



# **FY 2023 Results Presentation**

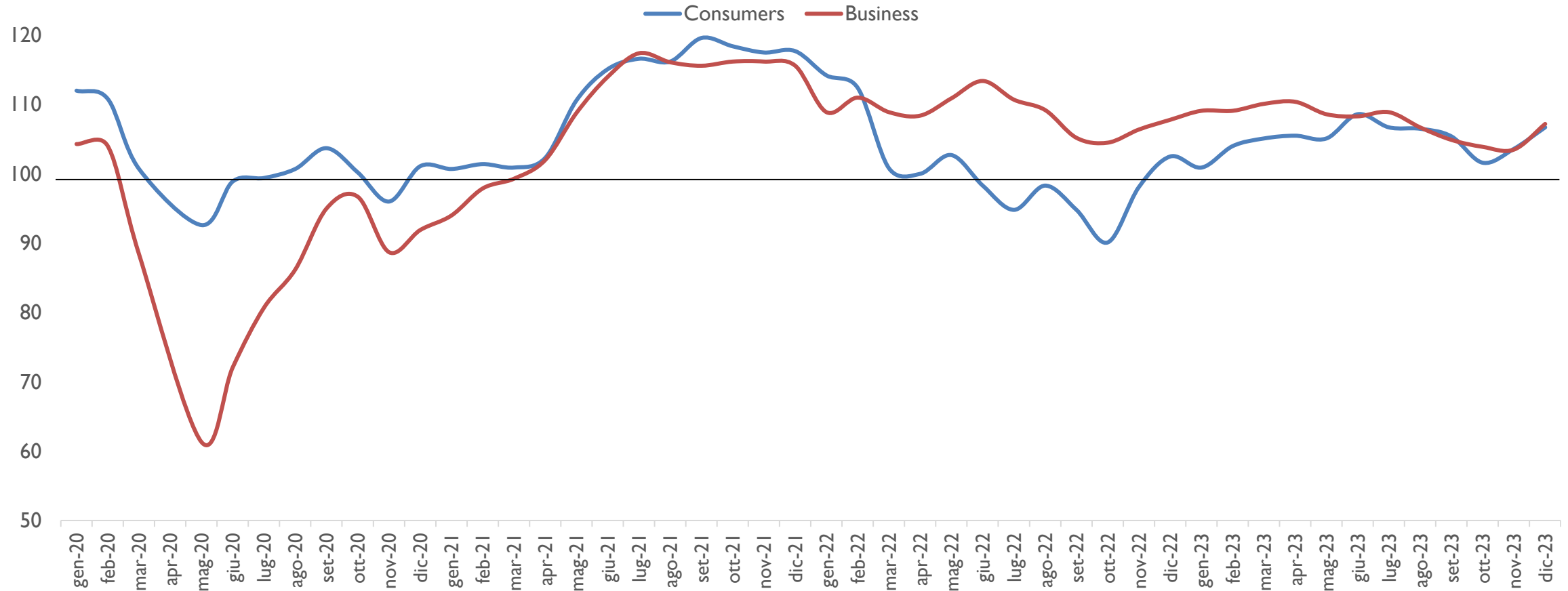
**Milan, 18th April 2024**

**MEDIAFOREUROPE**

**Advertising**

# ITALY | Evolution of confidence index

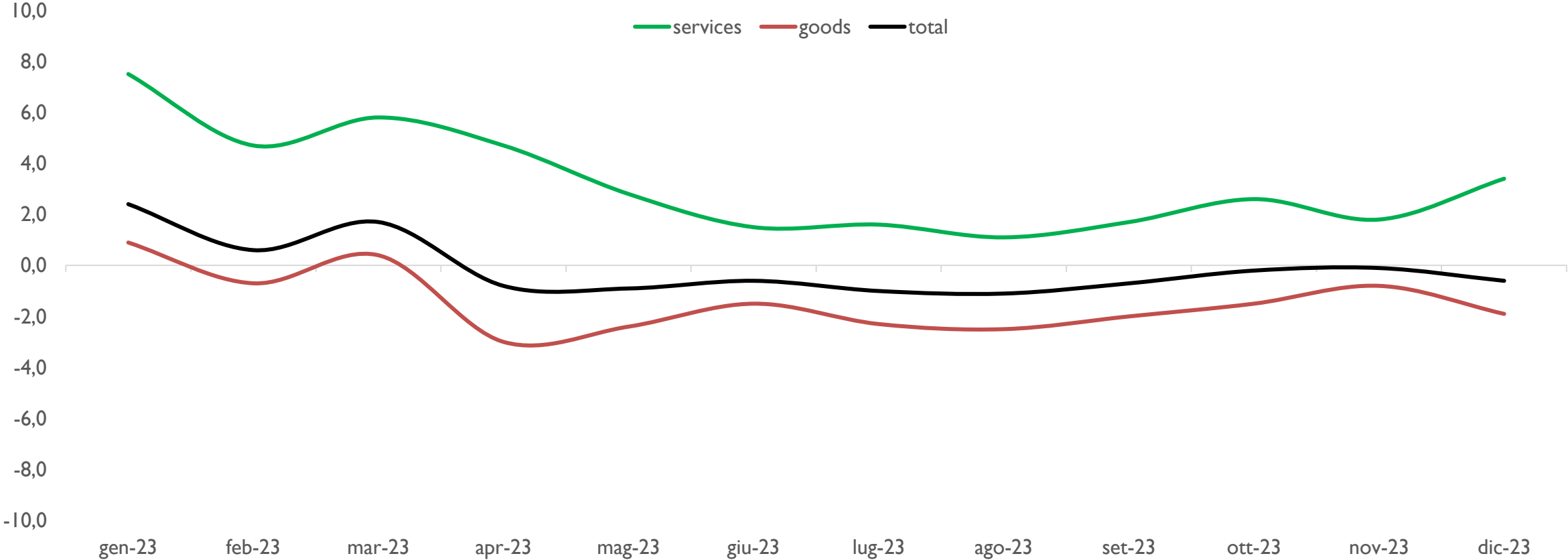
Monthly evolution, consumers and business



Source: Istat

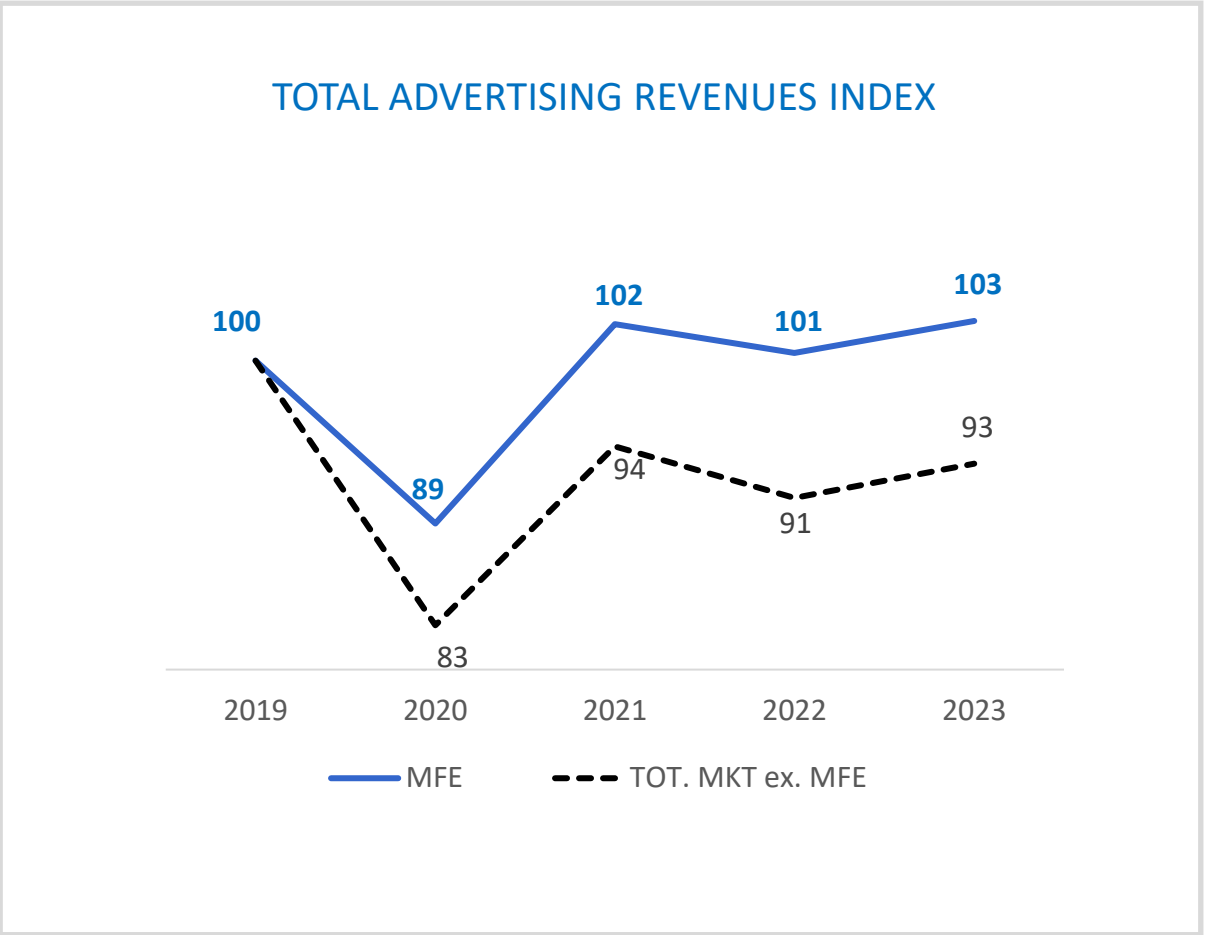
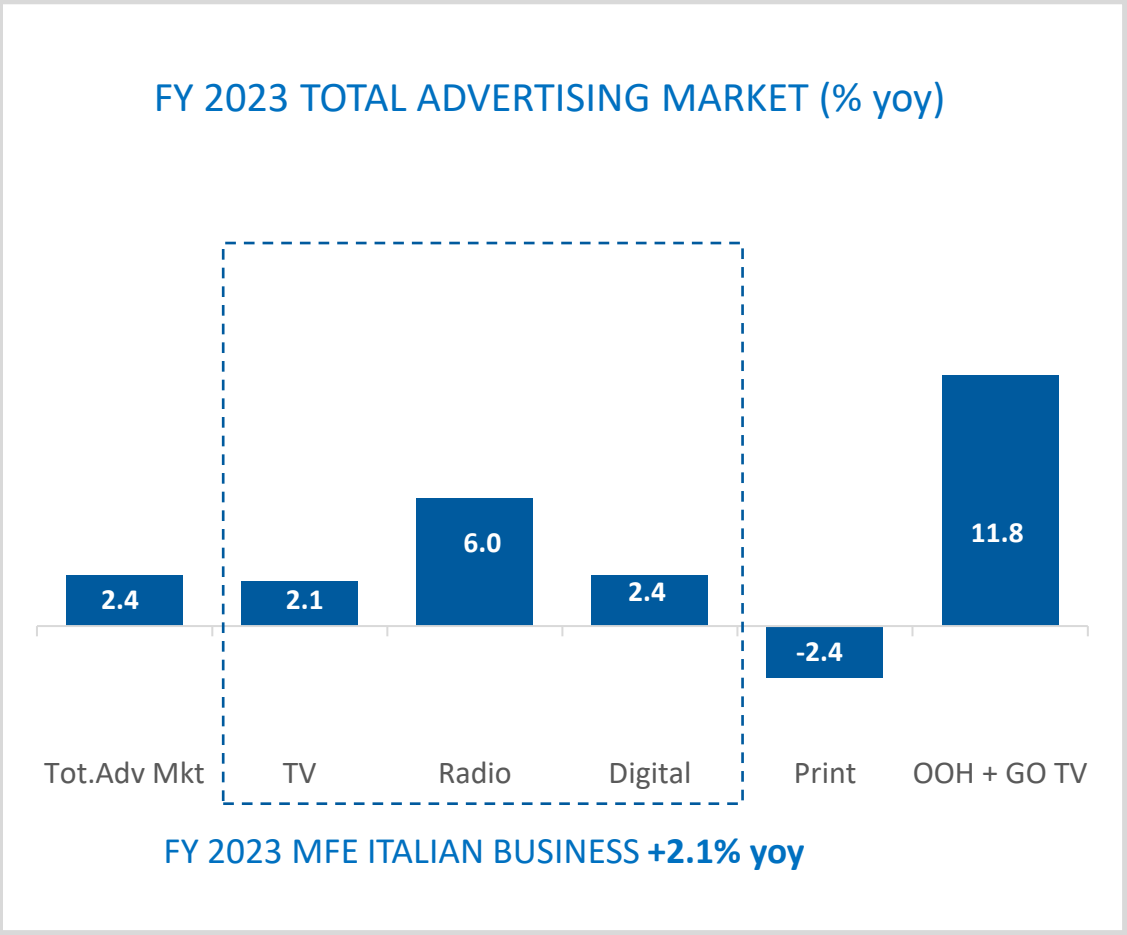
# ITALY | Goods & Service Consumption

12M 2021 vs 2020	12M 2021 vs 2019	12M 2022 vs 2021	12M 2023 vs 2022
SERVICES: +12.6%	SERVICES: -22.1%	SERVICES: +23.6%	SERVICES: +4.2%
AVG: +8.3%	AVG: -7.4%	AVG: +5.3%	AVG: 0%
GOODS: +7.0%	GOODS: -0.9%	GOODS: -1.1%	GOODS: -1.8%



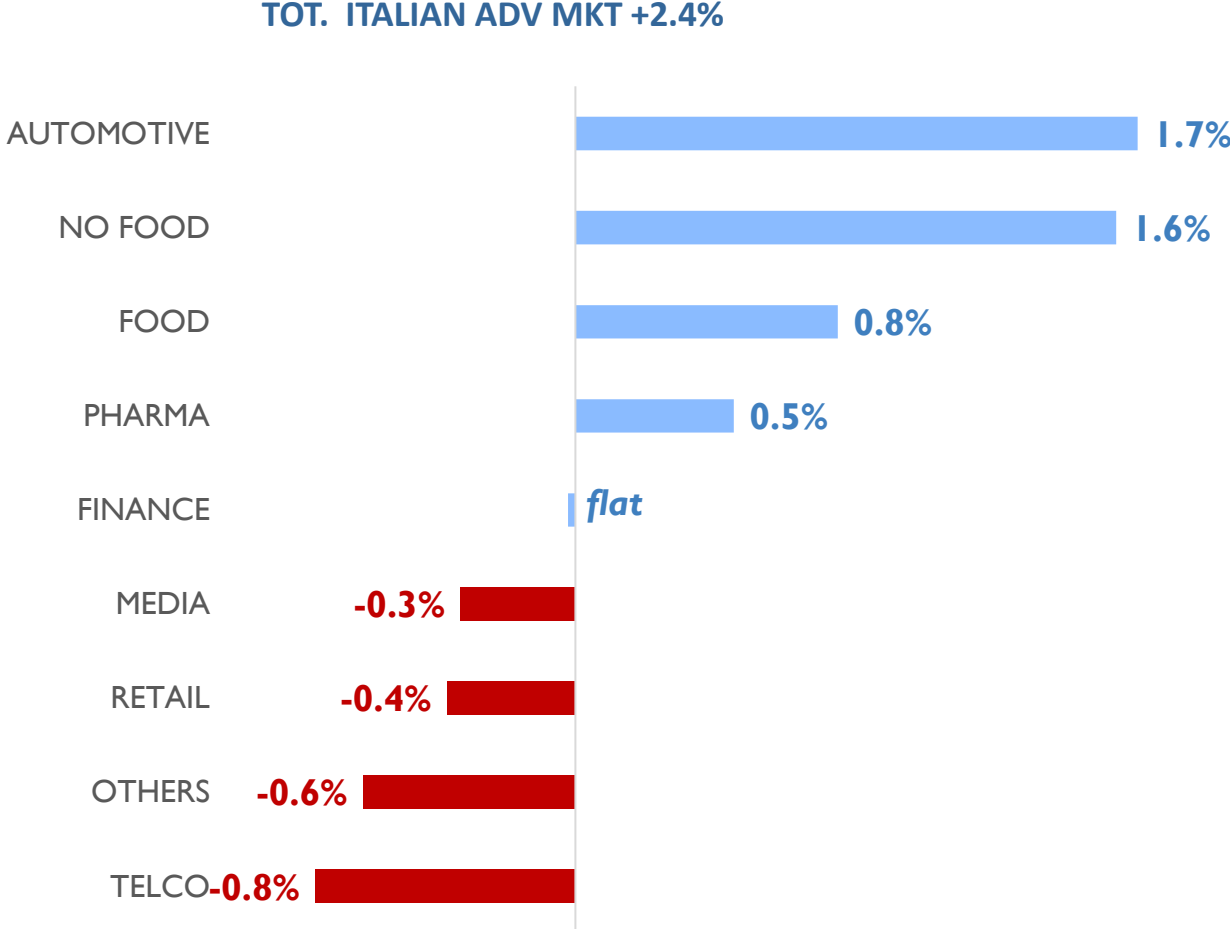
Source: CONFCOMMERCIO

# MFE ITALIAN BUSINESS | Analysis of the advertising market



Source: Ac Nielsen – Direct Mail excluded

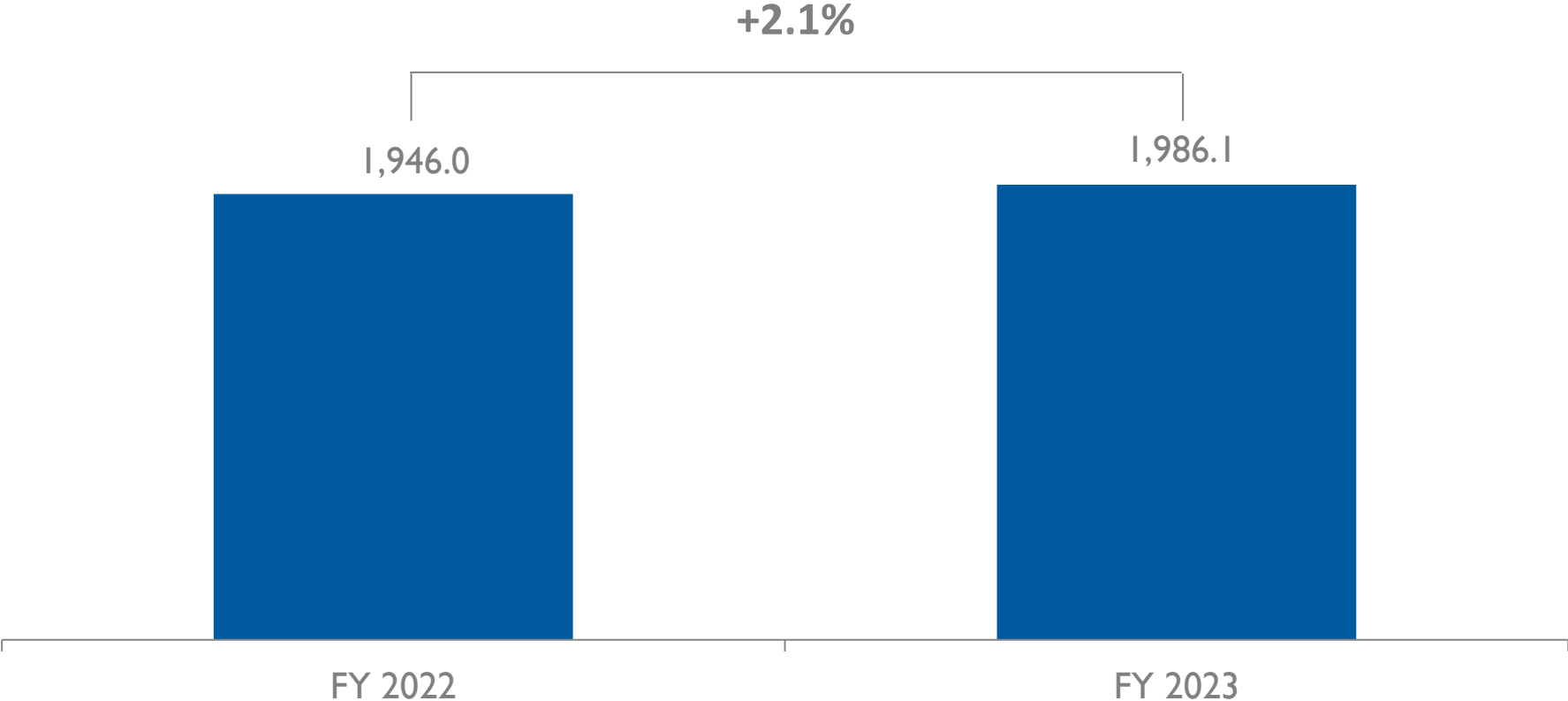
# TOTAL ITALIAN ADV MARKET | Contribution to growth



Source: Nielsen data

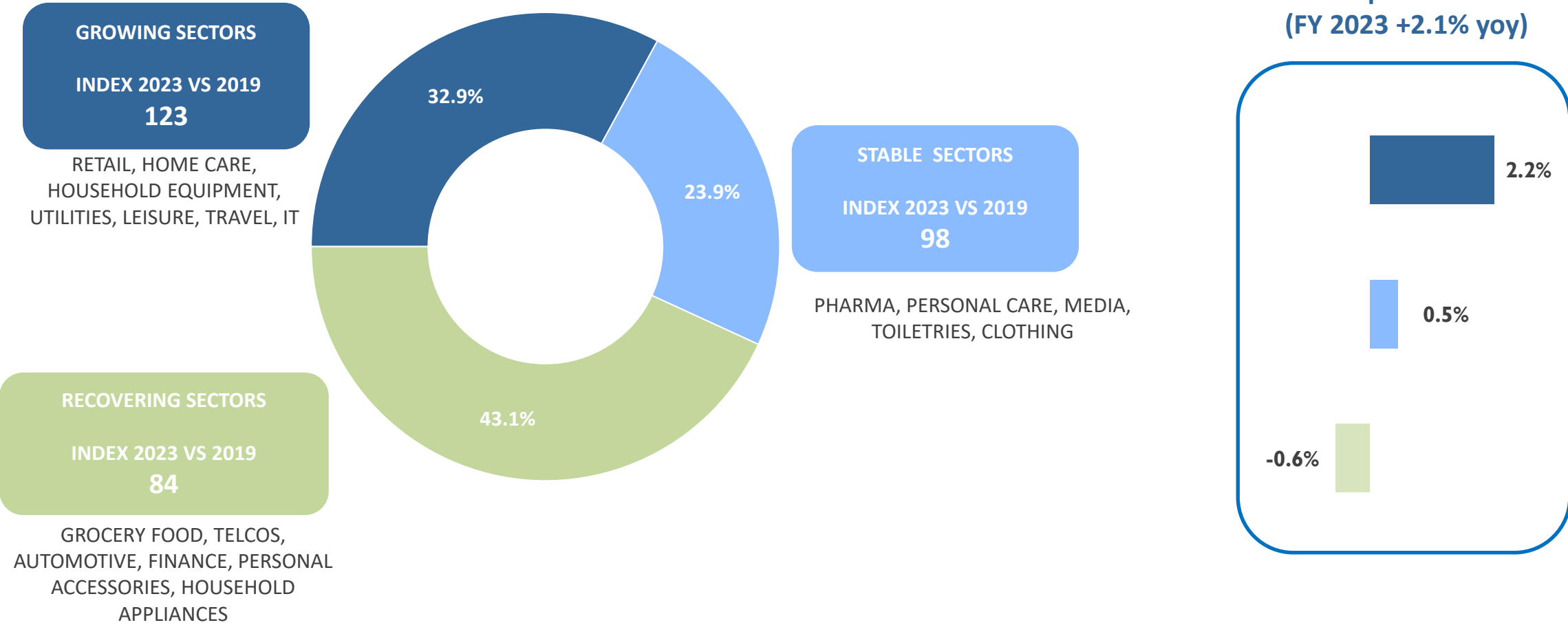
# MFE ITALIAN BUSINESS | Total advertising revenues

FY 2023 vs FY 2022 (million euro)



# MFE ITALIAN BUSINESS | Growing, stable and recovering sectors

FY 2023 - Advertising by sector

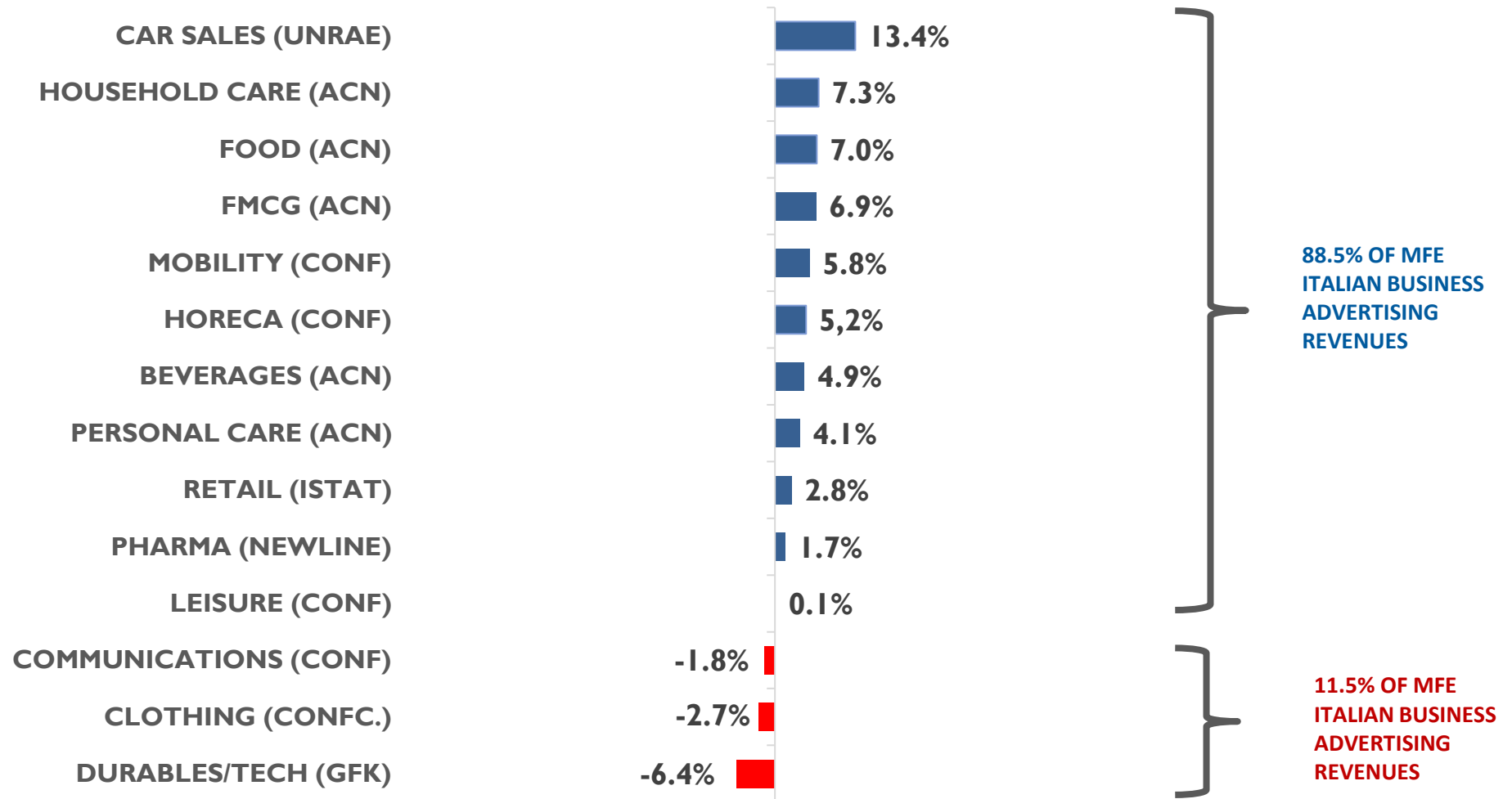


Source: Nielsen data

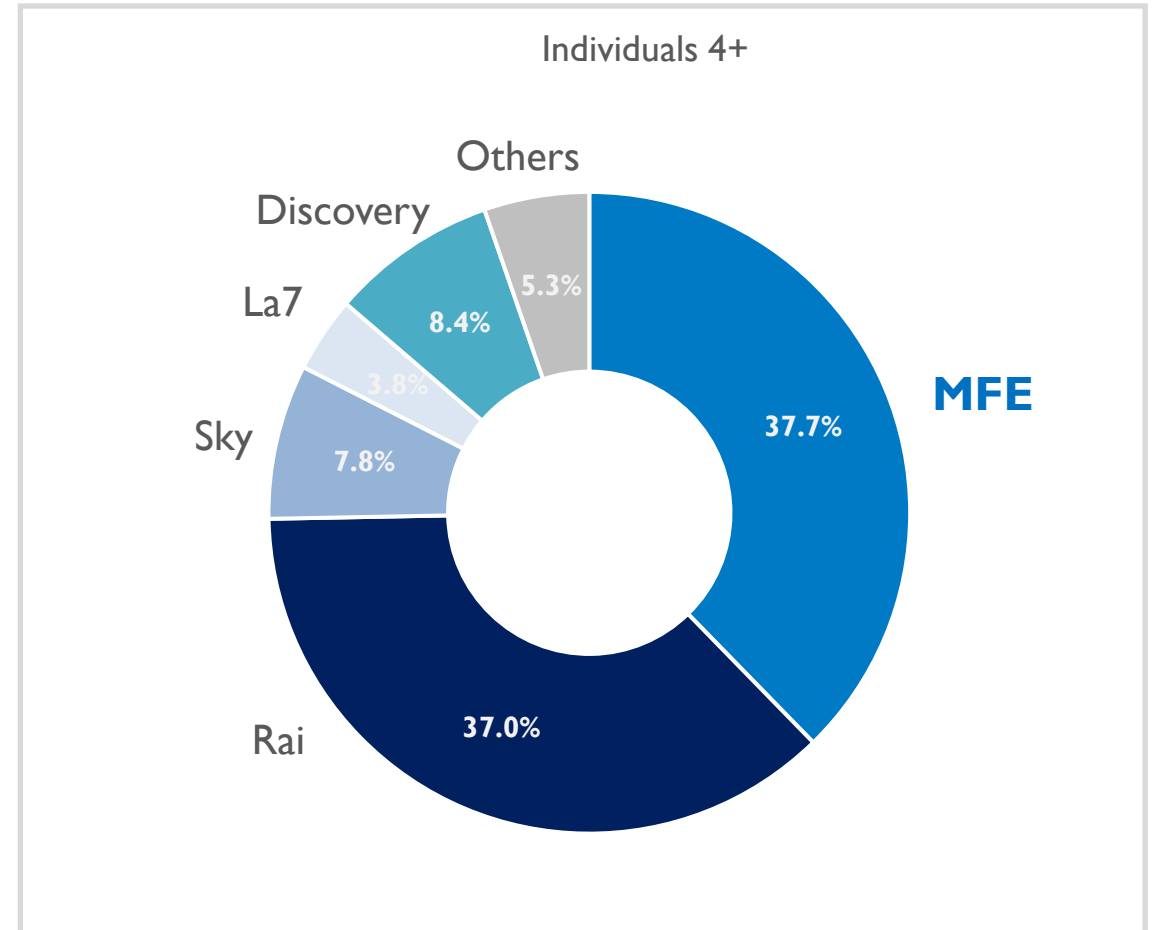
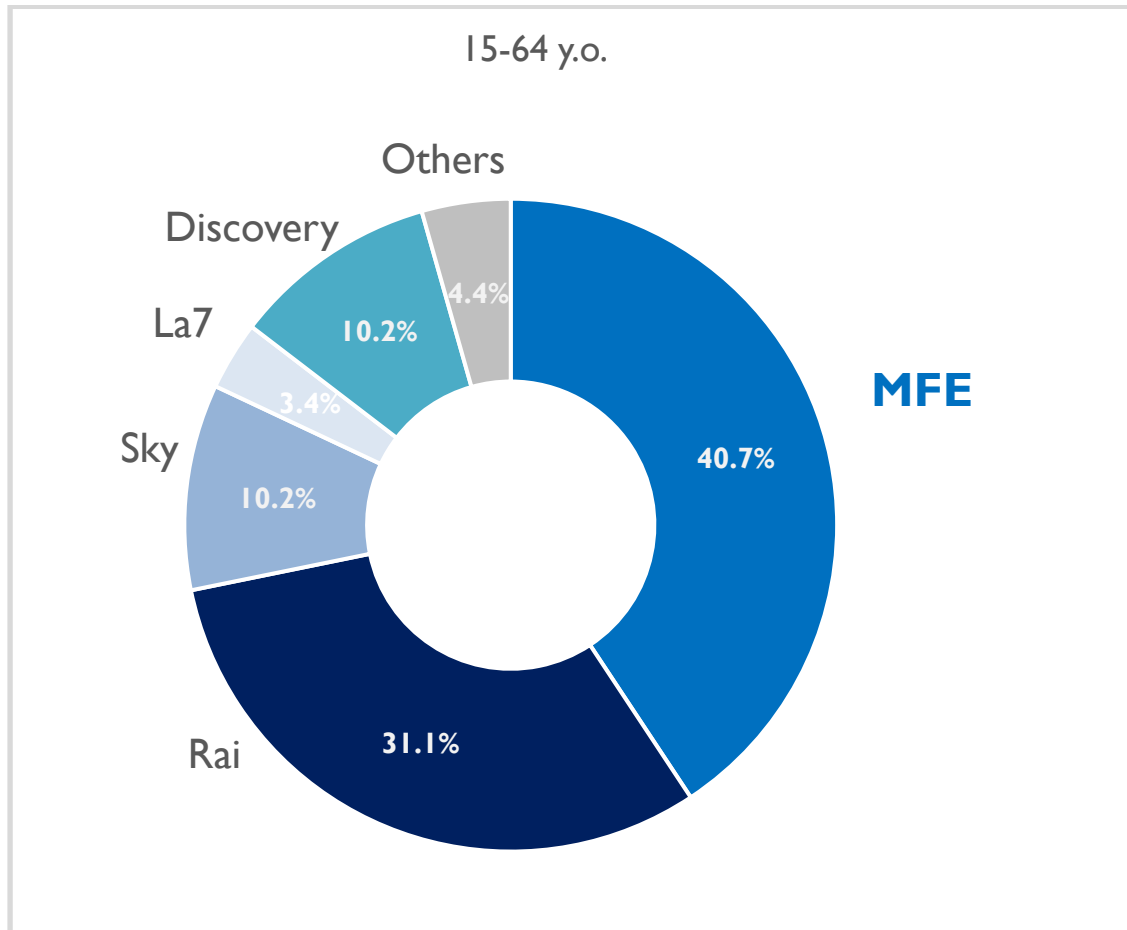


# MFE ITALIAN BUSINESS | Retail sales trend by sector

FY 2023 vs FY 2022 ( $\Delta$  %)



# MFE ITALIAN BUSINESS | Total Audience Performance



Source: Auditel, FY2023 share

# MFE ITALIAN BUSINESS | Linear and Total Audience Evolution

FY 2023 vs FY 2019 – yoy growth

## LINEAR AUDIENCE



-1.6%

TVL

## TOTAL AUDIENCE



+1.1%

TVL + TVC + OLV

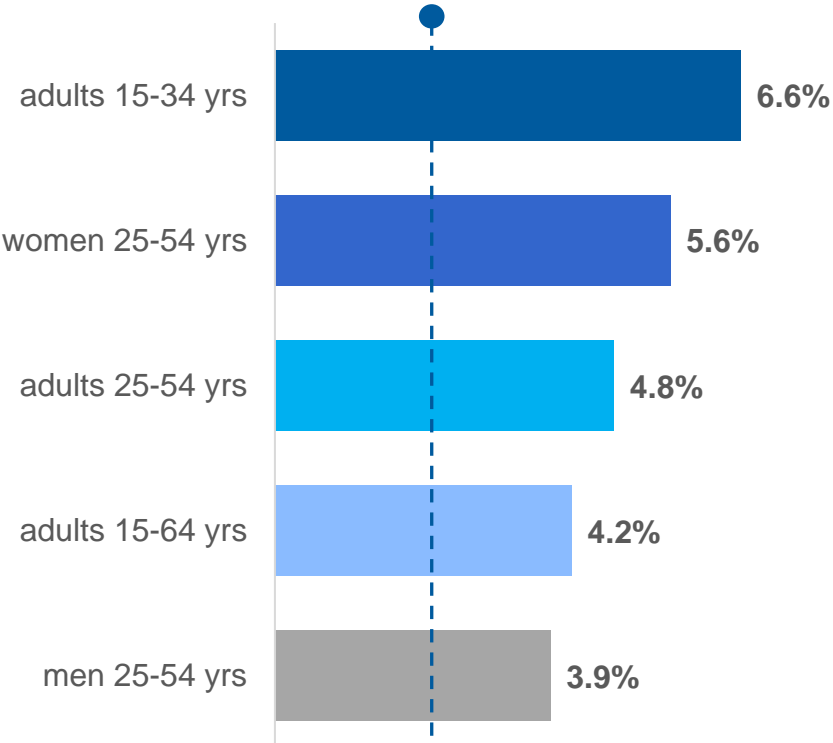
Source: Auditel; Var% AMR-Average Minute Rating

# MFE ITALIAN BUSINESS | Total Audience

The double added value of second screen & CTV

## ADDITIONAL AUDIENCE

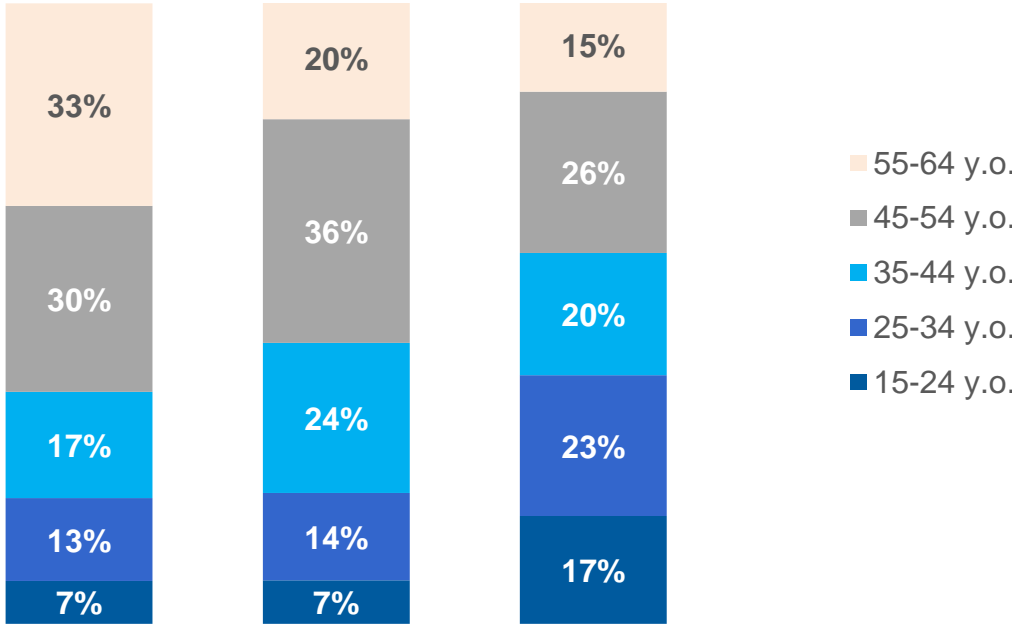
Individuals 4+ yrs: 2.7%



Source: Auditel

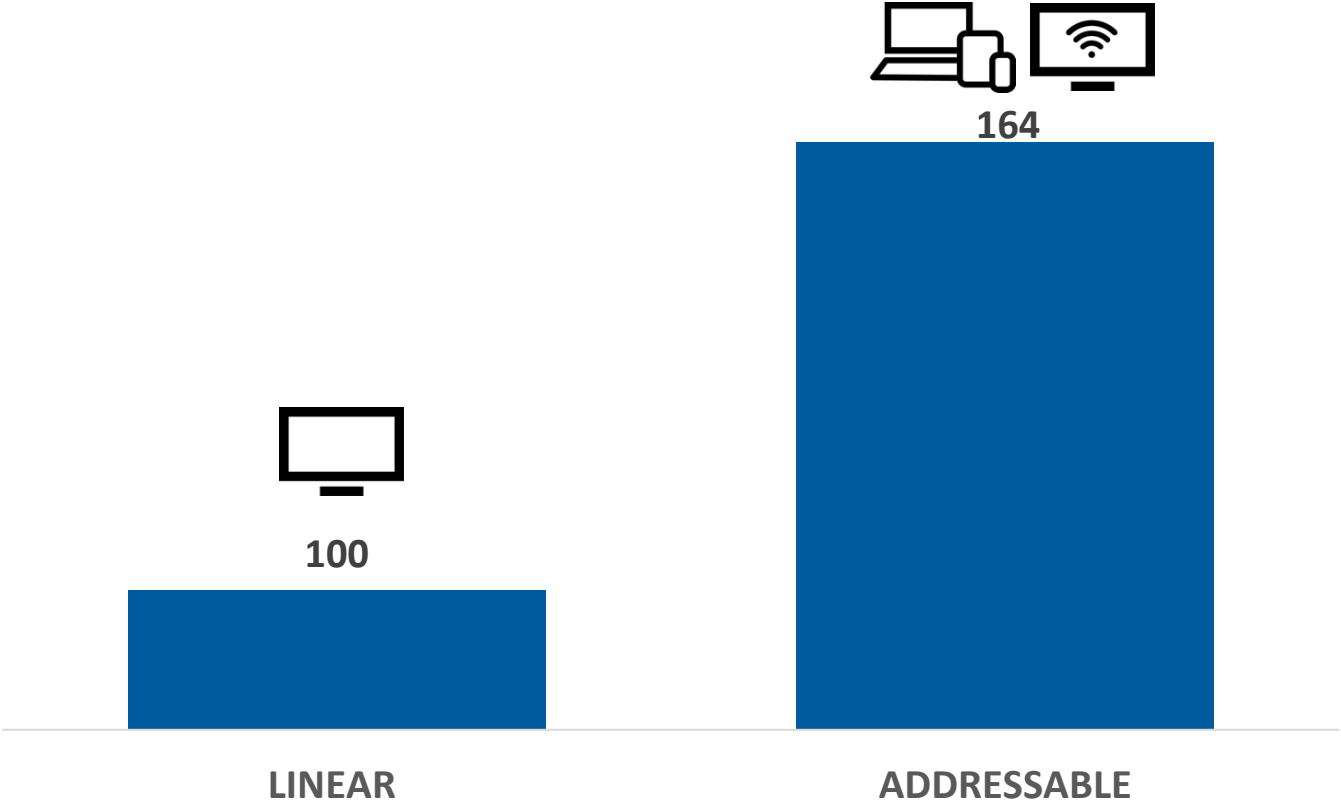
## YOUNG PROFILE

LINEAR TV      CTV      SECOND SCREEN



# TOTAL AUDIENCE | Migration from Linear to Digital allows pricing upside

Revenue per Hour (RpH) Index (FY 2023)



Source: Company data

## MFE ITALIAN BUSINESS | Business digital key figures

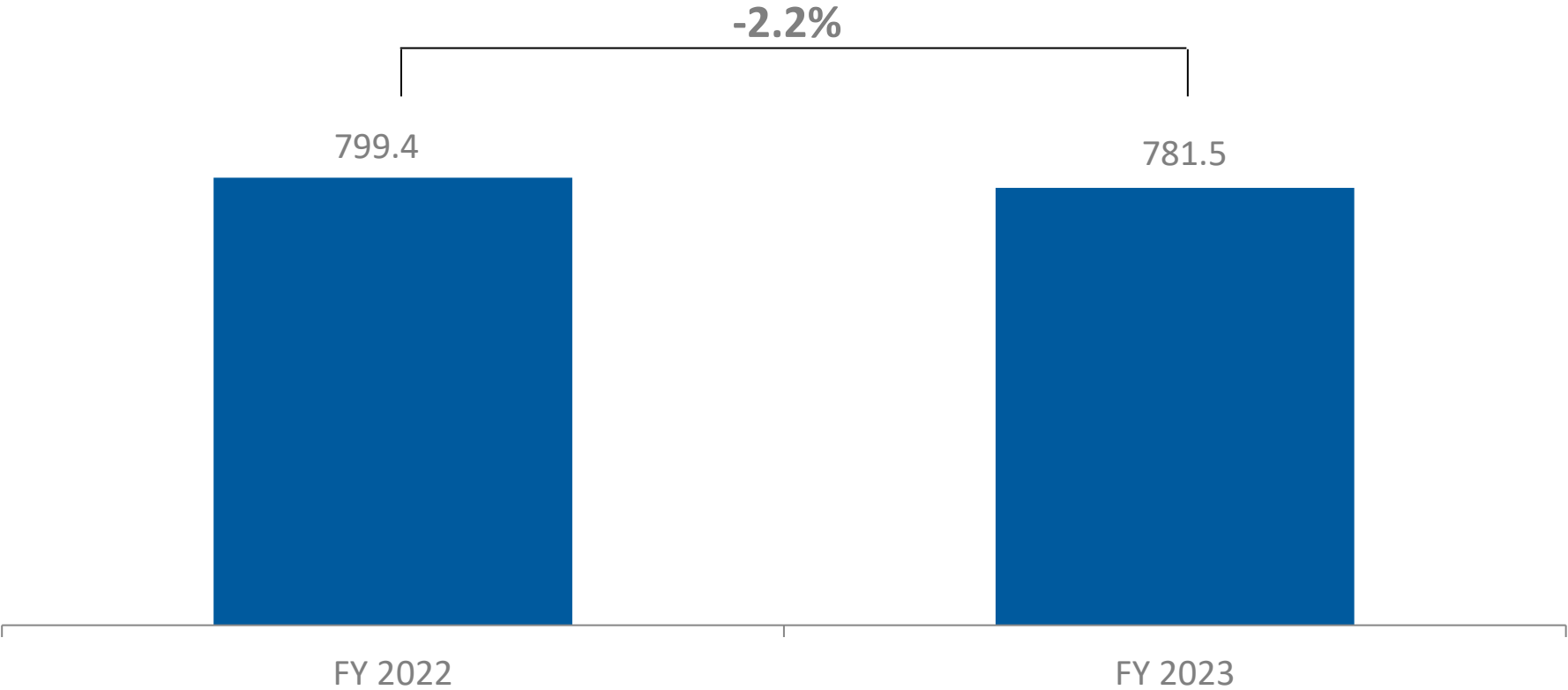
KPIs	FY 2022	FY 2023	YoY
TOTAL STREAMING HOURS (mio)	478	644	+35%

Of which, the consumption by Logged-in Users represents 84% of the Total Streaming Hours

Streaming Hours from Logged-in Devices (mio)	368	544	+48%
Monthly Viewer's Active Devices (Logged-in, mio)	5.2	6.6	+26%

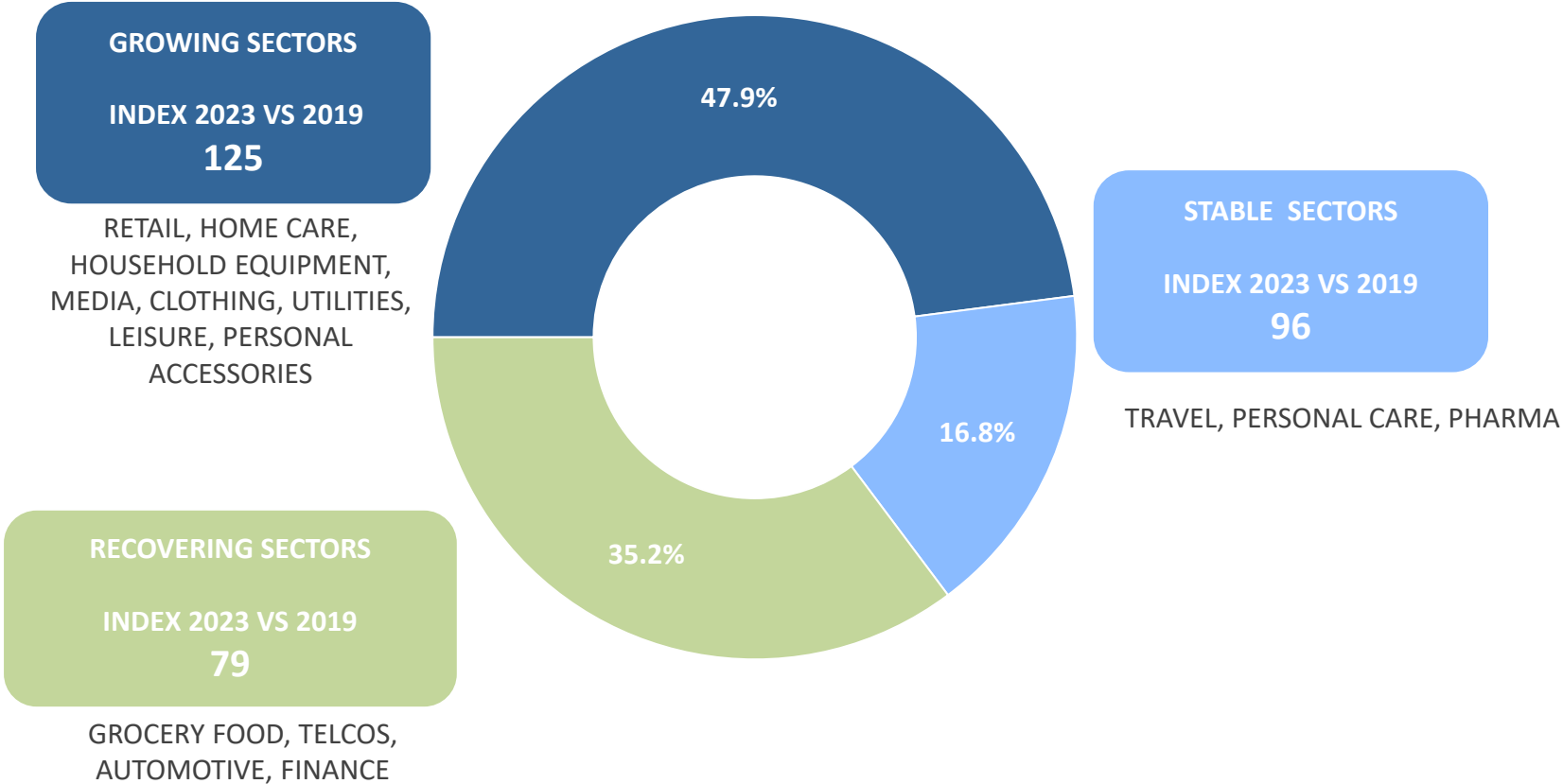
# MFE SPANISH BUSINESS| Total advertising revenues

FY 2023 vs FY 2022 (million €)

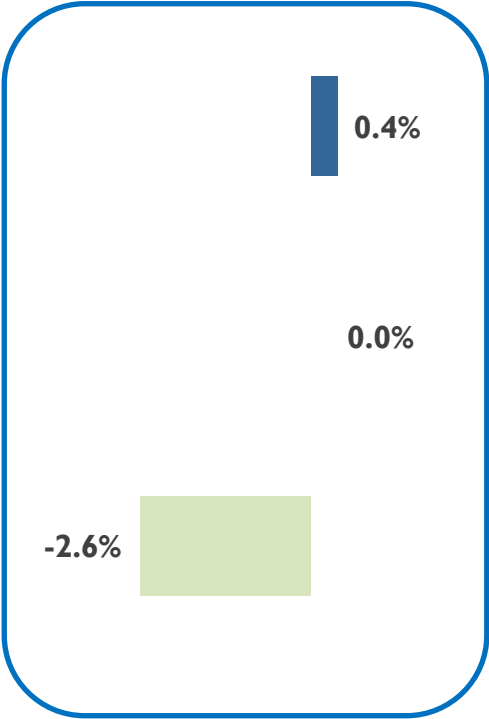


# MFE SPANISH BUSINESS | Growing, stable and recovering sectors

FY 2023 - Advertising by sector



Weighted contribution to MFE performance (FY 2023 -2.2% yoy)

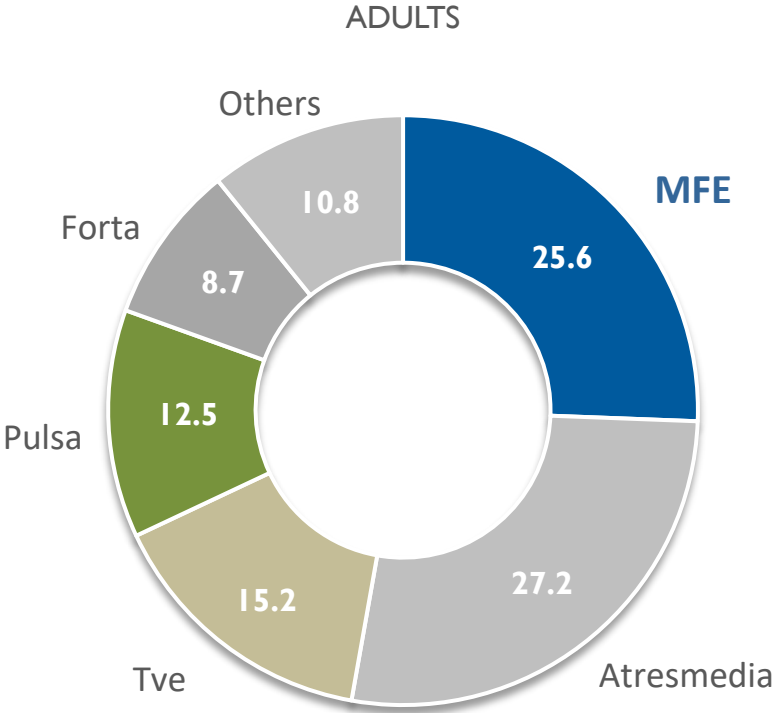
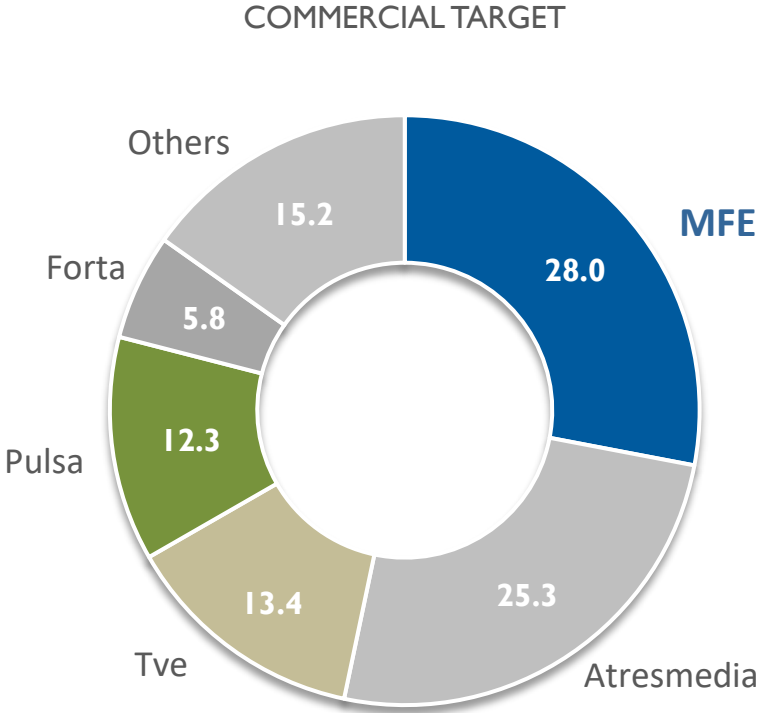


Source: Nielsen data



# MFE SPANISH BUSINESS | Linear Audience performance

FY 2023 Linear audience share



Source: Kantar Media, Adults 16-59 y.o. in towns with more than 10.000 residents, excluding Lower socio-economic class (Spain). Total day

# Financials

## MFE GROUP FY 2023 | P&L highlights

(euro mio)	FY 2022	FY 2023	FY 2023 adjusted*
<b>NET CONSOLIDATED REVENUES</b>	<b>2,801.2</b>	<b>2,810.4</b>	<b>2,810.4</b>
<b>EBITDA</b>	<b>803.6</b>	<b>782.3</b>	<b>825.0</b>
<b>EBIT</b>	<b>280.1</b>	<b>302.3</b>	<b>345.0</b>
Italy	88.5	147.2	183.2
Spain	192.4	154.8	161.5
<b>NET PROFIT (excl. ProSiebenSat.1 contribution)</b>	<b>184.7</b>	<b>217.5</b>	
Net Profit reported (incl. ProSiebenSat.1 contribution)	216.9	209.2	
<b>GROUP NET FINANCIAL POSITION (31/12)</b>	<b>(732.1)**</b>	<b>(902.8)</b>	<b>(738.2)**</b>

\* FY 2023 adjusted results for 42.7 mio of lay-off, reorganizational expenses and reconciling items

\*\* Excluding financial liabilities according to IFRS 16 and the financial debt arising from the acquisition of ProSiebenSat.1 stake

## MFE OPERATING SEGMENTS FY 2023 | P&L highlights

	ITALIAN BUSINESS		SPANISH BUSINESS	
(euro mio)	FY 2022	FY 2023*	FY 2022	FY 2023*
<b>TOTAL NET REVENUES</b>	<b>1,937.7</b>	<b>1,978.3</b>	<b>865.3</b>	<b>833.0</b>
Total Gross Adv Revenues	1,946.0	1,986.1	799.4	781.5
<i>Commissions</i>	<i>(286.1)</i>	<i>(292.2)</i>	<i>(37.2)</i>	<i>(34.5)</i>
Total Net Adv Revenues	1,659.9	1,694.0	762.2	747.0
<b>TOTAL COSTS</b>	<b>(1,849.2)</b>	<b>(1,795.1)</b>	<b>(673.0)</b>	<b>(671.5)</b>
<b>EBITDA</b>	<b>462.3</b>	<b>517.8</b>	<b>342.7</b>	<b>307.5</b>
<b>EBIT</b>	<b>88.5</b>	<b>183.2</b>	<b>192.4</b>	<b>161.5</b>

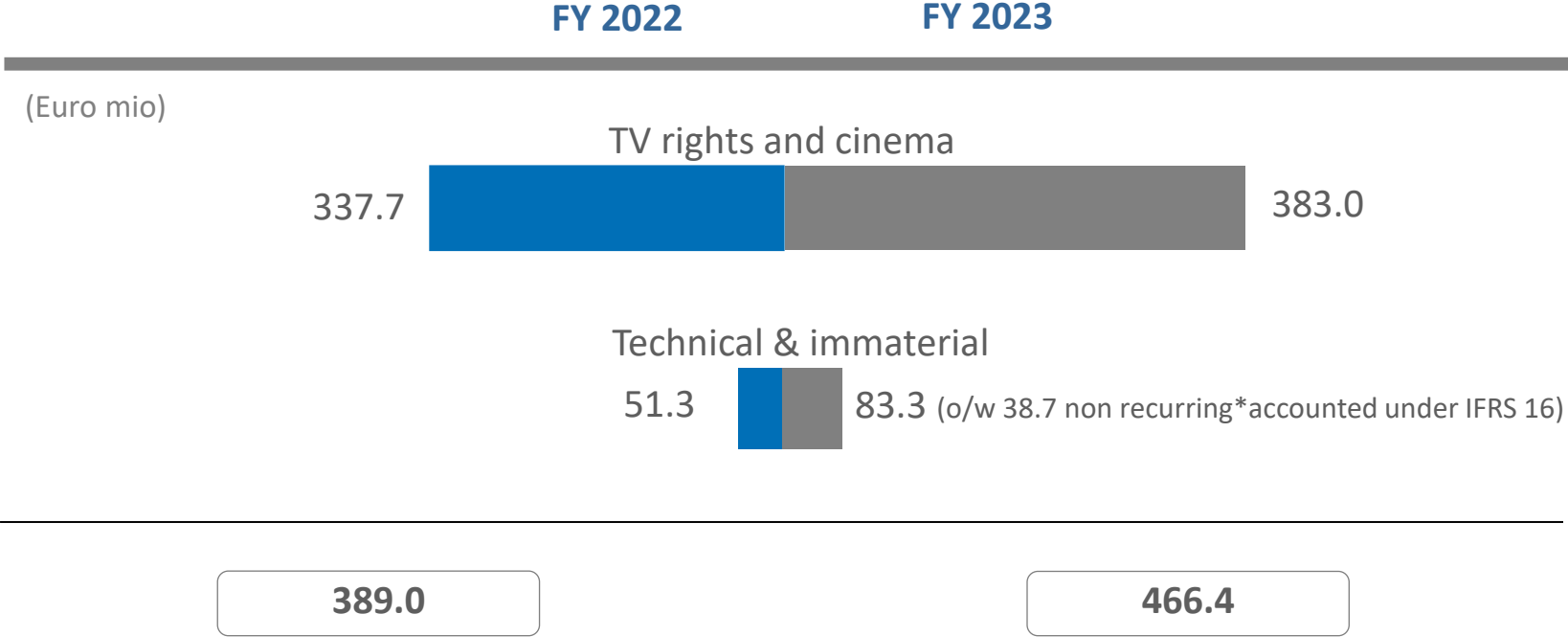
\* FY 2023 adjusted results for lay-off, reorganizational expenses and reconciling items

## MFE GROUP FY 2023 | P&L results

(euro mio)	FY 2022	FY 2023	FY 2023 adjusted*
<b>TOTAL NET REVENUES</b>	<b>2,801.2</b>	<b>2,810.4</b>	<b>2,810.4</b>
Total Net Adv Revenues	2,420.6	2,441.0	2,441.0
Other Revenues	380.7	369.4	369.4
<b>TOTAL COSTS</b>	<b>(2,521.1)</b>	<b>(2,508.1)</b>	<b>(2,465.3)</b>
<b>EBIT</b>	<b>280.1</b>	<b>302.3</b>	<b>345.0</b>
Financial Income (Losses)	31.6	(26.5)	
Associates	25.5	3.9	
<b>PRE-TAX PROFIT</b>	<b>337.2</b>	<b>279.7</b>	
Taxes	(62.2)	(62.9)	
Minorities	(58.1)	(7.5)	
<b>NET PROFIT</b>	<b>216.9</b>	<b>209.2</b>	
<b>NET PROFIT (ex ProSiebenSat.1)</b>	<b>184.7</b>	<b>217.5</b>	

\* FY 2023 adjusted results for 42.7 mio of lay-off, reorganizational expenses and reconciling items

# MFE GROUP FY 2023 | Investments



\* Advance payments for the renewal of lease contracts, accounted under IFRS 16

## MFE GROUP FY 2023 | Cash flow statement

(euro mio)	FY 2022	FY 2023
<b>INITIAL NET FINANCIAL POSITION (01/01)</b>	<b>(869.2)</b>	<b>(873.3)</b>
Cash flow from operating activities	739.6	745.6
Investments	(389.0)	(466.4)
Disinvestments	4.1	5.3
Change in Net Working Capital (CNWC)	11.5	(5.0)
<b>FREE CASH FLOW</b>	<b>366.2</b>	<b>279.6</b>
Equity (investment)/disinvestment	(284.5)	(196.8)
Change in consolidation area	(0.1)	0.2
Change in equity	(32.6)	-
Dividends paid	(133.9)	(142.1)
Incoming dividends	80.9	29.6
<b>NET CASH FLOW</b>	<b>(4.1)</b>	<b>(29.5)</b>
<b>NET FINANCIAL POSITION (31/12)</b>	<b>(873.3)</b>	<b>(902.8)</b>
<b>NET FINANCIAL POSITION (31/12)</b> excl. IFRS 16 and the financial debt for the acquisition of P7S1 stake	<b>(732.1)</b>	<b>(738.2)</b>

## MFE GROUP FY 2023 | Dividend Distribution

(euro mio)	FY 2020	FY 2021	FY 2022	FY 2023 (proposal)
NET PROFIT reported	139.3	374.1	216.9	209.2
Dividend distributed (Y+1)	340.6	133.0	140.1	140.0
Payout Ratio	245%	36%	65%	67%
Number of Shares #mio (A+B)*	1,139	2,669	2,801	560
DPS (euro/share)	0.30	0.05	0.05	0.25

Total Dividend distributed last 4Y  
**>750 euro/mio**  
 corresponding to ~51% of current MFE Mkt Cap\*\*

Dividend Yield (MFE-B)\*\*: **8.0%**  
 Dividend Yield (MFE-A)\*\*: **11.1%**

\*at the dividend distribution date \*\* Based on 3M-VWAP as of 12/04/2024



# Update on P7SI and MFE countermotions for P7SI AGM

- **P7SI has consistently underperformed its relevant peers** for years, **both in terms of return for Shareholders\* and business performance\*\***, notwithstanding **multiple management changes** (4 CEOs and several executive board members in the last few years)
- **P7SI leverage (net debt/EBITDA adj.) has increased** from 2.2x in 2021 to 2.7x in 2023 while, at the same time, **distributions to shareholders decreased** by €170m in the same period (DPS 2021: 0.80, DPS 2023: 0.05)
- P7SI continues to operate as a **conglomerate portfolio**, driving lack of focus and significant **valuation discount**
- Current management team has publicly recognised need to **refocus company**, but **no concrete action has materialised so far**
- The **separation/disposal of non-core activities** will allow **better alignment of management incentives** with value delivery
- MFE has proposed to analyze and prepare a **spin-off of P7's non-core activities as an additional option** (and not as an exclusive alternative), while management may pursue alternative ways to realise value and dispose of assets, providing **greater strategic optionality and choice for shareholders**
- The proposed agenda item does not result in an imminent spin-off of the non-core activities but initiates an analysis and preparation of a spin-off. The **implementation of a spin-off will require an additional shareholders resolution** once the management board has completed the analysis and preparation thereof (while potentially exploring and executing alternative options for disposal of non-core activities that management is able to materialize)
- A **refresh of the current Supervisory Board and strengthening of in particular its M&A expertise are necessary to accelerate change**, speed up separation/disposal process and manage the *“Jochen Schweizer mydays issues”* rapidly, avoiding possible conflict of interests resulting from legacy
- In current times, **more Shareholder and Supervisory Board involvement is necessary** and should be formally ensured, **both in terms of company management** (clearly identifying Transactions Requiring Approval by Supervisory Board) **and execution of capital transactions** (limiting the option to exclude preemptive rights), also in light of the current share price
- Given the continued underperformance and increasing debt concerns, it is appropriate to **act quickly and avoid further loss of value in the interest of all shareholders**
- **P7SI share price already reacted positively to the announcement of MFE countermotions** (+19.9% since 20<sup>th</sup> March vs. average of +2.0% for Selected Peers), showing **market interest for such proposals**

\* P7SI total shareholder return since 1 Jan 21: -42.3%; Selected Peers (RTL, ITV, TF1 and M6) average total shareholder return since 1 Jan 21: +16.4%

\*\* P7SI Entertainment revenues underperformed RTL Deutschland by as far as -26%

**Back up**

MEDIAFOREUROPE

## MFE GROUP FY 2023 | P&L results

(euro mio)	FY 2022	FY 2023	FY 2023 adjusted*
<b>TOTAL NET REVENUES</b>	<b>2,801.2</b>	<b>2,810.4</b>	<b>2,810.4</b>
Total Gross Adv Revenues	2,743.9	2,767.7	2,767.7
<i>Commissions</i>	(323.3)	(326.7)	(326.7)
Total Net Adv Revenues	2,420.6	2,441.0	2,441.0
Other Revenues	380.7	369.4	369.4
<b>TOTAL COSTS</b>	<b>(2,521.1)</b>	<b>(2,508.1)</b>	<b>(2,465.3)</b>
Personnel Costs	(478.7)	(476.5)	(469.4)
Other Operating Costs	(1,518.9)	(1,551.6)	(1,516.0)
<b>EBITDA</b>	<b>803.6</b>	<b>782.3</b>	<b>825.0</b>
Rights Amortisations	(412.2)	(395.9)	(395.9)
Other D&A	(111.3)	(84.1)	(84.1)
<b>EBIT</b>	<b>280.1</b>	<b>302.3</b>	<b>345.0</b>

## MFE GROUP FY 2023 | P&L results

(euro mio)	2022	2023
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\* FY 2023 adjusted results for 42.7 mio of lay-off, reorganizational expenses and reconciling items

## MFE GROUP FY 2023 | Key figures definition

Total Streaming Hours

Total number of hours (excluding digital adv) spent watching video across all owned and operated streaming MFE platforms. This figure includes both ad-funded and subscription streaming hours.

% Streaming Hours from Registered Users on Logged-in Devices

Percentage of “Total Streaming Hours” generated by registered users on logged-in devices

Streaming Hours from Logged-in Devices

“Total Streaming Hours” generated by registered users on logged-in devices

Monthly Viewer’s Active Devices (Logged-in)

Monthly number of logged-in devices - associated to registered, identifiable users - who played video on our owned and operated streaming platforms.

Source: Webtrekk and MFE Marketing Strategy Scorecard