came to EUR 9.5m. Income from the reversal of provisions and income from payments received in respect of written-down receivables also contributed to this increase.

The **cost of materials**, which almost exclusively comprised rental expenses in 2022, was only slightly higher than in the prior year at EUR 9.2m (prior year: EUR 8.5m). At just over EUR 23.9m, **personnel expenses** were roughly EUR 2.0m higher year on year (prior year: EUR 21.9m) due to the rise in headcount and moderately higher general salary growth.

Amortization, depreciation, and impairment of intangible assets and property, plant, and equipment came to EUR 8.4m at the reporting date (prior year: EUR 6.4m), which was within the usual range. There was also no significant change in the Company's **other operating expenses** at EUR 52.5m, compared with EUR 48.2m in the prior year. Only higher fleet costs were of note in this item but they were largely offset by lower maintenance expenses.

Income from equity investments of EUR 3.3m comprises a dividend payment by a subsidiary of Ströer SE & Co. KGaA in the Czech Republic (prior year: EUR 0.0m). In terms of intragroup **income from profit transfer agreements**, the holding company recorded a further year-on-year increase of EUR 31.7m to EUR 247.6m (prior year: EUR 216.0m) that was due in particular to the overall improvement in the Group's operating business. **Income from other securities and loans classified as non-current financial assets** was

only marginally higher than in the prior year at EUR 2.4m (prior year: EUR 2.1m).

Other interest and similar income (EUR 5.1m; prior year: EUR 0.0m) and **other interest and similar expenses** (EUR 15.0m; prior year: EUR 9.8m) reflected the sharp rise in interest rates.

The further improvement in the operating business increased the tax base for the tax group. An excess of deferred tax liabilities over deferred tax assets also arose due to temporary differences in respect of equity investments and due to the implementation of the German Corporate Income Tax Modernization Act (KöMoG). These effects pushed up **income taxes** by EUR 25.9m to EUR 51.1m (prior year: EUR 25.2m).

Overall, thanks mainly to higher other operating income and an increase in intragroup profit transfers, Ströer SE & Co. KGaA grew its **profit for the period** to EUR 156.5m in 2022 (prior year: EUR 135.0m).

Net assets and financial position

In 2022, the net assets and financial position of Ströer SE & Co. KGaA remained sound in spite of the challenging macroeconomic conditions created by the war. Whereas non-current assets grew slightly, primarily in connection with the acquisition of the Group's headquarters in Cologne, current assets (EUR 1,566.2m) rose by EUR 95.5m due mainly to an increase in receivables and other assets. On the liabilities side of the statement of financial position, liabilities to banks rose to EUR 753.9m, a considerable increase of EUR 122.0m year on year that was attributable to the Ströer Group's extensive investment in growth. Liabilities to affiliates by contrast were down by EUR 35.9m on the prior year. Ströer SE & Co. KGaA's equity went up by EUR 3.1m to EUR 1,352.0m in 2022 (prior year: EUR 1,349.0m). The distribution of a dividend to the Company's shareholders and payments made under the share buyback program were more than offset by the profit for the period generated in 2022. With a healthy equity ratio of 57.1% (prior year: 59.9%), the Company continued to enjoy a solid and well-balanced financial position as at the reporting date.

EUR k	2022	2021
Assets		
Non-current assets		
Intangible assets and property, plant, and equipment	27,461	17,572
Financial assets	756,127	759,384
	783,589	776,957
Current assets		
Receivables and other assets	1,566,235	1,470,723
Cash on hand and bank balances	13,305	192
	1,579,540	1,470,915
Prepaid expenses	4,979	2,687
Total assets	2,368,108	2,250,559
Equity and liabilities		
Equity	1,352,018	1,348,962
Provisions		
Tax provisions	28,666	18,947
Other provisions	26,348	26,136
	55,013	45,082
Liabilities		
Liabilities to banks	753,853	631,841
Trade payables and other liabilities	5,936	6,319
Liabilities to affiliates	182,467	218,354
	942,256	856,514
Deferred tax liabilities	18,821	0
Total equity and liabilities	2,368,108	2,250,559

Analysis of the asset structure

Ströer SE & Co. KGaA's **intangible assets and property, plant, and equipment** increased by EUR 9.9m in total to EUR 27.5m in 2022 (prior year: EUR 17.6m), which was mainly related to the acquisition of the Ströer Group's headquarters in Cologne in August 2022 for a purchase

price of EUR 11.2m. All other additions to intangible assets and property, plant, and equipment were largely offset by amortization, depreciation, and impairment. The Company's **financial assets** were virtually unchanged with a decrease of just EUR 3.3m to EUR 756.1m (prior year: EUR 759.4m). The only item of particular note in this context was the disposal of the Turkish subsidiary SEM Internet Reklam Hizmetleri ve Danismanlik A.S., Istanbul, Turkey, for which the carrying amount on disposal was EUR 2.1m.

Receivables and other assets came to EUR 1,566.2m as at December 31, 2022, an increase of EUR 95.5m on the prior year-figure of EUR 1,470.7m. This reflected a considerable rise in receivables from intragroup profit transfers in 2022 and the investment in growth made by some Group companies. At the end of the reporting year, **bank balances** stood at EUR 13.3m (prior year: EUR 0.2m) and **prepaid expenses** stood at EUR 5.0m (prior year: EUR 2.7m). The latter comprise borrowing costs for the new credit facility agreed in December 2022. These costs have been deferred and are being recognized pro rata over the term of the financing.

Financial structure analysis

At the end of 2022, Ströer SE & Co. KGaA's equity came to EUR 1,352.0m, which was slightly higher than the prior-year figure of EUR 1,349.0m. Both the distribution of a dividend of EUR 127.6m to the Company's shareholders and the cash payments of EUR 25.8m made under the share buyback program were comfortably offset by the profit for the period of EUR 156.5m. At 57.1%, the equity ratio remained at a very comfortable level (prior year: 59.9%).

The Company's **provisions** edged up by EUR 9.9m to EUR 55.0m in the reporting period (prior year: EUR 45.1m). This was almost exclusively due to higher tax provisions; other provisions were virtually unchanged year on year. At EUR 753.9m, **liabilities to banks** increased markedly on the figure of EUR 631.8m for the prior year. This reflects in particular the Ströer Group's heightened liquidity requirements (e.g. for investment in growth, increased working capital, tax backpayments for prior years, acquisition of the Group headquarters).

By contrast, **trade payables and other liabilities** were marginally down on their prior-year level year at EUR 5.9m (prior year: EUR 6.3m). The Company's **liabilities to affiliates** decreased by EUR 35.9m to EUR 182.5m. This was mainly due to a decrease in liabilities resulting from the transfer during the year of liquidity surpluses earned by individual subsidiaries to the Group's holding company. Conversely, **deferred tax liabilities** of EUR 18.8m (prior year: EUR 0.0m) were mainly attributable to temporary differences in respect of equity investments and to the implementation of KöMoG.

Liquidity analysis

In December 2022, Ströer SE & Co. KGaA repaid its credit facility of EUR 600.0m dating from 2016 ahead of schedule and replaced it with a new credit facility with a volume of EUR 650.0m, with the option to extend the volume by a further EUR 100.0m if required. The full volume of the credit lines is structured as a flexible revolving facility and has been committed until December 2027. There is also an option to extend the term by up to two years in total. As at December 31, 2022, a total of EUR 221.7m of these credit lines was freely available (prior year: EUR 302.0m).

The Company's net financial assets amounted to EUR 732.6m as at December 31, 2022 (prior year: EUR 714.2m). The following overview shows the composition of the net financial assets of Ströer SE & Co. KGaA as at the reporting date:

EUR m	Dec. 31, 2022	Dec. 31, 2021
(1) Receivables from affiliates	1,555.2	1,462.7
(2) Loans to affiliates	100.4	101.5
(3) Cash on hand and bank balances	13.3	0.2
(1)+(2)+(3) Total financial assets	1,668.9	1,564.4
(4) Liabilities to banks	753.9	631.8
(5) Liabilities to affiliates	182.5	218.4
(4)+(5) Total financial liabilities	936.3	850.2
(1)+(2)+(3)-(4)-(5) Net financial assets	732.6	714.2
Equity ratio (%)	57.1%	59.9%

Because it is the holding company, Ströer SE & Co. KGaA's performance is closely linked to that of the entire Ströer Group. In view of the positive level of net financial assets, comfortable equity ratio, and the expectation that the results of the subsidiaries will improve once the economic challenges created by the war in Ukraine have been overcome, we are confident that the Company, like the Group as a whole, is extremely well positioned to meet future challenges. The opportunities and risks for the Company are largely the same as the opportunities and risks for the Ströer Group.

Anticipated performance of the Company

Due to its role as group parent, Ströer SE & Co. KGaA's anticipated performance depends on that of the Group as a whole. The performance of the Group as a whole will in turn be influenced heavily by the economic challenges triggered by the war in Ukraine. Based on the Group's expected financial performance in 2023, as presented in the 'Forecast', we expect the subsidiaries as a whole to deliver largely similar earnings contributions in 2023 as in 2022, depending on how the economy fares. We therefore anticipate that Ströer SE & Co. KGaA's profit for the period will be on a par with 2022.

Report on relationships with affiliated entities

Ströer SE & Co. KGaA submitted a voluntary report to the Supervisory Board and the independent auditors in accordance with section 312 AktG. The report closes with the following declaration by Ströer SE & Co. KGaA, represented by the Board of Management of Ströer Management SE:

'Our Company, Ströer SE & Co. KGaA, received appropriate consideration for each of the legal transactions stated in the report on relationships with affiliated entities. This assessment is based on the circumstances known to us at the time of the reportable transactions. No measures on which we would have to report were taken or omitted.'

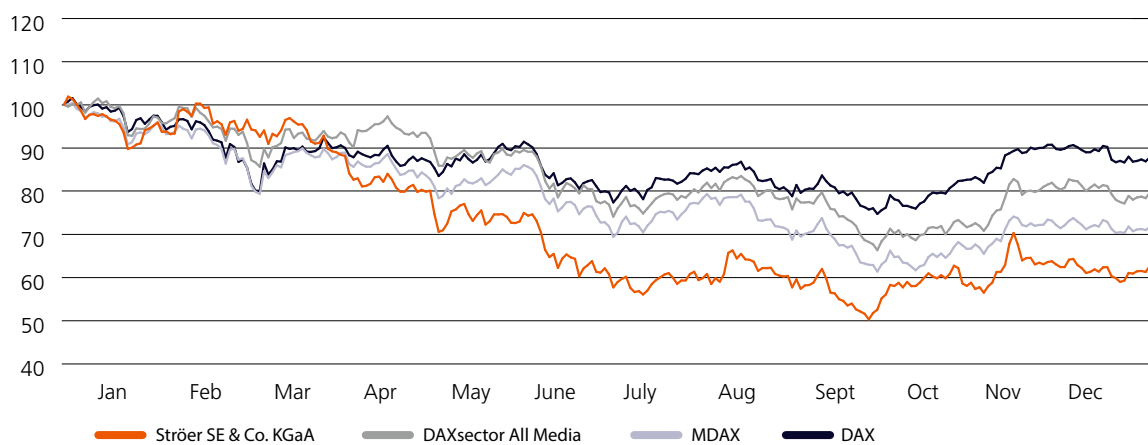
SHARE INFORMATION¹

There were two distinct phases of trading in 2022, influenced primarily by the fallout from Russia's war of aggression on Ukraine with the pandemic having run its course. With the DAX at 16,285 points at the start of the year, just below its peak of 16,290 points in 2021, it nosedived when the war broke out. According to analysis by the World Federation of Exchanges, world stock market capitalization fell by USD 18 trillion. At mid-year, the DAX bottomed out at 11,863 points, having lost around 27% of its value compared with its peak. It rallied in classic bear market style from September 2022, with the DAX even briefly reaching more than 14,600 points. At the end of the year, the leading German index closed at 13,924 points, just beneath the 14,000 points marker. The DAX thus only lost around 12.3% over the course of 2022 (prior year: up by 15.8%). The MDAX, the index in which the shares of Ströer SE & Co. KGaA are listed, fell more sharply than the DAX in the same period (down by 28.5%; prior year: up by 14.1%).

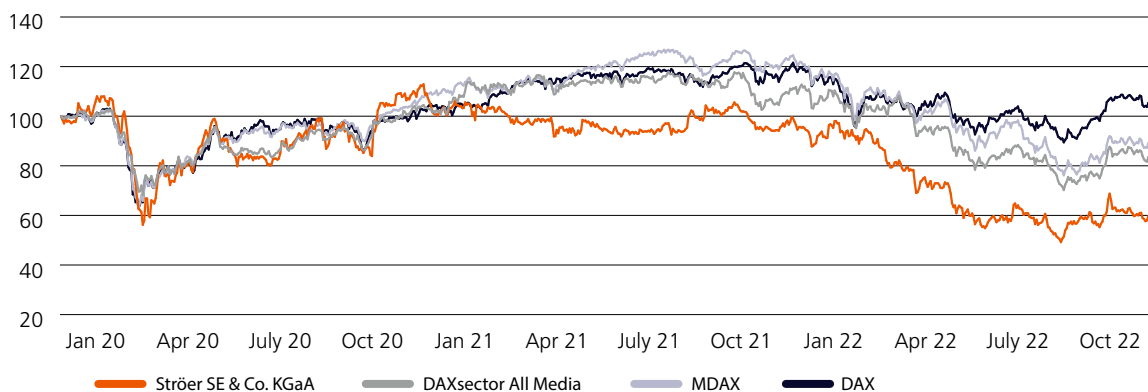
The DAXsector All Media index was also weak and closed at 287 points, which was down by 19.4% (prior year: up by 7.1%) on the figure as at December 31, 2021 (357 points).

Amid a deteriorating economic outlook, rising interest-rate expectations, and tense equity markets, the shares of Ströer SE & Co. KGaA put in a lackluster performance overall. Until mid-May of the reporting year, Ströer shares marginally outperformed the DAX and MDAX overall, with the paper peaking at EUR 72.35 in January. In mid-2022, however, the share price fell due to conditions in the market and wider economy, reaching its low of EUR 34.44 in September but going on to recover. In the weeks following the announcement of the share buy-back program until the Q3 figures were published, Ströer's shares outperformed the MDAX. As at December 31, 2022, the price for one of the Company's shares stood at EUR 43.56, which was roughly 37.1% lower than the closing price in 2021. Taking into account the dividend of EUR 2.25 paid in June 2022, the total return improved slightly by around 3 percentage points.

Relative performance of Ströer shares in 2022 (indexed, in percent)



Relative performance of Ströer shares over a three-year period (indexed, in percent)



Source: Factset

¹ This section is not included in the audit conducted by the independent auditor.

Over a three-year period, the total return on Ströer shares was unable to match its good performance of the prior year and was down by around 21% and 37% respectively against the MDAX and DAX.

Ströer's dialogue with the capital markets

Active, open, and ongoing communication with investors and analysts is the most important task and focal point of investor relations work for Ströer SE & Co. KGaA. And it is all the more important in challenging years such as 2022. Direct contact, video conferences, the website, and the email distribution list are all equally significant channels for presenting the Company and explaining its strategy and potential. In 2022, traditional in-person roadshows took place again after the two-year hiatus caused by the pandemic. Besides European centers of trade such as Frankfurt, Paris, and London, destinations in North America were also a focus. The Board of Management and the investor relations team also took part in a multitude of virtual roadshows and virtual investor conferences.

In addition to the investor relations team, the Board of Management of the general partner personally took part in many video conferences with individual investors and answered questions from capital market players. To make capital markets activities as effective as possible, the investor relations team analyzes the Company's shareholder structure on an ongoing basis and plans its activities and communication strategy accordingly. Another key communication channel is the website ir.stroeer.com, where Ströer promptly publishes capital-market-relevant information and details of its roadshows, including presentations, and makes all investor relations documents available for download.

Annual shareholder meeting

Because of the COVID-19 pandemic and related restrictions on contact with others, the shareholder meeting was again held as a virtual event to help keep shareholders safe and took place on June 22, 2022. In total, around 48 million no-par-value shares were represented, equivalent to around 85% of the share capital. Matters voted on included the distribution of a dividend of EUR 2.25 per dividend-bearing no-par-value share.

Stock exchange listing, market capitalization, and trading volume

Ströer SE & Co. KGaA shares are listed in the Prime Standard of the Frankfurt Stock Exchange and are included in the MDAX. Based on the closing share price on December 31, 2022, market capitalization came to around EUR 2.5b (prior year: EUR 3.9b). The average daily volume of Ströer shares traded on Xetra was approximately 72,000 shares in 2022 (prior year: 63,400 shares).

Share buyback program

On September 28, 2022, Ströer Management SE, the general partner of Ströer SE & Co. KGaA, decided to add a share buyback element to the capital allocation strategy of Ströer SE & Co. KGaA and to carry out an initial share buyback program with a total repurchase volume of up to EUR 50m. The volume of EUR 50m represents the likely maximum number of shares that can be acquired over the subsequent six months within the regulatory limits. The program was launched on October 3, 2022. A total of 610,331 treasury shares had been repurchased by December 31, 2022.

Analysts' coverage

Ströer SE & Co. KGaA is currently analyzed by 13 German and international banks, of which five give a recommendation of 'buy', six give a recommendation of 'hold', and two recommend 'sell' in their most recent assessments.

The latest broker assessments are available at → www.stroeer.com/investor-relations and are presented in the following table:

Investment bank	Recommendation
Warburg Research	Buy
Hauck & Aufhäuser	Buy
Deutsche Bank	Hold
LBBW	Buy
UBS	Buy
Kepler Cheuvreux	Buy
Oddo BHF	Hold
Barclays	Hold
Citi	Hold
HSBC	Hold
Goldman Sachs	Sell
J.P. Morgan	Hold
Exane BNP Paribas	Sell

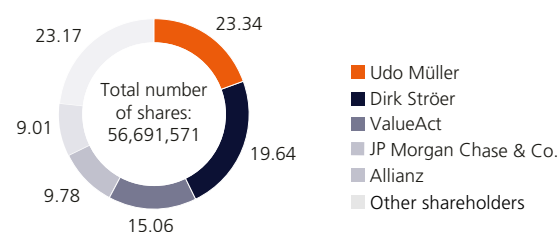
← All information can be found on our website: www.stroeer.com/investor-relations

Shareholder structure

As at the end of 2022, Udo Müller, founder and Co-Chief Executive Officer, directly held 7.35% of the limited partner's shares in Ströer SE & Co. KGaA and held 15.99% indirectly through interposed subsidiaries (23.34% in total). Dirk Ströer indirectly held 19.64% through interposed subsidiaries while Christian Schmalzl, Co-Chief Executive Officer, held around 0.05% of the shares in Ströer SE & Co. KGaA. Udo Müller and Dirk Ströer are parties to a voting and pooling agreement. The free float came to around 43.4%² as at December 31, 2022. Based on the notifications received by the Company by December 31, 2022, Ströer was aware of the following parties that hold more than 3% of the voting rights in Ströer SE & Co. KGaA: ValueAct Holdings GP, LLC 15.06%, JPMorgan Chase & Co. 9.78%, Allianz Global Investors GmbH 9.01%, DWS Investment 4.92%, and Credit Suisse 3.44%. Ströer had repurchased 610,331 shares under the aforementioned share buyback program as at the reporting date, corresponding to around 1.1% of the shares outstanding.

Shareholder structure of Ströer SE & Co. KGaA

As of Dec. 31, 2022 in %



Dividend policy

In the reporting year, Ströer SE & Co. KGaA paid a dividend of EUR 2.25 per dividend-bearing no-par-value share. Owing to the solid financial position of the Group and the expected positive trends in its business going forward, this distribution went beyond the range of between 50% and 75% of adjusted consolidated profit that is set out in the Company's dividend policy.

Ströer SE & Co. KGaA intends to continue enabling its shareholders to share in any profit.

Key data for Ströer SE & Co. KGaA shares as at December 31, 2022

Share capital	EUR 56,691,571
Number of shares	56,691,571
Class	No-par-value bearer shares (each no-par-value share has a notional value of EUR 1.00 of the share capital)
First listing	July 15, 2010
ISIN (International Securities Identification Number)	DE0007493991
WKN (securities identification number)	749399
Stock exchange symbol	SAX
Reuters ticker symbol	SAXG.DE
Bloomberg ticker symbol	SAX/DE
Market segment	Prime Standard
Index	MDAX
2022 opening price ¹	EUR 69.45
2022 closing price ¹	EUR 43.56
Highest price in 2022 ¹	EUR 72.35
Lowest price in 2022 ¹	EUR 34.44

¹ XETRA price in EUR.

² Free float as defined by Deutsche Börse.

EMPLOYEES

The digital transformation of the media industry continues to place high demands on our employees and on how we collaborate with each other and with our customers in terms of technical know-how, creativity, and new ways of working. Ströer wants to live up to its ambition of playing a pioneering role in actively shaping these changes. The collaborative and agile ways of working that were already in use at Ströer, combined with flexible remote working, enabled it to switch to (in some cases entirely) virtual work processes very quickly.

In preparation, managers and employees were provided with digital online training entitled 'Meeting over Distance' and 'Lead over Distance'. This gave rise to many new innovative approaches, including 'Chatty'. Chatty has now become a permanent tool for answering specific HR, facilities, or procurement questions at any time of the day. Digitalized processes, for example the salary review process or target agreement process, are tangibly easing workloads.

The Ströer Group received a six-figure number of job applications in 2022. Our digital recommendations program, in which recommendations can also be forwarded online, proved to be a success again in 2022. Establishing a recruitment team has especially proven its worth, and the team has been able to appoint people even to hard-to-fill staff and leadership positions, including in IT.

Since 2022, a monthly onboarding day has been held in order to give new colleagues a rapid and efficient induction and help them to get to know the Company better. During this induction day, the Company as a whole is presented and interactive sessions are held to promote networking. The board of Management and HR also meet with the new hires.

Ströer offers lots of benefits and innovative structures for new and established employees, such as attractive modern offices, flexible working time models, company childcare facilities in Cologne, and the Jobbike and Joblunch salary-sacrifice schemes. Our IT benefit shop was also established.

In 2022, an election for the employee representatives on the Supervisory Board of Ströer SE & Co. KGaA was held. The new members have been in office since the annual shareholder meeting on June 22, 2022.

Workforce information¹

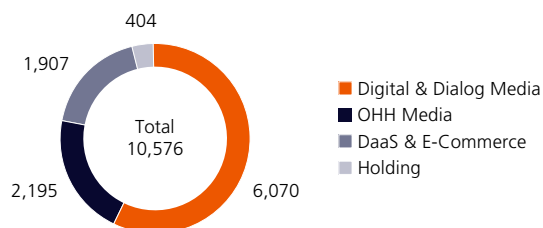
Headcount

At the end of 2022, the Ströer Group had 10,576 full-time and part-time employees (prior year: 10,079). The increase was a result of organic growth.

¹ This section contains unaudited information.

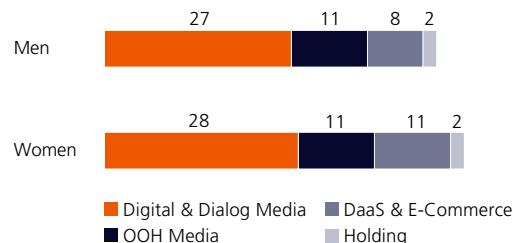
Employees by segment

As of Dec. 31, 2022



Gender structure by segment

2022 in %



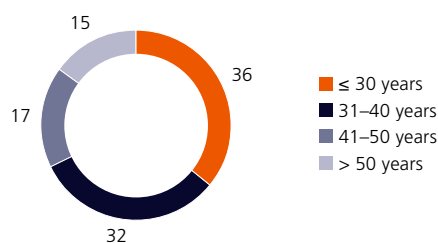
Length of service and age structure

As at the reporting date, employees had been working for the Ströer Group for an average of 4.8 years (prior year: 4.7 years).

Ströer had a well-balanced age structure overall. It aims to retain young employees through targeted training programs and to sustain their enthusiasm for the Company in the long term. Team members with extensive professional experience support them in their careers. This also enables us to connect the generations.

Age structure in the Group

2022 in %



Gender structure

← Ströer continued to have a well-balanced gender ratio in 2022. The proportion of female employees in the Group increased during the year. As at the end of 2022, 48% of the Ströer Group's employees were male and 52% were female, which was a slight change compared with the prior year when 49% were male and 51% were female. The gender balance is due in no small part to the attractive working time models and hybrid working arrangements that help staff reconcile work and family life, for example, and that make Ströer a modern company.

→ Further information on the gender ratio and on the targets for the Board of Management and the two upper levels of management can be found in the corporate governance declaration at: www.stroeer.com/investor-relations

Values and social principles²

Ströer published the Ströer Social Charter in July. The values and social principles – 'how we work' – provide a framework of ethics for the entire Ströer Group with regard to its responsibilities as an international group of companies. We are acting in the knowledge that we must conduct our business responsibly and sustainably in order to protect our current and future living and working conditions. That also includes our respect for the cultural, ethical, social, political, and legal diversity of the countries and societies in which the Group operates. All employees must observe the Ströer Social Charter. Initial communications and training have taken place and will be enhanced on specific topics in 2023.

Diversity was and remains a key pillar for collaboration within the Group. Ströer supports all aspects of diversity and promotes a culture of respect and fairness. In 2022, the Ströer LGBTQ+ network, LOU, was set up. During the tenth German Diversity Day, we informed staff of our support as straight allies for the Welcoming Out initiative, of which we are a patron (the official launch of our sponsorship took place in Hamburg on June 16, 2022). The Diversity Day included various keynote speeches on everyday discrimination, unconscious gender bias training, and panel discussions on gender equality led by the EmpowHer network. Other topics were addressed using interactive formats and social media posts to raise awareness and visibility for diversity issues.

Training and development³

Vocational training and degree courses

In 2022, Ströer provided vocational training to a total of 161 talented young people throughout Germany. Ströer once again received an excellent rating from the business magazine Capital in its 2022 survey of training providers, which confirmed Ströer as one of Germany's best training providers. Besides traditional vocational training, the

² This section contains unaudited information.

³ This section contains unaudited information.

survey also covered degree apprenticeship programs, for which Ströer was also very highly rated in the survey. Our degree apprenticeship program, which combines work with study, includes bachelor’s degrees and, since 2018, master’s degrees.

Successful students from the bachelor and apprenticeship programs of course have a good chance of being kept on by Ströer, which again hired many young talented employees in different departments and companies of the Group last year.

Continuing professional development and skills training

Ströer offers its employees opportunities to achieve their professional goals within the Ströer Group.

In previous years, the trainee programs were continuously expanded so as to offer a wide variety of training and orientation opportunities to those starting out in their careers. Entry as a trainee is now possible in the following three areas: general management, HR, and sales.

In 2022, prompted by ongoing digitalization and the proliferation of agile working approaches, Ströer enhanced and rolled out its online training program on digital leadership to many more areas of the Company.

With the launch of a new learning management system, JUMP’n’tain has been given a facelift coupled with more options for booking training sessions. It is much easier to use, and the content has been significantly enhanced. The culture of learning and the thirst for knowledge that prevail at Ströer were enhanced by the addition of getAbstract in 2022. getAbstract allows summarized versions of business books to be accessed at any time, and areas of learning can also be explored interactively.

Participants in the talent program made tremendous progress in their development, and many have taken their career to the next level within the Ströer Group. In the third round of JUMP’n’grow, a program that was launched in 2019, Ströer ran some of the modules digitally and put others on hold due to the pandemic. Regular book discussions and online courses continued to take place, and the outstanding modules were carried out in 2022. This meant that the baton was able to be passed to the fourth group of talented employees in September. Employees were able to apply for the program in May 2022, and applicants were selected by the executive committee – the highest management level below the Board of Management of the general partner – on the basis of the documents submitted. The program includes workshops, training, informal discussions with members of the Board of Management, and collaborative projects for the duration of the program. The talented employees are mentored by senior managers who play the role of sparring partners.

Concept for digital leadership workshop

		Module '0'	Module 1	Module 2	Module 3	Module 4	Mindset change program (from April 2022)
April 2020 start							
Focus areas	Lead & Meet over Distance	Authenticity	Being an enabler Challenge & nurture	Appreciation Communication Setting goals	Delegating Trusting Allowing mistakes No micromanagement	Leader's Mindset: Trust in Leadership Robustness Human-Centricity Entrepreneurial Responsibility	
	1 x 2hr module	1 x 4hr module	2 x 4hr modules	2 x 4hr modules	open	6 months	
	Sharing information & expertise	Handouts, collaborative tools, breakouts	Web training in advance, Handouts, collaborative tools, breakouts	Handouts, collaborative tools, breakouts	open	Keynotes Leadership Sessions Learning platform One-on-one coaching	
Leadership Basics							Leader's Mindset

OPPORTUNITIES AND RISKS

Opportunity and risk management system

We understand the term risk to mean any deviations from the budget triggered by the uncertainty of the future, which may constitute both a threat and an opportunity for the company and, if they occur, may have a potential impact on the achievement of the company's goals and the going concern of the company. This also includes sustainability-related aspects arising from the areas of the environment, social matters and corporate governance (ESG).

Risk management at the Ströer Group encompasses the entirety of all activities, thus ensuring a systematic approach to risk. The function of risk management is to identify and analyze risks at an early stage using a standardized system and to formulate action steps to optimize the balance of risk and reward. A key component of Ströer's risk management system is its groupwide early warning system for the detection of risk. The system complies with the statutory requirements in section 91 (2) AktG.

The Board of Management of the general partner is responsible for opportunity and risk management at Ströer SE & Co. KGaA, which forms an integral part of corporate governance. The ongoing management of opportunities and risks is also an integral component of the planning and control process.

Risk strategy

Our risk strategy is not centered on strictly avoiding risks but on ensuring that the business decisions we make are based on careful consideration of the opportunities and risks. At the same time, it is important to identify in good time risks that could jeopardize the continuation of the Company as a going concern so that prompt action can be taken to avoid or limit any such risks. Dealing openly and responsibly with risks is essential to our risk culture and is an approach which the Board of Management proactively communicates and puts into practice.

Risk-bearing capacity

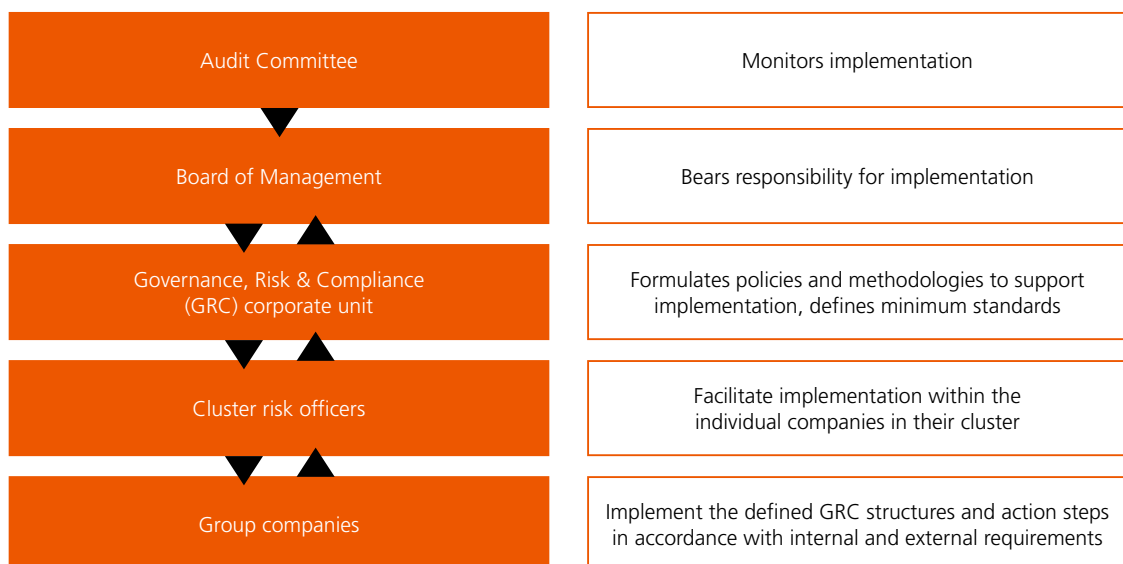
A key indicator of the Ströer Group's risk-bearing capacity is the net debt ratio, as it is directly related to the company's liquidity and is used as a relevant indicator for assessing creditworthiness and thus the company's ability to obtain further financing. A Monte Carlo simulation is therefore used to analyze all risks identified in the risk management process to determine their potential impact on the net debt ratio. The net debt ratio produced by the simulation after factoring in the risks should under no circumstances exceed the level defined by the Board of Management of the general partner as the maximum risk-bearing capacity.

Risk management organization

Risk management is embedded in the Group from an organizational perspective through the Governance, Risk & Compliance (GRC) organization.

The Audit Committee of the Supervisory Board of Ströer SE & Co. KGaA monitors the internal control and risk management system.

Governance, Risk & Compliance organization



The Board of Management of the general partner bears overall responsibility for implementing an internal control and risk management system that is appropriate and effective. It ensures that risks that could jeopardize the Company's ability to continue as a going concern or significantly hamper the achievement of its objectives are identified, analyzed, managed, and continuously monitored. It also helps to improve how risks are identified and communicated in all departments and divisions and to raise awareness of these processes across the entire Ströer Group, thus enhancing the risk culture.

The Board of Management is supported in these endeavors by the GRC corporate unit, which provides the necessary guidelines and policies as a basis for the operational and organizational structure of risk management. The risk management process follows a structured and standardized approach that uses centralized tools and methodologies to detect and analyze risk. The GRC corporate unit, assisted by cluster risk officers, is responsible for managing, monitoring, and reporting risk across the Group and provides training to ensure that the process is implemented consistently and in accordance with central policies.

Below the level of Group segments, multiple Group companies were amalgamated as clusters within the corporate governance structures and the role of cluster risk officer was created to facilitate implementation in the individual Group companies. The cluster risk officers manage the risk management process and the risk situation within their area of responsibility. Specifically, they monitor how

risks are identified and analyzed within the relevant subsidiaries and how the risk-mitigation measures are being implemented.

Opportunity and risk management at the Ströer Group is designed in such a way that the risks relevant to the individual segments, clusters, and companies of the Group are fully documented. The managing directors of the individual Group companies are therefore required to implement structures and mechanisms that conform to the relevant laws and internal policies and to ensure that the operational risk management process is functioning as it should. This allows risks to be documented appropriately and to the fullest extent possible at the level where they arise and are managed.

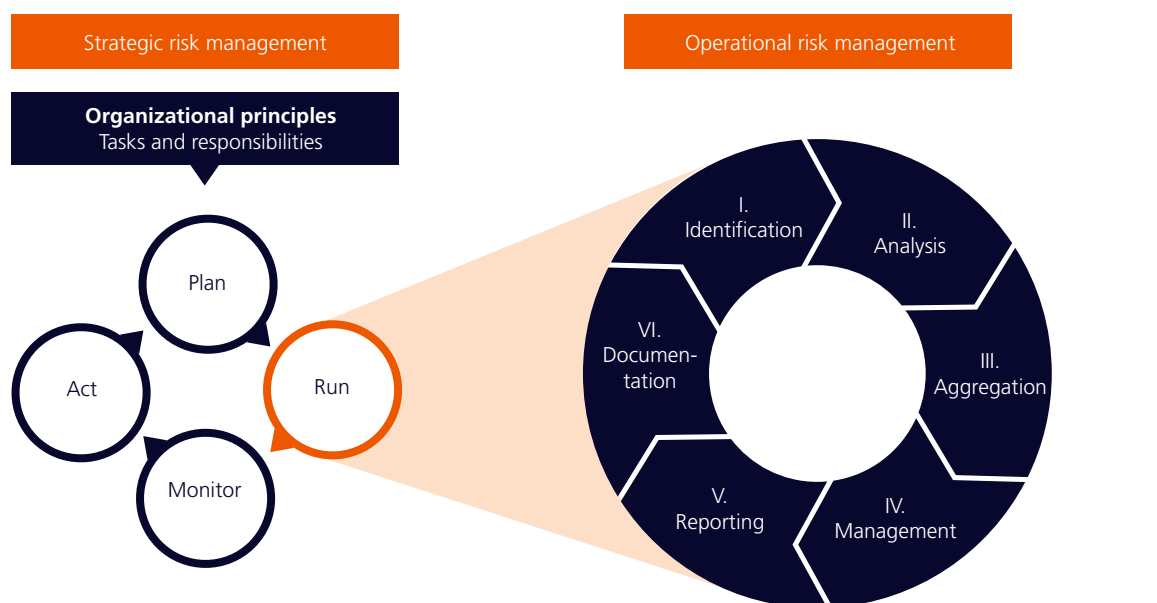
Risk management process

Ströer SE & Co. KGaA operates a comprehensive risk management system that comprises, as is customary, a strategic and an operational risk management process.

The strategic risk management process is primarily coordinated and implemented by the Board of Management of Ströer SE & Co. KGaA in conjunction with the GRC corporate unit.

The operational risk management process, meanwhile, is carried out on a semi-annual basis at cluster and Group company level. Its efficiency and effectiveness are ensured by the consistent application of the groupwide risk management methodology, which is codified in the relevant guidelines and policies issued by the GRC corporate unit,

Risk management process



and by the use of standardized tools for documenting and analyzing risk. The risk management process is regularly reviewed in relation to current and future legal requirements and is enhanced on an ongoing basis, particularly in the areas of risk identification and analysis.

Identification

At a fundamental level, risk management involves the identification of material risks with regard to their impact on the achievement of the Company's objectives. The managing directors of the individual Group companies bear responsibility for the identification of all such material risks and are assisted in this task by the cluster risk officers. Each risk is assigned to a risk owner who has the responsibility and authority to monitor and manage the risk appropriately.

The GRC corporate unit conducts a review at least once a year, as part of an established process, to ensure that all Group companies are included in the risk management system. To facilitate comprehensive bottom-up risk reporting across the entire Group, each company is assigned to a particular cluster and therefore also to a particular cluster risk officer.

Analysis

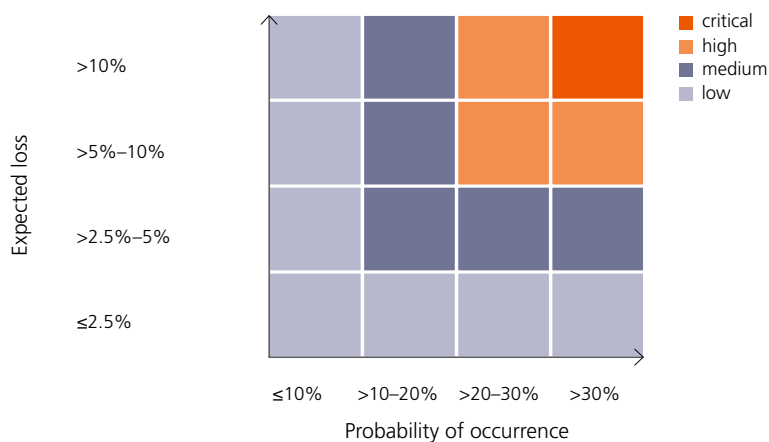
Risks are analyzed in a two-stage process. In the first stage, the potential severity of the loss and its probability of occurrence are used to calculate an expected loss value, which serves as a starting point for categorizing the individual risks as critical, high, moderate, or low. This analysis is carried out on the basis of the net risk, i.e. the level of risk when the measures that are in place to avoid or minimize the risk are taken into account. The Group's average EBITDA¹ over four quarters is the metric used to assess and categorize the risk (see 'Risk matrix, expected loss value' chart below). In the second stage of the process, the risks are aggregated and modeled in simulations with reference to the risk-bearing capacity of Ströer SE & Co. KGaA.

Aggregation, simulation, and assessment of risk-bearing capacity

Once the companies have identified individual risks, the cluster risk officers aggregate them and check for potential interdependencies.

The GRC corporate unit then uses a Monte Carlo simulation to analyze the overall risk situation of the Ströer Group with regard to its risk-bearing capacity. The simulation takes into account other possible intragroup interdependencies between individual risks. This identifies any developments that may result from the combined effects of multiple individual risks that would jeopardize the Group's ability to continue as a going concern.

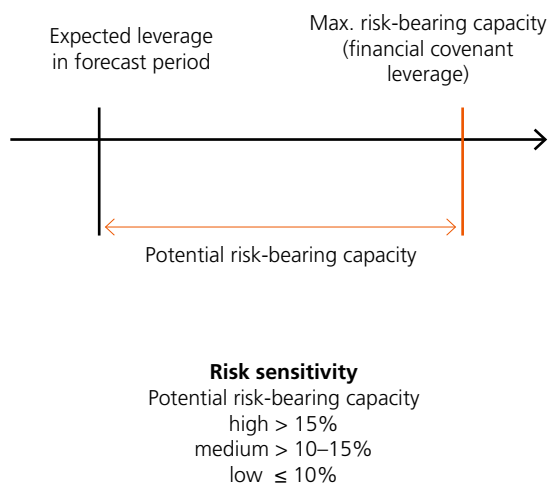
Risk matrix based on expected loss value (analysis of individual risks)



¹ EBITDA as defined in the financial statements, before the impact of IFRS 16, IFRS 11, and other exceptional items.

In the Monte Carlo simulation, a sensitivity analysis – that goes beyond simply calculating the expected loss values – is carried out to identify any additional material individual risks. Here, the analysis no longer focuses on the relationships between risk factors in a variety of potential outcomes. Instead, it focuses on the impact of an individual risk on the overall outcome of the risk simulation when the other risk parameters remain constant.

Assessment of sensitivity



Management

If the identification and analysis of the risks pertaining to the Ströer Group bring to light material individual risks, further steps are taken to reduce the probability of occurrence or the expected severity of the loss. These steps are usually triggered when the results of the risk sensitivity analysis for individual risks exceed 15% of the aggregate potential risk-bearing capacity. If the 15% threshold is not reached, the risk is generally accepted on the basis of the most recent risk assessment and no further action is taken. However, the risk is still monitored to ensure that defined risk tolerances are not exceeded in the future.

Reporting

Monitoring and reporting are key components of a holistic risk management process. The objective is to take into account relevant changes to the risk position and monitor the effectiveness of any action that is taken. Moreover, the documentation and reporting of risks, and of action being taken to contain risks, ensure that the relevant

decision-makers and decision-making bodies (particularly the Board of Management and the Audit Committee of the Supervisory Board) are kept fully up to date with the Ströer Group's risk position.

Ad hoc risk reports

In addition to the formal, half-yearly risk management process described above, risks are also identified, assessed, and mitigated on an ongoing basis. If it is deemed necessary and appropriate due to current events or new information, risks are reported to the GRC corporate unit and the Board of Management outside of the half-yearly process.

Monitoring

At regular intervals, the internal audit function of Ströer SE & Co. KGaA provides an objective assessment of the appropriateness and effectiveness of the risk management system to the Board of Management and Audit Committee. The scope of its annual audit may also include the effectiveness of the risk management process and the degree of compliance with risk management guidelines and policies within selected departments or business units.

The appropriateness and effectiveness of the risk management system is reviewed on a regular basis by the internal audit function and is adapted if necessary.

There are naturally always opportunities for improvement in the risk management and risk reporting process, and the Board of Management, the GRC corporate unit, and the cluster risk officers work together to realize these opportunities, most of which are about ensuring consistency in how risks are identified and analyzed.

The Board of Management, assisted by the GRC corporate unit, periodically reports to the Audit Committee of the Supervisory Board on the results and effectiveness of the risk management system and whether it complies with the relevant legal requirements.

Finally, the auditor of the annual financial statements of Ströer SE & Co. KGaA examines, in accordance with section 317 (4) HGB, whether the existing early-warning system for risk, which is incorporated into the risk management system, meets the requirements of section 91 (2) AktG.

Internal control system

The internal control system is an important part of the integrated Governance, Risk & Compliance organization in the Ströer Group. We understand the internal control system to be the policies, procedures, and measures established by management and aimed at the organizational implementation of management decisions to ensure that the business is operated efficiently and effectively, internal and external financial reporting is carried out properly and reliably, and the Ströer Group is operated in compliance with relevant legal provisions.

Furthermore, the internal control system is intended to help the reporting system to convey a true and fair view of the net assets, financial position, and financial performance of the Ströer Group. The internal control system, however, is designed to go beyond controls in the financial reporting process and covers all material business processes, including those related to sustainability and non-financial reporting.

The Ströer Group's internal control system, consisting of the internal management and monitoring system, is based on the internationally recognized framework set out by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

The internal control system is refined on an ongoing basis, particularly with regard to the increasing documentation requirements in respect of controls and the regular implementation of controls. It forms an integral part of the accounting and financial reporting processes in the relevant companies, organizational units, and Group functions. As well as general principles and procedures, the system comprises a set of controls (e.g. validation checks, segregation of duties, access and authorization controls, verification by a second person) that are integrated into the relevant processes and that are designed to prevent or uncover mistakes and wrongdoing.

The Chief Financial Officer (CFO) is responsible for the internal control system with regard to the consolidated financial reporting process. All fully consolidated entities included in the consolidated financial statements are integrated into this process via a defined management and reporting system. In 2022, the decentralized internal control system organization, which is anchored in the GRC corporate unit, was expanded significantly and the underlying processes underwent further standardization. On the basis of audit standard IDW PS 982, the internal control system was also audited in the reporting period

by an external auditor with regard to the appropriateness of the core accounting processes that are directly relevant to financial reporting.

Employees entrusted with accounting and financial reporting are already assessed for the necessary qualifications when they are recruited and also provided with regular training. The support of external partners may be called on for complex specialist areas, such as pension obligations.

The accounting policies used for the financial statements of Ströer SE & Co. KGaA and its subsidiaries are documented in an accounting manual. The policies comply with German commercial law and any additional pertinent requirements. The local subsidiaries are supported and monitored in the preparation of their own separate financial statements by the Group accounting function.

In the event of changes to accounting laws and standards, the potential impact of these changes on the Company's accounting and financial reporting is assessed at an early stage and the Group reporting function and the relevant systems are adapted if necessary.

Consolidation of the subgroups and separate financial statements into the consolidated financial statements is carried out centrally and with the aid of a standardized consolidation system. Our accounting policies and the requirements of the International Financial Reporting Standards (IFRS) together ensure that certain accounting principles are applied consistently with regard to the German and international entities included in the consolidated financial statements of Ströer SE & Co. KGaA.

The consolidation work, reconciliations, and monitoring of compliance with deadlines and processes is carried out by suitably qualified employees of Ströer SE & Co. KGaA. Standardized processes and checklists ensure consistency in the consolidation process. There is also a binding financial statements calendar. In addition to the validation checks and other controls embedded within the systems, manual checks are also carried out both by the companies included in the scope of consolidation and by the Group accounting function to ensure the completeness and accuracy of the information. Everything is always verified by a second person. There are also controls in the form of comparisons between actual and expected outcomes and analysis of the composition of and changes in key line items. The internal audit function of Ströer SE & Co. KGaA plays its part in the monitoring system by performing process-independent audit tasks in selected areas of the

Company. It checks whether legal requirements and internal Group policies for the internal control system and risk management system are being complied with. If necessary, it will initiate additional measures in conjunction with the relevant unit. The Audit Committee, in accordance with section 107 (3) AktG, is primarily focused on the audit of the annual financial statements, the monitoring of the accounting process, and the effectiveness of the internal control and risk management system.

The Board of Management and the Audit Committee of the Supervisory Board of Ströer SE & Co. KGaA are routinely notified about any potentially material weakness in the accounting-related internal control system both by the internal audit function and – as part of the audit of the consolidated financial statements – by the Group’s external auditor. The external auditor itself, however, is not part of the Company’s internal control system.

The internal control system for the financial reporting process cannot, however, provide absolute assurance that material misstatements will be avoided.

Internal audit system

The internal audit function is an instrument used by the Board of Management of the general partner and the Supervisory Board of Ströer SE & Co. KGaA. It supports the management and supervisory function of these governing bodies as a component of corporate governance. To this end, internal audit carries out audits of selected investees and business segments. The focus of such audits may include:

- audit of the financial position and net assets, the reliability of the accounting system and the information it generates, and compliance with internal accounting guidelines (financial auditing),
- audit of structures, processes, and systems, including IT systems and the internal control system, to verify that they are of the requisite quality, secure, fit and proper, efficient, and fully operational (operational auditing), and
- audit of compliance with laws, regulations, guidelines, procedures, and contracts (compliance, propriety).

Based on a risk-based audit plan, a number of internal audit projects were used in the reporting year to support the effectiveness of the control systems and the improvement of business processes. The findings of these audits

were presented during the year to the general partner’s Board of Management and to the Audit Committee of Ströer SE & Co. KGaA’s Supervisory Board. A comprehensive annual report on the work of the internal audit function as well as on the details of the audits and their findings is presented to the Supervisory Board at regular intervals. Any improvement measures resulting from internal audits were, and continue to be, systematically followed up.

Our aim is for Ströer SE & Co. KGaA’s internal audit function to regularly undergo an external quality assessment. The last review by an external auditor on the basis of the IDW PS 983 was carried out in 2022.

Statement on the appropriateness and effectiveness of the internal control and risk management system¹

The Board of Management is not aware of any material circumstances that would indicate that the internal control and risk management system is not appropriate and effective. The Board of Management’s assessment is based on reports from the GRC corporate unit, its personal dealings with the internal control and risk management system, and the independent reports from the internal audit function.

In a comprehensive GRC declaration, the clusters also confirm the appropriate and effective implementation of the internal control and risk management system in all key units within their areas of responsibility. This declaration includes statements on fulfillment of statutory and company-specific requirements regarding the compliance management system, data protection, German accepted accounting principles (GAAP), and German principles for the proper management and storage of books, records, and documents in electronic form and for data access (GoBD).

In 2022, the following external audits were performed to assess appropriateness and effectiveness:

- Audit of the appropriateness and effectiveness of the internal audit function based on audit standard IDW PS 983
- Audit based on IDW PS 982 of the appropriateness of selected parts of the accounting-related internal control system that are directly relevant to financial reporting

¹ This statement by the Board of Management is made in accordance with the German Corporate Governance Code (GCGC) 2022 and, as a voluntary disclosure, is not part of the audit.

Overall assessment of the opportunity and risk situation by the general partner's Board of Management

The risk management system of the Ströer Group that is described above forms the basis for the comprehensive risk assessment by the general partner's Board of Management. The system of risk analysis and aggregation contributes to efficient risk portfolio management at Group level, thereby making risk management transparent and systematic. In addition, it facilitates a timely reaction and risk control through the linkage with the planning processes in Controlling and the resulting close integration with the Company's risk management processes. As at the publication date of this report, we believe that the risks currently identified and described below are manageable. There are no anticipated individual risks that could jeopardize the Company's ability to continue as a going concern or materially compromise its risk-bearing capacity.

The existing uncertainties in the global economic and geopolitical environment – driven by the war in Ukraine, the resulting effects on the price of gas and electricity, inflation and the associated expected economic slowdown, coupled with rising interest rates in Europe and our core market Germany – could potentially have a material impact on our business objectives in the coming months. However, the Board of Management of the general partner is confident that the strategic and structural measures in place are effective and enable the Ströer Group to control risk and use opportunities to advance its business on a sustainable and long-term basis.

In the event of a worse scenario occurring, the Ströer Group can react promptly and, as already demonstrated in the past, make use of internal measures to make the necessary adjustments to investment and cost budgets. At the same time, we are convinced that Ströer is strategically and financially very well positioned to take advantage of competitive opportunities as they arise in 2023.

The financing round carried out in 2022 provides a very robust basis for the future growth of the Ströer Group over the long term and ensures the financial stability of the Group for five more years, with the option to extend the financing by a maximum of two further years if needed. Including bank balances, the Group's available funding as of December 31, 2022, amounted to EUR 301.5m at its disposal (prior year: EUR 365.4m).

Taking all identified opportunities and risks into account, the following section describes the areas that, from today's perspective, could have the most significant positive or negative effect on the net assets, financial position, and financial performance in the forecast period (twelve months).

Risk situation

Category	Subcategory	Trend	Expt. loss	Sensitivity
Strategic risk				
	Sales market	⊖ rising	medium	high
	Procurement market	⊖ stable	low	low
	Regulatory risk	⊖ stable	medium	high
Operational risk				
	Operations	⊖ stable	medium	high
Financial risk				
	Financing risk	⊖ stable	low	low
	Tax risk	⊖ stable	low	medium
	Impairment risk	⊖ stable	medium	low
	Currency risk	⊖ stable	low	low
	Interest-rate risk	⊖ stable	low	low
IT risk				
	IT security risk	⊖ rising	medium	high
	Phishing attacks	⊖ stable	medium	high
Legal risk				
	Compliance risk	⊖ stable	low	low
	Data protection risk	⊖ stable	low	medium
ESG risk				
	Environmental risk	⊖ stable	low	low
	Social risk	⊖ stable	low	low
	Governance risk	⊖ stable	low	low

Strategic risk

Sales market: The challenging macroeconomic environment – driven by the war in Ukraine, persistently high inflation, and supply chain difficulties – could lead to a further decline in advertising spend in our core markets, particularly in the face of a pending recession with a resulting fall in consumer spending. Uncertainty surrounding the COVID-19 pandemic, especially in terms of new variants or renewed lockdown measures, continues to pose a not inconsiderable risk for our core markets.

Therefore, from a commercialization perspective, budget variances could arise in the individual segments as a consequence of potential losses in revenue from orders placed by major advertisers or agencies, the loss of customers from intramedia and intermedia competition, or lower margins as a result of higher discounting in the media industry. In this regard, we regularly review our sales activities and take appropriate action to counter the pressure for discounts.

During the years affected by the pandemic, our ‘OOH plus’ strategy and diversified business model have proven to be appropriate for responding to and managing risk. In

particular, we have a highly diversified customer portfolio of small, medium, and large companies across a wide range of industries. Where necessary, we will provide our customers flexible offers and also focus our sales activities on industries that would be less affected by a potential further crisis. In the case of the OOH segment, major digital companies had already been shifting their advertising budgets from traditional OOH to DOOH over recent years and this is set to continue in 2023. In the advertising category battle, we are also increasingly acquiring regional and local customers for out-of-home advertising through our DOOH products. This has a stabilizing effect on revenue for the portfolio as a whole, as we also saw during the pandemic.

In the dialogue business, we work closely with major national customers from the telecommunications and energy sectors, and we depend on these key accounts for quite a significant part of our revenue growth. A change in the pattern of demand from individual key accounts could in theory also give rise to short-term revenue risk. We are taking steps to further reduce this risk by steadily expanding our customer portfolio. At the same time, we work tirelessly on strengthening our relationships with our key accounts.

Procurement market: In the area of procurement, material budget variances could occur, notably from the loss of concessions for out-of-home advertising or major publishing contracts in the digital business. Adverse effects could also arise from delays in approval processes, an increase in the costs of obtaining the necessary building permits, or the rejection of applications for attractive locations by the relevant authorities. In online media, there is the risk that websites in our portfolio could attract less user interest than expected due to a number of factors, such as rival offerings. Fewer than anticipated unique visitors, unique users, or ad impressions could adversely impact on revenue from reach-based advertising. However, we consider these risks to be perfectly normal business risks, which we mitigate through our highly diversified portfolio in out-of-home and digital business.

In the OOH segment, the current global situation on the procurement markets, partly due to the ongoing COVID-19 pandemic and other macroeconomic influencing factors, results in a high degree of uncertainty with regard to delivery dates for electrotechnical and electronic components and assemblies.

The same applies to raw materials in the area of steel and aluminium as well as glass, which are also essential for the construction of our advertising media. This can lead to possible price increases or a delay in the implementation of new advertising spaces and campaigns. To prevent such delays, we are engaging in proactive procurement and working to build up adequate inventories. In order to identify when items need to be procured at short notice, we continually analyze our procurement plans on the basis of what needs to be purchased in the medium term to manage our product portfolio. We also continue to work in close collaboration with our suppliers, standardize components and services across products and regions, and pursue a multi-source procurement strategy.

Regulatory risk: We are continuing to closely watch the ongoing debate in politics and society surrounding data privacy. Further restrictions in this area present a risk for us, particularly in segments where our business model relies on the processing of personal data.

As a rule, user consent must now be actively solicited in order for the use of cookies and other identification data to be in compliance with the law. The February 2022 decision by the Belgian data protection authority on the Transparency and Consent Framework 2.0 (TCF 2.0) potentially steps up the requirements for obtaining consent (fundamental questions have been submitted to the European Court of Justice for clarification) and

could therefore increase the risk of further legal rules and requirements in the future. If the rate at which people give their consent drops, this could reduce website traffic and thus the volume of marketable inventories. Currently, it is still uncertain as to whether and to what extent such regulations will have a negative effect on usage patterns and marketability beyond the impact we have already assumed in the forecast.

We continuously develop the technical requirements necessary to comply with rules and regulations and thereby also ways of reducing the negative impact on the marketability of our existing offering. Targeted measures are implemented on an ongoing basis to systematically obtain user consent across the board in order to stabilize the increase in the consent rate, the associated website traffic, and the volume of marketable inventories. Moreover, we are continually working on implementing new technologies that would allow us to dispense with cookies entirely in some cases. These technologies are also giving rise to potential new applications and products. Through the expansion of our tracking and ad-free subscription options, we are offering users an alternative to free platforms that are funded by advertising (PUR models). However, these tracking and ad-free subscription options are also increasingly subject to heightened data protection requirements. To mitigate the related risks, we continuously adjust our offers and maintain open and transparent communication with the relevant authorities.

Operational risk

Operations: Revenue in the digital marketing, content, and DaaS businesses is heavily dependent on online visibility and the related website traffic. Changes in the algorithms used by the search engines can have a direct impact on the amount of website traffic for our services. In these areas of business, this traffic is regularly converted into new users and direct purchases by accounts. A high volume of traffic also increases product loyalty among existing customers and lowers the churn rate. This risk can largely be reduced and managed by monitoring search engine rankings on an ongoing basis, using accepted search engine optimization measures, and keeping our websites up to date from a technological perspective. Efforts to market content directly to our customers are also being steadily ramped up.

Dialogue business is heavily influenced by staff turnover and the recruitment of new staff. Constant and structured recruitment activity as well as the expansion of our nearshoring activities will ensure that the current rate of attrition is brought down and that we recruit sufficient additional staff. The ongoing effects of the COVID-19 pandemic and an increased sickness rate driven by waves of other illnesses could also negatively impact on the achievement of growth targets for 2023.

Operational production risks mainly exist in e-commerce, where a combination of unfavorable individual risks (e.g. in the supply chain) or the occurrence of extreme events (e.g. fire, natural disaster) could interrupt business. Besides remedying the damage and the associated cost, there is also a risk that contractual obligations to customers will not be able to be met due to potential production outages. Routine maintenance and servicing measures help us to continually minimize such risk. We also periodically analyze and adjust the scope of our insurance cover in order to transfer risk to external service providers.

Financial risk

Financing risk: Ströer's current level of debt presents a general financing risk. The significance of this risk is dependent on satisfying the covenants set out in the loan agreements with our banks as well as duties to provide information and obtain authorization. However, this risk is low because of the sound liquidity position at the end of the reporting year and the much improved cash flow performance in 2021 and 2022 compared with crisis-hit 2020. Even considering the current uncertainty surrounding macroeconomic developments, the ongoing COVID-19 pandemic, and whether restrictions will be needed, we believe that we have sufficient financial leeway to comply with the agreed covenants.

Tax risk: Due to the complexity of tax law, it is possible that the tax authorities or courts could in the future take a view of tax-relevant issues that differs from the current position or that they could challenge previous cases. We mitigate this risk by holding regular discussions with internal and external tax specialists.

Impairment risk: In general terms, the risk of an equity investment's carrying amount or goodwill being impaired could arise in the future if subsidiaries or other investees incur losses that could impact on the financial performance or liquidity of the Ströer Group. Furthermore, impairment of goodwill cannot be ruled out in the future if the performance of individual entities or cash-generating units (CGUs) were to fall short of expectations.

The commercial success of the various parts of the Company is heavily reliant on the development and ongoing improvement of customer offerings and technical solutions. The capitalization of the resulting intangible assets is subject to impairment risk that is largely contingent on the documentation and commercial success of these offerings and solutions. We monitor the preparation and related documentation, as well as the commercial success, of intangible assets on an ongoing basis.

Currency risk: Ströer is also subject to currency risk, in particular a risk arising from the translation of the financial statements of foreign subsidiaries prepared in foreign currency. However, the significance of the financial statements prepared in foreign currency to the consolidated financial statements was negligible in the reporting period. Transaction-based currency risk is a relatively insignificant risk for the Ströer Group.

Interest-rate risk: The Ströer Group is mainly exposed to general interest-rate risk in connection with non-current floating-rate financial liabilities and its holdings of cash and cash equivalents. Due to current efforts to tackle inflation, key interest rates have risen and with them the interest expense risk. We anticipate a material impact on the Ströer Group in the forecast period but have fully considered this in our planning assumptions.

IT risk

Information security risk: Our business processes and communications are highly dependent on information technology. Information security is therefore a critical factor and the various aspects of this security, such as data integrity, confidentiality of information, authenticity, and availability, must be taken into account. If one or more systems are disrupted, or fail entirely, this could lead to a loss of data and have a detrimental impact on business processes that rely on IT. The risks pertain only to individual parts of the Group at any one time because many of Ströer's core IT systems are operated separately from one another in terms of content, technology, and physical location. IT processes are nonetheless subject to continuing improvement measures aimed at reducing the above risks. The general risk to businesses of cyberattacks remains high overall. To adequately counter this risk, we continuously analyze the general threat level and potential security gaps in a structured manner across all areas of the business and initiate immediate countermeasures where required. Through comprehensive cybersecurity initiatives, we raise our employees' awareness of such risks and continually improve our technical and organizational mechanisms.

Depending on its severity, a cyberattack in the content, DaaS, and e-commerce businesses, which are heavily reliant on digital business models, could lead to a temporary outage of IT systems and therefore interrupt business activity. This is particularly relevant for the systems used in e-commerce as customers expect a consistently high level of availability. Due to the significance of the B2C business model, there is also an increased risk of the loss of data or the misuse of data by unauthorized third parties.

Across the entire Ströer Group, we deem the risk from the higher general threat level and the increasingly digital nature of our business models to be medium.

Phishing attacks: The threat posed by cyberattacks and other fraudulent activity has risen dramatically in recent years. The growing prevalence of phishing and spear phishing emails is increasing the risk of bogus payments being made or people gaining unauthorized access to payment systems. As well as investing heavily in cybersecurity, we have significantly stepped up our efforts to raise awareness of these issues among employees in the areas of the business most likely to be affected.

Legal risk

Compliance risk: Our business activities must comply with applicable legal requirements, especially antitrust and capital market regulations, rules on conducting business with integrity, and data protection regulations. We also mitigate legal risk by involving external business experts and law firms as required. Current or future legal disputes could give rise to litigation risk that could ultimately differ from our current assessment of the risk and the associated provisions.

Data protection risk: The increasingly digital nature of our business models and business processes means that we collect and process personal data from employees, customers, suppliers, and other third parties. The Ströer Group complies with the relevant data protection laws when handling such data. Failure to comply with the EU General Data Protection Regulation, in particular, may result in legal action and thus considerable fines as well as damage to the Company's reputation. To minimize risks related to the handling of personal data in a manner that contravenes the law, the Ströer Group has created a decentralized data protection organization. This decentralized organization enables data protection processes and data protection management to be adapted to the specific business model and for appropriate action to be taken in respect of the data protection risks. The provision of a central data protection IT system and groupwide standards means that data protection processes within the Ströer Group are carried out efficiently and effectively. The decentralized data protection organization and processes are continuously refined.

Environment, social, and corporate governance (ESG) risks

Environmental risk: As the Ströer Group only has limited production activities, we consider production-related environmental risks to be very low. Where we rely on third-party products, our careful selection of and close collaboration with suppliers ensure that potential environmental risks, where they exist, are minimized, identified as swiftly as possible, and the necessary action taken promptly.

Social risk: Due to the sheer number of advertising spaces, advertising campaigns, and advertisements, there is a fundamental risk that unlawful advertisements may not be identified by the checks in place or that legally compliant advertisements are considered by the public to be offensive or unacceptable based on the current mood in society or the business climate. Negative public perception could have an adverse impact on the achievement of our business objectives. We reduce this risk to a minimum by applying our principles of ethical advertising and by using artificial intelligence to help to check the compliance of advertisements.

Such risk also exists in relation to our journalistic services and special-interest information portals. Our journalistic principles, in which we expressly pledge our commitment to independent and critical journalism, are specifically aimed at countering such risk. The strict segregation of fact and opinion, combined with careful research and fact-checking of publications, ensures accuracy and independence and thereby mitigates against potential reputational risk.

The Ströer Group is also exposed to communication risks that could ultimately lead to reputational risk. However, with our Group Communications and Investor Relations departments, we have two important functions at our disposal to provide relevant information to the respective recipients in good time, enabling us to take appropriate action.

By periodically checking our wage and salary models, we ensure that we pay our employees appropriately and fairly. We also check the relevant remuneration and working conditions of our subcontractors in the areas in which we use them.

Governance risk: The regulatory and statutory requirements for a company's own operations, as well as those in its supply chain, have been defined in more detail and tightened, particularly as a result of the German Supply Chain Due Diligence Act (LkSG) coming into force in January 2023. Non-compliance can possibly lead to fines, legal action, and reputational damage. In order to avoid this, the Ströer Group has already dealt intensively with the implementation of the Supply Chain Act in 2022, carrying out a risk analysis, and initiating measures to implement the regulatory requirements. Some of the measures have already been implemented.

Our code of conduct for suppliers, which we revised in 2022, is intended to actively ensure that our suppliers comply with the regulatory requirements. Thanks to our whistleblowing system, potential infringements within our supply chain can be reported to us anonymously and corrective measures taken where necessary.

More information on medium and long-term sustainability risks and on our actions to mitigate risk are set out in our sustainability report.

Opportunities

General economic opportunities arise for us, for example, if increases in the net advertising volume, particularly in our core market of Germany, prove to be higher than in our plans. This could be the case if the improvement in the general economic environment is stronger than expected or if the shift in advertising budgets toward out-of-home and/or online advertising or to dialogue marketing is more pronounced than anticipated. An improvement in economic growth could also have a positive effect on the revenue from our transactional business activities.

A particular macroeconomic opportunity would arise in 2023 if the economy were to fare better and business sentiment were more positive than assumed in our baseline forecasts. In these forecasts, we have anticipated a recession in Germany for the first half of 2023 – leading to uncertainty among our advertising customers – and potential supply chain problems, and we are thus prepared for cautious booking behavior. A more positive development, based on improved economic forecasts, could lead to higher revenue and, in conjunction with cost-cutting measures, improved profitability.

The longer-term structural change in the advertising industry, which is reflected in particular by changing media consumption and by the continuing digitalization of media offerings, has the potential to accelerate beyond expectations in 2023. For years we have been observing a migration of advertising business away from print media and a decline in advertising revenue from traditional linear television advertising. This trend has been to the benefit of digital media and conventional and digital out-of-home advertising products. Revenue from these products only slumped briefly in 2020 and 2021 as a result of the COVID-19 pandemic and has since normalized again. In our opinion, the general upward trend was only temporarily eclipsed by the fallout from the pandemic. If the positive impact on our business from long-term structural change happens sooner than assumed in our baseline forecasts, then advertising budgets may be redeployed to out-of-home and/or online advertising more quickly than anticipated.

In this context, the increase in demand for multiscreen solutions (public video, roadside screens, desktop, tablets, mobile) – a combination offered mainly by the Ströer Group – could exceed our forecasts. Further growth in demand may also arise from the programmatic purchasing of our digital out-of-home media, that is, through the fully automated real-time purchase and sale of advertising space in the public video segment. The continued expansion of our regional and, in particular, our local sales presence in Germany could also lead to a stronger-than-anticipated increase in demand from local and regional customers. All these opportunities present the chance to generate stronger gains in market share in the context of competition between different media than previously forecast. Digital out-of-home business and strong local advertising business are driving growth.

The quality of the analog and digital advertising media portfolio is a key factor in successfully capitalizing on opportunities arising in the marketing of advertising. Ongoing digitalization of our out-of-home media, which has been further stepped up in our planning for 2023, will also support these sales opportunities. Our close partnership with cities and train station operators in the area of out-of-home advertising and with publishers in the online segment could enable us to leverage additional potential at both national and international level. Acquiring new

advertising media locations and winning the business of new publishers also present opportunities. The new offerings in our own publishing activities could enable us to tap into customer groups that we have not previously reached, for example by expanding the finance, health, and sustainability sections or the regional news pages. A change in the algorithms used by search engines could improve reach and thereby increase the monetization of our offerings. Using accepted search engine optimization measures, adjusted to the algorithms used by search engines, and keeping websites up to date from a technological perspective could be more successful than assumed in our baseline forecasts.

The continuing optimization of the Group's out-of-home and online portfolio and the further improvement of its technology position could result in positive synergy effects – between digital and analog offerings and between out-of-home and online offerings – that are not included in baseline forecasts. With our fully integrated business model, we are confident that we can compete even better with the large publisher-based marketers and TV offerings and that we can gain market share. Ströer is increasing its relevance to advertising customers thanks to the ongoing expansion of and investment in its infrastructure at national and local level and because it is the sole provider of national networks. The economies of scale that arise may be larger than expected. As market leader, Ströer benefits disproportionately from the structural growth of out-of-home advertising.

In dialogue marketing, opportunities may arise in particular from the recruitment of additional employees who could help to bring in higher-than-anticipated levels of revenue. Remote working and nearshoring solutions for call centers could lead to the forecast results being exceeded. In addition, the more widespread use of remote working solutions across broad sectors of the economy is making it easier for us to reach our target audiences at home. Additional opportunities for growth in the dialogue business may arise from winning new customers and from expanding business with existing customers.

In the Data as a Service product group, there are growth opportunities from rising demand for data, from the expansion of the Statista sales organization, and from the steady expansion of the product portfolio. For example, we could win a greater number of new customers than forecasted and reach customer segments that have so far been less heavily targeted. Combined with an acceleration in the successful ongoing internationalization of this business, this may lead to even faster growth than has been assumed in our plans to date.

Additional opportunities exist generally in the procurement market and in the cost structure. In the procurement market, price rises may have less of an adverse effect than expected. In our baseline forecasts, we have anticipated considerable price hikes and rising interest rates as a result of the war in Ukraine and the uncertainty regarding global economic and geopolitical conditions. There was an additional effect relating to energy prices because it is difficult to assess whether contracts with utility companies will be extended and whether governments will intervene with regulatory countermeasures. If, however, the general rate of inflation, gas and electricity prices, or interest rates do not rise as much as expected, our results and profitability will improve.

In terms of costs, it may be possible to monetize fixed rentals to a greater extent in certain circumstances. Our efforts aimed at digitalizing and automating internal processes could give rise to additional, previously unidentified potential for cost optimization.

Even though no material acquisitions or disposals are currently planned for the forecast period, we always review opportunities that present themselves. Unexpected opportunities for attractive acquisitions or disposals may be taken if they are a good fit for our strategy. Opportunities for attractive acquisitions could arise because of the persistently challenging economic conditions for many businesses, allowing us to consolidate our position in our core markets and business segments and to focus our range of products on the requirements of our customers.

FORECAST

Overall assessment of the Group's expected performance in 2023 by the Board of Management of the general partner

Structural changes will continue to shape the media market in 2023. The ongoing expansion of data networks and their increasing bandwidth and availability are key factors in the ever growing use of mobile devices, and, as a result, the consumption of the available content. The use of linear media is becoming less and less relevant as digital media content becomes available everywhere, at all times. Out-of-home advertising is also available at all times, but is distinct from other media formats in that it cannot be clicked or swiped away. The websites commercialized by Ströer are generally based on editorial content and the Ströer Group's dialogue products are directly aimed at specific audiences. As such, the Ströer Group's future-proof offerings are well positioned for the growing changes in media consumption.

Ströer is able to use its own ad servers to centrally manage and display picture content programmatically on online desktops, mobile screens, public video screens, and digital roadside advertising media. The marketable inventory is available for immediate booking on all relevant demand-side platforms (DSPs). In terms of customer potential, Ströer sees significant opportunities for growth in more intensive local and regional marketing of the out-of-home inventory, and, in terms of product potential, in the further accelerated expansion of the digital portfolio, particularly in the area of roadside advertising media.

Consequently, the local and regional sales organization in Germany will continue to be expanded in 2023. Ströer will also dedicate a great deal of energy to retaining and continuing to selectively expand its marketable inventory in all areas of growth. As in the prior year, a key focus here will remain on the aforementioned accelerated expansion of Ströer's digital roadside advertising media. The medium-term plan is to expand the digital roadside network by around 500 to 750 additional digital advertising media annually, in essence replacing traditional analog advertising media with digital screens. Further key areas of the Ströer Group's growth are the continuing internationalization of Statista, the data-as-a-service statistics portal, consolidation of the latter's position as global leader, and a continuation of Asam's strong growth trajectory.

The most important financial key performance indicators for the management of the Ströer Group are organic revenue growth and EBITDA (adjusted). Other key performance indicators are adjusted consolidated profit or loss

for the period, free cash flow (before M&A transactions), return on capital employed (ROCE), and the leverage ratio. For 2023, Russia's war of aggression against Ukraine and its repercussions for national and international markets, coupled with the inflationary trend, severely limits the Group's ability to forecast organic revenue growth and EBITDA (adjusted). Although the Group does not conduct any business activities in Russia or Ukraine, the possibility of the conflict affecting the business performance of major customers of the Ströer Group cannot be ruled out. However, this does not form part of our forecast.

As usual, the annual projection is based on the most likely scenario for the German economy under the given conditions. In light of the present circumstances, however, the forecast entails a high level of uncertainty. The situation would be less favorable if risks were to materialize such as renewed hikes in the price of gas or other commodities, another round of tightening measures by central banks, or another global or regional outbreak of COVID-19 with adverse consequences for global demand and production chains. A more favorable development is also conceivable, however, if energy prices fall by more than expected on the back of successful energy-saving measures and mild weather, if the global economic downturn is less steep than anticipated, or if there is a let up in geopolitical headwinds.

Overall, the medium-term forecast for the period 2021–2026 of the Board of Management of the general partner remains unchanged, i.e. a compound annual growth rate (CAGR) of between 9.5% and 12.0% for the core OOH Media segment and between 5.4% and 6.0% for the Digital & Dialog segment. As a result, the Group should see an average annual increase in revenue of between 7.4% and 8.5% over this period. But because this does not account for the contributions from its exceptionally fast-growing equity investments Statista and AsamBeauty, the Group's overall growth, i.e. including Asam and Statista, is expected to be well above this range. The Board of Management predicts that the average rate of increase in the Group's EBITDA (adjusted) over the same period, excluding AsamBeauty and Statista, will be higher than the rise in revenue described above.

The Board of Management of the general partner forecasts that the Group as a whole will generate moderate organic revenue growth in 2023. It is not possible to meaningfully quantify the growth forecast given the currently high level of uncertainty as to future economic conditions.

The same uncertainty applies to anticipated EBITDA (adjusted), which the Board of Management of the general partner expects to remain largely stable given the rising costs.

Moreover, in view of increased interest rates, the Board of Management of the general partner anticipates a slight year-on-year decline in adjusted consolidated profit.

The Group plans to publish a revenue and earnings forecast for the current quarter with each quarterly statement that it publishes.

The leverage ratio (ratio of net debt to EBITDA (adjusted)¹ is likely to be at the same or a slightly higher level than in 2022 (2.2). The Board of Management predicts that the change in free cash flow (taking account of payments for the principal portion of lease liabilities in connection with IFRS 16) will largely reflect the change in EBITDA (adjusted). The return on capital employed (ROCE) should be close to the 20.0% achieved in 2022.

Forward-looking statements

The statements on future business performance reflect only the significant factors that were known at the time the financial statements were prepared and that could influence our activities and business performance in 2023. The Ströer Group's revenue and earnings may be influenced by macroeconomic conditions, particularly in Germany, by developments in the advertising market, by a new outbreak of COVID-19, or by the Ukraine conflict. Business performance is also influenced by the share of the overall advertising market attributable to digital and out-of-home media. However, it is not possible to derive a revenue forecast directly from these factors as the correlation between them and revenue can vary from year to year. Unforeseen circumstances and pressures can also arise over the course of the year, which can result in discrepancies between actual and forecast revenue and earnings.

The fact that advertising across various media is being booked with ever shorter lead times also needs to be taken into account. This is particularly true of digital marketing, where campaigns are being booked at ever shorter notice compared with traditional out-of-home channels.

The increasingly shorter booking lead times for many of our media products limit the Company's ability to reliably forecast its revenue and thus its earnings.

Fluctuations in external market parameters, such as interest rates, also limit the Company's ability to precisely forecast consolidated profit or loss for the period. Furthermore, uncertainties relating to these parameters can impact on non-cash items under net finance income/costs.

Future macroeconomic conditions

The German government predicts that GDP will rise by 0.2% in real terms in 2023.² In 2024, once the macroeconomic challenges created by the war in Ukraine have ceased, or at least significantly diminished, growth is expected to normalize again, rising to 1.8%.³ However, it is particularly difficult to predict how the economy will fare in 2023 due to Russia's war of aggression, and the forecast for GDP is especially tentative. The forecast for 2023 therefore ranges widely between -1.9% (DZ Bank) and 0.3% (IfW Kiel).⁴ The Federation of German Industries (BDI) is more pessimistic than the German government and expects GDP to contract by 0.3% as growth in German exports lags behind the growth in global trade, which it predicts will rise by around 1.5%.⁵ The Macroeconomic Policy Institute (IMK) anticipates an equally weak 2023 with a 0.3% fall in GDP.⁶ These estimates are based on the anticipated impact, for example, of energy prices remaining very high compared with other regions of the world. The high cost of energy is not only putting a heavy burden on energy-intensive companies, it is also having a noticeable impact across entire value chains in industry.⁷ Lower rates of inflation and consumer spending are being bought with huge government deficits. The caps on electricity and gas prices mean that goods are being increasingly subsidized on a massive scale. The additional spending will weigh heavily on the public coffers at EUR 87b in 2023 followed by EUR 17b in 2024. Supply shortages, on the other hand, are set to gradually ease.⁸ Overall, consumer spending is forecast to rise further, with growth of 5.3% anticipated in 2023 and 3.8% in 2024.⁹

The labor market is stagnating at a low level with the rate of unemployment likely to settle at around 5.5%. The IfW Kiel is forecasting the number of people in employment at around 45.6 million in 2023 and 45.5 million in 2024.¹⁰

¹ Net assets and financial position/Financial structure analysis.

² Federal Ministry for Economic Affairs and Climate Action (BMWK) Annual Economic Report 2023, January 25, 2023.

³ Federal Ministry for Economic Affairs and Climate Action (BMWK) Annual Economic Report 2023, January 25, 2023.

⁴ Business Insider – Economic Forecast, January 21, 2023.

⁵ BDI – press release – January 17, 2023.

⁶ IMK – audio commentary by Peter Hohlfield, IMK, national accounts.

⁷ BDI – press release – January 17, 2023.

⁸ IfW Kiel – Kiel Economic Outlook no. 98 (2022/Q4).

⁹ Federal Ministry for Economic Affairs and Climate Action (BMWK) – Annual Economic Report 2023, January 25, 2023.

Germany's current account surplus is predicted to fall to 2.5% of economic output in 2023 and then to 3.3% in 2024.¹¹

The IfW is expecting the government debt ratio as a percentage of nominal GDP in Germany to climb to 68.8% in 2023 (from 67.1% in 2022) and then to fall slightly to 67.7% of GDP in 2024.¹²

Against the backdrop of the continuing conflict in Ukraine, however, there remains considerable uncertainty about how the economy will actually perform over the course of the year.

Future industry performance

Performance of the German advertising market

Nielsen predicts that gross advertising revenue will rise by 1.6%¹³ in 2023 and PricewaterhouseCoopers GmbH ('PwC') predicts that the German advertising market will grow by 4.7% in 2023¹⁴. According to a survey by the German Advertisers Association (OWM), its members are expecting the economic outlook to cloud over. Of the member companies surveyed, the overwhelming majority (97%) believe the economy will be weaker than in 2022. The members considered risk to be high or very high in the following areas: consumer sentiment, power supply, inflation, and supply chains. The economic environment is difficult for OWM members: 56% expect their earnings to be down and only 20% expect their earnings to improve in the coming year. Where advertising budgets for 2023 are concerned, however, 70% of member firms are hoping that they will remain stable; in 2022 this figure was 37%, with 32% expecting advertising budgets to rise. All of the survey participants were in agreement about one point: advertising is what drives brand success (100%). Many members also agreed with the following statements, demonstrating the importance that members continue to attach to advertising: advertising promotes competition (90%) and advertising creates growth (89%).¹⁵

According to PwC, advertising revenue in the OOH segment will increase by an average of 2.4%¹⁶ a year between 2023 and 2026. The main drivers of this growth are innovative technologies such as programmatic DOOH and the ongoing digitalization of advertising inventory. PwC expects net revenue from digital out-of-home advertising to rise by 10.3% a year on average to around EUR 514m¹⁷ by 2026. According to estimates by PwC, revenue from analog advertising formats will decline by around 1.0%¹⁸ a year between 2023 and 2026.

The online business delivered robust growth during 2020 and 2021, the pandemic years, and PwC expects it to grow at a much more modest rate going forward. PwC predicts that revenue from online advertising will increase by 8.2%¹⁹ in 2023.

For mobile online advertising, PwC expects revenue to grow by 12.0%²⁰ in 2023. According to the sum of experts' predictions, mobile online advertising is set to rise by an annual average of 7.0%²¹ over the period 2023 to 2026.

PwC expects the German market for contact centers and CRM services to see sustained growth despite – and to some extent because of – the COVID-19 crisis and the war in Ukraine. PwC predicts that the market for contact centers and CRM services will have grown at a compound annual growth rate of 4.6% in the period 2019 to 2024 and could be generating revenue of around EUR 14b (inhouse and outsourced) in 2023.²²

Anticipated revenue and earnings

Ströer Group

As already mentioned, Ströer forecasts that the Group as a whole will generate moderate organic revenue growth in 2023. It is not possible to meaningfully quantify the growth forecast given the currently high level of uncertainty as to future economic conditions.

The same uncertainty applies to anticipated EBITDA (adjusted), which depends on levels of revenue and the

¹⁰ IfW Kiel – Kiel Economic Outlook no. 98 (2022/Q4).

¹¹ IfW Kiel – Kiel Economic Outlook no. 98 (2022/Q4).

¹² IfW Kiel – Kiel Economic Outlook no. 98 (2022/Q4).

¹³ Nielsen – Forecast for Germany – 1/2023.

¹⁴ PwC – German Entertainment & Media Outlook 2022–2026.

¹⁵ OWM – OWM survey 2022, Nov. 2022.

¹⁶ PwC – German Entertainment and Media Outlook 2022–2026.

¹⁷ PwC – German Entertainment and Media Outlook 2022–2026.

¹⁸ PwC – German Entertainment and Media Outlook 2022–2026.

¹⁹ PwC – German Entertainment and Media Outlook 2022–2026.

²⁰ PwC – German Entertainment and Media Outlook 2022–2026.

²¹ PwC – German Entertainment and Media Outlook 2022–2026.

²² PwC – Customer Service & Engagement, PwC Market Model.

extent to which the huge increase in factor costs can be recouped.

Ströer expects direct costs to increase sharply compared with revenue in 2023. Overheads are expected to go up due to inflation-related increases in salaries and other costs, the continued expansion of local and regional sales structures, the further internationalization of Statista, and the increase in business volume in the Group.

As already described, the forecasts for 2023 by economic research institutes and the German government are particularly tentative at the time of preparing this report. However, uncertainties such as the COVID-19 pandemic flaring up again or the war in Ukraine spreading are unlikely to have a material impact on advertising budgets and thus the performance of the Company's business, and if they do, it will probably only be comparatively short-lived. At the time of publication, the availability and distribution of actual advertising budgets and the level of discounts were impossible to reliably predict. The main reasons for this include radical changes in the media landscape, such as the increase in online advertising, and the increasing diversity of advertising offerings, especially in digital media channels. The growing importance of social networks to the advertising industry is also changing the allocation of advertising budgets. In this market environment, Ströer expects its unrivaled German portfolio of attractive out-of-home and digital media to enable it to continue to successfully maintain its market position over the long term.

Planned capital expenditure

In 2023, capital expenditure in the OOH Media segment will focus on continuing to expand the digital out-of-home advertising inventory (public video roadside advertising media). In 2023 and thereafter, around 500 new screens a year will be added to this portfolio, following the addition of more than 700 digital out-of-home advertising media in 2022. Money will also be spent on upgrading and expanding the public video inventory. In the Digital & Dialog Media segment, Ströer plans to focus its capital expenditure on the IT infrastructure and on an increase in call center capacity as part of a nearshoring

exercise. For the DaaS & E-Commerce segment, for both Statista and AsamBeauty, the main priorities for 2023 are investment in the business infrastructure.

For the Ströer Group, the Board of Management of the general partner anticipates that capital expenditure in 2023 will be considerably lower than in 2022 (EUR 163m). As a considerable proportion of this capital expenditure is not backed by binding investment commitments, the capital expenditure can be scaled back if market conditions or the Company's situation so require.

In light of the 'OOH plus' strategy, which is focused on organic growth, the Company is not planning any major acquisitions (M&A).

Expected financial position

The return on capital employed (ROCE) in 2023 should be on a par with the level achieved in the prior year (2022: 20.0%).

The Ströer Group's current credit financing under the credit facility is secured until the end of 2027. Ströer enhanced its financing structure with a revolving credit facility of EUR 650m in 2022. It also issued new note loans with a total volume of EUR 203m on attractive terms. The covenants are designed to provide sufficient headroom even in the face of economic or seasonal fluctuations. The leverage ratio of 2.2 at the end of the reporting year means that the Company remains in a comfortable zone. Ströer expects the leverage ratio to remain steady in 2023, potentially increasing slightly.

The Board of Management of the general partner continues to believe that the current credit financing coupled with the Company's standing in the capital markets provide sufficient leeway to carry out the planned capital expenditure and to exploit any business opportunities that may arise during the forecast period. The terms of the financing arrangements are continually assessed in light of the latest developments in the debt capital markets. Any financially beneficial opportunities to optimize the maturity profile and adjust these terms will be pursued as appropriate.

INFORMATION IN ACCORDANCE WITH SECTION 315A HGB INCLUDING THE EXPLANATORY REPORT BY THE GENERAL PARTNER OF STRÖER SE & CO. KGAA

The following information required under takeover law is presented in accordance with section 315a sentence 1 HGB.

Composition of subscribed capital

Subscribed capital of EUR 55,282,499.00 existing at the time of the Company's conversion into a German partnership limited by shares (KGaA) on March 1, 2016 was contributed by way of a change in legal form of the previous legal entity, Ströer SE, which has its registered office in Cologne (HRB no. 82548).

In the subsequent financial years, the Company's subscribed capital increased further as a result of stock options being exercised. The number of shares did not change in 2022. As at December 31, 2022, the subscribed capital was thus divided into 56,691,571 no-par-value bearer shares. They have a nominal value of EUR 1 each and are fully paid up. Issued capital of EUR 56,081,240.00 corresponds to subscribed capital of EUR 56,691,571.00 less the nominal value of the repurchased shares of EUR 610,331.00.

Shareholdings exceeding 10% of voting rights

Ströer Management SE, Düsseldorf, is the general partner of Ströer SE & Co. KGaA. It has not paid in any special contribution and is attributed a share of neither the profit or loss nor the assets of the Company.

Mr. Udo Müller (directly and indirectly) holds a total of 23.34% of the total number of shares and Mr. Dirk Ströer (directly and indirectly) holds a total of 19.64%. Based on the notifications pursuant to the German Securities Trading Act (WpHG) that had been received as at the reporting date, the Board of Management is aware that ValueAct Holdings GP, LLC, Wilmington/Delaware, USA, holds a total of 15.06% of the shares. As at December 31, 2022, the Board of Management had not received any notifications pursuant to WpHG of other shareholdings exceeding 10% of the voting rights.

Restrictions concerning voting rights or the transfer of shares

A voting and pooling agreement is in place between Mr. Udo Müller and Mr. Dirk Ströer as well as other parties. Of the parties to the agreement, Mr. Udo Müller (directly/indirectly) holds 23.34% and Mr. Dirk Ströer (directly/indirectly) 19.64% of the shares in Ströer SE & Co. KGaA. As far as the Board of Management is aware, the other parties to the agreement do not hold any shares in Ströer SE & Co. KGaA.

Shares with special rights granting control authority

There are no shares with special rights granting control authority.

Legal provisions and provisions in the articles of association concerning the beginning and end of the authorization of the general partner to manage and represent the Company and concerning changes to the articles of association

Article 8 of the articles of association of Ströer SE & Co. KGaA sets forth details concerning any potential exit by the general partner and the continuation of Ströer SE & Co. KGaA. In accordance with section 119 (1) no. 6 AktG, the shareholder meeting decides on changes to the articles of association. More information on the procedural rules can be found in section 181 AktG in conjunction with article 9 of the articles of association of Ströer SE & Co. KGaA.

Authorization of the general partner to issue or repurchase shares

Subject to the approval of the Supervisory Board, the general partner is authorized until June 18, 2024 to increase the Company's share capital once or several times by a maximum of EUR 5,652,657.00 in total by issuing up to 5,652,657 new no-par-value bearer shares for contributions in cash and/or in kind (2019 approved capital).

The share capital is subject to a conditional increase of a maximum of EUR 1,629,523.00 by issuing a maximum of 1,629,523 no-par-value bearer shares (2015 conditional capital). This conditional capital increase, however, may not exceed the remaining amount and the remaining number of shares under the conditional capital increase pursuant to article 6b (1) of the articles of association of Ströer SE on the date on which the change in the legal form of Ströer SE to a partnership limited by shares pursuant to the conversion resolution dated September 25, 2015 took effect. The sole purpose of the conditional capital increase is for the Board of Management to grant, as authorized by resolution of the shareholder meeting dated September 25, 2015, rights to holders of stock options under the 2015 Stock Option Plan. The conditional capital increase will only be implemented to the extent that the holders of stock options granted under the authorization of the shareholder meeting on September 25, 2015 exercise these stock options and that the Company does not settle the stock options in cash.

The Company's share capital is subject to a conditional increase of a maximum of EUR 11,056,400.00 by issuing a maximum of 11,056,400 new no-par-value bearer shares (2017 conditional capital). The purpose of the conditional capital increase is to grant no-par-value bearer shares to holders/beneficial owners of convertible bonds and/or bonds with warrants that are being issued by the Company or an investee as a result of the authorization granted under item 9 on the agenda of the shareholder meeting on June 14, 2017. New no-par-value bearer shares are issued at a particular conversion or option price determined by the aforementioned authorization resolution. The conditional capital increase will only be implemented to the extent that conversion or option rights are exercised or holders/beneficial owners who are obliged to do so fulfill their obligation to exercise their conversion rights and provided that a cash settlement is not granted or use is not made of treasury shares or new shares issued from approved capital.

The share capital is subject to a conditional increase of a maximum of EUR 2,200,000.00 by issuing a maximum of 2,200,000 no-par-value bearer shares (2019 conditional capital). The sole purpose of the conditional capital increase is for rights to be granted, as authorized by the shareholder meeting on June 19, 2019, to holders of stock options under the 2019 Stock Option Plan. The conditional capital increase will only be implemented to the extent that the holders of stock options granted under the authorization of the shareholder meeting on June 19, 2019 exercise these stock options and that the Company does not settle the stock options in cash or by granting treasury shares.

In accordance with the resolution passed by the shareholder meeting on November 4, 2020, the Company is authorized, in the period up to and including November 3, 2025, to purchase treasury shares for any permissible purpose in an amount equivalent to no more than 10% of the Company's share capital at the time of adoption of the resolution or – if this figure is lower – at the time the authorization is exercised. The shares purchased on the basis of this authorization, together with other shares of the Company that the Company has already purchased and still owns, or that are attributable to the Company pursuant to sections 71a et seq. AktG, must not exceed 10% of the share capital at any time. The authorization must not be used for the purpose of trading

in treasury shares. In each instance, the general partner decides whether the purchase is to be made through the stock exchange, by way of a public purchase offer to all shareholders, by way of a public invitation to the Company's shareholders to tender their shares, or by another means that is in compliance with the principle of equal treatment (section 53a AktG).

Based on the authorization from the annual shareholder meeting on November 4, 2020, Ströer SE & Co. KGaA decided on September 28, 2022 to carry out a share buy-back program with a total maximum repurchase volume of EUR 50,000,000.00. The volume of EUR 50,000,000.00 represents the likely maximum number of shares that can be acquired over the subsequent six months within the regulatory limits. The Company launched the share buyback program on October 3, 2022 and by December 31, 2022, a total of 610,331 no-par-value shares had been repurchased under the program.

Significant agreements entered into by the Company that are conditional upon a change of control as a result of a takeover bid and the ensuing effects

Facility agreement/note loans

A facility agreement is in place between Ströer SE & Co. KGaA and a syndicate of various banks and financial institutions, on the basis of which the syndicate granted the Company a credit line of EUR 650m. This facility agreement entered into in 2022 replaced a previous facility agreement dating from 2016. Ströer SE & Co. KGaA also placed a note loan with a volume of EUR 203m on the capital markets in 2022. Its volume was unchanged at the reporting date. Ströer SE & Co. KGaA had placed a note loan with a volume of EUR 145m on the capital markets in 2016 and a further note loan with a volume of EUR 350m in 2017. As at the reporting date, the note loan from 2016 still existed in an amount of EUR 18m while the note loan from 2017 amounted to EUR 113m.

The provisions in both the facility agreement and the note loans relating to a change in control reflect normal market arrangements. They do not result in automatic termination but merely grant our counterparties the option of termination in the event of a change in control.

Reproduction of the independent auditor's report

Based on the results of our audit, we have issued the following unqualified auditor's report:

INDEPENDENT AUDITOR'S REPORT

To Ströer SE & Co. KGaA, Cologne

Report on the Audit of the Annual Financial Statements and of the Management Report

Opinions

We have audited the annual financial statements of Ströer SE & Co. KGaA, Cologne, which comprise the balance sheet as of December 31, 2022, and the income statement for the financial year from January 1 to December 31, 2022, and notes to the financial statements, including the recognition and measurement policies presented therein. In addition, we have audited the combined management report of the Company and the Group (hereinafter the "management report") of Ströer SE & Co. KGaA for the financial year from January 1 to December 31, 2022.

In accordance with German legal requirements, we have not audited the content of those components of the management report specified in the "Other Information" section of our auditor's report.

The management report contains cross-references that are not provided for by law and which are marked as unaudited. In accordance with German legal requirements, we have not audited the cross-references and the information to which the cross-references refer.

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 of December 31, 2022, and of its financial performance for the financial year from January 1 to December 31, 2022, in compliance with German legally required accounting principles, and
- the accompanying management report as a whole provides an appropriate view of the Company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the management report does not cover the content of those components of the management report specified in the "Other Information" section of the auditor's report. The management report contains cross-references that are not provided for by law and which are marked as unaudited. Our audit opinion does not extend to the cross-references and the information to which the cross-references refer.

Pursuant to Section 322 (3) sentence 1 HGB [Handelsgesetzbuch: German Commercial Code], 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 Section 317 HGB and the EU Audit Regulation No. 537/2014 (referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2)(f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the annual financial statements and on the management report.

Key Audit Matters in the Audit of the Annual Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the financial year from January 1 to December 31, 2022. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Impairment testing of shares in affiliates

Please refer to the notes to the financial statements, Section B, "Accounting policies", for more information on the accounting policies applied and assumptions used. Disclosures concerning the amount of shares in affiliates can be found in the notes to the financial statements, Section C.1, "Non-current assets".

THE FINANCIAL STATEMENT RISK

In the annual financial statements of Ströer SE & Co. KGaA as of December 31, 2022, shares in affiliates in the amount of EUR 654.4 million are reported under financial assets. Shares in affiliates amount to 28% of total assets and therefore have a significant influence on the Company's assets and liabilities.

The affiliates are essentially operating companies, some of which in turn hold additional shares in operating group companies. The performance of these shares therefore significantly determines the value of the shares in affiliates of Ströer SE & Co. KGaA.

Shares in affiliates are recognized at cost or, if they are expected to be permanently impaired, at their lower fair value. The Company determines fair value using a capitalized earnings method or a discounted cash flow method. The cash flows used for these methods are based on individual projections for each investment for the next five years which are extrapolated based on assumptions

of long-term growth rates. The respective capitalization rate is derived from the return on a risk-adjusted alternative investment.

The impairment testing of shares in affiliates depends considerably on the Company's estimates and assessments. This applies particularly to estimates of future cash flows and long-term growth rates, and the determination of the capitalization rate. As a result of the Ukraine war, which has been ongoing since the end of February 2022, the level of estimation uncertainty remains high.

There is a risk for the financial statements that the recognition of impairment losses was not recorded in a sufficient amount and that the shares in affiliates are therefore not recoverable.

OUR AUDIT APPROACH

First, we used the information obtained during our audit to assess which shares in affiliated companies indicated a need for impairment. With the involvement of our valuation experts, we then assessed the appropriateness of the significant assumptions and the valuation method used by the Company.

We compared the assumptions and data underlying the capitalization rate, especially the risk-free rate, the market risk premium and the beta factor, with our own assumptions and publicly available data.

We discussed the corporate planning used for company valuation with those responsible for planning and, regarding future sales and earnings performance, reviewed it for consistency with the budget prepared by the Board of Management and approved by the Supervisory Board. We also verified the accuracy of the Company's previous forecasts by comparing the budgets of previous financial years with actual results and analyzing deviations. Furthermore, we evaluated the effects of the war in Ukraine on the budgeting utilized.

In order to take account of forecast uncertainty, we also examined the impact of potential changes in the capitalization rate, expected cash flows and the long-term growth rate on fair value by calculating alternative scenarios (sensitivity analysis).

To assess the methodically and mathematically correct implementation of the valuation method, we verified the Company's valuation using our own calculations and analyzed deviations.

OUR OBSERVATIONS

The approach used for impairment testing of shares in affiliated companies is appropriate and in line with the accounting policies. The Company's assumptions and data used are appropriate.

Other Information

Management and/or the Supervisory Board are/is responsible for the other information. The other information comprises the following components of the management report, whose content was not audited:

- the separate group non-financial report referred to in the management report, expected to be provided to us after the date of this audit opinion,
- the combined corporate governance statement for the Company and the Group referred to in the management report, and
- information extraneous to management reports and marked as unaudited.

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

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

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

Responsibilities of Management and the Supervisory Board for the Annual Financial Statements and the Management Report

Management is 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, management is 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, management is 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, management is 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, management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the management report.

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

Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report

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

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

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

- Identify and assess the risks of material misstatement of the annual financial statements and of the management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than 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 controls.
- 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.
- Evaluate the appropriateness of accounting policies used by management and the reasonableness of estimates made by management and related disclosures.
- Conclude on the appropriateness of management's 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 management in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by management as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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

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

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

Other Legal and Regulatory Requirements

Report on the Assurance on the Electronic Rendering of the Annual Financial Statements and the Management Report Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB

We have performed assurance work in accordance with Section 317 (3a) HGB to obtain reasonable assurance about whether the rendering of the annual financial statements and the management report (hereinafter the "ESEF documents") contained in the electronic file „StroeerJA-2022-12-31.xhtml“ (SHA256-Hashwert: 715F74A050274EF2227850ECB84E5B11A93062C874348B5BF042D00F0F992F6A) made available and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the annual financial statements and the management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the annual financial statements and the management report contained in the electronic file made available identified above and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying annual financial statements and the accompanying management report for the financial year from January 1 to December 31, 2022, contained in the "Report on the Audit of the Annual Financial Statements and of the Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

We conducted our assurance work on the rendering of the annual financial statements and the management report, contained in the file made available and identified above in accordance with Section 317 (3a) HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB (IDW AsS 410 (06.2022)). Our responsibility in accordance therewith is further described below. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in Audit Firms (IDW QS 1).

The Company's management is responsible for the preparation of the ESEF documents including the electronic renderings of the annual financial statements and the management report in accordance with Section 328 (1) sentence 4 item 1 HGB.

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

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

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

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

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor at the annual general meeting on June 22, 2022. We were engaged by the Supervisory Board on December 13, 2022. We have been the auditor of Ströer SE & Co. KGaA without interruption since financial year 2020.

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

Other Matter – Use of the Auditor's Report

Our auditor's report must always be read together with the audited annual financial statements and the audited management report as well as the examined ESEF documents. The annual financial statements and the management report converted into ESEF format – including the versions to be entered in the company register – are merely electronic renderings of the audited annual financial statements and the audited management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the examined ESEF documents provided in electronic form.

German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Carsten Nölgen.

Cologne, March 17, 2023

KPMG AG Wirtschaftsprüfungsgesellschaft

Nölgen
Wirtschaftsprüfer
[German Public Auditor]

Dr. Ohmen
Wirtschaftsprüfer
[German Public Auditor]

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