



2023 ANNUAL REPORT

STRÖER SE & CO. KGAA

STRÖER

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PAPAGEIEN
UND PUMAS
AUFLEBEN.
UND JA, DEINE
KRÖTEN AUCH.**

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THE GROUP'S FINANCIAL FIGURES AT A GLANCE¹

REVENUE

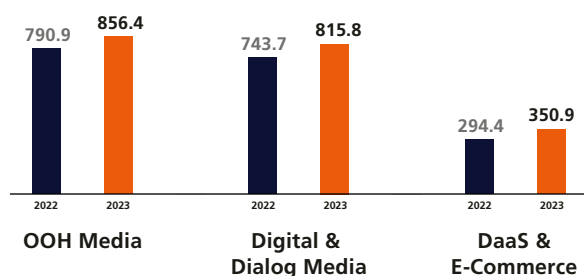
1,914.3

EUR m

(prior year: EUR 1,771.9m)

SEGMENT REVENUE

In EUR m



EBITDA (ADJUSTED)

568.8

EUR m

(prior year: EUR 541.4m)

EBITDA MARGIN (ADJUSTED)

29.7%

(prior year: 30.6%)

ORGANIC REVENUE GROWTH

7.5%

(prior year: 9.3%)

ADJUSTED EARNINGS PER SHARE

EUR 2.22

(prior year: EUR 2.88)

FREE CASH FLOW BEFORE M&A TRANSACTIONS

271.9

EUR m

(prior year: EUR 248.3m)

ROCE

18.8%

(prior year: 20.0%)

EUR m	12M 2023	12M 2022
Revenue	1,914.3	1,771.9
EBITDA (adjusted)	568.8	541.4
Exceptional items	-14.6	0.8
EBITDA	554.2	542.2
Amortization, depreciation, and impairment	-323.4	-303.5
thereof attributable to purchase price allocations and impairment losses	-20.9	-27.3
EBIT	230.8	238.7
Net finance income/costs	-65.8	-27.9
EBT	165.0	210.8
Taxes	-52.6	-59.0
Consolidated profit or loss for the period	112.4	151.8
Adjusted consolidated profit or loss for the period	143.0	171.5
Free cash flow (before M&A transactions)	271.9	248.3
Net debt (Dec. 31)	770.0	718.0

¹ For further details on the individual financial figures, please refer to the section 'Value-based management'.

THE BOARD OF MANAGEMENT OF THE GENERAL PARTNER



Udo Müller

Co-CEO

Udo Müller, born in Rüdesheim in 1962, entered the field of out-of-home advertising in 1987 by marketing his handball team, the Reinickendorfer Füchse, in Berlin.

In 1990, he teamed up with Heiner W. Ströer to establish Ströer City Marketing GmbH, which was reorganized as an Aktiengesellschaft (German stock corporation) in 2002. Acquiring Deutsche Städte Medien in 2004 and Deutsche Eisenbahn Reklame in 2005, Müller advanced the growth of the Company and took it public in 2010.

In 2011, he was awarded the title of Senator h. c. by the German Association for Small and Medium-sized Businesses (BVMW) in recognition of his exceptional entrepreneurial achievements.

Udo Müller added online marketing to the Company's portfolio in 2012. In 2017, he successfully expanded Ströer's product portfolio to include direct marketing.



Christian Schmalzl

Co-CEO

Christian Schmalzl, born in Passau in 1973, studied politics, philosophy, literature, and sociology at the Universities of Passau, Munich, and Cardiff. After his studies, he joined MediaCom in Munich in 1999 and became the youngest managing director of the agency group in 2002.

In 2007, he assumed responsibility for the entire Germany business, before being appointed Worldwide Chief Operations & Investment Director (COO) of the international media group in 2009. Christian Schmalzl joined Ströer's Board of Management as COO at the end of 2012. He was appointed Co-CEO of the general partner of Ströer SE & Co. KGaA in March 2017, forming the Ströer Group's leadership duo alongside Udo Müller.



Henning Gieseke

CFO

Henning Gieseke was born in Hilden in 1971. He studied business administration at the University of Cologne and joined the Metro Group via Kienbaum Consultants. During his time at Metro, he held responsibility for functions such as corporate development, investor relations, and group financial planning and reporting. In 2012, he took up the position of Chief Financial Officer (CFO) at Real Holding and went on to become its Co-CEO.

Henning Gieseke was appointed CFO of the Ströer Group with effect from June 1, 2021.

FOREWORD BY THE GENERAL PARTNER

**Dear reader,
dear shareholder,**

Overall, 2023 was a good year for the Ströer Group. We increased our revenue by 8% to EUR 1.9b and improved EBITDA (adjusted) from EUR 541m to EUR 569m, despite challenging economic conditions both at home and abroad. Our ability to break records in this climate comes down to having a robust and proven strategy in the form of our OOH+ strategy with its focus on Germany and, above all, on our core out-of-home business (OOH).

OOH

Revenue in our OOH advertising business went up by around 8% to EUR 856m in 2023 (prior year: EUR 791m), whereas the overall advertising market in Germany only managed a rise of 0.3%. Our digital OOH advertising is a key driver of revenue and growth. Increases in revenue of 28% in digital OOH advertising and over 99% in the programmatic public video business are glowing testimony to the long-term focus of our strategy, the foundations of which we laid some 15 years ago. Thanks to our unique digital portfolio, we can now ride the wave of structural change in the German advertising market.

Today, we are on the cusp of a sea change in the advertising market and in OOH advertising, which the digital transformation of our OOH portfolio has helped to trigger. The transition from cityscapes dominated by analog street furniture to the digital age is under way all around us. The relatively high barriers to using OOH advertising are basically being torn down. Whereas the cost of a campaign on one of our analog networks amounted to a high six-figure sum even just recently, this barrier to entry is currently being lowered to an amount that is manageable even for small and medium-sized companies, and OOH advertising perfectly complements an increasingly digital marketing mix and adds a lot of reach. Campaigns are run programmatically, only being served for our customers' specific target audiences at specific locations. This allows us to reach new customer groups and tap new advertising budgets.

We are seeing convergence across all digital advertising channels, particularly for national customers. Based on our programmatic booking systems, contact with customers is becoming a common digital currency. Maximizing customer contacts, especially in performance marketing, is the key to success. The quick and flexible booking and serving of advertising, wherever the target audience happens to be, is critical to our success and to the long-term and profitable growth of the OOH business.

This trend is already casting its shadow and becoming increasingly apparent in German advertising market figures, which show that the market share of the OOH category rose from 7.8% in 2022 to a record high of around 8.6% as at the end of 2023.

Digital & Dialog

Our Digital & Dialog Media segment also performed well in 2023. Revenue, for example, increased by almost 10% year on year, from EUR 744m to EUR 816m. More specifically, the digital business (online advertising and content publishing) saw encouraging revenue growth from EUR 388m in 2022 to EUR 419m in 2023 that was broadly carried by the double-digit increase achieved by our own platforms, such as t-online. Our dialogue business with its call centers and direct sales activities (door-to-door) was even stronger than the digital business, advancing its revenue by around 12% to EUR 397m (2022: EUR 356m). In terms of earnings, the first six months of the reporting year were especially difficult as a result of shifts in the product mix. The steps we took to stabilize earnings had a rapid impact, however, and we overcame the challenges on the whole.

DaaS & E-Commerce

We continued our success story in the DaaS & E-Commerce segment in 2023 and prepared Statista for the next stage of its growth journey. A cornerstone of this was the launch of a CRM system and the optimization of our sales structures, particularly for Statista's largest market, the US. By refocusing on already established markets, Asam was able to accelerate its revenue growth even more, reaching some 28% and passing the EUR 200m mark for the first time. This is an important milestone for Asam, and for Ströer as a whole, particularly in view of our resolute focus on shareholder value.

Our aims are to make the net asset value of Ströer more transparent, streamline our portfolio, and refine our equity story. To this end, we plan to part with our peripheral activities, such as Asam, in the foreseeable future, and focus even more keenly on our strengths in our core businesses.

Besides managing revenue growth, we also prioritized operational steps to secure and enhance the Company's earnings in the reporting year. Despite inflation reaching double digits for a time, a tight interest-rate environment for the Company, and comparatively high wage settlements, EBITDA (adjusted) rose from EUR 541m to EUR 569m.

The positive course of business was also reflected in cash flow, with free cash flow (adjusted) surging by some 60% to around EUR 81m in 2023 compared with EUR 50m in 2022.

The leverage ratio remained largely steady year on year at 2.24, following 2.20 twelve months earlier, and was at an appropriate and comfortable level for our Company, despite a dividend distribution totaling EUR 103m, a share buyback of EUR 24m, and capital expenditure of around EUR 129m.

Shareholder value

In light of the solid results generated in 2023 and given our firm belief that we will continue to achieve sustained profitable growth over the coming years, we plan to propose to the shareholder meeting that we pay a dividend of EUR 1.85.

Besides the dividend, the performance of Ströer shares is an important component of our shareholder value strategy. And for this reason, communication and intensive and ongoing dialogue with the capital markets is very important to us. In our role as general partner, and together with the investor relations team, we reached out to investors and analysts at conferences and a number of roadshows in major international financial centers in the reporting year, taking the opportunity to present and explain our strategy, current trends, and our medium-term goals.

Sustainability

Sustainability was again a high priority for our Company in 2023 and we reaped the rewards of our efforts. Ströer was singled out as a leading company in terms of sustainability when it reached the final of the German Sustainability Awards. We also maintained – and even improved in some cases – our high ESG ratings from a number of major rating agencies.

We believe that we are in a very good position thanks to a combination of our robust OOH+ strategy, the steps we have taken this year to strengthen and protect our Company over the long term, our digital portfolio with which we are helping to shape the structural change in the German advertising market, our excellent market position, our sustainability strategy, and our transparent communications.

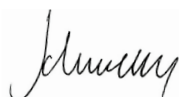
Thanks

We would like to extend our sincere thanks to our dedicated and highly skilled employees for their hard work last year and to our business partners and investors for the trust they have placed in our Company, and we wish you all a successful year in business in 2024.

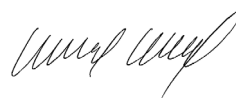
The general partner, represented by its Board of Management



Udo Müller
Co-CEO



Christian Schmalzl
Co-CEO



Henning Gieseke
CFO

SUPERVISORY BOARD REPORT



Christoph Vilanek
Chairman of the Supervisory Board

Dear reader,

It seems somehow boring to report, year after year, that your Ströer has had a good year and perhaps even performed better than expected given the circumstances. But someone from a major investment company once told me that “boring is good, because it means that everything’s ok, there are no nasty surprises, and the management team is focusing on running the business”. And that is precisely how it is. Ströer’s Board of Management and its management team are focusing their efforts on looking after the business, which was not always easy in 2023. A range of factors – from war, inflation, and political uncertainty through to reticence about spending and existential fears among businesses and consumers – all tend to hit the marketing expenditure of advertising customers before anything else. The general thinking seems to be that marketing is the easiest thing to stop in order to save money.

I therefore find it all the more remarkable that Ströer – thanks to its intelligently designed portfolio of services – can cushion the impact of all of these external factors and offset a downturn in one line of business with advances in another. We, the Supervisory Board, are responsible for creating the conditions that enable the Board of Management to do just that. Our responsibility is to establish the rules, with adequate room for maneuver, that will enable the Company to do business successfully in the interests of all of its stakeholders. And I believe that we accomplished exactly that once again in 2023. Please read on to find out more about how we did it.

In 2023, the Supervisory Board discharged, in full, the responsibilities incumbent upon it under the law, the Company’s articles of association, and its rules of procedure. We carefully monitored and advised the general partner, Ströer Management SE, on a regular basis. In doing so, the Supervisory Board primarily checked that the general partner, represented by its Board of Management, was running the Company lawfully, expediently, and properly. Both during and between Supervisory Board meetings, the general partner regularly provided the Supervisory Board with written and oral reports on business policy and all relevant aspects of business planning. It therefore fully complied with its obligations to provide information.

At additional meetings, the chairman of the Supervisory Board, the deputy chairman of the Supervisory Board, and the chairman of the Supervisory Board’s Audit Committee discussed key business developments with each other and with the Board of Management of the general partner. The full Supervisory Board received regular oral reports on these deliberations.

Meetings of the full Supervisory Board

The Supervisory Board of Ströer SE & Co. KGaA met five times in 2023. In agreement with all members of the Supervisory Board, the chairman decided that the majority of these meetings would be held as hybrid events given that the COVID-19 pandemic had subsided. The Supervisory Board also approved a written decision.

The main subjects examined during these routine discussions were the Ströer Group's revenue and earnings, its financial position and financial performance, and personnel planning. An increasing amount of time at our meetings was devoted to the topic of sustainability. The general partner reported to us on the current situation with the Ströer Group's businesses in each of the meetings, and, on an ongoing basis, on the impact on the Ströer Group of Russia's war against Ukraine, the energy crisis, and the ever more pronounced weakening of the German and global economy. The Supervisory Board regularly discussed agenda items without the Board of Management of the general partner, particularly when the agenda items related to internal Supervisory Board matters.

Our meeting on **March 23, 2023** was dominated by a discussion of the work on the separate and consolidated financial statements for 2022. In the presence of the auditor, who presented the focus of the audit and its findings, we discussed in detail and subsequently approved – as recommended by the Audit Committee – the separate financial statements of Ströer SE & Co. KGaA and the consolidated financial statements of Ströer SE & Co. KGaA. The auditor had issued an unqualified opinion for each of these sets of financial statements. We also reviewed and approved the non-financial declaration for 2022, the remuneration report, and the report on relationships with affiliated entities. The general partner then reported on the liquidity of the Company's equity. Another focus of the meeting was on agreeing the motions to be put to the shareholder meeting. We adopted motions to launch the 2023 Stock Option Plan, agreed with the Nomination Committee's proposed candidates for election to the Supervisory Board, and agreed on how the annual shareholder meeting should be held in light of the new option permitted by law. In light of the risk to the global economy from Russia's war against Ukraine and the accompanying uncertainty about the further course of business for the Ströer Group, we postponed the decision on the appropriation of profit for 2022. Finally, the general partner reported on the key outcomes of risk management and internal audit for the second half of 2022 and presented the compliance report and the data protection report for 2023.

At our meeting on **May 12, 2023**, we approved after extensive discussion the motion to be put to the shareholder meeting on the appropriation of profit for 2022 and concurred with the Audit Committee's recommendation to propose KPMG AG Wirtschaftsprüfungsgesellschaft as the auditor for 2023.

During our meeting on **July 5, 2023**, immediately before the Company's annual shareholder meeting, we elected Ms. Elisabeth Lepique to the Audit Committee to succeed Mr. Christoph Vilanek, who stepped down from the Audit Committee as agreed.

On **August 26, 2023**, we adopted a written resolution to reduce the Company's share capital as the general partner had decided to redeem its limited partner's shares.

As planned, we began our meeting on **September 13, 2023** without the Board of Management of the general partner. We discussed the measures identified in 2022 to improve the efficiency of the Supervisory Board's work and established that they had mostly been implemented. The chairman of the Audit Committee then reported on the main results of the committee's review of the quality of the audit by KPMG AG Wirtschaftsprüfungsgesellschaft of the separate and consolidated financial statements of Ströer SE & Co. KGaA for 2022.

At our meeting on **December 11, 2023**, we concurred with the recommendation of the general partner and the Audit Committee to engage the Company's auditor to formally examine the Company's remuneration report for 2023 and to conduct our own review of the Ströer Group's non-financial declaration for 2023. Furthermore, the general partner explained the internal audit plan for 2024 prepared in consultation with the Audit Committee. Finally, we agreed the declaration of compliance for 2023 with the general partner.

Supervisory Board committees

The Supervisory Board had two committees in the reporting year. These committees are tasked with preparing resolutions and topics to be discussed by the full Supervisory Board. The committee chairpersons reported regularly and comprehensively to the Supervisory Board on the work of the committees.

The Audit Committee

The Audit Committee met six times in 2023. It supported us in the monitoring of the financial reporting process and held in-depth discussions on the separate and consolidated financial statements, the interim financial statements, the dependent company report, the non-financial declaration, and the sustainability report. The committee also monitored the effectiveness of risk management, discussed at length the ongoing improvements to the internal control system, heard reports on the work of internal audit, approved the latter's audit plan, and examined the annual compliance report. Discussion of these topics gave the committee a detailed insight into the status of governance, risk, and compliance certification. The discussions also involved an analysis of the internal resources of the relevant internal departments. The Audit Committee devoted an increasing amount of time to the discussion of sustainability topics, receiving reports from the ESG officer of the Supervisory Board.

The Audit Committee resolved to recommend to the Supervisory Board that it engage KPMG AG Wirtschaftsprüfungsgesellschaft as an independent auditor, a decision that took account of the review of the auditor's independence, which did not indicate any shortcomings. The committee monitored the quality and

efficiency of the auditor as well as the services it provided (audit quality review) in accordance with the plan for reviewing the quality of the auditing of the financial statements that it adopted in the prior year. It also discussed the preparatory measures for the audit of the 2023 separate and consolidated financial statements and agreed the key audit matters with the auditor.

The Audit Committee convened regularly in the presence of the CFO of the general partner and in some cases also with the auditor. During preparations for the audit and while it was being conducted, the members of the Audit Committee also held regular discussions with the auditor without the Board of Management of the general partner.

The Nomination Committee

The Nomination Committee held one meeting in 2023. Its deliberations focused on succession and appointment matters relating to the Supervisory Board and, taking due account of the legal and regulatory requirements, it sought a candidate for election at the shareholder meeting on July 5, 2023 and proposed said candidate to the Supervisory Board. Furthermore, it reviewed the profile of skills and expertise for the shareholder representatives on the Supervisory Board, taking into consideration the requirements of the German Corporate Governance Code and the German Act to Strengthen Financial Market Integrity (FISG) in doing so.

Attendance of meetings

The following table details the attendance of members of the Supervisory Board at its meetings and at the meetings of the committees. Most of the meetings were held virtually. The attendance figures for meetings refer to the meetings that took place during the respective Supervisory Board member's term of appointment and not simply the total number of all meetings in the year:

	Meetings (incl. committees)	Meetings (plenary)	Attendance (plenary)	Meetings (committees)	Attendance (committees)	Attendance (all meetings, incl. committees, %)
Altenburg	5	5	4	0	0	80
Diederichs	12	5	3	7	7	83
Eilers (from July 5, 2023)	2	2	2	0	0	100
Güth	5	5	4	0	0	80
Hüttinger	5	5	5	0	0	100
Huster (until April 1, 2023)	1	1	1	0	0	100
Kascha	5	5	5	0	0	100
Kollmann-Göbels	5	5	5	0	0	100
Lepique	8	5	4	3	3	88
Liese-Bloch	5	5	5	0	0	100
Meuser	5	5	5	0	0	100
Sardiña Gellesch (from June 28, 2023)	3	3	3	0	0	100
Sauermann (until July 5, 2023)	3	3	3	0	0	100
Schleich	5	5	5	0	0	100
Somberg	5	5	4	0	0	80
Sontheimer	6	5	3	1	1	67
Vilaneck	8	5	5	3	3	100
Voigt	11	5	5	6	6	100

German Corporate Governance Code

At its meeting on December 11, 2023, the Supervisory Board issued a declaration of compliance pursuant to section 161 of the German Stock Corporation Act (AktG). This declaration of compliance was made permanently available to shareholders on the Company's website at <https://ir.stroeer.com/investor-relations/corporate-governance/>. The most recent declaration of compliance is also included in the corporate governance declaration.

Training

All of the new Supervisory Board members received an induction on the main commercial, legal, personnel, and other criteria of the Company and the Ströer Group and were given a summary of the rights and obligations of a Supervisory Board member. In the reporting year, training was also provided internally to all members of the Supervisory Board to explain the tasks and responsibilities of the Supervisory Board, with particular attention

paid to the legal form of a partnership limited by shares, as well as changes to the law. The training also provided an insight into the work of the Group's Financial Planning and Reporting unit and its Governance, Risk & Compliance unit.

Audit of the separate and consolidated financial statements

KPMG AG Wirtschaftsprüfungsgesellschaft has audited the Company's separate and consolidated financial statements, together with the bookkeeping system and the combined management report of the Company and the Group for 2023, and on March 15, 2024 issued an unqualified opinion in each case. KPMG AG Wirtschaftsprüfungsgesellschaft has been the auditor for Ströer SE & Co KGaA and the Ströer Group since 2020.

The documentation on the financial statements and the audit reports were made available to all Supervisory Board members in good time by the general partner. They were discussed at length by the Audit Committee and during the Supervisory Board's meeting to discuss the financial statements on March 22, 2024. The responsible auditor, KPMG AG Wirtschaftsprüfungsgesellschaft, participated in the Supervisory Board's discussions. The auditor reported on the scope, focus, and key findings of the audit and went into particular detail on the key audit matters and the audit procedures.

The Supervisory Board agreed with the results of the audit of the financial statements. Based on the conclusions drawn by the Audit Committee and on our own examination, there are no objections to be raised. We therefore approved the separate and consolidated financial statements.

Personnel changes

Supervisory Board

The employee representative Andreas Huster left the Supervisory Board with effect from April 1, 2023. By resolution of the Cologne local court dated June 28, 2023, he was replaced by Christian Sardiña Gellesch. With effect from the end of the shareholder meeting on July 5, 2023, Dr. Kai Sauermann stepped down from the Supervisory Board. In his place, Professor Stephan Eilers was elected to the Supervisory Board as a new shareholder representative at the shareholder meeting on July 5, 2023. That meeting also confirmed the appointment of Dr. Karl-Georg Altenburg and Barbara Liese-Bloch for a term of three years each.

The Board of Management of the general partner

There were no changes on the Board of Management of the general partner in the year under review.

Thanks

The Supervisory Board of Ströer SE & Co. KGaA would like to express its thanks and appreciation to the Board of Management of the general partner, the management teams of the Group entities, the works council, and all employees for their outstanding personal dedication, excellent work, and unwavering commitment.

As Chairman of the Supervisory Board, I would like to take this opportunity to also thank the Board of Management of the general partner and my colleagues on the Supervisory Board for the excellent working relationship that we enjoy, and to thank all those who apply their strengths and passion to drive the Company's success.

On behalf of the Supervisory Board

Christoph Vilanek
Chairman of the Supervisory Board
Ströer SE & Co. KGaA

COMBINED MANAGEMENT REPORT OF THE COMPANY AND THE GROUP

The references to page numbers in this combined management report of Ströer SE & Co. KGaA, Cologne, ('Ströer KGaA') and of the Group relate to the numbering in the annual report.

Due to rounding differences, totals in tables or charts may differ slightly from the total of the figures in an individual column.

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¹ Any references to webpages in the combined management report were not included in the audit.

By contrast with the figures for the financial year, the disclosures for the quarters in the combined management report contain unaudited information.

² This section is not included in the audit conducted by the independent auditor.

BACKGROUND AND STRATEGY OF THE STRÖER GROUP

Strategy

In 2023, Ströer continued to forge ahead with its OOH+ strategy, which is based on the strong and resilient core out-of-home (OOH) business supported by the related digital and dialogue media businesses. Under the strategy, Ströer is focusing on its home market of Germany.

In spite of ongoing geopolitical tensions, a comparatively high level of inflation, and an economy that is clouding over, Ströer further cemented its market position in out-of-home advertising in Germany. Its strategic capital expenditure on digital OOH infrastructure has proven key to ensuring sustained growth in value.

The advertising market in Germany contracted in the first five months of 2023 but stabilized noticeably toward the end of the year. Over 2023 as a whole, it grew slightly by 0.3%, whereas it had contracted by 3.4% in 2022. However, there was a huge difference between the individual advertising categories. OOH, for example, saw its growth accelerate significantly in 2023, fueled in particular by digital out-of-home advertising. In the period January to December 2023, the OOH category grew by 11.2% overall. At the other end of the scale, revenue in the TV category dropped by 3.5%. This puts the flexibility and reach of out-of-home advertising into sharp relief.

With OOH advertising infrastructure going more and more digital, increasing automation and the ability to book advertising space programmatically are key drivers of growth. Programmatic marketing has picked up markedly, which opens up new sales channels and allows inventories to be used more efficiently (available at short notice, granular, can be packaged dynamically) and more effectively thanks to additional technological possibilities, including dynamic advertising formats (e.g. the integration of up-to-date information such as sports results, weather forecasts, warnings, and share prices).

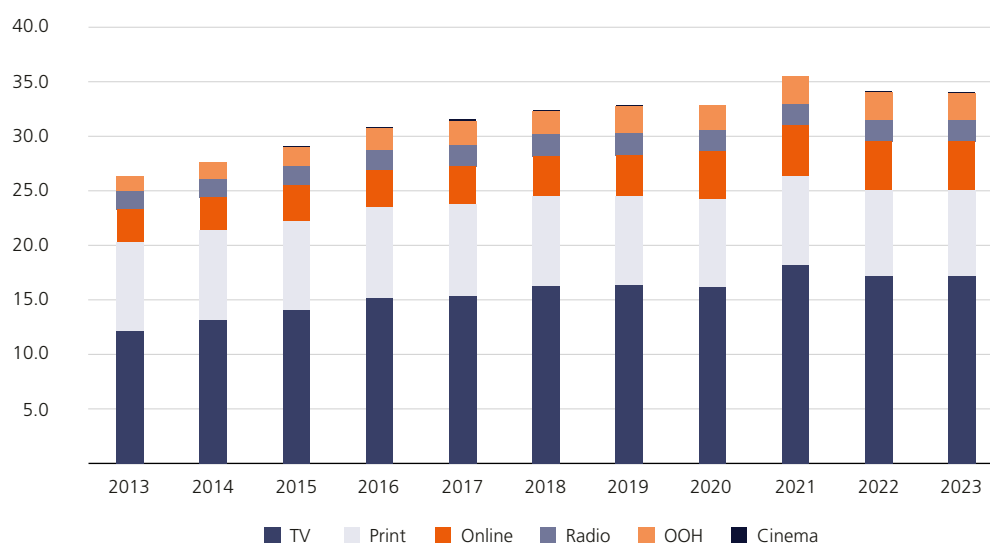
Ströer draws on the expertise of the Ströer Digital Group, one of Germany's leading online marketers, to develop programmatic OOH technology.

The advent of programmatic marketing for digital advertising inventory and computer-based bookings has blurred the lines between the different advertising formats. Digital out-of-home advertising is becoming an integral element of the growing range of digital advertising channels. Coupled with the increasing digitalization of advertising media, this is breaking down barriers to entry for advertisers considering the use of OOH marketing, especially for smaller potential advertisers. Ultimately, the programmatic booking of its digital inventory allows Ströer to reach new customer groups and thereby tap new advertising budgets.

Ströer has aligned its portfolio of products more broadly and more deeply with national, regional, and local customers from a wide variety of different industries and sectors. This helps us to make the business resilient even in times of crisis.

Performance of the German advertising market, 2013–2023

EUR b



Source: Nielsen Media Germany GmbH, gross advertising spend. All figures adjusted (excluding direct mailing). As at January 2024.

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. Innovative 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 2023, the Ströer Group's three 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



OOH Media
(incl. Public Video)



Digital & Dialog Media



DaaS & E-Commerce

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).

Basis of the out-of-home advertising business

The out-of-home advertising business has a portfolio of contracts with private and public-sector owners of land and buildings. Of particular importance are contracts with municipalities because they lead to Ströer developing smart and bespoke communications solutions that can enhance the cityscape or enable additional services to be provided.

The contracts in place with Deutsche Bahn, the ECE group, and numerous providers of local public transportation are also important. The product portfolio covers almost all forms of advertising in public spaces.

There are also a multitude of contracts with private partners. These contracts generally provide for the payment of a fixed lease. The majority of the concession contracts with municipalities, by contrast, entail revenue-based lease payments, with minimum or guaranteed lease payments also being agreed.

Increasing the targeted use of digital technologies at existing and new advertising locations continued to be a cornerstone of the strategy in 2023. Ströer's involvement with the German Federal Association for City and Town Marketing (BCSD) is one of the ways in which it is playing 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 to go about their increasingly digitalized daily lives.

Advertising media marketed under DOOH contracts can be broken down 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 transportation systems, shopping malls, and airports
- **Longtail**
All digital indoor advertising spaces, often in a smaller format and usually in retail settings

Ströer has a large and long-established portfolio of advertising media on roadsides, at train stations, on public transportation, and in pedestrian areas, meaning it can offer each customer the right product, whether on a local, regional, or national basis. Designs are refined and optimized on an ongoing basis and are always adapted to local needs and requirements.

Digital municipal information systems play a key role in the DOOH business. These systems can be used to inform and warn large numbers of people quickly. Ströer's advertising installations are included in federal and regional government plans for dealing with emergencies and are used in test exercises.

To this end, Ströer engages in intensive dialogue with many German municipalities about the future and the development of Germany's towns and cities.

Digital out-of-home advertising: flexible usage and marketing

The flexible use of digital out-of-home advertising spaces for campaigns makes it possible to market them across all sales channels. Moreover, fully digitalized logistics enable 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.

Available inventories (yields) can also be marketed at very short notice. The 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.

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.

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).¹

The websites include the news portal 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 marketing rights for more than 1,600 digital offerings.

Ströer X (Avedo/Ranger)

In 2017, Ströer acquired the Avedo Group – which it renamed Ströer X in 2022 – and the Ranger Group.

Ströer X's call center business focuses on customer experience and sales. Over the last few years, Ströer X has become one of the largest providers of performance-based direct sales via call centers in Germany and via nearshore locations in Greece and Spain, for example.

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.

DaaS & E-Commerce

Statista

Statista is a global database for statistics and reports that offers its users access to information on over 80,000 different topics, including business, politics, society, media, technology, and science. Proprietary data is supplemented with data from other sources, such as market research institutes, governmental organizations, trade associations, and businesses.

Statista's business model is becoming increasingly international, and this has played a key part in the firm's success in the past two years. The US was Statista's biggest sales market in 2023.

¹ Demand-side platforms (DSPs) and supply-side platforms (SSPs).

Once again, Statista focused on expanding its product offering and further improving its services in 2023. At the heart of this were efforts to increase the range of statistics on offer and to make it easier for customers to find the data and statistics that they are looking for. Over the course of 2023, these efforts saw Statista roll out Research AI, an AI-based layer that allows users to use natural language in search requests. Going forward, this will allow Statista to tap into new categories of customers besides data-mining experts across all of its markets. The first beta tests and customer launch tests were successfully completed at the end of 2023.

AsamBeauty

AsamBeauty is a company offering premium beauty products. Its own brands include M. Asam®, ahuhu organic hair care, YOUTHLIFT®, FLORA MARE™, and Kräuterhof® and offer a wide variety of facial, body, and hair care products, and make-up. AsamBeauty's extensive product range is developed and produced in Germany. It focuses on the combination of selected plant-based ingredients with innovative active ingredients and different forms of application.

In 2023, AsamBeauty/the BHI Group (Beauty and Health Investment Group GmbH) increased its revenue by 28% to EUR 202m. This substantial revenue growth stemmed from the e-commerce, telesales, and brick-and-mortar retail sales channels and, in particular, from international distribution business in the People's Republic of China.

Strategic environment

Ströer's OOH+ strategy focuses on the OOH Media and Digital & Dialog Media segments, as we believe they offer significant medium- and long-term opportunities for growth and excellent opportunities for value creation. They have a highly diversified portfolio of rights and are particularly demanding in terms of operational excellence. It is critical that managers and product developers have a thorough knowledge of their local market in these segments. 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.

The core segment of Out-of-Home Media, in particular, is seeing sustained growth thanks to the integration of digital businesses. The digital transformation is giving rise to granular, flexible, and dynamic OOH products, which are available through new automated platforms that facilitate programmatic advertising.

Historically, the heterogeneous nature of Germany's urban landscape meant that the OOH business had limited standardization options. Indeed, in this environment, the economies of scale that could come from the business becoming more international are limited by the fact that each rights contract is bespoke, with differing building regulations compounding the issue.

Ströer's success in implementing the OOH+ strategy is derived from in-depth proprietary knowledge, individual quality standards in management and execution, made-to-measure customer solutions for maximum satisfaction, and direct customer contact at all levels of the business.

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 enable the 'historical dividend' to be optimally monetized in the form of long-standing proprietary rights and products.

In organizational terms, this means considerable elasticity and scope – centrally supported by new CRM and ERP systems, as well as a continual process of optimization thanks to artificial intelligence – to cater to 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. The support offered to small and medium-sized regional customers centers around direct advice and solutions from a single source, provided by Ströer's growing local sales organization.

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

According to data from Nielsen Media Research, the gross advertising market (all media) was largely unchanged year on year in 2023, its volume merely edging up from EUR 33.7b to EUR 33.8b. Month-on-month performance across the year was also largely similar, with May and September through December being the strongest months. In structural terms, the market share of OOH and online advertising grew, whereas the share of the market accounted for by TV declined. It was down from 50.9% in 2022 to 49.0% in 2023, which equates to a contraction of almost 2%. OOH's share of the market, by contrast, increased from 7.8% to 8.6%. Despite lower circulation figures, print media (magazines, newspapers) held steady with a market share of more than 23%. Radio also held steady with market share of below 6%. Cinema has virtually lost its significance as an advertising medium with a share of the market well below 1%.

Product development

A major success factor for the Group is its range of continuously evolving technology solutions, 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.

Statista's online portal, along with its statistics and databases, is also a key focus of our development work. Ongoing efforts are aimed at further enhancing the range of statistics on offer and making it easier for customers to find the data and statistics that they are looking for.

In addition to the development of digital applications and software solutions, Ströer is also focusing on the development of the next generation of OOH advertising media. Ströer's development center in Cologne is responsible for product innovations, working in close collaboration with the Shanghai office and other partners. This enables products to be tailored to the specific circumstances of local and regional partners.

In 2023, the Ströer Group capitalized own development costs totaling EUR 32.9m. A significant portion thereof related to the aforementioned development activities of the Statista Group and to the marketing of digital advertising. Amortization and impairment of internally generated intangible assets came to EUR 24.2m in total. The capitalization rate stood at around 70%.

Value-based management

The Ströer Group's central aim is to achieve a sustained, long-term increase in value. To this end, it uses financial and non-financial key performance indicators to manage the Group. These key performance indicators are defined internally and follow the Group's reporting structure. They are used as management and monitoring instruments 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 Ströer Group. It is therefore also an important metric for managing the individual segments, and growth expectations and revenue targets are set for each individual segment as part of the budgeting and medium-term planning process. Progress toward these targets is continuously monitored throughout the year, with both organic revenue growth and nominal revenue growth being tracked. At the start of 2022, the Ströer Group changed the way it calculates organic revenue growth. → [For further information on the calculation of organic revenue growth, see page 19.](#) 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 7.5% in 2023 (prior year: 9.3%).

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. → [For further information on the calculation of EBITDA \(adjusted\) and adjusted consolidated profit or loss for the period, see page 19.](#) EBITDA (adjusted) is a standard capital market metric for determining enterprise value using a multiples-based method. Furthermore, EBITDA (adjusted) is a key input for determining the leverage ratio to be reported to the lending banks on a quarterly basis. However, the effects of IFRS 16 on both EBITDA (adjusted) and net debt are eliminated from this calculation.

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 by the Board of Management and the Supervisory Board. In line with its shareholder value-based strategy, Ströer strives to pursue a dividend policy – to the extent permitted under German commercial and company law – under which 50% to 75% of the adjusted consolidated profit for the period is paid as a dividend to its shareholders.

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 attainment on an ongoing basis, Ströer has developed a management and financial control system.

ROCE is defined as EBIT (adjusted) divided by capital employed. EBIT (adjusted) is calculated 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). The arithmetic mean of these values at the start of the year and the end of the year is calculated. 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. → For further information on net debt, see page 31. 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 (excluding IFRS 16 lease liabilities) to EBITDA (adjusted) (also adjusted for the effects of IFRS 16). 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. For 2023, it shows that the increase in revenue (excluding foreign exchange rate effects) of EUR 131.4m and restated revenue for the prior year of EUR 1,759.2m gives rise to organic growth of 7.5%.

EUR k	2023	2022
Revenue for prior year (reported)	1,771,942	1,627,323
Entities sold	-12,733	-10,050
Revenue for prior year (adjusted)	1,759,210	1,617,273
Foreign exchange rate effects	-1,266	-51
Organic revenue growth	131,362	150,804
Revenue for current year (adjusted)	1,889,305	1,768,026
Acquisitions	25,024	3,916
Revenue for current year (reported)	1,914,330	1,771,942

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	2023	2022
Expenses and income from changes in the investment portfolio	1,240	2,257
Expenses and income from capital structure measures	-19	-113
Reorganization and restructuring expenses	-11,116	-4,928
Other exceptional items	-4,707	3,597
Total	-14,601	813

In 2023, expenses and income from changes in the investment portfolio principally reflected the income of EUR 2,133k from the sale of grapevine marketing GmbH, Munich.

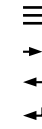
The reorganization and restructuring expenses in 2023 mainly related to new restructuring at Ströer Digital Publishing GmbH (EUR 6,003k) and restructuring measures at various Group companies such as the Statista Group (EUR 1,093k).

Other exceptional items represented an expense of EUR 4,707k in 2023 (prior year: income of EUR 3,597k). The year-on-year change was chiefly due to expenses under the stock option plan of EUR 3,543k, whereas in the prior year the stock option plan had given rise to income of EUR 9,285k. That prior-year income had mainly been 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 tricones360 GmbH had the opposite effect on this item in 2022.

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:

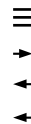
EUR k	2023	2022
Total segment earnings – EBITDA (adjusted)	600,432	571,490
Reconciliation items	–31,591	–30,090
EBITDA (adjusted)	568,841	541,401
Adjustments	–14,601	813
EBITDA	554,239	542,214
Depreciation (right-of-use assets under leases (IFRS 16))	–201,347	–197,040
Amortization and depreciation (other non-current assets)	–115,405	–102,505
Impairment losses (including goodwill impairment)	–6,650	–3,962
Net finance income/costs	–65,811	–27,894
Profit or loss before taxes	165,027	210,813



Reconciliation of the consolidated income statement to the management accounting figures

EUR m	Income statement in accordance with IFRS 2023	Reclassification of amortization, depreciation, and impairment	Reclassification of exceptional items	Income statement for management accounting purposes	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 2023	Adjusted income statement 2022
Revenue	1,914.3			1,914.3					1,914.3	1,771.9
Cost of sales	-1,117.6	275.5	0.4	-841.6					-841.6	-758.3
Selling expenses	-318.8									
Administrative expenses	-262.0									
Total selling and administrative expenses	-580.8	47.9	10.3	-522.6					-522.6	-484.9
Other operating income	33.0									
Other operating expenses	-26.1									
Total other operating income and other operating expenses	6.9		3.8	10.8					10.8	5.4
Share of the profit or loss of investees accounted for using the equity method	7.9			7.9					7.9	7.3
EBITDA (adjusted)				568.8					568.8	541.4
Amortization, depreciation, and impairment		-323.4		-323.4	18.8			2.1	-302.5	-276.2
EBIT (adjusted)				245.4	18.8			2.1	266.4	265.2
Exceptional items ¹			-14.6	-14.6				14.6	0.0	0.0
Net finance income/costs	-65.8			-65.8		-0.8		-1.2	-67.8	-30.2
Income taxes	-52.6			-52.6			-3.0		-55.6	-63.4
Consolidated profit or loss for the period	112.4	0.0	0.0	112.4	18.8	-0.8	-3.0	15.6	143.0	171.5

¹ For further information on exceptional items, please refer to the section 'Reconciliation: EBITDA (adjusted)' on page 19.



Management and control

As at December 31, 2023, 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 Mr. 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	December 2028	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 whose role is to professionalize and support governance and to embed key topics within the culture of the Ströer Group. The committee holds regular meetings to discuss fundamental issues and ensure that the entire Group has a uniform strategic focus.

In terms of the composition of the Supervisory Board, Andreas Huster left the Supervisory Board with effect from April 1, 2023. By resolution of the Cologne local court dated June 28, 2023, Mr. Christian Sardiña Gellesch was appointed to the Supervisory Board with effect from the same date.

The terms of office of Supervisory Board members and shareholder representatives Dr. Karl-Georg Altenburg and Ms. Barbara Liese-Bloch ended at the end of the shareholder meeting on July 5, 2023. They were both nominated as candidates for the Supervisory Board and were re-elected with 95% (Dr. Altenburg) and 74% (Ms. Liese-Bloch) of the votes. Furthermore, the shareholder representative Dr. Kai Sauermann stepped down from the Supervisory Board with effect from the end of the shareholder meeting on July 5, 2023. Professor Stephan Eilers was elected in Dr. Sauermann's place, receiving 99% of the votes cast.

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, Professor Stephan Eilers, and Ms. Petra Sontheimer, and the eight employee representatives Mr. Christian Sardiña Gellesch, 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 2023, Ströer SE & Co. KGaA will once again prepare a Group non-financial report² pursuant to section 315b HGB and a remuneration report. Both reports are available on our website at: <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.

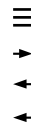
The way in which municipalities grant advertising concessions, general advertising bans for certain products (e.g. tobacco in the past), and energy saving regulations can have a particular impact on out-of-home advertising. Regulatory frameworks, especially the General Data Protection Regulation (GDPR), 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 using programmatic platforms. This is breaking down barriers to entry for customers looking for out-of-home advertising campaigns and also allowing Ströer to target entirely new types of customer, including customers who buy ad impressions programmatically via our platforms. 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. 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 2023. Ströer achieved its installation targets by taking proactive measures in its warehousing.

Due to the high degree of automation, advance booking times by customers in the online segment have got even shorter than in out-of-home advertising and are often as little as a few minutes before posting. 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 sharp fluctuations in the availability of workers are among the key factors here.

² Unaudited.



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 regulatory environment in the online advertising segment is mainly determined by data privacy aspects at national and European level.

On the e-commerce front, the internationalization of the business model means that it is influenced by increasing regulation in other markets, including non-European markets. The same applies to data-driven information services.

Overall, we believe that 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.

ECONOMIC REPORT¹

Business environment

Macroeconomic developments in 2023

Under the OOH+ 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, Asam, and Ranger. Overall, however, the international business still carries much less significance.

Throughout 2023, the Ströer Group's business held up well in an economic environment that was persistently challenging. The German economy, for example, was marked by stagnation as well as high, albeit falling, rates of inflation during the whole of 2023. The impact of the massive erosion of consumer purchasing power, which was caused by surging energy prices and led to reduced consumer spending, was the main reason why the economic picture was weaker than had generally been expected at the beginning of the year. The significant slowdown in the growth of the global economy and the dampening effects of geopolitical tension and crises added to the downward pressure and saw German exports contract by 1.2%² in 2023 after two years of strong expansion.

The trend in gross value added varied across the individual segments of the economy in 2023: Economic output related to production in industry (excluding construction) decreased significantly, by 2.0%³. This was primarily due to much lower energy production output. Manufacturing, which makes up nearly 85%⁴ of production in industry (excluding construction), also registered a price-adjusted decline in 2023 (down by 0.4%⁵). The automotive industry and the manufacture of other transportation equipment made the biggest positive contributions here. By contrast, the energy-intensive branches of industry such as chemicals and metals, which had been particularly strongly affected by the rising energy prices in 2022, saw their output and added value fall again last year. Household consumption declined by 0.8%⁶ in price-adjusted terms compared with 2022, which meant that it was down by a further 1.5%⁷ on the pre-pandemic level of 2019. High consumer prices are likely to have been the main reason for this trend. Expenditure dropped most notably in areas where prices in 2023 either persisted at the high levels seen in 2022 or increased even further. There was a particularly

sharp decline in price-adjusted expenditure on durable goods, such as furnishings and household appliances, which was down by 6.2%⁸. General government consumption expenditure was also lower in 2023 (down by 1.7%)⁹, for the first time in nearly 20 years. Muted global economic growth and weak domestic demand also had an effect on foreign trade last year, which declined despite falling prices. The price-adjusted contraction of imports (down by 3.0%)¹⁰ was bigger than that of exports (down by 1.8%)¹¹. This resulted in a positive trade balance that boosted gross domestic product (GDP).

Overall, according to the calculations of the Federal Statistical Office (Destatis), Germany's price-adjusted GDP for 2023 was 0.3%¹² lower than in the prior year. After adjustment for calendar effects, the decline in economic output came to 0.1%¹³.

The subdued economic conditions were reflected in a sluggish labor market in which employment growth was down and unemployment¹⁴ was up a little. The number of employees on reduced working hours rose again slightly compared with the pre-pandemic level, but the overall number of people in employment remained high at 45.9 million¹⁵ (2022: 45.6 million)¹⁶. The labor market is likely to remain static for now. There is currently no indication that employment is set to slump¹⁷. The unemployment rate at the end of 2023 was 5.7% (prior year: 5.3%)¹⁸.

The inflation rate declined further toward the end of the year and stood at 3.7%¹⁹ in December, which was much lower than the average for 2023 of 5.9%²⁰. Energy prices continued to dampen inflation because they had been at such a high level in the prior year. Expectations of the pace of further falls in inflation therefore remain subject to uncertainty.

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

² Destatis – press release on gross domestic product, January 15, 2024.

³ Destatis – press release on gross domestic product, January 15, 2024.

⁴ Destatis – press release on gross domestic product, January 15, 2024.

⁵ Destatis – press release on gross domestic product, January 15, 2024.

⁶ Destatis – press release on gross domestic product, January 15, 2024.

⁷ Destatis – press release on gross domestic product, January 15, 2024.

⁸ Destatis – press release on gross domestic product, January 15, 2024.

⁹ Destatis – press release on gross domestic product, January 15, 2024.

¹⁰ Destatis – press release on gross domestic product, January 15, 2024.

¹¹ Destatis – press release on gross domestic product, January 15, 2024.

¹² Destatis – press release on gross domestic product, January 15, 2024.

¹³ Destatis – press release on gross domestic product, January 15, 2024.

¹⁴ BMF – Federal Ministry of Finance's monthly report, December 2023.

¹⁵ German Federal Employment Agency – press material, January 3, 2024.

¹⁶ German Federal Employment Agency – press material, January 3, 2024.

¹⁷ BMF – Federal Ministry of Finance's monthly report, December 2023.

¹⁸ German Federal Employment Agency – press material, January 3, 2024.

¹⁹ Destatis – press release on inflation rate in 2023, January 16, 2024.

²⁰ Destatis – press release on inflation rate in 2023, January 16, 2024.

Performance of the out-of-home and online advertising industry in 2023²¹

Challenging macroeconomic conditions meant that gross advertising spend presented a mixture picture in 2023 and was only slightly higher than in the prior year. According to data collected by Nielsen, overall gross advertising expenditure in Germany rose by 0.3% year on year in 2023. There were considerable differences, however, between the individual advertising categories. Of the four major advertising formats – TV, online, print, and OOH – TV saw the biggest decline in revenue (down by 3.5%; prior year: down by 5.5%). As the largest category, it was therefore once again the main reason for the weak performance of the advertising market as a whole. According to figures from Nielsen, the web/online category was up by around 3.8% (prior year: down by 3.9%). Performance within the print segment was uneven. For example, advertising spend in the popular magazines subsegment was down by 8.1% (prior year: down by 2.5%), whereas for newspapers it was up by 7.8% (prior year: down by 4.5%). Overall, the category grew by 2.1% compared with 2022 (prior year: down by 3.8%). Out-of-home advertising saw by far the biggest increase in advertising spend, with a year-on-year rise of 11.2% (prior year: up by 2.1%) that significantly exceeded the growth rate for the wider market. As a result, the out-of-home advertising segment continued to gain market share, which increased from 7.8% in 2022 to an all-time high of 8.6% in 2023.

Market growth of top four advertising categories in 2023 vs. 2022²²

Total	OOH	TV	Print	Online
0.3%	11.2%	–3.5%	2.1%	3.8%

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 2023

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.

In 2023, the main exchange rate of relevance to our business was the euro to the US dollar. The US dollar started the year with an exchange rate of EUR/USD 1.08. Over the course of the year, the US dollar generally weakened against the euro and ended 2023 at EUR/USD 1.11.

Financial performance of the Group

Overall assessment of the economic situation by the Board of Management of the general partner

All in all, the Board of Management believes that the Ströer Group can look back on a successful year, particularly given the macroeconomic headwinds in 2023. The strong momentum in the individual units' operating business was central to the Group's performance. Buoyed by that momentum, the Group reported substantial revenue growth, ultimately achieving record revenue of EUR 1,914.3m (prior year: EUR 1,771.9m). This very satisfying growth was countered, above all, by the leap in interest rates in the capital markets, which pushed up finance costs considerably. General cost increases driven by the macroeconomic conditions also dampened some of the impressive achievements in the operating business.

From the perspective of the Board of Management, the Group maintained a good balance of assets and liabilities and remained on a solid financial footing in 2023. In terms of external financing, Ströer has secured long-term access at all times to a comprehensive pool of liquidity with freely available lines of credit thanks, in particular, to a new credit facility of EUR 650.0m that it entered into in December 2022. The strength of its internal financing capability also came to the fore once more with markedly improved free cash flow before M&A transactions, although that cash flow would have been significantly higher still had it not been for the increased interest payments. Despite the challenging macroeconomic conditions, the leverage ratio remained at a comfortable level. This positive general picture was completed by the Group's equity ratio (adjusted for the lease liabilities accounted for in accordance with IFRS 16) of more than 25%.

Overall, we believe the Ströer Group is 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 2023 were based on a cautiously optimistic assessment of economic conditions going forward. However, annual forecasts are naturally subject to major uncertainties, particularly so during times of economic upheaval. Nonetheless, the targets originally set for 2023 were largely achieved.

²¹ Nielsen gross advertising spend in 2023.

²² Nielsen gross advertising spend in 2023.

	Projected results for 2023	Actual results in 2023
Organic revenue growth	Moderate organic growth (2022: 9.3%)	7.5%
EBITDA (adjusted)	Largely stable growth (2022: EUR 541.4m (+5.5%))	EUR 568.8m (+5.1%)
ROCE	Comparable with prior year (2022: 20.0%)	18.8%
Adjusted consolidated profit or loss for the period	Slight year-on-year decline (2022: EUR 171.5m)	EUR 143.0m (–16.6%)
Free cash flow before M&A transactions (incl. IFRS 16 payments for the principal portion of lease liabilities)	Growth in line with EBITDA (adjusted) (2022: EUR 50.4m)	EUR 80.6m (+59.8%)
Leverage ratio	In line with or slightly above the prior year (2022: 2.20)	2.24

Financial performance of the Group

Consolidated income statement

EUR m	2023	2022
Revenue	1,914.3	1,771.9
EBITDA	554.2	542.2
EBITDA (adjusted)	568.8	541.4
EBIT	230.8	238.7
Net finance income/costs	–65.8	–27.9
Profit or loss before taxes	165.0	210.8
Income taxes	–52.6	–59.0
Consolidated profit or loss for the period	112.4	151.8

In 2023, the Ströer Group advanced its **revenue** by EUR 142.4m, or 8.0%, to EUR 1,914.3m (prior year: EUR 1,771.9m), which – in spite of the macroeconomic headwinds and a generally weak advertising market – was a clear new record. Organic growth came to 7.5% (prior year: 9.3%).

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

EUR m	2023	2022
Out-of-Home Media	755.9	741.1
Digital & Dialog Media	807.7	736.6
DaaS & E-Commerce	350.7	294.2
Total	1,914.3	1,771.9

The geographical breakdown of consolidated revenue did not change materially in structural terms in 2023. Revenue in Germany rose from EUR 1,589.9m to EUR 1,717.5m. Revenue outside Germany also increased year on year, climbing by EUR 14.8m to EUR 196.9m (prior year: EUR 182.0m). A total of 10.3% of revenue was therefore generated outside Germany (prior year: 10.3%).

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 2023, although in 2022 the slowing economy toward the end of the year had dampened the positive fourth-quarter effect somewhat.

There were various reasons for the rise in the **cost of sales** of EUR 102.1m to EUR 1,117.6m (prior year: EUR 1,015.5m), including the considerable improvement in the operating business, general cost increases driven by the macroeconomic conditions, and newly acquired activities. The principal factors that contributed to this rise were increased personnel expenses, additional revenue-based fees in dialogue marketing (door-to-door), our additional activities in the call center business, and higher procurement expenses in the AsamBeauty business due to an increase in volumes and prices. **Gross profit** amounted to EUR 796.8m in 2023 (prior year: EUR 756.5m).

Selling and administrative expenses, meanwhile, rose by EUR 38.3m to EUR 580.8m in the reporting period (prior year: EUR 542.5m). While the Group saw a moderate increase in personnel expenses across all business units in sales and administration, this increase was partly offset by a decline in selling expenses in the AsamBeauty business. Expressed as a percentage of revenue, selling and administrative expenses improved slightly to stand at 30.3% (prior year: 30.6%). In the same period, **other operating income** came to EUR 33.0m, which was EUR 10.0m lower than in 2022 (prior year: EUR 43.0m). This was due in part to lower gains on the sale of subsidiaries as well as the reversal of provisions. Conversely, **other operating expenses** increased by EUR 6.3m year on year to stand at EUR 26.1m (prior year: EUR 19.8m). Some of the increase stemmed from the recognition of provisions for restructuring. The Group's **share of the profit or loss of investees accounted for using the equity method** increased by EUR 6.4m to a profit of EUR 7.9m (prior year: profit of EUR 1.5m). Besides the much improved performance of the operating business, this rise was also due to the fact that the 2022 figure had been adversely affected by an impairment loss in the dialogue marketing business.

Ultimately, the Ströer Group – undeterred by a full year of macroeconomic challenges – nonetheless generated **EBIT** of EUR 230.8m in 2023, thereby easily surpassing the EUR 200.0m mark for the second time (prior year: EUR 238.7m). Adjusted for exceptional items, the success of the operating business was even more clearly reflected in **EBITDA (adjusted)**, which rose by EUR 27.4m year on year to EUR 568.8m (prior year: EUR 541.4m). At 18.8%, the return on capital employed (ROCE) remained at a high level (prior year: 20.0%).

By contrast, **net finance costs** reflected the significant rise in capital market interest rates and amounted to EUR 65.8m (prior year: EUR 27.9m). Besides general funding costs for existing loan liabilities, net finance costs have notably consisted of expenses from unwinding the discount on lease liabilities since the introduction of IFRS 16. Of the aforementioned increase in net finance costs, EUR 13.5m was attributable to the unwinding of the discount on IFRS 16 lease liabilities and the remainder of the increase of EUR 24.5m was largely due to the rise in interest rates on loan liabilities.

The Ströer Group's tax expense was impacted by considerable net finance costs and fell as a result. Some of the decline was offset by lower impairment losses on deferred tax assets, however, meaning that the **tax expense** ultimately fell by EUR 6.4m to EUR 52.6m (prior year: EUR 59.0m).

All in all, despite the persistently challenging economic climate and the adverse effects on net finance income, the Ströer Group achieved **consolidated profit for the period** of EUR 112.4m in 2023 (prior year: EUR 151.8m). **Adjusted consolidated profit for the period** stood at EUR 143.0m (prior year: EUR 171.5m).

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 very strong position given its good balance of assets and liabilities and solid financial footing. In terms of its financial structure, Ströer can access robust external financing in the form of long-term commitments that provide a comfortable level of liquidity. A cornerstone of this financial structure is a new credit facility with a volume of EUR 650.0m that was agreed in December 2022 and has been committed until December 2028. In June 2023, the Ströer Group agreed an additional credit facility of EUR 75.0m for a period of at least two years. Including the cash balance, the Group had available funding of EUR 335.6m at its disposal as at the reporting date (prior year: EUR 301.5m). This stable, long-term external financing was complemented by the Group's internal financing strength. Its consistent internal financing capability is reflected in free cash flow before M&A transactions, which – in spite of the macroeconomic headwinds – improved to EUR 271.9m (prior year: EUR 248.3m). And this cash flow would have been significantly higher still had it not been for the increased interest payments. The leverage ratio (defined as the ratio of net debt to EBITDA (adjusted)) of 2.24 (prior year: 2.20) remains very sound in the Board of Management's opinion. This overall picture was completed by the Group's stable equity ratio (adjusted for the lease liabilities accounted for in accordance with IFRS 16) of more than 25%.

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 by using 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 note loans that Ströer SE & Co. KGaA placed on the capital markets in October 2017 and June 2022 and which amounted to EUR 113.0m and EUR 203.0m respectively as at December 31, 2023. These loans consist of several tranches that originally had terms of three, five, or seven years and mature between October 2024 and June 2029. An amount of EUR 175.5m is subject to fixed interest rates ranging between 139bp 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 mainly comprises 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 of EUR 600.0m 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 2028 with the option to be extended by a further year if required. The total volume of EUR 650.0m is structured as a flexible revolving facility with bilateral credit lines, giving the Ströer Group a high level of financial flexibility.

In June 2023, the Ströer Group also agreed an additional credit facility of EUR 75.0m in total with three of the banks in the aforementioned syndicate. This supplementary facility has been committed for a fixed term ending in June 2025 and can be extended by a further year if required. The facility's variable interest rate is also in line with the market at Euribor plus a margin that ranges between 80bp and 175bp in the first year depending on the leverage ratio. The margin increases across the term and in the third year ranges between 170bp and 265bp. The total volume of EUR 75.0m has been structured as a flexible revolving facility. The facility was unutilized as at December 31, 2023.

For both financing instruments, that is the note loans and the credit facilities, the loans were granted without collateral. The financial covenants relate to the leverage ratio, which is set at 3.25 in all agreements and 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, 2023, the Group had available funding at its disposal of EUR 335.6m (prior year: EUR 301.5m) from unutilized credit lines under the two credit facilities, including a cash balance of EUR 72.3m (prior year: 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, such as those extended through 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 2023. 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 marginally to 2.24 in the reporting year (prior year: 2.20) despite extensive investment in growth and the challenging economic conditions created by the war in Ukraine. In 2023, 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	2023	2022
Cash flows from operating activities	401.1	410.9
Cash received from the disposal of intangible assets and property, plant, and equipment	1.9	1.1
Cash paid for investments in intangible assets and property, plant, and equipment	-131.1	-163.6
Cash received and cash paid in relation to investees accounted for using the equity method and to financial assets	1.6	6.3
Cash received from and cash paid for the sale and acquisition of consolidated entities	3.1	7.8
Cash flows from investing activities	-124.5	-148.4
Cash flows from financing activities	-284.2	-246.0
Change in cash	-7.6	16.5
Cash at the end of the period	72.3	79.9
Free cash flow before M&A transactions (incl. IFRS 16 payments for the principal portion of lease liabilities)	80.6	50.4
Free cash flow before M&A transactions	271.9	248.3

At EUR 401.1m, **cash flows from operating activities** did not fully reflect the improvement in operating business in 2023 as it was eclipsed by substantial adverse effects (prior year: EUR 410.9m). Although the renewed improvement in EBITDA (up by EUR 12.0m) did reflect the positive momentum in the Group's operating business, considerably higher loan interest payments (EUR 24.8m), higher IFRS 16-related interest payments¹ (EUR 13.5m), and additional income tax payments (EUR 22.3m) all had a tangible adverse impact on cash flows from operating activities. Conversely, changes in working capital (up by EUR 31.3m) – which had weighed much more heavily on cash flows in the prior year – and elimination of non-cash income (up by EUR 13.2m) had a positive effect.

The Group's **cash flows from investing activities** fell by EUR 24.0m to EUR 124.5m in 2023 (prior year: EUR 148.4m). This decline was chiefly attributable to somewhat lower investment in digital advertising media compared with the prior year, when investment had been stepped up for a time in order to rapidly digitalize particularly lucrative advertising locations. Furthermore, investment in the prior year had included the acquisition of the Group's headquarters in Cologne for around EUR 11.2m. These effects had been partly offset by more cash received from M&A transactions in connection with the disposal of a Turkish subsidiary in the prior year, whereas in 2023, the overall cash received from M&A transactions was lower.

Overall, the Group reported much improved **free cash flow before M&A transactions** of EUR 271.9m (prior year: EUR 248.3m). Including IFRS 16 payments for the principal portion of lease liabilities, it came to EUR 80.6m, which was EUR 30.2m higher than the prior-year figure of EUR 50.4m.

As in the past, **cash flows from financing activities** were heavily influenced by the payment of dividends as well as IFRS 16 payments for the principal portion of lease liabilities. The latter decreased because the IFRS 16 payments¹ for the interest portion of lease liabilities increased – as a result of higher capital market interest rates – which meant that the payments for the principal portion decreased. Furthermore, the Ströer Group concluded its share buyback program in 2023 with repurchases of almost EUR 24.4m. The Group had launched the program in the fourth quarter of 2022 with a nominal volume of EUR 50.0m. In the prior year, the gross figures for both borrowing and loan repayments had been higher as Ströer had entered into a new syndicated loan (EUR 650.0m) and placed a new note loan in 2022 (EUR 203.0m). These new loans were used to repay some of the existing borrowing. Overall, cash flows from financing activities came to a net outflow of EUR 284.2m in 2023 (prior year: net outflow of EUR 246.0m).

Cash stood at EUR 72.3m overall as at December 31, 2023 (prior year: EUR 79.9m).

Financial structure analysis

At the end of the reporting year, the Ströer Group's **financial liabilities** came to a total of EUR 1,723.2m and were thus up by EUR 21.5m year on year (prior year: EUR 1,701.7m). This was largely due to a sharp rise in interest payments as a result of higher capital market interest rates as well as additional payments under a share buyback program. In terms of the composition of financial liabilities, IFRS 16 lease liabilities decreased slightly – as they had in the prior year – whereas liabilities to banks saw a moderate increase. Within financial liabilities, there was also a shift from non-current to current liabilities as note loans of EUR 113.0m mature in October 2024.

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 explicitly excluded from the calculation of net debt, both for the credit facilities and for 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.

¹ Due to the increase in interest rates, the higher IFRS 16-related interest payments (EUR 13.5m) theoretically reduced cash flows from operating activities. However, the higher IFRS 16-related interest payments merely represent a shift between the interest expense and the principal portion within the lease payments – which remain the same – such that the payments for the principal portion of lease liabilities in connection with IFRS 16, which are disclosed in cash flows from financing activities, were actually lower in 2023.

EUR m		Dec. 31, 2023	Dec. 31, 2022
(1)	Lease liabilities (IFRS 16)	852.1	876.6
(2)	Liabilities from credit facilities	440.3	414.1
(3)	Liabilities from note loans	315.5	333.3
(4)	Liabilities to purchase own equity instruments	28.8	27.3
(5)	Liabilities from dividends to be paid to non-controlling interests	10.6	2.5
(6)	Other financial liabilities	75.8	48.0
(1)+(2)+(3) +(4)+(5)+(6)	Total financial liabilities	1,723.2	1,701.7
(2)+(3)+(5)+(6)	Total financial liabilities excluding lease liabilities (IFRS 16) and liabilities to purchase own equity instruments	842.3	797.8
(7)	Cash	72.3	79.9
(2)+(3)+(5)+(6)-(7)	Net debt	770.0	718.0
Leverage ratio		2.24	2.20

The Ströer Group's net debt went up by EUR 52.0m to EUR 770.0m in 2023. The increase was primarily attributable to a sharp rise in interest payments as a result of higher capital market interest rates as well as additional payments under a share buyback program that ended in April 2023. This means that despite EBITDA (adjusted) also rising, the leverage ratio (defined as the ratio of net debt to EBITDA (adjusted)) increased marginally year on year to 2.24 (prior year: 2.20) but thus remained at a comfortable level.

The Group's **pension provisions** increased slightly by EUR 2.2m to EUR 33.1m in 2023 (prior year: EUR 31.0m) as a result of a changed interest-rate curve and the associated adjustment of the discount rate. Current and non-current **other provisions** also changed only marginally, declining by EUR 2.4m to EUR 117.1m (prior year: EUR 119.5m). **Trade payables** were up only slightly year on year at EUR 220.5m (prior year: EUR 218.1m). **Current other liabilities**, meanwhile, rose by EUR 14.0m to EUR 141.3m (prior year: EUR 127.3m), although the rise stemmed from a number of immaterial individual effects. By contrast, **current income tax liabilities** decreased significantly following much higher advance tax payments, falling by EUR 17.0m to EUR 27.6m (prior year: EUR 44.7m). At the same time, **deferred tax liabilities** fell moderately year on year and were down by EUR 6.8m to EUR 32.0m (prior year: EUR 38.8m).

The Ströer Group closed 2023 with **equity** of EUR 444.9m (prior year: EUR 473.7m). Whereas the distribution of a dividend to the shareholders of Ströer SE & Co. KGaA and the share buyback reduced equity, the Ströer Group's profit for 2023 of EUR 112.4m had the opposite effect. The equity ratio fell from 17.2% as at December 31, 2022 to 16.2% as at December 31, 2023. Adjusted for the lease liabilities accounted for in accordance with IFRS 16, the equity ratio was 25.1% as at the reporting date (prior year: 26.4%).

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, 2023	Dec. 31, 2022
Assets		
Non-current assets	2,342.1	2,359.9
Current assets	399.0	396.2
Total assets	2,741.1	2,756.2
Equity and liabilities		
Equity	444.9	473.7
Non-current liabilities	1,453.8	1,583.1
Current liabilities	842.4	699.3
Total equity and liabilities	2,741.1	2,756.2

Analysis of the asset structure

At the end of the reporting year, the Group's **non-current assets** were EUR 17.8m lower than in the prior year at EUR 2,342.1m (prior year: EUR 2,359.9m). Intangible assets declined because additions were outweighed by amortization. Investment in advertising media and other property, plant, and equipment, by contrast, was slightly higher than the related depreciation, but this effect was offset by IFRS 16 right-of-use assets, which saw significantly higher depreciation than additions.

Current assets, meanwhile, were only slightly higher than in 2022 at EUR 399.0m (prior year: EUR 396.2m). Whereas inventories increased further as a result of continued growth in the AsamBeauty business, trade receivables and cash decreased, albeit within their usual ranges.

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	2023	2022	Change	
Segment revenue, thereof	856.4	790.9	65.5	8.3%
Classic OOH	497.0	497.9	–0.8	–0.2%
Digital OOH	299.3	233.7	65.6	28.1%
OOH Services	60.1	59.3	0.8	1.3%
EBITDA (adjusted)	391.2	373.0	18.2	4.9%
EBITDA margin (adjusted)	45.7%	47.2%	–1.5 percentage points	

At EUR 856.4m, the **revenue** generated by the OOH Media segment in 2023 was substantially higher than in 2022 (prior year: EUR 790.9m). Ströer, with its highly attractive portfolio of advertising media and strong sales performance, consistently bucked the general market trend over the course of 2023 and far outperformed the generally stagnant advertising market. It recorded its strongest revenue growth in the fourth quarter.

The **Classic OOH** product group offers traditional out-of-home advertising products to our customers. Its revenue was on a par with the prior year at EUR 497.0m in 2023 (prior year: EUR 497.9m). However, out-of-home advertising of certain tobacco products had still been permitted by law in the prior year and had mainly been displayed using traditional advertising media. Adjusted for this effect, revenue from traditional out-of-home advertising products was slightly higher year on year. The growth in traditional out-of-home advertising products in the fourth quarter compared with the prior-year period is particularly encouraging. Revenue in the **Digital OOH** product group, which consists of our digital out-of-home products (particularly

public video and roadside screens), jumped by EUR 65.6m to EUR 299.3m in the reporting period. Our attractive network of digital advertising media saw strong year-on-year growth on the back of improved capacity utilization and the further strategic 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 up year on year at EUR 60.1m in the reporting period (prior year: EUR 59.3m), despite the sale of a smaller, non-core business activity in the fourth quarter. This product group includes the local marketing of digital products to small and medium-sized customers as well as complementary activities that are a good fit with the customer-centric offering in the out-of-home advertising business.

The segment increased its earnings too, reporting higher **EBITDA (adjusted)** of EUR 391.2m in the reporting period (prior year: EUR 373.0m) and an **EBITDA margin (adjusted)** of 45.7% (prior year: 47.2%).

Digital & Dialog Media

EUR m	2023	2022	Change	
Segment revenue, thereof	815.8	743.7	72.0	9.7%
Digital	418.7	387.6	31.0	8.0%
Dialog	397.1	356.1	41.0	11.5%
EBITDA (adjusted)	155.0	177.8	-22.8	-12.8%
EBITDA margin (adjusted)	19.0%	23.9%	-4.9 percentage points	

Revenue in the Digital & Dialog Media segment rose by EUR 72.0m to EUR 815.8m in 2023. The **Digital** product group, which encompasses our online advertising business and our programmatic marketing activities, reported revenue of EUR 418.7m in the reporting period, which was up significantly on the prior-year figure of EUR 387.6m. In the prior year, the revenue figure had contained our peripheral digital activities in Turkey, which we sold in mid-2022. Adjusted for this effect, the Digital product group's growth was even more pronounced. The **Dialog** product group comprises our call center activities and direct sales activities (door to door). Its revenue rose sharply again in 2023, jumping by EUR 41.0m to EUR 397.1m. Our door-to-door sales business, in particular, grew substantially once again.

The call center business also notched up significant growth thanks in part to having acquired more locations around the middle of the year.

The challenging market environment, particularly for our very profitable online advertising business, was reflected in earnings. Overall, the segment generated **EBITDA (adjusted)** of EUR 155.0m in the reporting period (prior year: EUR 177.8m) and an **EBITDA margin (adjusted)** of 19.0% (prior year: 23.9%).

DaaS & E-Commerce

EUR m	2023	2022	Change	
Segment revenue, thereof	350.9	294.4	56.5	19.2%
Data as a Service	148.8	136.2	12.7	9.3%
E-Commerce	202.0	158.2	43.8	27.7%
EBITDA (adjusted)	54.3	20.7	33.5	>100.0%
EBITDA margin (adjusted)	15.5%	7.0%	8.4 percentage points	

In 2023, the DaaS & E-Commerce segment recorded a significant increase in **revenue**, which was up by EUR 56.5m to EUR 350.9m. The **Data as a Service** product group saw a EUR 12.7m rise to EUR 148.8m owing to continued growth both in Germany and internationally with new and existing customers. The **E-Commerce** product group, which encompasses AsamBeauty's business, generated a further substantial EUR 43.8m increase in revenue to EUR 202.0m. All sales channels contributed to this positive trend.

Overall, the segment was able to more than double the level of earnings reported a year earlier, with its **EBITDA (adjusted)** climbing to EUR 54.3m in the reporting period (prior year: EUR 20.7m). This is particularly encouraging in light of the ongoing targeted investment in the dynamic expansion of the platforms. All in all, the **EBITDA margin (adjusted)** was much higher than in the prior year at 15.5% (prior year: 7.0%).

INFORMATION ON STRÖER SE & CO. KGAA

The management report of Ströer SE & Co. KGaA and the group management report for 2023 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

Given the macroeconomic headwinds in 2023, the **Ströer Group** can look back on an overall successful year with considerable growth in its operating business. The Group significantly increased both its revenue and EBITDA (adjusted) year on year. However, this upward trend was severely hampered, above all, by the leap in interest rates in the capital markets, which pushed up finance costs considerably. General cost increases, which were largely driven by the macroeconomic conditions, also dampened some of the growth in the Group's operating business.

This overall trend, compounded by the aforementioned leap in interest rates, also saw **Ströer SE & Co. KGaA's** profit for the period decline considerably compared with 2022. The prior-year figures had been boosted by exceptional items such as the gain on the disposal of a Turkish subsidiary, although that had been tempered by negative exceptional items in net tax income for 2022. Ultimately, however, the Company generated notably lower profit for the period of EUR 115.0m in 2023 (prior year: EUR 156.5m), although that was still significantly higher than the profit before the COVID-19 pandemic.

In 2022, we had forecast that Ströer SE & Co. KGaA's profit for the period would be unchanged year on year in 2023. However, as profit for the period came to EUR 115.0m in 2023, the Company did not achieve its forecast.

EUR k	2023	2022
Revenue	40,989	33,139
Other operating income	10,424	24,821
Cost of materials	-8,534	-9,187
Personnel expenses	-24,922	-23,907
Amortization, depreciation, and impairment of intangible assets and property, plant, and equipment	-6,395	-8,356
Other operating expenses	-58,152	-52,468
Income from equity investments	741	3,300
Income from profit transfer agreements	184,609	247,631
Income from other securities and loans classified as non-current financial assets	5,883	2,395
Other interest and similar income	42,574	5,091
Impairment of financial assets	0	-10
Other interest and similar expenses	-41,212	-14,955
Income taxes	-29,241	-51,084
Post-tax profit or loss	116,765	156,409
Other taxes	-1,737	48
Profit for the period	115,028	156,457
Profit carryforward from the prior year	175,000	125,000
Accumulated profit	290,028	281,457

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 2023, the **revenue** generated from these intragroup services totaled EUR 41.0m and was thus EUR 7.9m higher than in the prior year (prior year: EUR 33.1m), which was essentially due to services provided in respect of company vehicles.

Conversely, **other operating income** decreased by EUR 14.4m to EUR 10.4m (prior year: EUR 24.8m). This decline was chiefly attributable to the fact that other operating income in 2022 had been boosted by the sale of a Turkish subsidiary with a gain on disposal of EUR 9.5m. Higher income from the reversal of provisions and higher income from payments received in respect of written-down receivables had also contributed to the prior-year income.

The **cost of materials**, meanwhile, which almost exclusively comprised rental expenses in 2023, was only marginally lower than in the prior year at EUR 8.5m (prior year: EUR 9.2m). The Company's **personnel expenses**, on the other hand, went up once again. Having stood at EUR 23.9m in 2022, they rose slightly to stand at EUR 24.9m in 2023 as a result of moderately higher expenses on the back of general salary increases.

Amortization, depreciation, and impairment of intangible assets and property, plant, and equipment came to around EUR 6.4m in 2023 (prior year: EUR 8.4m), which was almost EUR 2.0m lower than in the prior year. **Other operating expenses** rose moderately within their usual range and were up by EUR 5.7m overall to EUR 58.2m (prior year: EUR 52.5m). Only IT costs were of note in this item, increasing by EUR 3.3m all in all.

Income from equity investments of EUR 0.7m (prior year: EUR 3.3m) mainly comprised a dividend payment of EUR 0.5m by a subsidiary of Ströer SE & Co. KGaA in the Czech Republic. Intragroup **income from profit transfer agreements** also saw a tangible year-on-year decline of EUR 63.0m to EUR 184.6m (prior year: EUR 247.6m). Besides the challenging macroeconomic conditions, which also affected some of the Group's subsidiaries, this was primarily due to the sharp rise in capital market interest rates, which Ströer SE & Co. KGaA had passed on to its subsidiaries via intragroup loans. The substantial interest burden faced by the subsidiaries as a result led to much lower profit transfers to Ströer SE & Co. KGaA. Ströer SE & Co. KGaA's **other interest and similar income**, however, increased by EUR 37.5m to EUR 42.6m on the back of these intragroup loans. Against this backdrop, **income from other securities and loans classified as non-current financial assets** also picked up by EUR 3.5m year on year to stand at EUR 5.9m.

Ströer SE & Co. KGaA itself secures its funding through syndicated loans and note loans from the capital markets and – due to the adverse interest-rate movements – saw its **other interest and similar expenses** rise by EUR 26.3m to EUR 41.2m in 2023 (prior year: EUR 15.0m).

Nevertheless, the adverse effects of the rise in capital market interest rates reduced the tax base for the tax group. In the prior year, an excess of deferred tax liabilities over deferred tax assets had arisen due to temporary differences in respect of equity investments and due to the implementation of the German Corporate Income Tax Modernization Act (KöMoG), which had created an additional tax expense. At EUR 29.2m, **income taxes** were therefore EUR 21.8m lower than in the prior year (prior year: EUR 51.1m).

Despite the challenging economic climate and the extremely adverse interest-rate movements in the capital markets, Ströer SE & Co. KGaA nonetheless closed 2023 with **profit for the period** of EUR 115.0m. This did not match the previous record of EUR 156.5m from 2022, but profit for the period was nonetheless considerably higher than before the pandemic.

Net assets and financial position

In spite of the challenging macroeconomic conditions and adverse interest-rate movements in the capital markets, the net assets and financial position of Ströer SE & Co. KGaA was still sound at the end of 2023. Whereas non-current assets grew slightly, up by EUR 8.6m to EUR 792.2m, current assets declined by EUR 26.2m to EUR 1,553.4m. On the liabilities side of the statement of financial position, liabilities rose only marginally year on year, up by EUR 2.3m to EUR 944.6m, whereas provisions fell by EUR 11.1m to EUR 44.0m. Ströer SE & Co. KGaA's equity edged down by EUR 7.0m to EUR 1,345.0m in 2023 (prior year: EUR 1,352.0m). The distribution of a dividend to the shareholders of Ströer SE & Co. KGaA and payments made under a share buyback program were largely offset by the profit for the period generated in 2023. With a healthy equity ratio of 57.2% (prior year: 57.1%), the Company in our opinion continued to enjoy a solid and well-balanced financial position as at the reporting date.

EUR k	2023	2022
Assets		
Non-current assets		
Intangible assets and property, plant, and equipment	25,844	27,461
Financial assets	766,383	756,127
	792,227	783,589
Current assets		
Receivables and other assets	1,538,549	1,566,235
Cash on hand and bank balances	14,813	13,305
	1,553,361	1,579,540
Prepaid expenses	5,661	4,979
Total assets	2,351,250	2,368,108
Equity and liabilities		
Equity	1,345,012	1,352,018
Provisions		
Tax provisions	16,135	28,666
Other provisions	27,824	26,348
	43,959	55,013
Liabilities		
Liabilities to banks	763,384	753,853
Trade payables and other liabilities	4,046	5,936
Liabilities to affiliates	177,126	182,467
	944,557	942,256
Deferred tax liabilities	17,722	18,821
Total equity and liabilities	2,351,250	2,368,108

Analysis of the asset structure

Ströer SE & Co. KGaA's **intangible assets and property, plant, and equipment** were marginally down on their prior-year level at EUR 25.8m (prior year: EUR 27.5m) as capital expenditure did not quite match amortization and depreciation. Conversely, **financial assets** rose by EUR 10.3m to EUR 766.4m, largely as a result of additional loans to some of the Group's subsidiaries.

Receivables and other assets, meanwhile, came to a total of EUR 1,538.5m as at December 31, 2023, which was EUR 27.7m lower than in the prior year (prior year: EUR 1,566.2m). This reduction primarily reflected the decline in intragroup receivables from profit transfers by subsidiaries, whereas higher receivables from intragroup cash pools had a countervailing effect. **Bank balances** and **prepaid expenses**, by contrast, were both virtually unchanged year on year at EUR 14.8m (prior year: EUR 13.3m) and EUR 5.7m (prior year: EUR 5.0m) respectively. The latter included borrowing costs for the new credit facilities agreed in December 2022 and June 2023. These costs have been deferred and are being recognized pro rata over the term of each financing arrangement.

Financial structure analysis

As at the reporting date, **liabilities to banks** came to EUR 763.4m, a moderate increase of just EUR 9.5m year on year despite the growth trajectory of the Ströer Group (prior year: EUR 753.9m). By contrast, **trade payables and other liabilities** were largely unchanged compared with the prior year at EUR 4.0m, which was just under the prior-year level of EUR 5.9m. **Liabilities to affiliates** were also down year on year, totaling EUR 177.1m (prior year: EUR 182.5m).

Over the same period, the Company's **provisions** went down by EUR 11.1m to EUR 44.0m. This was chiefly the result of lower tax provisions, which – at just over EUR 16.1m (prior year: EUR 28.7m) – decreased considerably as a result of higher advance tax payments. Conversely, the Company's other provisions saw a marginal increase of EUR 1.5m to EUR 27.8m.

Deferred tax liabilities were slightly lower year on year at EUR 17.7m (prior year: EUR 18.8m) and were primarily attributable to temporary differences in respect of equity investments and to the implementation of KöMoG in 2022.

At the end of 2023, Ströer SE & Co. KGaA's **equity** came to EUR 1,345.0m, which was EUR 7.0m lower than the prior-year figure of EUR 1,352.0m. Both the distribution of a dividend of EUR 102.9m to the Company's shareholders and the cash payments of EUR 24.2m made under a share buyback program were essentially offset by the profit for the period of EUR 115.0m. At 57.2%, the equity ratio remained at a very comfortable level (prior year: 57.1%).

Liquidity analysis

In December 2022, Ströer SE & Co. KGaA agreed 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 2028. There is also an option to extend the term by a further year. In June 2023, Ströer SE & Co. KGaA agreed an additional revolving credit facility with a volume of EUR 75.0m. This supplementary facility has been committed for a fixed term ending in June 2025 and can also be extended by a further year if required.

As at December 31, 2023, Ströer SE & Co. KGaA had freely available credit lines of EUR 263.3m in total (prior year: EUR 221.7m).

The Company's net financial assets amounted to EUR 709.7m as at December 31, 2023 (prior year: EUR 732.6m). 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, 2023	Dec. 31, 2022
(1) Receivables from affiliates	1,524.9	1,555.2
(2) Loans to affiliates	110.4	100.4
(3) Cash on hand and bank balances	14.8	13.3
(1)+(2)+(3) Total financial assets	1,650.2	1,668.9
(4) Liabilities to banks	763.4	753.9
(5) Liabilities to affiliates	177.1	182.5
(4)+(5) Total financial liabilities	940.5	936.3
(1)+(2)+(3)–(4)–(5) Net financial assets	709.7	732.6
Equity ratio (%)	57.2%	57.1%

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 in the medium term once the economic challenges 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 how the macroeconomic challenges play out. Based on the Group's expected financial performance in 2024, as presented in the 'Forecast', we expect the subsidiaries as a whole to deliver largely similar or moderately higher earnings contributions in 2024 than in 2023, depending on how the economy fares and on interest-rate movements in the capital markets. We therefore anticipate that Ströer SE & Co. KGaA's profit for the period will be on a par with 2023 or moderately higher.

Report on relationships with affiliated entities

Ströer SE & Co. KGaA submitted a voluntary report to the Supervisory Board and the independent auditors for review 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

Overall, 2023 was a good year on the stock markets and Germany's leading index, the DAX, closed the year at 16,752 points. This was only just below its record high of around 17,003 points, which it achieved in mid-December. With the DAX gaining 20.3% and the MDAX – Germany's mid-cap index – up by 8.0%, both indices put in a solid performance despite the mood on the stock markets darkening over the course of the year.

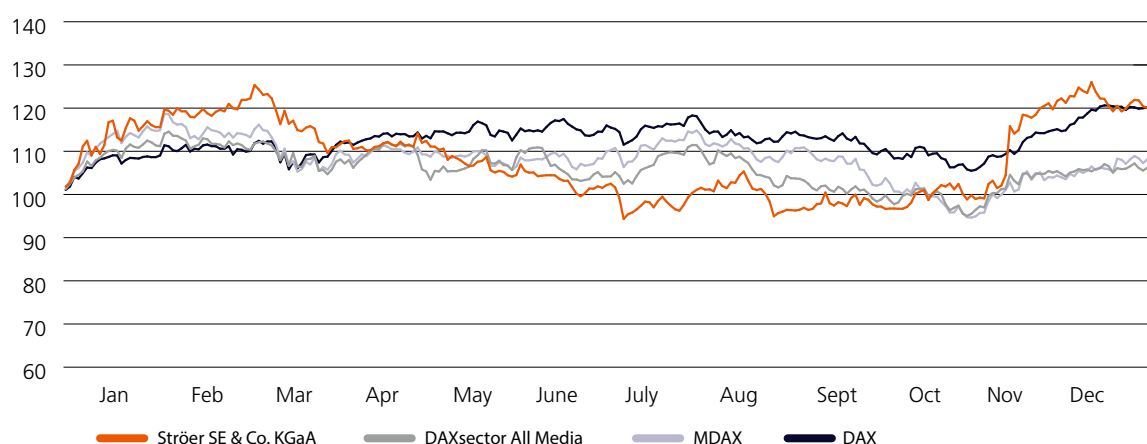
The international stock markets paid very close attention to movements in inflation and interest rates. Investor sentiment swung back and forth between fears that interest rates would remain high for a long time, or rise further, and hopes that interest rates were nearing their peak. This uncertainty led to price falls from the summer onward, albeit interspersed with spikes in the German indices. Toward the end of the year, however, hopes that interest rates would fall over the next few quarters dominated the mood. Spurred on by these expectations, the US stock markets rallied as the end of the year approached, which also gave the German indices a lift.

Having closed at 13,924 points on December 30, 2022, the DAX improved over the course of the year to close at 16,752 points on December 29, 2023. The MDAX, the index in which the shares of Ströer SE & Co. KGaA are included, also advanced over the same period and was up by 8.04% (prior year: down by 28.5%).

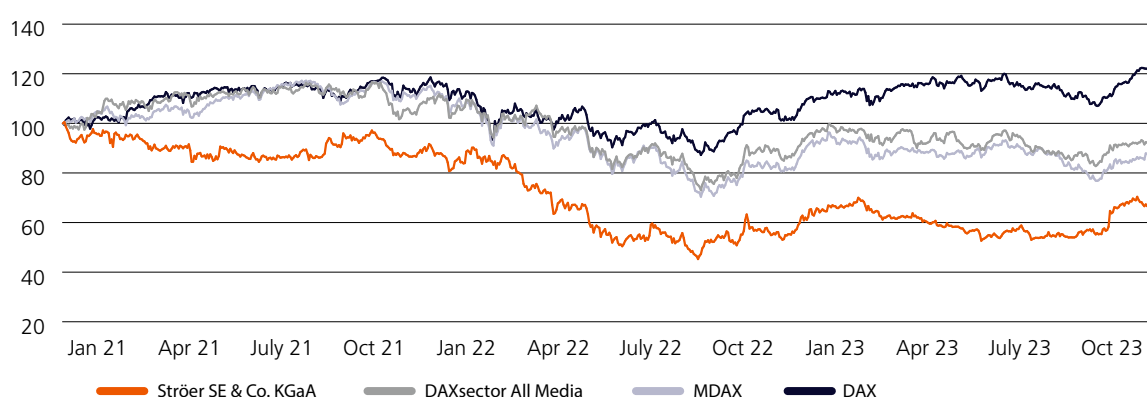
The DAXsector All Media index saw comparable growth to that of the MDAX and closed at 306 points, which was 6.7% higher (prior year: 19.4% lower) than the figure as at December 31, 2022 (287 points).

In this stock market environment, the shares of Ströer SE & Co. KGaA outperformed the DAX by some distance over the year, despite the impressive performance put in by the index. At the start of 2023, Ströer shares reached a temporary high of EUR 54.15. Around mid-2023, however, the share price fell due to conditions in the market and wider economy, reaching its low for the year of EUR 41.08 in July. Following publication of the figures for the third quarter of 2023, Ströer

Relative performance of Ströer shares in 2023 (indexed, %)



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



Source: Factset

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

shares substantially outperformed the DAX, the MDAX, and the DAXsector All Media index. As at December 31, 2023, the price for one of the Company's shares stood at EUR 53.75, which was only marginally below the high for the year of EUR 54.90 and up by roughly 23.4% on the closing price in 2022 (prior year: down by 37.1%). Taking into account the dividend of EUR 1.85 paid in July 2023, the total return was around 29.0%.

Over a three-year period, however, the total return was adversely affected by the shares' relatively weak performance during the pandemic. Declining by 24.8%, it fared worse than the MDAX (down by 11.9%) and DAX (up by 22.1%) during this period.

Ströer's dialogue with the capital markets

As in previous years, active and ongoing communication with investors and analysts had the utmost priority for the investor relations team at Ströer SE & Co. KGaA in 2023. Besides video conferences, the website, and the electronic mailing list, direct contact with investors and analysts was especially important. During a multitude of meetings at the Company's offices as well as at conferences and roadshows, the investor relations team and the Board of Management of the general partner presented Ströer, explained its strategy and potential, highlighted the objectives achieved during 2023, and personally answered questions from investors. Besides European centers of trade such as Frankfurt, Paris, and London, destinations in North America were also a focus once again in 2023.

To make capital markets activities as effective as possible, the investor relations team analyzes the Company's shareholder structure on an ongoing basis. The team then plans its activities accordingly, identifying target investor groups and defining tailored communication strategies for these groups. 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

The shareholder meeting was held as a virtual event on July 5, 2023. In total, around 49 million no-par-value shares were represented, equivalent to around 87% of the share capital. Matters voted on included the distribution of a dividend of EUR 1.85 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 29, 2023, market capitalization came to around EUR 3.0b (prior year: EUR 2.5b). The average daily volume of Ströer shares traded on Xetra was approximately 59,000 shares in 2023 (prior year: 72,000 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 represented the maximum number of shares that could be acquired over a six-month period within the regulatory limits. The program was launched on October 3, 2022. In 2022, 610,331 shares were repurchased and in 2023, 479,657 shares were repurchased, meaning that the total number of shares purchased under the program came to 1,089,988. These shares have been retired, reducing shareholders' equity accordingly.

Analysts' coverage

Ströer SE & Co. KGaA is currently analyzed by 13 German and international banks, of which nine gave a recommendation of 'buy' and four gave a recommendation of 'hold' in their assessments at the end of the reporting year.

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
J.P. Morgan	Buy
Societe Generale	Buy
Deutsche Bank	Buy
Goldman Sachs	Hold
UBS	Buy
Barclays	Hold
HSBC	Buy
LBBW	Buy
Kepler Cheuvreux	Buy
Oddo BHF	Hold
Citi	Hold

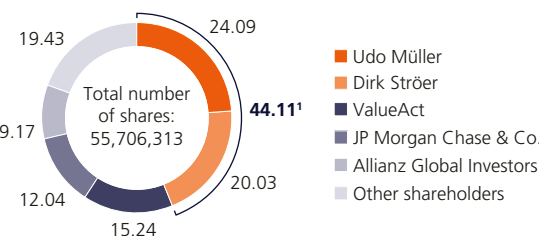
Shareholder structure

As at the end of 2023, Udo Müller, founder and Co-Chief Executive Officer, directly held 7.49% of the limited partner's shares in Ströer SE & Co. KGaA and held 16.60% indirectly through interposed subsidiaries (24.09% in total). Dirk Ströer indirectly held 20.03% through interposed subsidiaries. Udo Müller and Dirk Ströer are parties to a voting and pooling agreement, under which they are each entitled to 44.11% of the voting rights. The free float came to around 43.44%² as at December 31, 2023.

Based on the notifications received by the Company by December 31, 2023, Ströer was aware of the following parties that held more than 5% of the voting rights in Ströer SE & Co. KGaA: ValueAct Holdings GP, LLC 15.24%, JPMorgan Chase & Co. 12.04%, and Allianz Global Investors GmbH 9.17%. [All information can be found on our website: www.stroeer.com/investor-relations](http://www.stroeer.com/investor-relations)

Shareholder structure of Ströer SE & Co. KGaA

As at December 31, 2023 (%)



¹ Based on a pooling agreement.

Dividend policy

In the reporting year, Ströer SE & Co. KGaA paid a dividend of EUR 1.85 per dividend-bearing no-par-value share.

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, 2023

Share capital	EUR 55,706,313
Number of shares	55,706,313
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
2023 opening price ¹	EUR 43.96
2023 closing price ¹	EUR 53.75
Highest price in 2023 ¹	EUR 56.05
Lowest price in 2023 ¹	EUR 41.08

¹ XETRA price.

² As defined by Deutsche Börse.

EMPLOYEES

The digital transformation of the media industry places high demands on employees and on how they collaborate with each other. It also places high demands on the Ströer Group's customers. And above all, it requires technical know-how, creativity, and new ways of working. Ströer makes it possible for its employees to meet these demands because it offers long-established, collaborative, and agile ways of working, combined with flexible remote working and digital workflows.

These digital ways of working are firmly embedded in Ströer's working culture thanks, for example, to the chatbot 'Chatty', which answers specific HR, facilities, and procurement questions at any time of the day. The salary review process and the target agreement process, for example, are now also digital-forward processes.

The six-figure number of job applications received by Ströer in 2023 is testimony to the appeal of this agile working climate. 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. Our digital recommendations program, in which recommendations can also be forwarded online, proved to be a success again in 2023.

We also enhanced our employer brand. Thanks to the efforts of internal focus groups and following external surveys and management interviews, Ströer has a new slogan: 'Mach mehr draus', which roughly translates as 'make the most of it'. The employer brand project also called on employees to apply to become the face of Ströer, and the successful applicants can now be seen in our current campaigns. A new recruitment system was introduced at the same time and went live in October 2023.

The Ströer Group held its first groupwide onboarding day in the reporting year. It gave our new hires the opportunity to network and to talk to members of the Board of Management and HR managers. To round off the learning journey for new Ströer employees, this event is accompanied by a special onboarding page on the intranet containing links to everything new employees need to know about the Group.

Ströer offers lots of benefits and innovative structures for new and established employees, such as attractive modern offices, flexible working time models, the Ströer Strolche childcare facilities in Cologne, and the Jobbike and Joblunch salary-sacrifice schemes. In 2023, Ströer also introduced a Company-wide subsidy for the monthly Deutschlandticket, which can be used on all local public transportation across Germany.

As well as offering these tangible benefits, Ströer attaches great importance to health, for example. In 2023, it carried out the annual Healthy Workplace survey again in order to gather information about stress and workloads and to gauge employee satisfaction across the Group. The 2023 survey results indicated a 0.1 point improvement compared with the 2021 survey, with the Group receiving a very good Healthy Workplace score of 4.0 on a scale of 0 to 5.

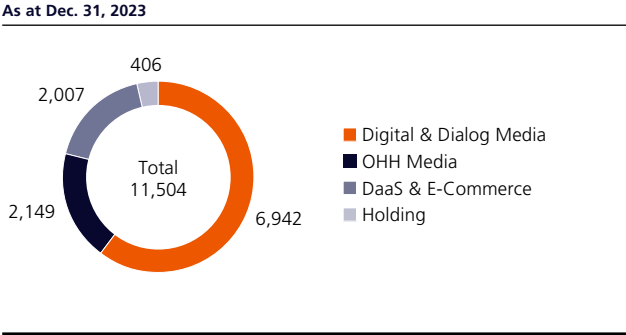
Workforce information¹

Headcount

At the end of 2023, the Ströer Group had 11,504 full-time and part-time employees (prior year: 10,576). The increase mainly reflects the Company's growth.

¹ This section contains unaudited information.

Employees by segment

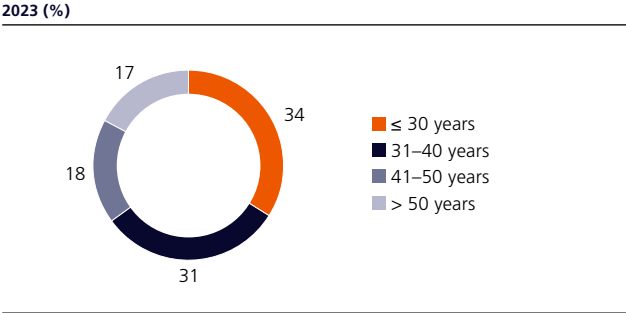


Length of service and age structure

As at the reporting date, employees had been working for the Ströer Group for an average of 4.6 years (prior year: 4.8 years).

Ströer has a well-balanced age structure overall and, through targeted training programs, is able to sustain employees' enthusiasm for the Company and retain them in the long term. New employees are supported by team members with extensive professional experience, who share their industry insight and knowledge of Ströer. Ströer is thus facilitating inter-generational collaboration.

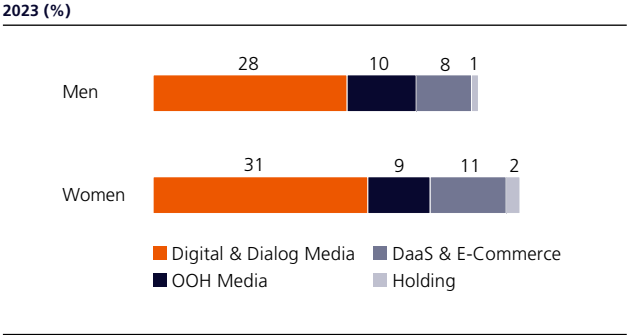
Age structure in the Group



Gender structure

Ströer had a well-balanced gender ratio in 2023. The proportion of female employees in the Group increased year on year. As at the end of 2023, 47% of the Ströer Group's employees were male and 53% were female, which was a slight change compared with the prior year when 48% were male and 52% 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.

Gender structure by segment



Values and social principles²

Ströer published the Ströer Social Charter in 2022. The values and social principles ('How we work') provide a framework of ethics for the entire Ströer Group. We have committed to upholding these values and principles, particularly in light of our responsibilities as an international group of companies. All employees must observe the Ströer Social Charter. This has been communicated to all employees and compulsory training has also been held. In addition, the topic of unconscious bias will be explored in more depth in 2024. 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. This mindset is embodied in our internal LGBTQ+ networkk. Our regular Diversity Day raises awareness within the Company and we also draw attention to diversity externally by sponsoring the Welcoming Out initiative. The Company's internal network for women, EmpowHer, was also given a boost when Ströer took over the presidency of Mit Frauen in Führung. Ströer is a founding member of this association, which supports women in leadership roles. Ströer also demonstrates its support by taking part in panel discussions and through its involvement with 'Her Career'.

Training and development³

Vocational training and degree courses

In 2023, Ströer provided vocational training to a total of 166 talented young people throughout Germany. Besides traditional vocational training, Ströer also offers degree apprenticeship programs. These programs, which combine work with study, include bachelor's degrees and, since 2018, master's degrees. An important element of the programs is self-initiative, and this year the students and apprentices demonstrated just that by taking part in Diversity Challenge 2023, making it as far as the shortlist. They also took part in the Rockid.one project, which saw our Cologne-based students and apprentices give lessons at primary schools in the city together with a DASH robot.

² This section contains unaudited information.
³ This section contains unaudited information.

Those who successfully complete the degree and vocational training 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 recent years, the trainee programs have been 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.

Participants in the talent program made tremendous progress in their development in 2023, and many have taken their career to the next level within the Ströer Group. The fourth group of talented employees passed the baton to the fifth group in September. Employees were able to apply for the program

in May 2023, 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.

Besides its trainee programs, the Ströer Group also offers online courses covering topics such as digital leadership for senior managers. The tried-and-tested workinars returned to an in-person format again in 2023, and new modules, including resilience training, were rolled out.

The new learning management system was enhanced and its content significantly expanded. The culture of learning and the thirst for knowledge that prevail at Ströer were enriched through the addition of getAbstract in 2023. getAbstract allows summarized versions of business books to be accessed at any time, and areas of learning can also be explored interactively.

OPPORTUNITIES AND RISKS

Opportunity and risk management system

We understand risk and opportunity to mean all deviations from the budget resulting from uncertain future events that, if they materialize, could have a negative or positive impact respectively on the achievement of the Company's targets or on the Company's ability to continue as a going concern. This includes sustainability issues that arise in relation to 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 opportunities. 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 leverage ratio¹ because it is directly related to the Company's liquidity and because it is relevant as a credit metric for assessing 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 leverage ratio. The leverage 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.

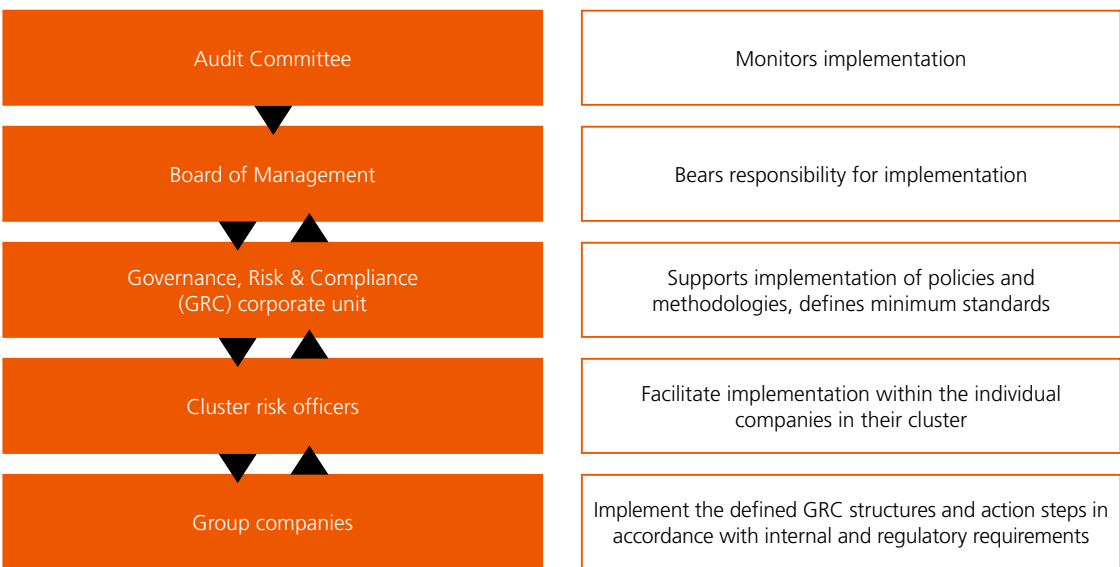
Risk management organization

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.

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 at an early stage, analyzed, managed,

Governance, Risk & Compliance organization



¹ Leverage ratio as defined in the facility agreement, before the impact of IFRS 16 and other exceptional items.

and monitored. It also helps to improve the identification and communication of risks in all departments and divisions and to raise awareness of these processes throughout the Ströer Group, thereby strengthening 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.

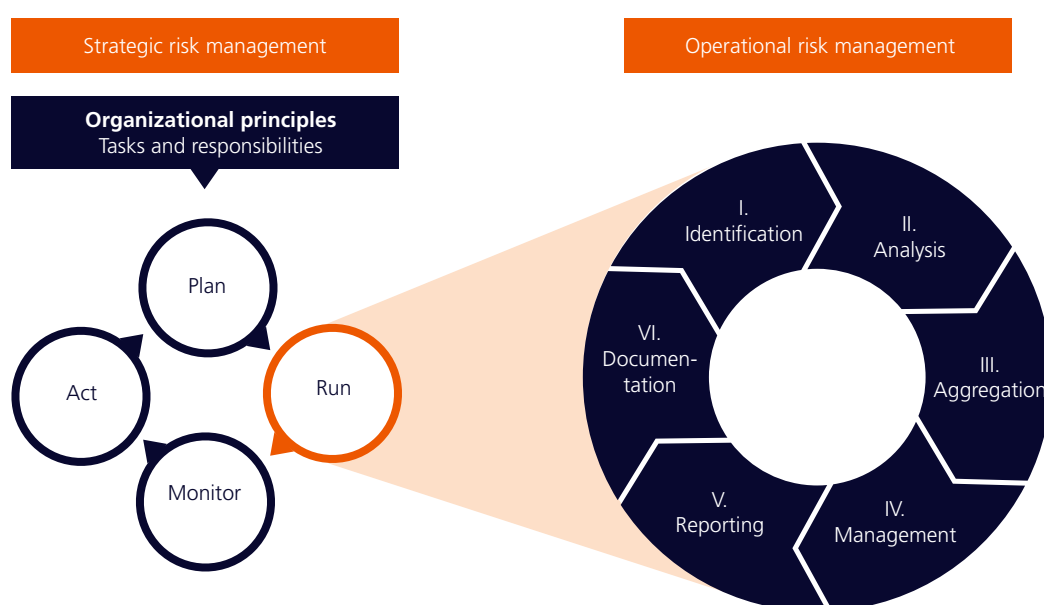
Opportunity and risk management at the Ströer Group is designed in such a way that the risks relevant to the individual segments, clusters, and companies of the Group are recorded as fully as possible. Therefore, the managing directors of the individual Group companies are obliged to implement appropriate structures and measures in accordance with legal and internal Group requirements and to ensure the operational risk management process. 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. Together with the segment heads, the Board of Management identifies the risks impacting the business strategy and designs a consistent risk policy, including risk strategies and objectives, upon which operational risk management is based. The strategic risk management team is also responsible for analyzing and interpreting the operational risk management outcomes and formulating appropriate decisions, which, in turn, are discussed by the Board of Management and Audit Committee of Ströer SE & Co. KGaA and are incorporated into the annual strategy and planning process.

Risk management process



The operational risk management process 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, 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 assessment is based on net risk, i.e. the level of risk after taking into account the measures in place to avoid or minimise the risk. The Group's average EBITDA² over four quarters is the metric used to assess and categorize the risk (see the chart 'Risk matrix based on expected loss value' 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.

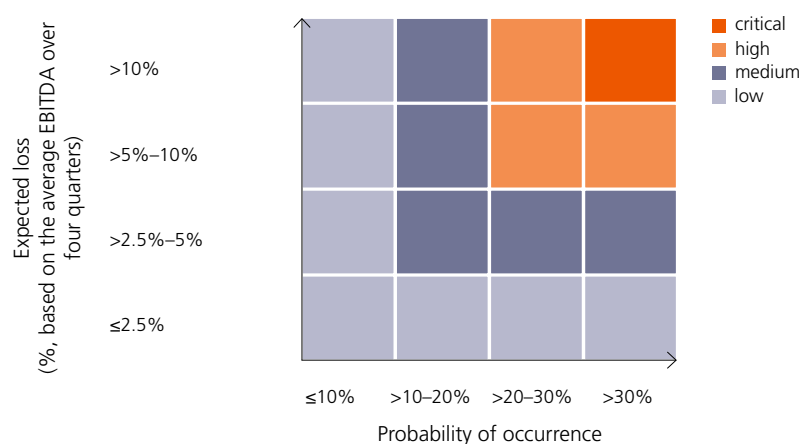
Aggregation, simulation, and assessment of risk-bearing capacity

Once the companies have identified individual risks, the cluster risk officers test their plausibility, 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.

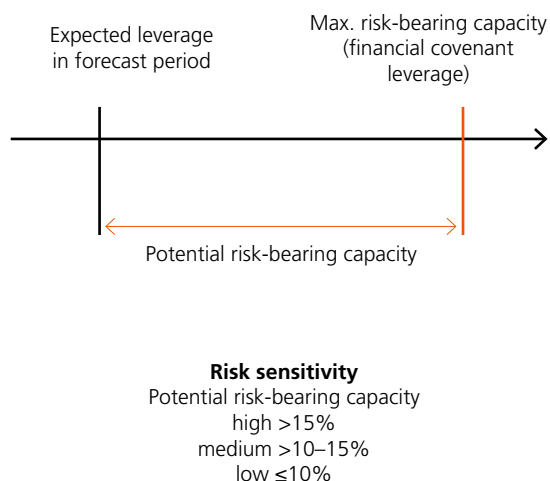
The Monte Carlo simulation calculates not only the impact of the identified risks on the risk-bearing capacity, taking into account their interdependencies, but also the impact of significant individual risks on the outcome of the simulation. For this purpose, we use a sensitivity analysis, which determines the impact of individual risks on the overall result of the risk simulation when other risk parameters remain constant.

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



² EBITDA as defined in the facility agreement, before the impact of IFRS 16 and other exceptional items.

Assessment of sensitivity



Management

If the identification and analysis of the risks affecting the Ströer Group reveals significant individual risks, further steps are taken to reduce the probability of occurrence or the expected 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 always 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 by the cluster risk officers. 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 by the central risk management function if necessary. In 2023, monitoring of the risk management system did not give any indication that its appropriateness and effectiveness could be limited. Additionally, an audit firm performed an audit of the appropriateness of the risk management system in accordance with audit standard IDW PS 981.

Nonetheless, there are 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, Ströer SE & Co. KGaA's auditor examined, 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 Ströer Group's internal control system (ICS) 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. The system comprises principles, procedures and process-integrated preventive and detective controls such as plausibility checks, compliance with segregation of duties, the implementation and review of access and authorisation concepts and the application of the dual control principle.

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 2023, the decentralized ICS organization, which is anchored in the GRC corporate unit, was expanded further and the underlying processes were standardized.

Employees entrusted with accounting and financial reporting are assessed during the recruitment process to ensure they have the necessary qualifications and subsequently undergo 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 instructions. 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 and valuation principles 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. Generally, the principle of dual control applies. 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 is integrated in to 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 serious weakness in the internal control system both by the internal audit function and – as part of the audit of the consolidated financial statements – by the Group's independent auditor. The independent auditor itself, however, is not part of the Company's internal control system.

With regard to the appropriateness of the core accounting processes that are directly relevant to financial reporting, the internal control system was last audited externally by the independent auditor on the basis of audit standard IDW PS 982 in 2022.

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

Internal audit system

Internal Audit is a control instrument of the Board of management of the general partner and the Supervisory Board of Ströer SE & Co. KGaA and supports these bodies in their management and supervisory functions as part of corporate governance. To this end, internal audit carries out standard audits of selected investees and business segments. The focus of such audits may include

- an 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);
- an 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).

The aforementioned audit work is based on an annual risk-based audit plan. In 2023, a number of internal audit projects were carried out with a focus on the propriety and effectiveness of the business processes and control system of the Group companies. 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.

In addition to the standard audits, special audits are initiated by the board of management or the internal audit function to cover additional process and control risks and identify optimisation potential.

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, followed up in line with the agreed implementation deadlines.

Ströer SE & Co. KGaA's internal audit function regularly undergoes an external quality assessment. The assessment of the appropriateness and effectiveness of the internal audit function based on IDW PS 983 was last 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. These GRC declarations include 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 2023, the following external audit was performed to assess appropriateness and effectiveness:

- Audit of the appropriateness of the risk management system based on audit standard IDW PS 981

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, by linking it to the planning processes in Controlling and the resulting close integration with the company's planning processes, it should enable a timely response and risk management. 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 uncertain global economic and geopolitical conditions that currently prevail and the effect on the economy that is anticipated as a result, coupled with persistently high interest rates in Europe and in our core market of 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 demonstrated in the past, use internal measures to make the necessary adjustments to investment and cost budgets. At the same time, we are confident that Ströer is in a very strong strategic and financial position to be able to continue taking advantage of any opportunities presented by the market in 2024.

In particular, the new credit facility agreed in 2022 provides a very robust basis for the future growth of the Ströer Group over the long term. This new facility, which has been extended until December 2028 with the option to extend by a further year, ensures the long-term financial stability of the Group. Including bank balances, the Group had available funding of EUR 335.6m at its disposal as at December 31, 2023 (prior year: EUR 301.5m).

There are currently no individual risks that are classed as material according to our definition (see also 'Management'). For this reason, all identified individual risks are aggregated into risk categories in this management report. From today's perspective, the risk categories described below could have the most significant impact on the net assets, financial position, and financial performance in the forecast period (twelve months).

Risk situation

Category	Subcategory	Trend	Expected loss	Sensitivity
Strategic risk				
	Sales market	→ stable	medium	medium
	Procurement market	→ stable	low	low
	Regulatory risk	→ stable	low	low
Operational risk				
	Operations	→ rising	low	medium
	Accounting	→ stable	medium	low
Financial risk				
	Financing risk	→ stable	low	low
	Tax risk	→ stable	low	low
	Impairment risk	→ stable	medium	low
	Currency risk	→ stable	low	low
	Interest-rate risk	→ stable	low	low
IT risk				
	IT operations and information security risk	→ rising	medium	low
Legal risk				
	Compliance risk	→ stable	low	low
	Data protection risk	→ stable	low	low
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 current geopolitical crises, 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 recession with a resulting fall in consumer spending.

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 past few years, which have been affected by various crises (e.g. the COVID-19 pandemic, the war in Ukraine), our OOH+ strategy and diversified business model have proved that they are appropriate for responding to and managing risk. Unlike in prior years, however, we do not expect the risk situation to deteriorate further as a result of extreme events and believe we remain in a position to meet the current challenges in our sales markets and to take appropriate risk-mitigation measures.

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 with 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 2024. 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 have seen in the past.

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, and they are mitigated by our highly diversified portfolio in out-of-home and digital business.

The supply of electrical and electronic components and assemblies in the procurement market continues to be affected by a high level of risk, which has lessened compared with 2022 but could increase again in view of ongoing and new geopolitical tensions. The same applies to steel and aluminum commodities and glass, which are also essential for the construction of our advertising media. This may lead to price increases or delays to new advertising spaces and campaigns. Inflation-related price increases may also increase the cost of maintaining and operating the advertising media. 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. It may also elicit a narrower interpretation of the law from the regulatory authorities. Falling consent rates could therefore lead to a reduction in website traffic and thus in marketable inventory volumes. 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 regulatory requirements 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 eventually dispense with cookies entirely. These technologies are also giving rise to potential new applications and products. Through the expansion of our tracking and ad-free subscription options (PUR models), we are offering users an alternative to free platforms that are funded by advertising. 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. Mounting competition for workers in the low-wage sector and rising social security contributions (e.g. as a result of the new Bürgergeld unemployment benefit) are also making it harder to recruit new staff and in some cases making it necessary to adjust remuneration models to include commissions, for example. This, in turn, heightens the pressure on margins for the business model as a whole. 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.

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.

Accounting risk: The threat posed by 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 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.

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 2023 compared with previous years. Even considering the current uncertainty surrounding macroeconomic and geopolitical developments, 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. They could also 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. As part of its ongoing efforts to tackle inflation, the European Central Bank raised its key interest rates significantly in 2022 and 2023, pushing up the Ströer Group's interest expense considerably. We expect interest rates to remain high in the forecast period but have fully considered this in our planning assumptions.

IT risk

IT operations and 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.

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 mitigate the associated 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.

Environmental, 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 social and economic climate or the business climate. Negative public perception could have an adverse impact on the achievement of our business objectives. However, we reduce this risk to a minimum by applying our principles of ethical advertising and by using artificial intelligence to help to thoroughly 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, we have two important functions – our corporate communications and investor relations teams – that make relevant information available to the appropriate recipients in good time and enable us to take suitable action.

By periodically checking our wage and salary models, we ensure that we pay our employees appropriately. 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), which came 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 already dealt intensively with the implementation of the Supply Chain Act in fiscal year 2022, carried out a corresponding risk analysis and implemented the necessary regulatory requirements.

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

Strategic 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 2024 if the economy were to fare better and business sentiment were more positive than assumed in our baseline forecasts. Given the persistent global macroeconomic challenges and the ongoing geopolitical uncertainties, however, we are prepared for a dip in customer demand. More positive conditions 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 2024. 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 OOH advertising products, in particular, slumped briefly in 2020 and 2021 as a result of the COVID-19 pandemic, but the general upward trend was only temporarily eclipsed by the fallout from

the pandemic and began to regain traction in the second half of 2021, becoming more apparent in 2022 and 2023 in spite of the uncertain macroeconomic backdrop. If the positive impact on our business from long-term structural change happens even sooner in 2024 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. This may lead to online advertising budgets being redirected to out-of-home advertising. 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, as set out in our planning for 2024, 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 attractive new advertising media locations, securing additional advertising concessions, and winning the business of new publishers also present opportunities. Furthermore, new offerings in our own publishing activities could enable us to target previously unreached customer groups, for example by expanding certain sections of our portals, such as the sustainability section, and by expanding the regional and local 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. Our monetization could also be increased if people have more reasons to follow the news in 2024, which would drive up visitor numbers to our portals and thereby boost reach for advertising customers.

In the Dialog Marketing segment, opportunities may arise in particular from a reduction in employee turnover and the recruitment of additional employees who could bring in higher-than-anticipated levels of revenue. A more rapid increase in nearshore locations for call centers could lead to the forecast results being exceeded. Additional opportunities for growth in the dialogue business may arise from winning new customers, expanding business with existing customers, and from stronger than anticipated new sales in the area of services, such as renewable energies.

In the DaaS & E-Commerce segment, there are growth opportunities from rising demand, from the expansion of sales activities, and from the steady growth and enhancement of the product portfolios. For example, we could win a greater number of new customers than forecast and reach customer segments that have so far been less heavily targeted. Combined with acceleration of the successful ongoing internationalization of the business and more sales in growth markets, this may lead to even faster growth than has been assumed in our plans to date. Improved brand recognition could draw additional customers and help to establish a larger range of products. This, in turn, could boost profitability if it is achieved with a lower than budgeted marketing spend.

Even though no material acquisitions are currently planned for the forecast period, we always review opportunities that present themselves if these are a good fit for our strategy. Unexpected 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.

Operational opportunities

The continuing optimization of our out-of-home and online portfolio and the further improvement of our 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 and that further enhance our range of flexible solutions. 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 steadily increasing its relevance to advertising customers due to the high quality of 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.

Additional opportunities exist generally in the procurement market and in the cost structure. If prices rise less steeply than anticipated in the procurement market or interest rates are lower than 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, as well as the use of generative artificial intelligence, could give rise to additional, previously unidentified potential for cost optimization.

FORECAST

Overall assessment of the Group's expected performance in 2024 by the Board of Management of the general partner

Structural changes will continue to shape the media market in 2024 and beyond. Ongoing expansion of data networks and the steady increase in bandwidth will drive consumption of 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 distinct from other media formats in that it cannot be clicked or swiped away and is therefore available at all times. The websites commercialized by Ströer are generally based on editorial content, while the Ströer Group's dialogue products are directly aimed at specific audiences. As such, the Board of Management believes that the Ströer Group's offerings are future proof and well positioned for the increasing shift in media consumption.

Because it has its own ad servers, Ströer is prepared for the structural changes on the technical front too. Ströer is able to use those 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). Ströer believes there is significant growth potential in the core business of out-of-home advertising, particularly in the programmatic marketing of its digital out-of-home inventory.

Besides the further expansion of selected parts of the digital roadside network, the Group continues to focus on improving capacity utilization of digital advertising media. Further key areas of the Ströer Group's growth are the expansion of the range of statistics and the introduction of AI-based use cases at our data-as-a-service statistics portal Statista, the continuation of Asam's strong growth trajectory, and the expansion of Ströer X's nearshore locations.

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 2024, Russia's continued war of aggression against Ukraine and its repercussions for national and international markets and for interest rates, severely limits the Group's ability to forecast organic revenue growth and EBITDA (adjusted). Although the Group does not conduct any business activities in areas of conflict, the possibility of conflicts affecting the business performance of major customers of the Ströer Group, and thus indirectly the Ströer Group itself, cannot be ruled out. However, this does not form part of our forecast.

The forecast for 2024 is based on the most likely scenario for the German economy under the given conditions. In light of the circumstances described above, however, the forecast again entails

a comparatively high level of uncertainty. The situation would be less favorable if risks were to materialize such as hikes in the price of commodities, another round of tightening measures by central banks, or further regional conflicts with adverse consequences for global demand and production chains. A more favorable situation is also conceivable, however. If interest rates are cut more sharply and more quickly than anticipated by investors, for example, or if there is a let up in geopolitical headwinds, this would provide positive impetus for the economy as a whole.

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 2024. The Ströer Group's revenue and earnings may be influenced by macroeconomic conditions, particularly in Germany, and by developments in the advertising market. Business performance is also influenced by the share of the overall advertising market attributable to digital and out-of-home media. 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 advertising across various media in the Ströer portfolio is being booked with ever shorter lead times, particularly in the case of digital marketing and especially when 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 the interest-rate curve, 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.

The economic forecasts for 2024 of economic research institutes and the German government are particularly tentative at the time of preparing this report. However, uncertainties such as the war in Ukraine spreading or the Middle East conflict escalating 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.

Future macroeconomic conditions

The German government predicts that GDP will rise by 0.2%¹ in 2024, followed by a higher rate of 1.5%² in 2025. Other economic forecasts range widely, which reflects the uncertainty caused by the armed conflicts in Ukraine and the Middle East. The German constitutional court's ruling on the country's debt brake and the federal government's budgetary decisions are also playing into the forecasts. The forecast for 2024 therefore ranges in a corridor between -0.5% (IW Köln / Association of German Chambers of Industry and Commerce, DIHK) and 1.3% (joint forecast of economic institutes).³

Overall, the economic forecasts for Germany in 2024 are rather pessimistic. At the end of 2023, the economists at most institutions and banks revised their forecasts downwards once more for 2024.

In 2024, the economic climate – and the related risk factors – will be determined by developments in the global economy and by inflation levels. The state of the global economy will be defined by the geopolitical tensions emanating from the war in Ukraine, the positioning of major emerging markets on the world stage, and the current conflict in the Middle East. The related commodity price risk will determine the rates of inflation and interest, and their monetary impact. The precarious nature of Germany's budgetary situation is sowing domestic fears about its fiscal impact in 2024 and is in danger of creating an economic policy that is out of step with the times.⁴

The labor market is stagnating at a low level with the rate of unemployment likely to settle at around 5.8% in 2024. The Kiel Institute for the World Economy (IfW) is forecasting the number of people in employment at around 45.9 million in 2024.⁵

The IfW is expecting the government debt ratio as a percentage of nominal GDP in Germany to fall to 63.3% in 2024 (from 63.8% in 2023).⁶

Future industry performance

Performance of the German advertising market

Nielsen predicts that gross advertising revenue will rise by 2.2% in 2024⁷ and PricewaterhouseCoopers GmbH (PwC) predicts that the German advertising market will grow by 2.5% in 2024.⁸

Against this backdrop, many member firms of the German Advertisers Association (OWM) are cautious about economic conditions in 2024. Earnings expectations for 2024 are therefore muted, with the overwhelming majority of member firms expecting their earnings to either hold steady (68%) or rise (23%).⁹ OWM members consider the greatest risks to lie in inflation (74%) and its impact on consumer sentiment (67%). The member companies surveyed are taking a dimmer view of potential restrictions on trading relationships than in the prior year (55% vs. 27% in 2022). However, the situation regarding supply chains and energy supply is expected to ease considerably compared with the previous year.¹⁰

According to OWM members, advertising spend remains under pressure. Almost half of companies (48%) expect advertising budgets to be reduced in 2024. Nonetheless, 41% of the companies surveyed believe budgets will remain stable and 11% are predicting that advertising spend will rise in 2024. There is general agreement that budgetary decisions are increasingly being made at short notice.¹¹

According to the Institute for Digital Out of Home Media (IDOOH), advertising revenue in the OOH segment will increase by an average of 6.9%¹² per year between 2023 and 2026. The main drivers of this growth are innovative technologies such as programmatic DOOH (fully automatic and individual booking / purchasing of digital advertising spaces and serving of advertising almost in real time) and the ongoing digitalization of advertising inventory. IDOOH is predicting that the programmatic share of digital out-of-home advertising in Germany will rise from 46.5% in 2022 to 71.0% in 2032.¹³ PwC expects net revenue from digital out-of-home advertising to increase to around EUR 506m by 2027 (2023: EUR 378m)¹⁴, with analog advertising formats taking a revenue hit in the period 2023 to 2027.¹⁵

¹ Business Insider – Key Economic Forecasts, February 15, 2024.

² Business Insider – Key Economic Forecasts, December 15, 2023.

³ Business Insider – Key Economic Forecasts, February 15, 2024.

⁴ IW – Economic Forecast Winter 2023, December 13, 2023.

⁵ IfW Kiel – Kiel Economic Outlook no. 110 (2023/Q4).

⁶ IfW Kiel – Kiel Economic Outlook no. 98 (2023/Q4).

⁷ Nielsen – Forecast for Germany – 10/2023.

⁸ PwC – German Entertainment & Media Outlook 2023–2027.

⁹ OWM – OWM survey 2023, Nov. 2023.

¹⁰ OWM – OWM survey 2023, Nov. 2023.

¹¹ OWM – OWM survey 2023, Nov. 2023.

¹² PwC – German Entertainment & Media Outlook 2022 with IDOOH adjustments; <https://dooh.media/zahlen-zum-dooh-markt/>

¹³ PwC – German Entertainment and Media Outlook 2023–2027.

For online advertising, PwC predicts that revenue will grow by 5.3%¹⁶ in 2024.

The German market for call centers is projected to see a compound annual growth rate of 2.7% in the period 2023 to 2025 and could be generating revenue of around EUR 3.5b in 2025.¹⁷

Anticipated revenue and earnings

Ströer Group

Overall, the medium-term forecast 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% in the medium term. 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, based on the anticipated economic trends described above, the Group as a whole will generate organic revenue growth in 2024 that is significantly higher than the rate of 7.5% achieved in 2023. The percentage increase in the Group's EBITDA (adjusted) will be roughly on a par with that of organic revenue growth. Based on the comparatively low rise in payments for the principal portion of lease liabilities in connection with IFRS 16, the change in free cash flow (taking account of said payments) will be far higher than the growth in revenue and EBITDA (adjusted). It is not possible to meaningfully quantify the growth forecast given the persistently high level of uncertainty as to future economic conditions.

Moreover, the Board of Management of the general partner expects adjusted consolidated profit for the period to increase significantly year on year.

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

The leverage ratio (ratio of net debt to EBITDA (adjusted))¹⁸ is likely to be more or less level with the 2023 ratio of 2.2. The Board of Management predicts that free cash flow (taking account of payments for the principal portion of lease liabilities in connection with IFRS 16) will improve considerably. The return on capital employed (ROCE) in 2024 should be slightly higher than the level achieved in 2023 of 18.8%.

Planned capital expenditure

In 2024, capital expenditure in the OOH Media segment will focus on continuing to expand the digital out-of-home advertising inventory (public video and digital roadside advertising media). However, in a departure from our policy up until 2022, that expansion will occur more selectively. Money will also be spent on upgrading and expanding the public video inventory. In the Digital & Dialog Media and DaaS & E-Commerce segments, Ströer plans to focus its capital expenditure on the IT infrastructure and on increasing and upgrading call center capacity and AsamBeauty's production and sales capacities.

For the Ströer Group, the Board of Management of the general partner anticipates that capital expenditure in 2024 will be lower than in 2023 (EUR 131m). 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+ strategy, which is focused on organic growth, the Company is not planning any major acquisitions (M&A).

Expected financial position

The Ströer Group's current credit financing is secured until December 2028 under a revolving credit facility of EUR 650m. There is also another revolving credit facility with a volume of EUR 75m and note loans with a total volume of EUR 316m. The lines of credit available at the reporting date provide sufficient

¹⁴ PwC – German Entertainment and Media Outlook 2023–2027.

¹⁵ PwC – German Entertainment and Media Outlook 2023–2027.

¹⁶ PwC – German Entertainment and Media Outlook 2023–2027.

¹⁷ Statista – Revenue of the industry 'activities of call centres' in Germany from 2012 to 2019, with a forecast to 2025 (N822).

¹⁸ See 'Net assets and financial position' / 'Financial structure analysis'.

headroom at all times even in the face of economic or seasonal fluctuations. The financial covenants relate to the leverage ratio, which is set at 3.25 in all agreements. The leverage ratio of 2.24 at the end of the reporting year means that the Company remains in a comfortable zone and is easily complying with the covenants. Ströer expects the leverage ratio to remain largely steady in 2024.

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 SECTIONS 289A AND 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 289a sentence 1 and 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 and the number of shares came to 56,691,571 as at December 31, 2022. In 2023, the number of shares decreased by 1,089,988 as a result of the retirement of repurchased shares. This reduction was countered by the addition of a total of 104,730 shares as a result of the exercise of stock options. As at December 31, 2023, the subscribed capital thus stood at EUR 55,706,313.00 and was divided into 55,706,313 no-par-value bearer shares. They have a nominal value of EUR 1 each and are fully paid up. All shares are of the same type and grant the same rights and obligations. Each share entitles the holder to one vote and is the basis for calculating the shareholder's profit entitlement. In accordance with section 71b AktG, this does not apply to any treasury shares held by the Company for a time in 2023 as treasury shares do not confer any rights on the Company.

Restrictions concerning voting rights or the transfer of shares

A voting and pooling agreement is in place. We refer to the information below in the section on shareholdings exceeding 10% of voting rights.

The voting rights of the relevant shareholders are suspended by law in cases covered by section 136 AktG and by section 136 AktG in conjunction with section 285 (1) AktG. In accordance with section 71b AktG, the Company was not entitled to exercise any rights attaching to the treasury shares it held in 2023.

Shareholdings exceeding 10% of voting rights

As at the end of 2023, Mr. Udo Müller directly held 7.49% of the limited partner's shares in Ströer SE & Co. KGaA and held 16.60% indirectly through interposed subsidiaries (24.09% in total). Mr. Dirk Ströer indirectly held 20.03% through interposed subsidiaries. Mr. Udo Müller and Mr. Dirk Ströer are parties to a voting and pooling agreement, under which they are each entitled to 44.11% of the voting rights.

Furthermore, based on the notifications received by the Company by December 31, 2023, Ströer SE & Co. KGaA was aware of the following parties that held more than 10% of the voting rights in Ströer SE & Co. KGaA: ValueAct Holdings GP, LLC 15.24% and JPMorgan Chase & Co. 12.04%. By the reporting date, the Board of Management had not received any other notifications pursuant to the German Securities Trading Act (WpHG) of other shareholdings exceeding 10% of the voting rights.

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 by the majority stipulated in article 20 of the articles of association of Ströer SE & Co. KGaA. In accordance with section 285 (2) AktG in conjunction with article 17 (8) of the articles of association of Ströer SE & Co. KGaA, resolutions of the shareholder meeting also require the approval of the general partner, to the extent that they concern matters requiring the consent of the general partner in a limited partnership. This includes resolutions on amendments to the articles of association. Pursuant to article 13 (4) of the articles of association, the Supervisory Board is authorized to make amendments to the articles of association that only affect the wording. More procedural rules for amendments to the articles of association are set forth 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).

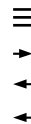
The share capital is subject to a conditional increase of a maximum of EUR 1,217,901.00 by issuing a maximum of 1,217,901 no-par-value bearer shares (2015 conditional capital). This conditional capital increase, however, may not exceed the remaining amount and the remaining number of shares under the 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 11,330,000.00 by issuing a maximum of 11,330,000 new no-par-value bearer shares (2022 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 7 on the agenda of the shareholder meeting on June 22, 2022. 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.

The share capital is subject to a conditional increase of a maximum of EUR 1,950,000.00 by issuing a maximum of 1,950,000 no-par-value bearer shares (2023 conditional capital). The sole purpose of the conditional capital increase is for rights to be granted, as authorized under item 7 on the agenda by the shareholder meeting on July 5, 2023, to holders of stock options under the 2023 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 July 5, 2023 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 buyback program with a total maximum repurchase volume of EUR 50,000,000.00 between October 3, 2022 and April 30, 2023. The volume of EUR 50,000,000.00 represents the likely maximum number of shares that can be acquired within the regulatory limits. A total of 1,089,988 treasury shares were acquired under this program. Those shares were retired in 2023. As a result, the Company did not hold any treasury shares as at December 31, 2023.

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

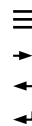
Credit facilities/note loans

A credit facility 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 credit facility entered into in December 2022 replaced a previous credit facility dating from 2016. In addition, Ströer SE & Co. KGaA agreed a supplementary credit facility of EUR 75m with three of the banks in the aforementioned syndicate in June 2023. 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. The last EUR 18m of the note loan from 2016 was repaid in 2023, whereas the note loan from 2017 amounted to EUR 113m as at the reporting date.

The provisions in both the credit facilities and the note loans relating to a change of 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 of control.

CONSOLIDATED FINANCIAL STATEMENTS

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CONSOLIDATED INCOME STATEMENT

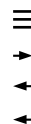
EUR k	Note	2023	2022
Revenue	(9)	1,914,330	1,771,942
Cost of sales	(10)	–1,117,570	–1,015,459
Gross profit		796,760	756,483
Selling expenses	(11)	–318,844	–315,362
Administrative expenses	(12)	–261,957	–227,147
Other operating income	(13)	33,013	42,996
Other operating expenses	(14)	–26,070	–19,774
Share of the profit or loss of investees accounted for using the equity method	(5)	7,936	1,510
Finance income	(15)	3,759	4,672
Interest expense from leases (IFRS 16)	(15)	–30,371	–16,910
Other finance costs	(15)	–39,198	–15,655
Profit or loss before taxes		165,027	210,813
Income taxes	(16)	–52,604	–58,996
Consolidated profit or loss for the period		112,423	151,817
Thereof attributable to:			
Owners of the parent		92,827	143,258
Non-controlling interests		19,597	8,559
		112,423	151,817
Earnings per share			
Basic earnings per share (EUR)		1.67	2.53
Diluted earnings per share (EUR)		1.67	2.53

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR k	Note	2023	2022
Consolidated profit or loss for the period		112,423	151,817
Other comprehensive income			
Amounts that will not be reclassified to profit or loss in future periods			
Actuarial gains and losses	(26)	-1,988	12,369
Changes in the fair value of equity instruments measured at fair value through other comprehensive income		-7	-428
Income taxes	(16)	602	-3,751
		-1,393	8,190
Amounts that could be reclassified to profit or loss in future periods			
Exchange differences on translating foreign operations	(8)	1,288	2,801
Income taxes	(16)	0	0
		1,288	2,801
Other comprehensive income, net of income taxes		-105	10,991
Total comprehensive income, net of income taxes		112,318	162,808
Thereof attributable to:			
Owners of the parent		92,691	154,111
Non-controlling interests		19,627	8,697
		112,318	162,808

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets (EUR k)	Note	Dec. 31, 2023	Dec. 31, 2022
Non-current assets			
Intangible assets	(19)	1,053,290	1,062,823
Property, plant, and equipment	(20)	1,210,786	1,220,081
Investments in investees accounted for using the equity method	(5)	21,270	22,684
Financial assets		3,403	3,182
Other financial assets	(22)	989	628
Other non-financial assets	(22)	9,009	8,868
Deferred tax assets	(16)	43,362	41,673
Total non-current assets		2,342,110	2,359,940
Current assets			
Inventories	(23)	43,849	30,932
Trade receivables	(21)	207,532	216,207
Other financial assets	(22)	11,823	13,271
Other non-financial assets	(22)	48,407	44,760
Current tax assets		15,030	11,186
Cash	(24)	72,313	79,873
Total current assets		398,955	396,229
Total assets		2,741,066	2,756,169



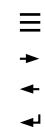
Equity and liabilities (EUR k)	Note	Dec. 31, 2023	Dec. 31, 2022
Equity	(25)		
Issued capital		55,706	56,081
Capital reserves		761,335	753,057
Retained earnings		-377,374	-340,047
Accumulated other comprehensive income/loss		-3,632	-4,857
		436,035	464,234
Non-controlling interests		8,837	9,467
Total equity		444,872	473,701
Non-current liabilities			
Provisions for pensions and similar obligations	(26)	33,147	30,994
Other provisions	(27)	31,365	29,030
Financial liabilities from leases (IFRS 16)	(28)	682,779	728,609
Other financial liabilities	(28)	673,089	754,203
Other liabilities	(30)	1,498	1,506
Deferred tax liabilities	(16)	31,960	38,795
Total non-current liabilities		1,453,838	1,583,136
Current liabilities			
Other provisions	(27)	85,729	90,439
Financial liabilities from leases (IFRS 16)	(28)	169,334	147,949
Other financial liabilities	(28)	197,972	70,954
Trade payables	(29)	220,450	218,067
Other liabilities	(30)	141,264	127,270
Current income tax liabilities		27,606	44,653
Total current liabilities		842,355	699,332
Total equity and liabilities		2,741,066	2,756,169

CONSOLIDATED STATEMENT OF CASH FLOWS

EUR k	2023	2022
Cash flows from operating activities		
Profit or loss for the period	112,423	151,817
Expenses (+)/income (–) from net finance income/costs and net tax income/expense	118,414	86,890
Amortization, depreciation, and impairment (+) on non-current assets	120,973	106,467
Depreciation and impairment (+) on right-of-use assets under leases (IFRS 16)	202,429	197,040
Share of the profit or loss of investees accounted for using the equity method	–7,936	–1,510
Cash received from profit distributions of investees accounted for using the equity method	6,525	7,968
Interest paid (–) in connection with leases (IFRS 16)	–30,468	–17,001
Interest paid (–) in connection with other financial liabilities	–35,090	–10,338
Interest received (+)	125	49
Income taxes paid (–)/received (+)	–77,805	–55,546
Increase (+)/decrease (–) in provisions	–6,608	–8,834
Other non-cash expenses (+)/income (–)	–71	–13,231
Gain (–)/loss (+) on disposal of non-current assets	–169	72
Increase (–)/decrease (+) in inventories, trade receivables, and other assets	–8,683	–25,811
Increase (+)/decrease (–) in trade payables and other liabilities	7,072	–7,138
Cash flows from operating activities	401,131	410,894
Cash flows from investing activities		
Cash received (+) from the disposal of intangible assets and property, plant, and equipment	1,863	1,055
Cash paid (–) for investments in intangible assets and property, plant, and equipment	–131,065	–163,622
Cash received (+)/cash paid (–) in relation to investees accounted for using the equity method and to financial assets	1,610	6,337
Cash received (+) from/cash paid (–) for the sale of consolidated entities	3,383	10,440
Cash received (+) from/cash paid (–) for the acquisition of consolidated entities	–244	–2,639
Cash flows from investing activities	–124,454	–148,429



EUR k	2023	2022
Cash flows from financing activities		
Cash received (+) from equity contributions	5,293	0
Dividend distributions (–)	–111,573	–137,061
Cash paid (–) for the acquisition of treasury shares	–24,380	–25,845
Cash received (+) from/cash paid (–) for the sale of shares not involving a change of control	505	0
Cash received (+) from/cash paid (–) for the acquisition of shares not involving a change of control	–300	–4,108
Cash paid (–) for transaction costs in connection with borrowings	–228	–3,431
Cash received (+) from borrowings	199,370	798,866
Cash repayments (–) of borrowings	–161,610	–676,517
Cash payments (–) for the principal portion of lease liabilities (IFRS 16)	–191,313	–197,878
Cash flows from financing activities	–284,236	–245,974
Cash and cash equivalents at the end of the period		
Change in cash and cash equivalents	–7,560	16,491
Cash and cash equivalents at the beginning of the period	79,873	63,382
Cash and cash equivalents at the end of the period	72,313	79,873
Composition of cash and cash equivalents		
Cash	72,313	79,873
Cash and cash equivalents at the end of the period	72,313	79,873



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EUR k	Issued capital	Capital reserves	Retained earnings	Accumulated other comprehensive income/loss Exchange differences on translating foreign operations	Total	Non-controlling interests	Total equity
Jan. 1, 2022	56,692	762,342	-336,837	-7,689	474,507	9,351	483,859
Consolidated profit or loss for the period			143,258		143,258	8,559	151,817
Other comprehensive income			8,021	2,832	10,853	138	10,991
Total comprehensive income			151,279	2,832	154,111	8,697	162,808
Changes in the basis of consolidation						126	126
Acquisition of treasury shares	-610		-25,296		-25,906		-25,906
Share-based payment		-9,285			-9,285		-9,285
Effects from changes in ownership interests in subsidiaries without loss of control			-3,546		-3,546	-805	-4,351
Obligation to purchase own equity instruments			1,909		1,909	-1,704	205
Dividends			-127,556		-127,556	-6,198	-133,754
Dec. 31, 2022/Jan. 1, 2023	56,081	753,057	-340,047	-4,857	464,234	9,467	473,701
Consolidated profit or loss for the period			92,827		92,827	19,597	112,423
Other comprehensive income			-1,360	1,225	-135	30	-105
Total comprehensive income			91,466	1,225	92,691	19,627	112,318
Changes in the basis of consolidation						-374	-374
Acquisition of treasury shares	-480		-23,839		-24,319		-24,319
Share-based payment	105	8,278			8,383		8,383
Effects from changes in ownership interests in subsidiaries without loss of control			9,462		9,462	-9,975	-513
Obligation to purchase own equity instruments			-11,551		-11,551	10,078	-1,473
Dividends			-102,864		-102,864	-19,986	-122,850
Dec. 31, 2023	55,706	761,335	-377,374	-3,632	436,035	8,837	444,872

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

EXPLANATORY DISCLOSURES

Basis of presentation

1 General

Ströer SE & Co. KGaA, Cologne, is a listed corporation. The Company has its registered office at Ströer-Allee 1, 50999 Cologne, Germany. It is entered in the commercial register of the City of Cologne in department B under HRB no. 86922.

The purpose of Ströer SE & Co. KGaA and the entities included in the consolidated financial statements (the 'Ströer Group' or the 'Group') is the provision of services in the areas of media, advertising, marketing, and communication including, but not limited to, the marketing of out-of-home media and the brokerage and marketing of online advertising space. The Group markets all forms of out-of-home media, from traditional large formats and transport media through to digital media.

The consolidated financial statements of Ströer SE & Co. KGaA for 2023 have been prepared in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB) applicable as at the reporting date and as adopted by the European Union (EU); the additional requirements of German commercial law were also applied pursuant to section 315e (1) of the German Commercial Code (HGB).

These consolidated financial statements cover the period January 1, 2023 to December 31, 2023. The Board of Management of Ströer Management SE, Düsseldorf – the general partner of Ströer SE & Co. KGaA – approved the consolidated financial statements on March 15, 2024 for issue to the Supervisory Board of Ströer SE & Co. KGaA. The Supervisory Board has the task of reviewing the consolidated financial statements and declaring whether it approves them.

The income statement has been prepared in accordance with the function-of-expense method (also called the cost-of-sales method).

The consolidated financial statements are prepared in euros. Unless stated otherwise, all figures are disclosed in thousands of euros (EUR k). Due to rounding differences, totals in tables may differ slightly from the total of the figures in an individual column.

The references to page numbers in these notes to the consolidated financial statements relate to the numbering in the annual report.

2 Assumptions, accounting estimates, and the use of judgment

Preparation of the consolidated financial statements in compliance with IFRS requires assumptions and estimates to be made that have an impact on the figures disclosed in the consolidated financial statements and the notes thereto. The estimates are based on empirical data and other information on the transactions to be recognized. Actual results may differ from such estimates. The assumptions on which estimates are based are reviewed regularly.

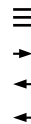
Assumptions, accounting estimates, and the use of judgment essentially relate to the following (for more details on the carrying amounts and other explanations, please refer to the relevant individual disclosures in these notes):

Revenue

Assessing whether customer contracts relating to the marketing of analog advertising media constitute a lease under IFRS 16 involves the use of judgment. As the decisions concerning the use of advertising media are predetermined and the advertising customer has no right to operate the asset (e.g. a billboard) itself, senior management believes that the requirements for classification as a lease pursuant to IFRS 16 are not met in these cases.

Deciding whether to combine a number of committed deliverables in a customer contract into a single performance obligation also involves the use of judgment. In the Out-of-Home Media segment, the Group combines the deliverables 'media services', 'production services', and 'billposting services' into the single performance obligation 'out-of-home advertising' due to the significant degree of integration involved. Furthermore, in the digital marketing of online advertising space, the deliverables 'generation of ad impressions', 'serving and measurement of ad impressions', and 'research services' are bundled together in the single performance obligation 'online advertising campaign'.

In assessing whether the Ströer Group is acting as principal or agent, the Group exercises judgment as to whether it has control over the third party's advertising inventory prior to providing the advertising service, has the right to instruct a third party to provide the advertising service on behalf of the Ströer Group, or provides a significant integration service itself. Furthermore, the assessment of subsidiary indicators in respect of primary responsibility for the provision of services and the ability to set the price of the services, involves the use of judgment.



To estimate the variable consideration in customer contracts, the Group applies either the expected value method or the most likely amount method depending on the specific circumstances. The revenue from e-commerce business and from dialogue marketing is reduced by expected returns/cancellation rates due to statutory and contractual rights of return and cancellation.

For further information on revenue, please refer to notes 3 and 9.

Leasing

In addition to the determination of an appropriate discount rate, the measurement of lease liabilities and the associated right-of-use assets requires assumptions to be made about additional parameters related to their probability and timing. In particular, this includes assumptions about any purchase, extension, or termination options. Assessing whether subsequent changes to lease payments qualify as lease modifications or as modifications to the scope of the lease can also involve the use of judgment. This can give rise to a revised discount rate being used with material effects on the statement of financial position and income statement. The use of judgment is also required in assessing whether a contract actually satisfies the criteria of IFRS 16, and thus has to be accounted for as a lease.

For information about determining discount rates that are appropriate to the term and for further details on lease liabilities and the associated right-of-use assets, please refer to notes 3 and 34.

Impairment of goodwill

The annual impairment test for goodwill entails estimating future cash flows and selecting an appropriate discount rate. The necessary assumptions and underlying methodology used

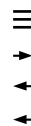
for the impairment test may have a significant impact on the individual values and thus on the amount by which goodwill is impaired. The determination of discounted cash flows, in particular, is heavily dependent on the planning assumptions made, which are sensitive to changes and may thus significantly affect recoverability. The cash flows are derived from the business planning for the relevant cash-generating units (CGUs). For further information, please refer to notes 3 and 19.

Internally generated intangible assets

Expenses arising during the development phase for internally generated intangible assets are capitalized only if the relevant criteria are met. The development phase is deemed to be completed when the capitalized asset is available for use and can be deployed in the manner intended by management. In the case of agile software development, a distinction is made between preliminary completion and final completion. Consequently, the internally generated intangible assets are amortized over their useful lives, whereby the amortization of all expenses capitalized up to that point begins at the time of provisional completion. Research costs are recognized as an expense when they are incurred. The carrying amounts of internally generated intangible assets are tested for impairment if there are indications that they may be impaired.

Pension obligations

In addition to the determination of an appropriate discount rate, the recognition of pension obligations requires assumptions to be made about additional actuarial parameters. For further information, please refer to note 26.



Restoration obligations

In addition to the determination of an appropriate discount rate, the recognition of restoration obligations requires assumptions to be made about the probability and timing of utilization. For further information, please refer to note 27.

The expected restoration costs are determined on the basis of service specifications and restoration probabilities over the estimated contractual term of the advertising concessions. The restoration probabilities vary according to the nature of the underlying advertising concession (private vs. municipal concessions). For information on the estimated contractual terms, please refer to note 3. Due to the fact that provisions are calculated for a large number of different advertising concessions, it would not be meaningful to provide information on sensitivity to significant influencing factors here.

Deferred tax assets arising from loss carryforwards

The Group recognizes deferred tax assets arising from loss carryforwards based on planning relating to future income tax expense and the opportunity to utilize the loss carryforwards as part of this planning. For further information, please refer to note 16.

Indirect effects of the war in Ukraine

Wider macroeconomic developments in the Ströer Group's main sales markets have a significant bearing on the Group's performance. The Ströer Group is not directly affected by the

war in Ukraine but the economic fallout from the war does impact on the Group. The indirect effects of the war caused the advertising market to stagnate on the whole in 2023. Higher energy costs and the generally elevated level of inflation were also felt in connection with the war in Ukraine. Furthermore, the increased rate of inflation led the central banks to hike interest rates, in turn pushing up the Ströer Group's funding costs considerably. Against this backdrop, the Ströer Group is affected by a significant level of uncertainty about how the current geopolitical and economic turmoil will play out.

Effects of climate change

The national conversation surrounding the need for climate action has intensified in recent years. Because of its business model, the Ströer Group is not directly affected by climate mitigation measures. However, an energy shortage or rising energy prices due to a large-scale switch away from fossil fuels and corresponding legislative changes could adversely impact on the Ströer Group. Ströer nonetheless sees it as its duty to play an active part in climate change mitigation and has already switched to renewable energy for the bulk of the electricity it uses to run its advertising media. In terms of the estimates and assumptions made in these consolidated financial statements regarding the future development of the Ströer Group, we consider the level of uncertainty in connection with the impact of climate change to be manageable.

3 Significant accounting policies

Revenue and expense recognition

Revenue is mainly generated from the marketing of advertising space in the out-of-home business, from the marketing of online advertising space, from the subscription and e-commerce business, and from dialogue marketing. In the **Out-of-Home Media segment**, the Ströer Group mainly generates its revenue from the marketing of traditional OOH advertising products (Classic OOH: analog OOH advertising products, from traditional poster media to advertisements at bus and tram shelters and on public transportation) and digital OOH advertising products (Digital OOH: public video and roadside screens).

Customer contracts relating to analog and digital advertising media do not constitute a lease within the meaning of IFRS 16, as decisions concerning the use of the advertising medium are predetermined and the customer itself does not have the right to operate the asset (e.g. a billboard). The key deliverables 'media services', 'production services', and 'billposting and broadcasting services' are bundled together in the single performance obligation 'out-of-home advertising' due to the significant level of integration within the Ströer Group.

Revenue recognition is based on agreed fixed prices for standardized services and products. Revenue is recognized net of deductions, comprising agency commissions, payments to specialist online advertising agencies, rebates, and discounts. It is recognized over a period of time, from the time the advertising is first displayed or broadcast, in line with the percentage of completion. This is based on the period of time during which the out-of-home advertising has already been displayed relative to the total period of time during which it is scheduled to be displayed. Revenue recognition is therefore based on the output-based method, as this is the most accurate representation of service provision.

Advertising media owned by third parties is marketed in addition to the Group's own media. Revenue earned using the Group's own advertising media is reported on the basis of the total consideration that is received in exchange for the service (acting as principal). Insofar as the Ströer Group has control over the advertising inventory of a third party prior to providing the advertising service (e.g. by way of exclusive marketing rights), has the right to instruct a third party to provide the advertising service on its behalf (e.g. by way of the Ströer Group having the right to determine on which of the third party's advertising spaces

the advertising is delivered), or provides a significant integration service (e.g. by way of integrating media services and billposting services), the Ströer Group is considered to be acting as principal. If the criteria for classification as principal are not met, the Ströer Group is acting as agent. Consequently, only the agreed sales commission is disclosed on a net basis under revenue (acting as agent). Based on the assessment of senior management, the Ströer Group is generally to be viewed as acting as principal.

The Ströer Group also generates revenue from the marketing of **online advertising space**. The deliverables 'generation of ad impressions', 'serving and measurement of ad impressions', and 'research services' are bundled together in the single performance obligation 'online advertising campaign'.

Revenue recognition is based on agreed fixed prices for standardized services and products. Revenue is recognized net of deductions, comprising agency commissions, payments to specialist online advertising agencies, rebates, and discounts. It is recognized over a period of time in line with the percentage of completion, which is the number of ad impressions already made relative to the total number of ad impressions to be made. Revenue recognition is therefore based on the output-based method, as this is the most accurate representation of service provision.

Online advertising space owned by third parties is marketed in addition to the Group's own online advertising space (websites). Revenue earned using the Group's own online advertising space is reported on the basis of the total consideration that is paid in exchange for the service (acting as principal).

Insofar as the Ströer Group has the right to instruct a third party to provide the online advertising service on its behalf (e.g. by way of the Ströer Group's right to determine on which online advertising spaces the advertising is served) or provides a significant integration service (e.g. by way of integrating the generation of ad impressions and serving and measuring the ad impressions using AdServer technology, taking account of the customer's campaign objectives such as target group and targeting criteria), the Ströer Group is considered to be acting as principal. If the criteria for classification as principal are not met, the Ströer Group is acting as agent. Consequently, only the agreed sales commission is disclosed on a net basis under revenue (acting as agent). Based on the assessment of senior management, the Ströer Group is generally to be viewed as acting as principal.

Another aspect of the Ströer Group's business involves the generation of revenue in the **subscription business (Statista, StayFriends)**. The performance obligations comprise both stand-ready obligations (StayFriends) and the granting of access rights to intellectual property (Statista).

Revenue recognition is usually based on the fixed prices agreed for standardized services and products in the subscription agreement. It is recognized over a period of time, from the start of the subscription, in line with the percentage of completion. This is based on the period of time already elapsed relative to the total duration of the subscription. Revenue recognition is therefore based on the output-based method, as this is the most accurate representation of service provision.

The Ströer Group generates further revenue in its **e-commerce business**. The sale of goods is the performance obligation in this instance. Goods are sold either directly via online sales channels to end customers or through retailers and teleshopping companies. Revenue recognition is usually based on the prices contractually agreed for the products. As a result of the rights of return enjoyed by consumers in e-commerce business, the revenue is reduced by the anticipated returns. The return rates are based on historical experience.

Revenue from e-commerce business is recognized at the point in time when control over the products is transferred, i.e. when the goods are delivered to or received by the customer (end consumer, retailer, or teleshopping company). In e-commerce business, the Ströer Group is to be viewed as acting exclusively as principal.

The final revenue stream in the Ströer Group is **dialogue marketing**. In this context, the performance obligation is, depending on the type of contract, either the successful brokerage of a contract between our client and its potential customers via our call center and direct sales (door-to-door) activities or the provision of services to our clients' existing customers through our call centers.

Revenue recognition is usually based on the prices contractually agreed for the brokerage services (commission) and for other services. Revenue from the brokerage of contracts is reduced by expected cancellation rates. The cancellation rates are based on historical experience. Revenue from dialogue marketing is recognized either at the point in time when the customer data from the brokerage of a contract is transferred to the client (call center; door-to-door) or over the period of time in which

the service is provided, depending on the type of contract (call center). The Ströer Group acts as principal for the brokerage service provided but not for the service brokered.

Revenue from barter transactions is measured at the market value of the consideration received and is adjusted as appropriate by an additional cash payment. If the market value of the consideration cannot be reliably measured, barter transactions are measured at the market value of the advertising service rendered and are adjusted as appropriate by an additional cash payment. To estimate the variable consideration in customer contracts, the Group applies either the expected value method or the most likely amount method depending on the specific circumstances.

Whereas payment conditions in most areas of the business specify payment after performance (with payments on account if applicable), prepayments are particularly common in the subscription business. As a rule, payment conditions do not include significant financing components.

In the case of revenue from multi-component transactions, the revenue attributable to the separately identifiable components is broken down by relative fair value and recognized in accordance with the above policies.

Operating expenses are recognized in profit or loss when the service is used or when they are incurred.

Interest is recognized on an accrual basis in net finance income/ costs using the effective interest method.

Dividends are recognized at the time when the right to receive them is established.

Goodwill and other intangible assets

Pursuant to IFRS 3, goodwill is measured as the excess of the cost of the acquisition over the interest in the net fair value of the acquired identifiable assets, liabilities, and contingent liabilities as at the date of acquisition. It is not amortized.

All intangible assets acquired for a consideration, largely advertising concessions and software, have a finite useful life and are recognized at cost. Intangible assets are amortized on a straight-line basis over their useful lives. Amortization in the financial year is allocated to cost of sales, administrative expenses, and selling expenses on the basis of the function-of-expense method. Amortization of advertising rights is allocated to cost of sales.

Depreciation (including write-downs on hidden reserves recognized in the context of purchase price allocations (PPA)) is based on the following useful lives:

Useful life	Years
Advertising concessions awarded by municipalities	1–17
Other advertising concessions	1–30
Other intangible assets	1–10
Goodwill	Indefinite

The appropriateness of the useful lives and of the method of amortization is reviewed annually.

The cost for the development of new or considerably improved products and processes is capitalized if the development costs can be measured reliably, the product or process is technically and economically feasible, and future economic benefits are probable. In addition, the Ströer Group must intend, and have adequate resources available, to complete the development and to use or sell the asset.

The Group may incur development costs by developing advertising media and software.

Capitalized costs mainly include personnel expenses and directly allocable overheads. All capitalized development costs have a finite useful life and are recognized at cost. Amortization is charged on the basis of the useful lives of comparable acquired intangible assets. Development costs that do not meet the recognition criteria for capitalization are expensed in the period in which they are incurred.

Property, plant, and equipment

Property, plant, and equipment is recognized at depreciated cost less any impairment losses. Land is not depreciated.

Cost comprises the purchase price, acquisition-related costs, and subsequent costs net of purchase price reductions. Since no qualifying assets have been identified within the meaning of IAS 23, cost does not include any borrowing costs.

Separately identifiable technical components of an item of property, plant, and equipment are recognized and depreciated individually.

Depreciation is charged on a straight-line basis over the useful life. The depreciation expense is allocated on the basis of the function-of-expense method. Impairment losses are reversed if the reason for impairment ceases to apply. The residual carrying amounts, assumptions about remaining useful lives, and the appropriateness of the depreciation method are reviewed annually.

Depreciation (including write-downs on hidden reserves recognized in the context of purchase price allocations (PPA)) is based on the following useful lives:

Useful life	Years
Buildings	50
Plant and machinery	5–13
Advertising media	4–35
Other furniture and fixtures	3–15

The costs estimated for the probable dismantling and removal of advertising media at the end of an advertising concession contract are recognized at cost using the components approach and amortized over the useful life of the asset. The amount is measured on the basis of the provision recognized for restoration obligations in accordance with IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'. In accordance with IFRIC 1, changes in the provisions have to be added to or deducted from the cost of the asset in question in the current period.

The right-of-use assets that have to be recognized in connection with leases according to IFRS 16 are recognized under property, plant, and equipment. The amount to be recognized upon initial recognition is based on the present value of the minimum lease payments at that time.

Impairment testing

The Ströer Group tests its intangible assets and property, plant, and equipment for impairment if there is an indication that they may be impaired. Goodwill is tested for impairment at least once annually (on September 30) or more frequently if events or changes in circumstances indicate that the asset might be impaired. Intangible assets under construction are also tested for impairment at least once annually. There are no intangible assets with an indefinite useful life in the Ströer Group.

If the recoverable amount of an asset is less than its carrying amount, the asset is written down to its recoverable amount. The recoverable amount is the higher of the fair value less costs to sell and the value in use. The recoverable amount is determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those of other assets or groups of assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the reasons for impairment recognized in prior years cease to apply, the relevant impairment losses – with the exception of those on goodwill – are reversed, but subject to a limit such that the carrying amount of the asset is no higher than its amortized cost.

Leasing

All contracts in the Ströer Group that represent a lease or contain a lease-type arrangement are initially measured as a financial liability at the present value of the lease payments over the underlying period. At the date of initial recognition, a corresponding right to use the underlying asset is also recognized in the same amount in the relevant category of property, plant, and equipment. Variable lease payments that do not depend on an index or an interest rate in accordance with IFRS 16.27 b) are not included in the measurement.

Where Ströer has an extension option, it is included when determining the lease term provided that it is reasonably certain that Ströer will exercise the option. Automatic lease extensions are not taken into account, by contrast, if it is uncertain whether the lessor might give due notice to terminate the lease before the extension comes into force. The Ströer Group does not exercise the options afforded by IFRS 16 regarding the treatment of leasing arrangements with a term of no more than twelve months and leasing arrangements for low-value assets.

Besides typical rental or lease agreements relating to office buildings and company cars, leases also include the numerous advertising rights contracts in the Ströer Group's OOH business. They include contracts with local and municipal authorities and with private property owners. In these contracts, Ströer is granted the right to install its advertising media on public and private land. As measured by carrying amounts, advertising rights contracts in the OOH business constitute the largest proportion by far of the leases recognized in accordance with IFRS 16.

Since the introduction of IFRS 16, lease payments are no longer recognized in full as an operating expense in the income statement but are instead broken down into the interest expense and a principal portion. While the interest portion is recognized directly in net finance income/costs, the depreciation of the right-of-use asset is recognized in the income statement instead of the principal portion; the total principal repayments correspond to the total depreciation over the entire term of the individual leasing agreement.

In the statement of cash flows, the interest portion of the lease payments is included in cash flows from operating activities and the principal portion is included in cash flows from financing activities.

The lease payments are discounted at incremental borrowing rates that are consistent with the term of the lease. These rates are determined on the basis of the incremental borrowing costs that Ströer would have had to pay over a similar period to borrow the funds necessary to purchase the underlying asset. The practical expedients are exercised such that a single incremental borrowing rate is used for each class of lease. Separate incremental borrowing rates were determined for the OOH business in Poland because of the significant IFRS 16 effects there.

The interest-rate curve used at the date of initial recognition of a lease is not adjusted in line with changes in the capital markets during the term of the lease. This also applies if lease payments are modified during the lease term and the modification – that is unaffected by external factors – was defined in detail (timing and amount) in the original contract (stepped rent). Different treatment applies for contracts that are modified in renegotiations during the lease term (lease modifications) where the modification is not based on a separate, additional lease agreement. Such contract modifications generally give rise to remeasurement of the lease using the revised discount rate.

The 'identified asset' criterion under IFRS 16.9 is regularly met in the OOH business, for both private and municipal advertising rights contracts. While the locations of advertising media are usually precisely defined in advertising rights contracts involving private land, the definitive locations are not usually explicitly defined in public advertising rights contracts. As a rule, however, a building permit and construction work are required for the installation of an OOH advertising medium, which means that the location is clearly defined for the remaining term of the lease no later than when the advertising medium is installed. By contrast, the criteria for a 'substantive substitution right' as defined in IFRS 16.B14 are not usually met by advertising rights contracts in the OOH business as the relocation of an advertising medium must meet extensive building law requirements and the necessary infrastructure (electricity and data lines) must be modified.

Investments in investees accounted for using the equity method

Equity investments in joint ventures and associates that are accounted for in the consolidated financial statements using the equity method are recognized at the cost of acquisition. If the acquisition cost is higher than the fair value of the Ströer Group's interest in the identifiable net assets of an acquiree, this excess is recognized as goodwill in the carrying amount of the equity investment. The carrying amount of the equity-accounted investment is tested for impairment if there are indications that it may be impaired. If the carrying amount of the equity investment is greater than its recoverable amount, the difference is recognized as an impairment loss. If the recoverable amount subsequently increases, the difference between the carrying amount and the recoverable amount is recognized as a reversal of an impairment loss but subject to a limit that the carrying amount is no higher than the proportionate equity interest in the equity investment. The recoverable amount of the equity investment is deemed to be the higher of its fair value less costs to sell and its value in use.

Financial instruments

a) Recognition and initial measurement

Trade receivables are recognized from the time at which they arise. All other financial assets and liabilities are recognized for the first time on the trade date when the Company becomes a counterparty pursuant to the contractual terms of the instrument.

Financial assets (except for trade receivables without a significant financing component) and financial liabilities are initially recognized at fair value. In the case of an item not measured at fair value through profit or loss, the transaction costs that are directly attributable to its purchase or issue are added or deducted. Trade receivables without a significant financing component are initially recognized at the transaction price.

b) Classification and subsequent measurement

1) FINANCIAL ASSETS

Upon initial recognition, a financial asset is classified and measured as follows:

- At amortized cost
- FVOCI equity investments (equity investments that are measured at fair value through other comprehensive income)
- FVTPL (fair value through profit or loss)

Financial assets are not reclassified after initial recognition unless the Group changes its business model for managing the financial assets. In this case, all affected financial assets are reclassified on the first day of the reporting period following the change of business model.

A financial asset is measured at amortized cost if both of the following conditions are met and it has not been designated as at fair value through profit or loss:

- It is held as part of a business model whose aim is to hold financial assets in order to collect the contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Upon initial recognition of an equity investment that is not held for trading, the Group can irrevocably elect to recognize subsequent changes in the fair value of the investment in other comprehensive income. This decision is made for each investment on a case-by-case basis.

All financial assets that are not measured at amortized cost or at FVOCI are measured at FVTPL. This includes all derivative financial assets. Upon initial recognition, the Group can irrevocably elect to designate financial assets as measured at FVTPL that otherwise meet the conditions for measurement at amortized cost or at FVOCI if this designation eliminates or significantly reduces accounting mismatches that would otherwise occur.

Assessment of the business model – The Group assesses the aims of the business model under which the financial asset is held at portfolio level as this best reflects the way in which the business is managed and in which information is provided to senior management.

Assessments of whether contractual cash flows are solely payments of principal and interest – For the purposes of this assessment, the principal is defined as the fair value of the financial asset upon initial recognition. Interest is defined as the consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time, and for other basic lending risks and costs (e.g. liquidity risk and administrative expenses), as well as a profit margin.

When assessing whether the contractual cash flows are solely payments of principal and interest, the Group takes account of the contractual agreements for the instrument. This includes an assessment of whether the financial asset contains a contractual agreement that could change the timing or the amount of the contractual cash flows, which would mean these criteria are no longer met. In its assessment, the Group considers

- certain events that would change the amount or the timing of the cash flows;
- conditions that would adjust the interest rate, including variable interest rates;
- early repayment and extension features; and
- conditions that restrict the Group's entitlement to cash flows from a specific asset (e.g. no right of recourse).

An early repayment feature is compatible with the criterion of solely payments of principal and interest if the amount of the early repayment substantially represents unpaid amounts of principal and interest on the principal amount outstanding and may include reasonable compensation for the early termination of the contract. In addition, a provision for a financial asset acquired at a premium or discount to the contractual par amount is deemed compatible with this criterion if it permits or requires early repayment in an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (that may include reasonable compensation for the early termination of the contract), provided that the fair value of the early repayment feature is insignificant at the time of initial recognition.

Subsequent measurement and gains and losses – financial assets measured at amortized cost – These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment charges. Interest income, exchange rate gains and losses, and impairment are recognized in profit or loss. A gain or loss on derecognition is recognized in profit or loss.

Equity investments measured at FVOCI – These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income and are never reclassified to profit or loss.

II) FINANCIAL LIABILITIES

Classification, subsequent measurement, and gains and losses – Financial liabilities are classified and measured at amortized cost or at fair value through profit or loss (FVTPL). A financial liability is classified as at FVTPL if it is held for trading, is a derivative, or is designated as such upon initial recognition.

Financial liabilities measured at FVTPL are measured at fair value, and net gains and losses, including interest expense, are recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and exchange differences are recognized in profit or loss. Gains or losses on derecognition are also recognized in profit or loss.

c) Derecognition

I) FINANCIAL ASSETS

The Group derecognizes a financial asset when

- its contractual right to the cash flows from the financial asset expires
or
- it transfers its contractual right to receive the cash flows in a transaction in which either
 - substantially all the risks and rewards incidental to ownership of the financial asset are transferred
or
 - the Group neither transfers nor retains substantially all the risks and rewards and does not retain control over the transferred asset.

The Group carries out transactions in which it transfers recognized assets but retains either all, or substantially all, the risks and rewards of the transferred assets. In this case, the transferred assets are not derecognized.

II) FINANCIAL LIABILITIES

The Group derecognizes a financial liability when the obligations specified in the contract have been discharged or canceled or have expired. The Group also derecognizes a financial liability if its contractual terms are modified and the cash flows of the modified liability are significantly different. In this case, a new financial liability based on the modified conditions is recognized at fair value.

When a financial liability is derecognized, the difference between the carrying amount of the repaid liability and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

Since the start of 2023, liabilities with extended payment terms (reverse factoring) have only been recognized as trade payables until the factoring bank settles the liability with the relevant service provider. As soon as the factoring bank makes the settlement, a financial liability is disclosed. This change in approach is based on an amendment to the contractual

conditions with certain service providers in out-of-home advertising business. The change in accounting treatment as a result of the contractual conditions with service providers being amended is in line with the rules set out in the IFRIC agenda paper dated December 2020 and the guidance of the Institute of Public Auditors in Germany set out in IDW RS HFA 50. On this basis, the original liabilities to these service providers are now reported as financial liabilities around six months earlier. Accordingly, the relevant cash payment is also recognized in cash flows from operating activities six months earlier, with the cash received from borrowings recognized simultaneously in cash flows from financing activities. This contractual amendment did not impact on the relevant figures in the statement of financial position or statement of cash flows compared with 2022 because the reverse factoring portfolio came to EUR 0 at all reporting dates in 2022. As at December 31, 2023, however, the portfolio stood at EUR 30,005k. This amount was recognized as a financial liability as at the reporting date.

d) Offsetting

Financial assets and liabilities are netted and recognized in the statement of financial position as a net amount if the Group currently has a legally enforceable right to offset the recognized amounts and intends either to settle on a net basis or to realize the affected asset and settle the associated liability simultaneously.

e) Impairment

Financial assets – The Group recognizes loss allowances for expected credit losses (ECLs) for

- financial assets measured at amortized cost
and
- contract assets.

The Group also recognizes loss allowances for expected credit losses for

- lease receivables recognized under trade receivables
and
- other receivables.

The Group measures the loss allowances at an amount equal to the lifetime expected credit losses, except for the following loss allowances, which are measured at an amount equal to twelve-month expected credit losses:

- Debt instruments that have low credit risk as at the reporting date
- Other debt instruments and bank balances whose credit risk (e.g. the default risk over the expected term of the financial instrument) has not increased significantly since initial recognition

Loss allowances for trade receivables (including lease receivables) and for contract assets are always measured at an amount equal to the lifetime expected credit losses.

When determining whether the credit risk of a financial asset has risen significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis that is based on the Group's past experience and on well-founded estimates, including forward-looking information.

The Group considers a financial asset to be in default if

- it is unlikely that the debtor can fully repay its liability to the Group without the Group having to take steps such as the recovery of collateral (if available).

Lifetime expected credit losses are expected credit losses that result from all possible default events during the expected lifetime of the financial instrument.

Twelve-month credit losses are the portion of expected credit losses that result from default events that are possible within the twelve months after the reporting date (or a shorter period if the expected life of the instrument is less than twelve months). The maximum period to consider when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of expected credit losses – Expected credit losses are a probability-weighted estimate of credit losses. They are measured as the present value of cash shortfalls (i.e. the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive). Expected credit losses are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets – At each reporting date, the Group assesses whether financial assets measured at amortized cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- Significant financial difficulty of the borrower
- A breach of contract, such as a default or past due event
- The restructuring of a loan by the Group that it would not otherwise consider
- It becoming probable that the borrower will enter bankruptcy or other financial reorganization, or
- The disappearance of an active market for a security because of financial difficulties

Presentation of loss allowances for expected credit losses in the statement of financial position – Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Write-off – The gross carrying amount of a financial asset is written off if the Group has no reasonable expectations of recovering the financial asset in its entirety or a portion thereof.

Inventories

Inventories are carried at cost, which is calculated on the basis of the weighted average method. Inventories are measured at the lower of cost and net realizable value (realizable sale price less costs incurred) as at the reporting date. If the net realizable value rises again at a later point in time, the relevant impairment loss is reversed, but only up to an amount that is no higher than the acquisition cost. The cost of finished goods includes an appropriate share of production overheads.

Deferred taxes

Deferred taxes are calculated in accordance with IAS 12 'Income Taxes'. They are recognized on temporary differences between the carrying amounts of assets and liabilities in the IFRS statement of financial position and their tax base as well as on temporary differences from consolidation entries and on potentially realizable loss carryforwards. Deferred taxes on items recognized directly in equity in accordance with the relevant standards are also recognized directly in equity. The accumulated amounts of deferred taxes recognized directly in equity as at the reporting date are presented in the consolidated statement of comprehensive income.

Deferred tax assets are recognized on deductible temporary differences and tax loss carryforwards to the extent that it is probable that taxable profit will be available in the future and where it appears reasonably certain that the deductible temporary differences and loss carryforwards can actually be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available against which the deferred tax assets can be utilized. Unrecognized deferred tax assets are reviewed at each reporting date and recognized to the extent to which it has become probable that future taxable profit will allow the deferred tax asset to be realized.

Deferred taxes are determined on the basis of the tax rates that apply in the individual countries at the time of realization. These are based on tax rates that are in force or have been adopted as at the reporting date. Effects from tax rate changes are recognized in profit or loss, unless they relate to items recognized directly in equity. Deferred tax assets and liabilities are netted when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes relate to the same tax type and tax authority.

Pension provisions

In general, provisions are recognized for obligations to third parties arising from past events, the settlement of which is expected to result in an outflow of cash and whose amount can be reliably estimated.

In terms of pension provisions, post-employment benefit plans are classified as either defined benefit plans or defined contribution plans, depending on the substance of the plan as derived from its principal terms and conditions.

Provisions for defined benefit and similar obligations are measured using an actuarial technique, the projected unit credit method. This method takes into account the pensions known and entitlements earned as at the reporting date as well as increases in pensions and salaries expected in the future. Pension obligations are calculated on the basis of actuarial reports. Actuarial gains and losses are recognized in equity through other comprehensive income. For information on the assumptions and estimates used in the measurement of pension provisions, please refer to note 2.

Gains or losses on the curtailment or settlement of a defined benefit plan are recognized when the curtailment or settlement occurs. They comprise not only any change in the present value of the defined benefit obligation that results from curtailment or settlement and that has to be recognized in profit or loss but also any related actuarial gains and losses and any past service cost.

In the case of defined contribution plans (e.g. direct insurance policies), the contributions payable are immediately expensed. Provisions for pension obligations are not recognized for defined contribution obligations as the Ströer Group's only obligations in this case are the obligation to pay the premiums.

Other provisions

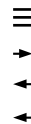
Other provisions are measured on the basis of the best estimate of the expected net cash outflows or, in the case of non-current provisions, at the present value of the expected net cash outflows, provided that the time value of money is material.

If legal or contractual obligations provide for the removal of advertising media and the restoration of the site at the end of the advertising concession contract, a provision is recognized for this obligation if it is probable that the obligation will have to be settled. The provision is measured on the basis of the estimated future costs of restoration at the end of the term, discounted to the date on which the provision was initially recognized. The provision is then recognized in this amount in other comprehensive income because an asset of the same amount is recognized under property, plant, and equipment at the same time. Changes in the value of provisions are immediately reflected in the value of the corresponding property, plant, and equipment.

Provisions for onerous contracts are recognized if the unavoidable costs of fulfilling the contract, which Ströer is unable to avoid due to contractual obligations, exceed the economic benefits expected to flow from the contract. Provisions are recognized at full cost.

Other non-financial assets and liabilities

Deferrals, prepayments, and non-financial assets and liabilities are recognized at amortized cost.



Share-based payment

Goods or services received or acquired in a share-based payment transaction are recognized/expensed when the goods are acquired or as the services are received. The expense is determined on the basis of the fair value at the time the relevant commitment is granted. A corresponding increase in equity is recognized if the goods or services were received in an equity-settled share-based payment transaction. For cash-settled share-based payment transactions, the goods or services acquired and the liability incurred are recognized at the fair value of the liability. Until the liability is settled, the fair value of the liability must be remeasured at the end of each reporting period, with changes in fair value recognized in profit or loss.

For share-based payment transactions in which the terms of the arrangement provide Ströer SE & Co. KGaA with the choice of whether to settle in cash or by issuing shares (see the current stock option plan), the Company assumes that it will settle by issuing shares provided it has not specified anything else and has not set a precedent. The fair value is therefore measured at the grant date. The fair value is allocated to profit or loss over the vesting period until the claims for share-based payment vest in full and are settled by issuing shares.

Treasury shares

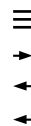
If Ströer SE & Co. KGaA acquires treasury shares on the stock exchange under a share buyback program, the shares are recognized at the purchase price paid including any incidental acquisition costs by debiting subscribed capital (in the amount of the par value of the shares) and retained earnings (in the amount of the residual cost). Subscribed capital less the par value of the repurchased shares is equal to issued capital.

Put options

Put options written on shares held by non-controlling interests are presented as a notional acquisition on the reporting date in cases where Ströer is not the beneficial owner (present owner). The adjustment item for these interests recognized in equity is derecognized and a liability in the amount of a notional purchase price liability is recognized instead. The cumulative difference between the derecognized adjustment item and the notional purchase price liability is offset directly against retained earnings. The value of the notional purchase price liability and details on its calculation are presented in note 33. The equity attributable to non-controlling interests was increased by EUR 10,078k in 2023 and had been decreased by EUR 1,704k in 2022 in connection with the put options granted to non-controlling interests of subsidiaries.

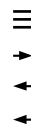
Purchases of shares by non-controlling interests

Transactions with non-controlling interests involving the purchase of further shares, or sale of shares, that do not result in the Ströer Group losing its controlling influence are recognized directly in equity. The difference between the purchase price of the shares and the carrying amount of equity attributable to the non-controlling interests in question is recognized in equity under capital reserves.



Overview of selected measurement methods

Line item in the statement of financial position	Measurement method
Assets	
Goodwill	Lower of cost and recoverable amount
Other intangible assets	At (amortized) cost
Property, plant, and equipment	At (amortized) cost
thereof right-of-use assets under leases (IFRS 16)	At (amortized) cost
Investments in investees accounted for using the equity method	The lower of the carrying amount of the share of equity in the equity investment or the recoverable amount
Financial assets	At fair value through other comprehensive income
Trade receivables	At (amortized) cost
Other financial assets	At (amortized) cost
Inventories	Lower of cost and net realizable value
Cash	Nominal value
Equity and liabilities	
Provisions	
Provisions for pensions and similar obligations	Projected unit credit method
Other provisions	Settlement value
Financial liabilities	At (amortized) cost
thereof lease liabilities (IFRS 16)	At (amortized) cost
thereof contingent liabilities from acquisitions	Fair value
Trade payables	At (amortized) cost
Other liabilities	Settlement value



4 Changes in financial reporting standards and methods

All new and amended standards and interpretations published by the IASB and the IFRS Interpretations Committee that are effective for financial years beginning on January 1, 2023 and are required to be applied in the EU were applied in preparing the consolidated financial statements.

Changes in accounting policies and accounting estimates

There were no material changes in accounting policies or accounting estimates in 2023.

Standards and pronouncements adopted that have an effect on the Group's financial reporting

The following standards and pronouncements of the IASB became effective or were applied for the first time in 2023. They had no, or no significant, effect on the Group's financial reporting because the changes were not relevant for Ströer:

- **IFRS 17** Insurance Contracts – effective for financial years beginning on or after January 1, 2023 (endorsed by the European Commission on November 19, 2021)
- Initial Application of IFRS 17 and IFRS 9 – Comparative Information (Amendment to **IFRS 17** Insurance Contracts) – effective for financial years beginning on or after January 1, 2023 (endorsed by the European Commission on September 8, 2022)
- Disclosure of Accounting Policies (Amendments to **IAS 1** Presentation of Financial Statements and IFRS Practice Statement 2) – effective for financial years beginning on or after January 1, 2023 (endorsed by the European Commission on March 2, 2022)
- Definition of Accounting Estimates (Amendments to **IAS 8** Accounting Policies, Changes in Accounting Estimates and Errors) – effective for financial years beginning on or after January 1, 2023 (endorsed by the European Commission on March 2, 2022)
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to **IAS 12** Income Taxes) – effective for financial years beginning on or after January 1, 2023 (endorsed by the European Commission on August 11, 2022)
- International Tax Reform – Pillar Two Model Rules (Amendments to **IAS 12** Income Taxes; temporary exception regarding accounting for deferred taxes arising from the introduction of global minimum tax) effective for financial years beginning on or after January 1, 2023 (endorsed by the European Commission on November 8, 2023)

Standards and pronouncements that are not yet effective

The following standards issued or amended by the IASB/IFRS Interpretations Committee were not yet effective in the reporting period and have not been applied by the Group to date. The Group currently has no plans for the early adoption of these standards on a voluntary basis. Initial application of these standards is not expected to have any significant effects on the net assets, financial position, or financial performance of the Group:

- Classification of Liabilities as Current or Non-Current (Amendments to **IAS 1** Presentation of Financial Statements) – effective for financial years beginning on or after January 1, 2024 (endorsed by the European Commission on December 19, 2023)
- Lease Liability in a Sale and Leaseback (Amendments to **IFRS 16**) – effective for financial years beginning on or after January 1, 2024 (endorsed by the European Commission on November 20, 2023)
- Supplier Finance Arrangements (Amendments to **IAS 7** and **IFRS 7**; disclosure of qualitative and quantitative information about reverse factoring arrangements) – provisionally effective for financial years beginning on or after January 1, 2024 (not yet endorsed by the European Commission)
- Lack of Exchangeability (Amendments to **IAS 21**; applying a consistent approach in assessing whether a currency can be exchanged) – provisionally effective for financial years beginning on or after January 1, 2025 (not yet endorsed by the European Commission)
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to **IFRS 10** and **IAS 28**) – the effective date has been deferred indefinitely (not yet endorsed by the European Commission)

5 Basis of consolidation

The consolidated financial statements include the financial statements of all significant entities that Ströer SE & Co. KGaA directly or indirectly controls. In addition to Ströer SE & Co. KGaA, a further 88 German and 40 foreign subsidiaries were consolidated as at December 31, 2023 on the basis of full consolidation and three German joint ventures and four associates were included in the consolidated financial statements using the equity method.

The Ströer Group owns more than 50% of the shares in every fully consolidated entity, thus controlling each entity in accordance with IFRS 10 by holding the majority of voting rights in the relevant corporate bodies.

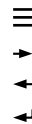
The equity interests are disclosed in accordance with section 16 (4) of the German Stock Corporation Act (AktG). This means that the direct parent company's share is stated in each case, rather than the effective share.

Fully consolidated entities

Name	Registered office	Country	Equity interest (%)	
			Dec. 31, 2023	Dec. 31, 2022
4EVER YOUNG GmbH	Munich	Germany	–	100.0
Adscale Laboratories Ltd.	Christchurch	New Zealand	100.0	100.0
ahuhu GmbH	Unterföhring	Germany	80.0	80.0
Ambient-TV Sales & Services GmbH	Hamburg	Germany	70.0	70.0
andré media West GmbH	Cologne	Germany	60.0	60.0
Asam Betriebs-GmbH	Beilngries	Germany	100.0	100.0
ASAMBEAUTY GmbH	Unterföhring	Germany	100.0	100.0
ASAMBEAUTY TRADING (SHANGHAI) CO., LTD.	Shanghai	China	100.0	100.0
ASAMBEAUTY US INC.	Hollywood	USA	100.0	100.0
Avedo Albania SHPK	Tirana	Albania	100.0	100.0
Avedo Bulgaria EOOD	Plovdiv	Bulgaria	100.0	100.0
AVEDO Essen GmbH	Essen	Germany	100.0	100.0
Avedo Frankfurt Oder GmbH	Frankfurt (Oder)	Germany	100.0	–
AVEDO Gelsenkirchen GmbH	Gelsenkirchen	Germany	100.0	100.0
Avedo Hellas M.A.E.	Thessaloniki	Greece	100.0	100.0
Avedo II GmbH	Pforzheim	Germany	100.0	100.0
Avedo Itzehoe GmbH	Itzehoe	Germany	100.0	–
Avedo Kosovo L.L.C.	Pristina	Kosovo	100.0	100.0
Avedo Köln GmbH	Cologne	Germany	100.0	100.0
Avedo Leipzig GmbH	Leipzig	Germany	100.0	100.0
AVEDO Leipzig West GmbH	Leipzig	Germany	100.0	100.0
Avedo München GmbH	Munich	Germany	100.0	100.0
Avedo Neubrandenburg GmbH	Neubrandenburg	Germany	100.0	–
Avedo Palma S.A.U.	Palma de Mallorca	Spain	100.0	100.0
Avedo Rostock GmbH	Rostock	Germany	100.0	100.0

Name	Registered office	Country	Equity interest (%)	
			Dec. 31, 2023	Dec. 31, 2022
BHI Beauty & Health Investment Group Management GmbH	Unterföhring	Germany	51.0	51.0
blowUP media Belgium BVBA	Antwerp	Belgium	100.0	100.0
blowUP media Benelux B.V.	Amsterdam	Netherlands	100.0	100.0
BlowUP Media GmbH ¹	Cologne	Germany	100.0	100.0
blowUP media U.K. Ltd.	London	UK	100.0	100.0
Business Advertising GmbH	Düsseldorf	Germany	65.7	65.7
Business Power GmbH	Düsseldorf	Germany	100.0	100.0
Contacteur Sarl	Tunis	Tunisia	100.0	100.0
Content Fleet GmbH	Hamburg	Germany	100.0	100.0
Courtier en Economie d'Energie S.A.S.U.	Metz	France	100.0	100.0
Dea Holding S.r.l.	Bergamo	Italy	51.0	51.0
Dea S.r.l.	Bergamo	Italy	100.0	100.0
DERG Vertriebs GmbH	Cologne	Germany	100.0	100.0
Diciotto Plus S.r.l.	Bergamo	Italy	100.0	100.0
Dieci S.c.a.r.l.	Bergamo	Italy	–	100.0
Diler Power Italia S.r.l.	Bergamo	Italy	100.0	100.0
DSA Schuldisplay GmbH	Hamburg	Germany	51.0	51.0
DSM Deutsche Städte Medien GmbH	Frankfurt am Main	Germany	100.0	100.0
DSM Krefeld Außenwerbung GmbH	Krefeld	Germany	51.0	51.0
DSM Rechtsgesellschaft mbH	Cologne	Germany	100.0	100.0
DSM Werbeträger GmbH & Co. KG	Cologne	Germany	100.0	100.0
DSM Zeit und Werbung GmbH	Cologne	Germany	100.0	100.0
ECE flatmedia GmbH	Hamburg	Germany	75.1	75.1
Edgar Ambient Media Group GmbH	Hamburg	Germany	82.4	82.4
FA Business Solutions GmbH	Hamburg	Germany	50.0	50.0
Fahrgastfernsehen Hamburg GmbH	Hamburg	Germany	100.0	100.0
grapevine marketing GmbH	Munich	Germany	–	62.2
Hamburger Verkehrsmittel-Werbung GmbH	Hamburg	Germany	75.1	75.1
HanXX Media GmbH	Cologne	Germany	51.0	51.0
iBillBoard Internet Reklam Hizmetleri ve Bilisim Teknolojileri A.S.	Istanbul	Turkey	96.0	96.0
iBillBoard Poland Sp. z o.o.	Warsaw	Poland	100.0	100.0
INFOSCREEN GmbH	Cologne	Germany	100.0	100.0
InnoBeauty GmbH	Unterföhring	Germany	100.0	100.0
Interactive Media CCSP GmbH	Cologne	Germany	100.0	94.2
Internet BillBoard a.s. ¹	Ostrava	Czech Republic	100.0	100.0
ITwo S.r.l.	Bergamo	Italy	100.0	100.0
Klassenfreunde.ch GmbH	Alpnach	Switzerland	100.0	100.0
Klassträffen Sweden AB	Karlskoga	Sweden	100.0	100.0
KWS Verkehrsmittelwerbung GmbH	Stuttgart	Germany	100.0	100.0
M.Asam GmbH	Unterföhring	Germany	100.0	100.0
MBR Targeting GmbH	Berlin	Germany	100.0	100.0

¹ Ströer SE & Co. KGaA holds a direct interest in these entities.



Name	Registered office	Country	Equity interest (%)	
			Dec. 31, 2023	Dec. 31, 2022
Neo Advertising GmbH	Hamburg	Germany	100.0	100.0
nxt statista GmbH & Co. KG (formerly: LSP Digital GmbH & Co. KG, Hamburg)	Hamburg	Germany	100.0	100.0
nxt statista Management GmbH	Hamburg	Germany	100.0	100.0
Omnea GmbH	Berlin	Germany	100.0	100.0
OPS Online Post Service GmbH	Berlin	Germany	100.0	100.0
optimise-it GmbH	Hamburg	Germany	100.0	100.0
"Outsite Media GmbH"	Mönchengladbach	Germany	51.0	51.0
OS Data Solutions GmbH & Co. KG	Hamburg	Germany	100.0	50.0
OS Data Solutions Verwaltung GmbH	Hamburg	Germany	100.0	50.0
Permodo GmbH	Düsseldorf	Germany	100.0	100.0
PosterSelect Mediaagentur GmbH (formerly: Media-DirektSERVICE GmbH)	Baden-Baden	Germany	100.0	100.0
PosterSelect Media-Agentur für Aussenwerbung GmbH	Baden-Baden	Germany	–	100.0
PrintSafari.com GmbH	Berlin	Germany	100.0	100.0
PrintSafari.com Inc.	Ashburnham	USA	100.0	100.0
Ranger France S.A.S.U.	Paris	France	100.0	100.0
Ranger Marketing & Vertriebs GmbH	Düsseldorf	Germany	100.0	100.0
RegioHelden GmbH	Stuttgart	Germany	100.0	100.0
Retail Media GmbH	Cologne	Germany	100.0	100.0
Sales Holding GmbH	Düsseldorf	Germany	100.0	100.0
Seeding Alliance GmbH	Cologne	Germany	70.0	70.0
Service Planet GmbH	Düsseldorf	Germany	100.0	100.0
Services PrintSafari.com Canada Inc.	Montreal	Canada	100.0	100.0
SIGN YOU mediascreen GmbH	Oberhausen	Germany	100.0	100.0
SMD Rechtsgesellschaft mbH	Cologne	Germany	100.0	100.0
SMD Werbeträger GmbH & Co. KG	Cologne	Germany	100.0	100.0
SRG Rechtsgesellschaft mbH	Cologne	Germany	100.0	100.0
SRG Werbeträger GmbH & Co. KG	Cologne	Germany	100.0	100.0
Statista Australia Pty. Ltd.	North Sydney	Australia	100.0	100.0
Statista GmbH	Cologne	Germany	100.0	100.0
Statista Inc.	New York	USA	100.0	100.0
Statista India Private Limited	Gurugram	India	100.0	–
Statista Japan Ltd.	Tokyo	Japan	100.0	100.0
Statista Ltd.	London	UK	100.0	100.0
Statista Pte. Ltd.	Singapore	Singapore	100.0	100.0
Statista S.a.r.l.	Paris	France	100.0	100.0
Ströer Connections GmbH (formerly: StayFriends GmbH, Berlin)	Berlin	Germany	100.0	100.0
Ströer Content Group GmbH ¹	Cologne	Germany	100.0	100.0
Ströer Content Group Product & Tech GmbH	Cologne	Germany	100.0	–
Ströer Content Group Sales GmbH	Cologne	Germany	100.0	100.0

¹ Ströer SE & Co. KGaA holds a direct interest in these entities.

Name	Registered office	Country	Equity interest (%)	
			Dec. 31, 2023	Dec. 31, 2022
Ströer Content Group X GmbH (formerly: SA 1 Immobilien GmbH, Cologne)	Cologne	Germany	100.0	100.0
Ströer Core GmbH & Co. KG	Leverkusen	Germany	100.0	100.0
Ströer Core Verwaltungs GmbH	Leverkusen	Germany	100.0	100.0
Ströer DERG Media GmbH	Kassel	Germany	100.0	100.0
Ströer Deutsche Städte Medien GmbH	Cologne	Germany	100.0	100.0
Ströer Digital Commerce GmbH ¹	Cologne	Germany	100.0	100.0
Ströer Digital Group GmbH	Cologne	Germany	100.0	100.0
Ströer Digital Media GmbH	Hamburg	Germany	100.0	100.0
Ströer Digital Publishing GmbH ¹	Cologne	Germany	100.0	100.0
Ströer media brands apps d.o.o.	Zagreb	Croatia	100.0	100.0
Ströer media brands GmbH	Berlin	Germany	100.0	100.0
Ströer Media Deutschland GmbH ¹	Cologne	Germany	100.0	100.0
Ströer Media Sp. z.o.o.K.	Warsaw	Poland	–	100.0
Ströer Netherlands B.V.	Amsterdam	Netherlands	–	100.0
Ströer Netherlands C.V.	Amsterdam	Netherlands	–	100.0
Ströer News Publishing GmbH	Cologne	Germany	100.0	100.0
Ströer Next Publishing GmbH	Cologne	Germany	100.0	100.0
Ströer Polska Sp. z.o.o. ¹	Warsaw	Poland	100.0	100.0
Ströer Sales & Services GmbH	Cologne	Germany	100.0	100.0
STRÖER SALES France S.A.S.U.	Paris	France	100.0	100.0
Ströer Sales Group GmbH ¹	Cologne	Germany	100.0	100.0
Ströer Social Publishing GmbH	Berlin	Germany	100.0	100.0
Ströer SSP GmbH	Munich	Germany	100.0	100.0
Ströer Technical Service sp. z o.o.	Warsaw	Poland	100.0	–
Ströer Werbeträgerverwaltungs GmbH	Cologne	Germany	100.0	100.0
Ströer X GmbH	Leipzig	Germany	100.0	100.0
Tom S.r.l.	Bergamo	Italy	100.0	100.0
Trombi Acquisition SARL	Paris	France	100.0	100.0
Yieldlove GmbH	Hamburg	Germany	100.0	100.0
Yieldlove SAS	Paris	France	100.0	–

¹ Ströer SE & Co. KGaA holds a direct interest in these entities.

The following entities were established in 2023:

- Avedo Frankfurt Oder GmbH, Frankfurt Oder
- Avedo Itzehoe GmbH, Itzehoe
- Avedo Neubrandenburg GmbH, Neubrandenburg
- Statista India Private Limited, Gurugram
- Ströer Content Group Product & Tech GmbH, Cologne
- Yieldlove SAS, Paris
- Ströer Technical Service sp. z o.o., Warsaw

- 4EVER YOUNG GmbH, Munich
- PosterSelect Media-Agentur für Aussenwerbung GmbH, Baden-Baden
- Ströer Media Sp. z.o.K., Warsaw

Subsidiaries with a material non-controlling interest

The table below provides financial information on subsidiaries with a material non-controlling interest and, with respect to parents of a subgroup, on the group of entities comprising the subgroup.

Company/parent of the subgroup	Registered office	Country	Non-controlling interest (%)	
			Dec. 31, 2023	Dec. 31, 2022
BHI Beauty & Health Investment Group Management GmbH (AsamBeauty)	Unterföhring	Germany	49	49
Dea Holding S.r.l.	Bergamo	Italy	49	49
Interactive Media CCSP GmbH	Cologne	Germany	–	6
Edgar Ambient Media Group GmbH	Hamburg	Germany	18	18

The following tables present financial information on subsidiaries and groups of entities with a material non-controlling interest from the Group's perspective (**after consolidation** but excluding put options):

EUR k	Dec. 31, 2023	Dec. 31, 2022
Accumulated balance of material non-controlling interests		
BHI Group (AsamBeauty)	9,142	9,875
Dea Group	6,538	6,692
Interactive Media Group	–	10,640
EAM Group	4,554	3,481

EUR k	2023	2022
Profits (+)/losses (–) attributable to material non-controlling interests		
BHI Group (AsamBeauty)	11,328	1,039
Dea Group	2,275	3,281
Interactive Media Group	–	–128
EAM Group	3,415	1,803

The Ströer Group acquired the remaining 5.8% of the interests in Interactive Media CCSP GmbH in 2023, so there are no longer any non-controlling interests in this entity.

The following tables provide summarized financial information on these subsidiaries and groups of entities. All figures are presented **before elimination of intercompany balances, intercompany income and expenses, and intercompany profits and losses**, as well as before taking into account any put options for shares held by non-controlling interests.

Summarized income statements (before consolidation):

2023

EUR k	BHI Group (AsamBeauty)	Dea Group	Interactive Media Group	EAM Group
Revenue	273,612 ¹	25,188	–	73,361
Cost of sales	–109,346	–16,284	–	–39,834
Selling and administrative expenses	–143,185	–6,295	–	–24,364
Other net operating income/loss	13,816	939	–	503
Net finance income/costs	–1,100	2,198	–	4,677
Profit or loss before taxes	33,797	5,746	–	14,343
Income taxes	–2,497	–1,281	–	–3,138
Post-tax profit or loss	31,300	4,465	–	11,205
Total comprehensive income	31,300	4,465	–	11,205
Thereof attributable to non-controlling interests	15,337	2,188	–	1,972
Dividends paid to non-controlling interests	2,258	2,513	–	2,017

2022

EUR k	BHI Group (AsamBeauty)	Dea Group	Interactive Media Group	EAM Group
Revenue	224,812 ¹	12,929	355,990	59,681
Cost of sales	–93,901	–9,435	–305,545	–33,312
Selling and administrative expenses	–140,616	–3,493	–50,310	–21,686
Other net operating income/loss	12,296	2,641	14,322	1,111
Net finance income/costs	688	5,462	1,157	1,087
Profit or loss before taxes	3,280	8,104	15,614	6,882
Income taxes	–728	–1,409	5,101	–2,282
Post-tax profit or loss	2,551	6,695	20,715	4,600
Total comprehensive income	2,551	6,695	20,715	4,600
Thereof attributable to non-controlling interests	1,250	3,281	1,201	810
Dividends paid to non-controlling interests	4,777	930	581	981

¹ All information in this summary is before consolidation as required by IFRS 12.B11. For information on the revenue of the BHI Group (AsamBeauty) after consolidation, please refer to our separate disclosures on the E-Commerce product group, which are provided in 'Reporting by product group' in note 32 'Segment information'.

Summarized statement of financial position (before consolidation):

Dec. 31, 2023

EUR k	BHI Group (AsamBeauty)	Dea Group	Interactive Media Group	EAM Group
Non-current assets	79,182	24,377	–	17,346
Current assets	157,601	13,176	–	26,552
Non-current liabilities	3,136	491	–	5,435
Current liabilities	184,589	8,644	–	26,155
Equity	49,058	28,418	–	12,308
Thereof attributable to:				
Owners of the parent	25,020	14,493	–	10,142
Non-controlling interests	24,038	13,925	–	2,166

Dec. 31, 2022

EUR k	BHI Group (AsamBeauty)	Dea Group	Interactive Media Group	EAM Group
Non-current assets	72,333	24,015	273,203	19,217
Current assets	115,147	10,839	251,425	24,712
Non-current liabilities	7,964	234	12,586	7,440
Current liabilities	127,597	3,469	255,863	26,007
Equity	51,919	31,151	256,179	10,482
Thereof attributable to:				
Owners of the parent	26,479	15,887	241,320	8,637
Non-controlling interests	25,440	15,264	14,858	1,845

Summarized statement of cash flows (before consolidation):

Dec. 31, 2023

EUR k	BHI Group (AsamBeauty)	Dea Group	Interactive Media Group	EAM Group
From operating activities	33,842	2,781	–	11,687
From investing activities	–15,103	–145	–	–3,764
From financing activities	–18,723	–4,940	–	–8,462
Total net cash flow	16	–2,303	–	–539

Dec. 31, 2022

EUR k	BHI Group (AsamBeauty)	Dea Group	Interactive Media Group	EAM Group
From operating activities	22,893	5,132	22,355	4,114
From investing activities	–11,282	–38	–18,626	–2,571
From financing activities	–11,278	–3,450	–18,686	–1,500
Total net cash flow	334	1,645	–14,958	43

Joint ventures

The following joint ventures are mainly engaged in the marketing of out-of-home media. The Group's investments in these joint ventures are accounted for in the consolidated financial statements using the equity method.

The Ströer Group acquired the remaining 50.0% interests in OS Data Solutions GmbH & Co. KG and OS Data Solutions Verwaltung GmbH in 2023. These two entities have been fully consolidated since then.

Name	Registered office	Country	Equity interest (%)	
			Dec. 31, 2023	Dec. 31, 2022
DSMDecaux GmbH	Munich	Germany	50	50
mediateam StadtSERVICE GmbH/ Ströer Media Deutschland GmbH in GbR	Berlin	Germany	50	50
X-City Marketing Hannover GmbH	Hannover	Germany	50	50
OS Data Solutions GmbH & Co. KG	Hamburg	Germany	–	50
OS Data Solutions Verwaltung GmbH	Hamburg	Germany	–	50

The following tables provide financial information on DSMDecaux GmbH, X-City Marketing Hannover GmbH, and mediateam Stadtservice GmbH/Ströer Media Deutschland GmbH in GbR taken from the financial statements prepared in accordance with IFRS and a reconciliation of this information to the carrying amounts of the investments in these joint ventures:

Dec. 31, 2023

EUR k	DSMDecaux GmbH	X-City Marketing Hannover GmbH	mediateam Stadtservice GmbH/Ströer Media Deutschland GmbH in GbR	Total
Non-current assets	21,777	24,907	23	46,707
Current assets	18,407	8,908	52	27,367
Non-current liabilities	14,815	15,536	0	30,351
Current liabilities	7,054	5,899	68	13,021
Equity	18,315	12,380	7	30,702
Group's share	50%	50%	50%	50%
Group's share of equity	9,158	6,190	4	15,352
Residual carrying amount of the allocated hidden reserves, less deferred taxes/impairment	0	0	0	0
Goodwill	4,327	1,551	24	5,902
Carrying amount of the investments in investees accounted for using the equity method	13,485	7,741	28	21,254

Dec. 31, 2022

EUR k	DSMDecaux GmbH	X-City Marketing Hannover GmbH	Other joint ventures ¹	Total
Non-current assets	23,870	27,671	43	51,584
Current assets	17,931	8,527	2,359	28,817
Non-current liabilities	17,249	17,370	0	34,619
Current liabilities	5,836	6,520	1,409	13,766
Equity	18,716	12,306	993	32,014
Group's share	50%	50%	50%	50%
Group's share of equity	9,358	6,153	496	16,007
Residual carrying amount of the allocated hidden reserves, less deferred taxes/impairment	801	0	0	801
Goodwill	4,294	1,549	23	5,865
Carrying amount of the investments in investees accounted for using the equity method	14,453	7,702	518	22,673

¹ In previous years, the Group's equity interests in OS Data Solutions GmbH & Co. KG and OS Data Solutions Verwaltung GmbH were included under other joint ventures. Since the Group acquired the remaining interests at the start of 2023, however, these entities have been fully consolidated.

2023

EUR k	DSMDecaux GmbH	X-City Marketing Hannover GmbH	mediateam Stadtservice GmbH/ Ströer Media Deutschland GmbH in GbR	Total
Revenue	33,563	13,857	132	47,552
Cost of sales	-7,742	-7,785	-81	-15,608
Selling and administrative expenses	-2,286	-3,271	-60	-5,617
Other net operating income/loss	482	461	47	990
Net finance income/costs	-419	-727	-1	-1,147
Profit or loss before taxes	23,598	2,534	38	26,170
Income taxes	-7,812	-877	-7	-8,696
Post-tax profit or loss	15,786	1,656	30	17,472
Group's share of profit or loss	7,893	828	15	8,736
Amortization/depreciation of hidden reserves	-1,185	0	0	-1,185
Deferred taxes recognized in profit or loss	385	0	0	385
Share of the profit or loss of investees accounted for using the equity method	7,093	828	15	7,936

2022

EUR k	DSMDecaux GmbH	X-City Marketing Hannover GmbH	Other joint ventures ¹	Total
Revenue	32,645	12,970	7,820	53,435
Cost of sales	-6,477	-7,574	-3,863	-17,914
Selling and administrative expenses	-1,960	-3,193	-3,708	-8,861
Other net operating income/loss	219	662	111	992
Net finance income/costs	-186	-444	0	-630
Profit or loss before taxes	24,241	2,421	360	27,022
Income taxes	-7,953	-836	-60	-8,849
Post-tax profit or loss	16,288	1,586	300	18,174
Group's share of profit or loss	8,144	793	150	9,087
Amortization/depreciation of hidden reserves	-1,185	0	0	-1,185
Deferred taxes recognized in profit or loss	385	0	0	385
Share of the profit or loss of investees accounted for using the equity method	7,343	793	150	8,286

¹ In previous years, the Group's equity interests in OS Data Solutions GmbH & Co. KG and OS Data Solutions Verwaltung GmbH were included under other joint ventures. Since the Group acquired the remaining interests at the start of 2023, however, these entities have been fully consolidated.

The investments in investees accounted for using the equity method disclosed in the consolidated statement of financial position include the investments in associates in addition to these investments in joint ventures. Furthermore, the share of the profit or loss of investees accounted for using the equity method disclosed in the consolidated income statement includes the share of the profit or loss of investments in associates in addition to the share of the profit or loss of these investments

in joint ventures. For more information, please refer to the next section 'Associates'.

The Group received a gross dividend of EUR 8,060k from DSMDecaux GmbH in 2023 (prior year: EUR 6,805k). The cost of sales and the selling and administrative expenses included amortization and depreciation of EUR 3,652k (prior year: EUR 3,371k). In 2023 and 2022, there were no contingent liabilities or capital commitments.

The Group received a gross dividend of EUR 790k from X-City Marketing Hannover GmbH in 2023 (prior year: EUR 1,088k). The cost of sales and the selling and administrative expenses included amortization and depreciation of EUR 3,881k (prior year: EUR 4,246k). In 2023 and 2022, there were no contingent liabilities or capital commitments.

The Group received a gross dividend of EUR 3k from mediateam Stadtservice GmbH/Ströer Media Deutschland GmbH in GbR in 2023 (prior year: EUR 10k). The cost of sales and the selling and administrative expenses included amortization and depreciation of EUR 12k (prior year: EUR 21k). In 2023 and 2022, there were no contingent liabilities or capital commitments.

Associates

The following associates are accounted for in the consolidated financial statements using the equity method:

Name	Registered office	Country	Equity interest (%)	
			Dec. 31, 2023	Dec. 31, 2022
eValue 2nd Fund GmbH (i.L.) ¹	Berlin	Germany	33	33
Instytut Badán Outdooru IBO Sp. z.o.o.	Warsaw	Poland	50	50
tricontes360 GmbH	Cologne	Germany	–	50
Institute for Digital Out of Home Media GmbH	Munich	Germany	45	45
Ad.audio GmbH	Hamburg	Germany	20	20

¹ Ströer SE & Co. KGaA holds a direct interest in this entity.

tricontes360 Group is no longer accounted for using the equity method since insolvency proceedings were initiated against it. The carrying amount of the associates accounted for using the equity method was EUR 16k as at December 31, 2023 (prior year: EUR 11k).

The share of the profit or loss of the associates accounted for using the equity method was EUR 0k (prior year: loss of EUR 6,776k).

6 Business acquisitions and sales

6.1 Acquisitions

Transactions involving a change of control

The Ströer Group acquired the remaining 50.0% of the interests in OS Data Solutions GmbH & Co. KG, Hamburg, and its general partner OS Data Solutions Verwaltung GmbH, Hamburg, as at January 1, 2023. The purchase price for the two entities came to EUR 450k and was paid by bank transfer.

In an asset deal, the Ströer Group acquired several businesses from the assets of the tricontes Group for a total of EUR 450k as at June 1, 2023. It paid by bank transfer and integrated the businesses into its call center operations.

The purchase price allocations, including the identification and measurement at fair value of the assets and liabilities, were completed in 2023. The carrying amounts of the acquired receivables and the other financial and non-financial assets are equivalent to their respective fair values. The fair value of the receivables acquired is the best estimate for the expected cash flows from these receivables. The goodwill amounts to EUR 515k and is allocated to the Dialog Marketing CGU. The goodwill is based on the positive prospects for generating additional cash flows by leveraging further synergies in the Ströer Group. The goodwill is non-deductible for tax purposes.

As the aforementioned companies and businesses were the Ströer Group's sole acquisitions in 2023, the summary information for 2023 relates only to these acquisitions. The summary information for 2022 relates to the prior year's acquisitions.

Summary information

The contractually agreed purchase prices for acquisitions involving a change of control totaled EUR 999k (prior year: EUR 3,200k), including payments in subsequent periods and redemption of financial liabilities. In 2023, the acquisitions gave rise to total transaction costs of EUR 128k, which were reported under administrative expenses.

The effects on the cash flows from investing activities are presented below:

EUR k	2023	2022
Total amount of purchase prices including the redemption of shareholder loans	-999	-3,200
Total cash acquired	755	561
Net cash outflow from acquisitions	-244	-2,639

The total amount of assets and liabilities acquired can be seen below:

EUR k	2023	2022
Intangible assets	0	667
Property, plant, and equipment	473	12
Trade receivables	1,587	18
Other financial assets	17	308
Other non-financial assets	1,038	191
Current tax assets	249	0
Cash	755	561
Pension provisions	0	323
Other provisions	693	111
Deferred tax liabilities	0	145
Financial liabilities	0	70
Trade payables	1,155	434
Other liabilities	1,171	174
Net assets acquired	1,100	500

The assets and liabilities of the newly acquired companies, as well as their goodwill, were allocated to the Digital Media CGU and the Dialog Marketing CGU as they were incorporated into these parts of the Ströer Group.

Since control was obtained, the companies have generated revenue of EUR 25,024k in total that is included in the consolidated income statement.

The effect on the Group's revenue and post-tax profit or loss in the consolidated financial statements if all the entities acquired in 2023 had been fully consolidated with effect from January 1, 2023 is presented in the table below; the amounts shown already reflect the effects of the purchase price allocations for the entities acquired in 2023.

EUR k	Revenue	Post-tax profit or loss
Jan. 1–Dec. 31, 2023	1,929,687	112,912

Transactions not involving a change of control

The Ströer Group carried out one transaction not involving a change of control in 2023 but that transaction was insignificant.

Summary information

The acquisition was presented as a transaction between shareholders in accordance with IFRS 10. The related accounting effects are presented in the following table.

EUR k	
Total purchase prices	513
Non-controlling interests	9,975
Change in consolidated equity attributable to the shareholders of Ströer SE & Co. KGaA	-9,462

The transaction mainly affected the consolidated retained earnings of the shareholders of Ströer SE & Co. KGaA.

Acquisitions after the reporting date

No acquisitions took place after the reporting date.

6.2 Business sales

Transactions involving a change of control

As at September 7, 2023, the Ströer Group sold all of the shares in its subsidiary grapevine Marketing GmbH, Munich. The purchaser paid EUR 3,736k for the shares to Ströer by bank transfer on September 12, 2023. After deducting the cash sold with the subsidiary, the net cash inflow came to EUR 3,383k.

At the time of the sale, the subsidiary essentially had assets of EUR 3,378k, which mainly comprised trade receivables of EUR 995k, current prepaid expenses of EUR 863k, and cash of EUR 346k. The liabilities sold of EUR 2,139k mainly comprised current trade payables of EUR 876k and other provisions of EUR 479k.

The income of EUR 2,133k from the sale is recognized in other operating income. Please also refer to note 13 in this regard.

Business sales after the reporting date

No business sales took place after the reporting date.

7 Consolidation principles

The assets and liabilities of the consolidated entities are measured on the basis of uniform accounting policies. The reporting date of all consolidated entities is December 31.

Subsidiaries are fully consolidated from the date of acquisition, i.e. the date on which the Group obtains control. Control within the meaning of IFRS 10 'Consolidated Financial Statements' is achieved when Ströer is exposed, or has rights, to variable returns from the subsidiary and has the ability to affect those returns through its power over the subsidiary. A subsidiary is deconsolidated as soon as the parent company ceases to have control.

The acquisition cost for foreign entities is translated into euros at the exchange rate applicable on the date of acquisition.

The acquisition method is used for the initial accounting. As part of the purchase price allocation, the assets acquired and liabilities assumed, as well as certain contingent liabilities, are recognized at their fair value. Any excess of the cost of the acquisition over the Group's interest in the fair value of the identifiable assets, liabilities, and contingent liabilities is recognized as goodwill. Goodwill attributable to non-controlling interests is recognized as an asset on a case-by-case basis in accordance with IFRS 3. Any remaining negative goodwill is recognized immediately in profit or loss. If the cost of the equity investment or the fair values to be allocated to the assets acquired and liabilities assumed from

the acquired entity can only be provisionally determined at the time of first-time recognition, the business combination is initially recognized using these provisional values until the purchase price allocation has been finalized.

The hidden reserves and liabilities recognized are subsequently measured applying the accounting policy for the corresponding assets and liabilities. Recognized goodwill is tested for impairment annually (see note 19). Furthermore, the impairment test is always carried out immediately if there are any indications of impairment (triggering events).

Any impairment losses, and reversals thereof, on investments in consolidated entities that are recognized in the separate financial statements during the year are eliminated in the consolidated financial statements. Intragroup profit and losses, revenue, expenses and income, and receivables and liabilities between consolidated entities are eliminated.

Income tax effects are taken into consideration in the consolidation process and deferred taxes are recognized.

Non-controlling interests in equity and profit or loss are recognized in a separate item under equity.

If additional interests in fully consolidated entities are acquired or sold, the difference is directly offset against equity.

A joint venture is defined as a type of joint arrangement in which the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Under IFRS 11, the question of whether legal or beneficial rights to net assets are held is assessed on the basis of the contractual relationships (e.g. articles of association, shareholder agreements, exchange of goods and services) between the vehicle and the shareholders. Joint ventures and associates are consolidated using the equity method. In the income statement, the Group's share of the profit or loss for the period of the associates and joint ventures is included in earnings before net finance income/costs and before net tax income/expense. Changes in the other comprehensive income of these investees are recognized in the Group's other comprehensive income.

Significant investments over which the Ströer Group can exercise significant influence are accounted for using the equity method. These are generally equity investments in which the Ströer Group holds between 20% and 50% of the shares. In accordance with the equity method, the interests in an associate in the statement of financial position are recognized at the cost of acquisition plus the changes in the Group's share of the net assets of the associate arising after the acquisition. The Group's share of the profit or loss of an associate is presented in the income statement. This is the post-tax profit attributable to the shareholders of the associate.

Other investments are classified as at fair value through other comprehensive income pursuant to IFRS 9.

8 Currency translation

The separate financial statements of the consolidated foreign entities whose functional currency is not the euro are translated into the Group's presentation currency (euros) in accordance with IAS 21 'The Effects of Changes in Foreign Exchange Rates'. The functional currency of a foreign entity is its local currency.

Assets and liabilities are translated at the closing rate. Equity is reported at the historical rate. Expenses and income are translated into euros at the weighted average rate for the period in question. Exchange differences recognized directly in equity are only recognized in profit or loss if the entity is sold or deconsolidated.

Transactions conducted by the consolidated entities in a foreign currency are translated into the functional currency at the exchange rate valid on the date of the transaction. Gains and losses arising on the settlement of such transactions or on translating monetary assets and liabilities in a foreign currency at the closing rate are recognized in profit or loss.

The exchange rates set out in the table below were used for the most important foreign currencies in the Ströer Group: The weakness of the Turkish lira against the euro in 2023 did not have any notable effect on the Ströer Group as the only Turkish subsidiary remaining in the Ströer Group generated revenue of less than EUR 100k with third parties. For this reason, IAS 29 has not been applied on grounds of materiality.

	Currency	Closing rate		Weighted average rate	
		Dec. 31, 2023	Dec. 31, 2022	2023	2022
Canada	CAD	1.4642	1.4440	1.4595	1.3689
Switzerland	CHF	0.9260	0.9847	0.9715	1.0044
China	CNY	7.8509	7.3582	7.6532	7.0766
Czech Republic	CZK	24.7240	24.1160	23.9947	24.5595
UK	GBP	0.8691	0.8869	0.8698	0.8524
Japan	JPY	156.3300	140.6600	151.6109	137.8201
Poland	PLN	4.3395	4.6808	4.5387	4.6832
Sweden	SEK	11.0960	11.1218	11.4678	10.6232
Singapore	SGD	1.4591	1.4300	1.4522	1.4506
Turkey	TRY	32.6531	19.9649	24.9439	17.2736
USA	USD	1.1050	1.0666	1.0814	1.0516

NOTES TO THE CONSOLIDATED INCOME STATEMENT

9 Revenue

Revenue can be broken down as follows:

EUR k	2023	2022
Revenue from the provision of services in the wider sense	1,673,093	1,579,753
Revenue from the sale of products	241,237	192,189
Total	1,914,330	1,771,942

For a breakdown of revenue by segment, please refer to the disclosures in the segment information. Revenue from the sale of products is mainly generated in the E-Commerce product group in the DaaS & E-Commerce segment and is recognized at a point in time, whereas revenue from services is recognized over a period of time.

The Group's customer relationships are characterized by short lead times and bookings at short notice. As a result, orders on hand as at the reporting date are mainly short-term.

Revenue included an amount of EUR 13,575k in revenue from barter transactions (prior year: EUR 16,268k). As at the reporting date, outstanding receivables and liabilities from barter transactions amounted to EUR 8,371k (prior year: EUR 10,773k) and EUR 4,522k (prior year: EUR 8,703k) respectively.

For information about revenue recognized in respect of deferred receipts, please refer to note 30 in these notes to the consolidated financial statements.

10 Cost of sales

Cost of sales includes all costs incurred in connection with the sale of products and the provision of services and can be broken down as follows:

EUR k	2023	2022
Amortization, depreciation, and impairment	275,530	256,074
Personnel expenses	227,817	194,987
Rental, lease, and royalty payments	81,794	80,823
Other cost of sales	532,429	483,575
Total	1,117,570	1,015,459

11 Selling expenses

Selling expenses include all direct selling expenses and sales overheads incurred. They can be broken down into:

EUR k	2023	2022
Personnel expenses	200,689	191,018
Amortization, depreciation, and impairment	10,129	11,515
Other selling expenses	108,026	112,829
Total	318,844	315,362

12 Administrative expenses

Administrative expenses include the personnel and non-personnel expenses as well as amortization, depreciation, and impairment relating to all administrative areas that are not connected to technology, sales, or product development. Administrative expenses can be broken down as follows:

EUR k	2023	2022
Personnel expenses	140,579	126,678
Amortization, depreciation, and impairment	37,742	35,918
Other administrative expenses	83,636	64,551
Total	261,957	227,147

13 Other operating income

The breakdown of other operating income is shown in the following table:

EUR k	2023	2022
Income from the reversal of provisions and derecognition of liabilities	9,564	13,342
Income from the reversal of bad debt allowances	2,604	1,638
Income from the disposal of property, plant, and equipment and intangible assets	582	688
Income from services	1,167	2,343
Income from exchange differences	983	4,200
Income from changes in the basis of consolidation	3,352	4,901
Miscellaneous other operating income	14,761	15,884
Total	33,013	42,996

The income arising from changes in the basis of consolidation for 2023 mainly relates to the disposal of grapevine marketing GmbH, Munich, Germany. In 2022, it mainly stemmed from the disposal of SEM Internet Reklam Hizmetleri ve Danismanlik A.S., Istanbul, Turkey.

14 Other operating expenses

Other operating expenses can be broken down as follows:

EUR k	2023	2022
Expenses related to the recognition of restructuring provisions	6,003	0
Expenses related to the recognition of impairment losses	5,504	4,481
Expenses related to the derecognition of receivables and other assets	2,983	2,914
Impairment loss on receivables not measured individually	2,289	1,166
Out-of-period expenses	4,737	4,833
Expenses from exchange differences	1,624	4,542
Expense from the disposal of property, plant, and equipment and intangible assets	413	760
Miscellaneous other operating expenses	2,517	1,078
Total	26,070	19,774

Expenses related to the recognition of restructuring provisions are eliminated in the calculation of EBITDA (adjusted).

15 Net finance income/costs

The following table shows the composition of net finance income/costs:

EUR k	2023	2022
Finance income	3,759	4,672
Interest income from loans and receivables	772	697
Income from exchange differences on financial instruments	1,120	803
Other finance income	1,867	3,172
Finance costs	-69,569	-32,565
Unwinding of the discount on lease liabilities (IFRS 16)	-30,371	-16,910
Interest expense from loans and liabilities	-36,367	-13,494
Expense from exchange differences on financial instruments	-317	-608
Other finance costs	-2,514	-1,553
Net finance income/costs	-65,810	-27,893

Income/expenses from exchange differences on financial instruments contain non-cash currency gains/losses from the translation of loan arrangements with Group entities outside the eurozone.

In 2023, other finance income included EUR 1,500k (prior year: EUR 3,150k) in income from loan receivables that had been written down in prior years from former Group companies.

16 Income taxes

Income taxes consist of the income taxes paid or owed in the individual countries and deferred taxes. Income taxes can be broken down as follows:

EUR k	2023	2022
Current tax expense	60,223	58,063
thereof for prior years	3,186	2,319
Expenses (+)/income (–) from deferred taxes	–7,619	933
thereof for prior years	168	–1,562
thereof from temporary differences	–2,613	2,965
Expenses (+)/income (–)	52,604	58,996

The changes in the transactions recognized in other comprehensive income and the deferred taxes arising thereon are presented in the following table:

2023

EUR k	Before taxes	Taxes	After taxes
Exchange differences on translating foreign operations	1,288	0	1,288
Actuarial gains and losses	–1,988	602	–1,386
Changes in the fair value of equity instruments recognized in other comprehensive income	–7	0	–7
	–707	602	–105

2022

EUR k	Before taxes	Taxes	After taxes
Exchange differences on translating foreign operations	2,801	0	2,801
Actuarial gains and losses	12,369	–3,751	8,618
Changes in the fair value of equity instruments recognized in other comprehensive income	–428	0	–428
	14,742	–3,751	10,991

The statutory corporate income tax rate in Germany for the 2023 tax-assessment period was 15%. Together with trade tax and the solidarity surcharge, this resulted in an effective tax charge of 31.39% (prior year: 31.17%).

For the measurement of deferred taxes, a tax rate of 31.39% (prior year: 31.17%) was applied in the German tax group. The income tax rates applied at local level for foreign companies and companies that are not part of the tax group varied, as in the prior year, between 10% and 34.59%.

The dividends paid in 2023 for the 2022 financial year had no income tax consequences. Any dividend payments made in 2024 for the 2023 financial year will, in all likelihood, have no income tax consequences either.

Deferred taxes are allocated to the following items in the statement of financial position:

EUR k	Dec. 31, 2023		Dec. 31, 2022	
	Assets	Liabilities	Assets	Liabilities
Intangible assets	15,134	31,509	14,261	36,530
Property, plant, and equipment	186	259,607	68	273,592
Financial assets	5	5,629	13	6,332
Receivables, other financial and non-financial assets	1,965	8,638	4,286	7,036
Pension provisions	3,709	1,111	3,430	1,382
Other provisions	10,473	4,478	8,320	2,696
Liabilities	271,563	6,597	279,625	7,573
Deferred taxes on temporary differences	303,035	317,569	310,003	335,142
Tax loss and interest carryforwards	25,936	0	28,013	0
Total deferred taxes	328,971	317,569	338,017	335,142
Set-offs	-285,608	-285,608	-296,346	-296,346
Carrying amount of deferred taxes	43,362	31,960	41,673	38,795

No deferred tax assets were recognized for loss carryforwards of EUR 146,558k (prior year: EUR 120,352k), as it is not sufficiently probable that the related tax benefits can be realized. Of this total, EUR 138,710k related to German Group entities (corporate income tax of EUR 72,756k and trade tax of EUR 65,954k) and EUR 7,847k to foreign Group entities. Loss carryforwards attributable to foreign Group entities for which no deferred tax assets were recognized will largely expire as follows:

Year	Amount (EUR k)
2024	1
2025	62
2026	60
2027	85
2028	65
2029	0

Deferred tax assets of EUR 9,140k were recognized for loss carryforwards of EUR 58,070k (corporate income tax of EUR 28,832k and trade tax of EUR 29,238k), although the entities to which these loss carryforwards are attributable generated losses in 2023 or 2022 and insufficient taxable temporary differences are available. On the basis of the positive tax budget accounts of the entities concerned, which are partly the result of restructuring, we assume, however, that we will be able to use these loss carryforwards in future periods due to an increase in taxable income.

In accordance with IAS 12, deferred taxes must be recognized on the difference between the share of equity held in subsidiaries recognized in the consolidated statement of financial position and the carrying amount of the equity interest in these subsidiaries recognized in the parent company's tax accounts ('outside basis differences') if this difference is expected to be realized. In this context, deferred taxes were recognized in the consolidated financial statements for equity investments if distributions are expected from them in the near future. Overall, deferred tax liabilities on outside basis differences were recognized in an amount of EUR 327k (prior year: EUR 342k).

IFRIC 23 'Uncertainty over Income Tax Treatments', which has been implemented, clarifies how to apply the recognition and measurement requirements in IAS 12 when there is uncertainty over income tax treatments. Recognition and measurement requires estimates and assumptions to be made, e.g. whether a tax treatment should be considered separately or together with other uncertain tax treatments, whether the most likely amount or the expected value should be used for the uncertain tax treatment, and whether there have been changes compared with the prior period. The risk of material errors not being discovered is insignificant with regard to the accounting treatment of uncertain line items. The accounting treatment is based on the assumption that the tax authorities will examine the matter in question and will have access to all of the relevant information.

The reconciliation of the expected tax expense and the actual tax expense is presented below:

EUR k	2023	2022
Profit/loss for the period before income taxes pursuant to IFRS	165,027	210,813
Group income tax rate	31.39%	31.17%
Expected income tax expense for the reporting year	51,799	65,715
Effects of tax rate changes	-75	-135
Trade tax add-backs/deductions	-3,627	-4,071
Effects of taxes from prior years recognized in the reporting year	3,354	757
Effects of differing tax rates	-3,461	-3,521
Effects of tax-exempt income	-2,006	-3,192
Effects of non-deductible business expenses	1,138	1,758
Recognition and adjustment of interest and loss carryforwards for tax purposes	5,080	2,167
Other differences	401	-482
Total tax expense (+)/tax income (-)	52,604	58,996

Based on the above tax reconciliation, the main changes result from the following matters:

The item 'Effects of taxes from prior years recognized in the reporting year' mainly comprises the recognition of provisions in respect of tax risks for prior periods.

In 2023, the item 'Recognition and adjustment of loss carryforwards for tax purposes' related to the adjustment of loss carryforwards at subsidiaries and therefore the adjustment of deferred tax assets.

In order to address concerns about inequality in the distribution of profits and the taxation of large multinational companies, various agreements were reached on a global level, including an agreement between 135 countries on the introduction of a global minimum tax rate of 15%.

The Ströer Group falls under the scope of Pillar 2 as it reports revenue of more than EUR 750m in its consolidated financial statements and operates in 25 jurisdictions.

The Ströer Group mainly operates in Germany, which has enacted new legislation to implement the global minimum tax. However, the Group does not expect to be subject to a top-up tax with respect to its operations in Germany, where the statutory corporate tax rate comes to around 31%.

Furthermore, detailed analysis of the potential top-up tax for the Ströer Group was carried out on the basis of the 2022 country-by-country reporting (CbCR) data for approximately 25 other countries. The analysis indicates that all 26 jurisdictions pass the CbCR safe harbor tests on the basis of the CbCR data for 2022, which means that any top-up tax would amount to EUR 0. Ströer will apply these CbCR safe harbor rules to the Ströer Group for the first few years.

The Group applied the mandatory temporary exception regarding accounting for deferred taxes arising from the introduction of global minimum tax and recognized these taxes as current tax expense/income when they occurred.

17 Notes on earnings per share

EUR k	2023	2022
Basic earnings attributable to the shareholders of Ströer SE & Co. KGaA	92,827	143,258

Thousands	2023	2022
Weighted average number of ordinary shares in issue as at Dec. 31	55,704	56,615
Effects from pre-emption rights issued	0	0
Weighted average number of ordinary shares in issue as at Dec. 31 (diluted)	55,704	56,615

In 2023, the number of shares in issue decreased by 479,657 due to the share buyback program. A total of 104,730 shares were added under the existing Stock Option Plans, bringing the total number of shares in issue as at the end of 2023 to 55,706,313 (prior year: 56,081,240). Earnings per share for 2023 was calculated on the basis of a time-weighted number of shares of 55,704,416 (prior year: 56,614,726).

Earnings per share is subject to potential dilution due to the Stock Option Plans launched in 2015, 2019, and 2023 and due to the 'share price' LTI component. Please refer to note 25 'Equity'. Based on share price performance in 2023, there were virtually no effects from pre-emption rights issued and thus no notable dilutive effect.

Of the consolidated profit for the period of EUR 112,423k (prior year: EUR 151,817k), EUR 92,827k was attributable to the shareholders of the parent company (prior year: EUR 143,258k) and EUR 19,597k to non-controlling interests (prior year: EUR 8,559k). In 2023, basic earnings per share came to EUR 1.67 (prior year: EUR 2.53). Earnings per share (diluted) also came to EUR 1.67 (prior year: EUR 2.53).

18 Other notes

Personnel expenses

Cost of sales, administrative expenses, and selling expenses included personnel expenses of EUR 569,085k (prior year: EUR 512,683k).

The average number of employees in the reporting year can be broken down as follows:

Number	2023	2022
Salaried employees	10,524	9,709
Wage earners	208	179
Total	10,732	9,888

The number of employees is calculated as the average of the number of people employed at the end of each of the four quarters, taking into account the nature of their employment relationship. Part-time employees are included in full. Members of senior management, trainees, interns, pensioners, and employees on parental leave are not included.

As at December 31, 2023, the Group had a total headcount (full-time and part-time employees) of 11,504 (prior year: 10,576). The difference of 772 compared with the average number disclosed above is largely due to the fact that it is a snapshot on the reporting date of December 31; under this approach, the number of employees at newly acquired entities is not time-weighted. Another reason for the difference is the inclusion of employees on parental leave, trainees, and temporary workers. These employees are not included in the disclosure above in accordance with section 314 (1) no. 4 in conjunction with section 285 no. 7 HGB.

Personnel expenses mainly consisted of wages and salaries of EUR 468,747k (prior year: EUR 423,601k), social security contributions of EUR 88,556k (prior year: EUR 80,244k), and expenses for pension benefits of EUR 1,850k (prior year: EUR 2,150k).

Amortization, depreciation, and impairment

The amortization, depreciation, and impairment included in cost of sales, administrative expenses, and selling expenses is disclosed in notes 10 to 12. In 2023, amortization, depreciation, and impairment rose by EUR 19,895k, to EUR 323,402k (prior year: EUR 303,507k).

Currency effects

In 2023, net income of EUR 162k arising from exchange differences (prior year: expense of EUR 148k) was recognized in the income statement, of which income of EUR 803k was recognized in net finance income/costs (prior year: income of EUR 194k).

NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

19 Intangible assets

The changes in intangible assets in 2023 and 2022 are presented in the following table.

EUR k	Rights and licenses	Goodwill	Prepayments and projects under development	Own development costs	Acquired technologies	Total
Cost						
Opening balance as at Jan. 1, 2022	787,158	918,207	13,553	29,419	79,561	1,827,898
Changes in the basis of consolidation	657	2,133	0	0	0	2,790
Additions	15,064	0	24,114	11,159	0	50,338
Reclassifications	4,599	0	-15,184	10,585	0	0
Disposals	-1,041	0	-65	-207	0	-1,312
Exchange differences	-451	-152	-5	0	0	-609
Closing balance as at Dec. 31, 2022/ opening balance as at Jan. 1, 2023	805,986	920,188	22,414	50,956	79,561	1,879,105
Changes in the basis of consolidation	-1,449	160	0	0	0	-1,288
Additions	16,266	0	28,584	9,489	0	54,339
Reclassifications	5,214	0	-25,190	20,048	0	71
Disposals	-723	0	-127	-16,564	-5,058	-22,472
Exchange differences	2,060	657	38	0	0	2,755
Closing balance as at Dec. 31, 2023	827,354	921,005	25,719	63,929	74,503	1,912,510
Amortization and impairment/ reversals of impairment						
Opening balance as at Jan. 1, 2022	671,182	2,920	0	18,724	67,799	760,626
Changes in the basis of consolidation	0	0	0	0	0	0
Amortization and impairment	47,086	0	140	6,830	2,957	57,013
Disposals	-993	0	-13	-12	0	-1,018
Exchange differences	-326	-11	0	0	0	-337
Closing balance as at Dec. 31, 2022/ opening balance as at Jan. 1, 2023	716,948	2,909	127	25,543	70,756	816,283
Changes in the basis of consolidation	-800	0	0	0	0	-800
Amortization and impairment	37,436	0	0	24,192	2,856	64,484
Reversals of impairment losses	0	0	-20	0	0	-20
Reclassifications	0	0	20	-20	0	0
Disposals	-724	0	-127	-16,511	-5,058	-22,420
Exchange differences	1,647	48	0	0	0	1,695
Closing balance as at Dec. 31, 2023	754,506	2,957	0	33,204	68,554	859,221
Carrying amount as at Dec. 31, 2022	89,039	917,279	22,286	25,413	8,805	1,062,823
Carrying amount as at Dec. 31, 2023	72,848	918,049	25,719	30,725	5,949	1,053,290

The non-capitalizable components of research and development costs amounted to EUR 13,923k in 2023 (prior year: EUR 10,520k) and are primarily included in the cost of sales.

In the reporting year, no material investment allowances pursuant to the German Investment Allowance Act (InvZuG) were recognized as a reduction in cost.

In 2023, impairment of EUR 3,830k was recognized on intangible assets (mainly internally generated intangible assets), whereas impairment of EUR 1,889k had been recognized in the prior year (mainly rights and licenses).

The impairment loss was included in the cost of sales.

All goodwill acquired in business combinations was tested for impairment in 2023.

The table below gives an overview of the allocation of goodwill to CGUs and of the assumptions made for the purposes of the impairment test:

EUR k	Ströer Germany	Digital Media	Ströer Poland	Asam Group	Statista Group	Dialog Marketing	BlowUP Group
Carrying amount as at Dec. 31, 2022	382,299	212,607	5,374	99,109	83,724	122,404	11,762
Changes in the basis of consolidation	-354	0	0	0	0	515	0
Exchange rate effects	0	186	423	0	0	0	0
Carrying amount as at Dec. 31, 2023	381,945	212,793	5,797	99,109	83,724	122,919	11,762
Detailed forecast period (years)	5	5	5	5	5	5	5
Revenue growth after the forecast period	2.0% (prior year: 2.0%)	2.0% (prior year: 2.0%)	5.6% (prior year: 3.3%)	2.0% (prior year: 2.0%)	2.0% (prior year: 2.0%)	2.0% (prior year: 2.0%)	2.0% (prior year: 2.0%)
Interest rate (after taxes)	7.1% (prior year: 7.0%)	8.5% (prior year: 7.9%)	12.0% (prior year: 9.4%)	8.5% (prior year: 7.9%)	8.6% (prior year: 7.6%)	8.6% (prior year: 8.3%)	8.7% (prior year: 7.7%)

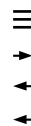
The recoverable amount of the CGUs is determined using cash flow forecasts generated as at September 30 each year on the basis of financial forecasts approved by senior management.

The three CGUs Ströer Germany, Ströer Poland, and the BlowUP group are budgeted to continue to benefit from structural shifts in their respective advertising markets, leading to increased demand for out-of-home advertising products compared with other types of media. In Germany, in particular, the ongoing digitalization of the advertising inventory and the use of innovative technologies in its marketing is driving additional growth and a strong earnings performance. The increased use of digital media also means that advertising can now be targeted even more precisely at local and regional customer groups.

In the Digital Media CGU, a solid earnings performance is expected to be driven by the exploitation of robust market growth and increasing programmatic marketing of the advertising portfolio. Further gains in reach by the individual portals are likely to provide additional support to the growth of the business.

In the Dialog Marketing business, earnings growth is expected to be driven by the more rapid expansion of fiber-optic broadband, and the corresponding marketing activities in Germany, bolstered by the harnessing of customer potential in European markets. Greater use of nearshoring for call centers is expected to continue to have a positive impact on earnings.

The Statista and Asam Group CGUs are forecast to drive high earnings growth in the medium term by building on their leading positions in the existing markets. They are expected to do this by stepping up their market penetration and by giving their businesses a greater international reach in order to access new markets.



Initially, the budgeted EBITDA is determined for all units on the basis of detailed forecasts regarding the market assumptions, income, and expenses expected in the future. The projected growth of the EBITDA expected in the detailed forecast period is closely related to the expected advertising spend of companies that advertise, the competitive situation going forward, the prospects for innovative advertising formats, local inflation rates, the prospects for the out-of-home advertising industry in individual markets, and the expansion investment planned by Ströer in each segment. These expectations are primarily derived from publicly available market data. Based on these expectations, average EBITDA growth rates are calculated for the individual CGUs that, depending on the market environment, are in the mid to high single-digit percentage range (BlowUP Group, Ströer Poland, Ströer Germany, Digital Media), the low double-digit percentage range (Dialog Marketing), or the high double-digit percentage range (Asam Group, Statista Group). In a second step, the planned investment and working capital changes are used to transform the budgeted EBITDA into a cash flow forecast. The detailed forecasts are then aggregated into financial plans and approved by senior management. These financial plans reflect anticipated performance in the forecast period.

For the purpose of testing goodwill for impairment, the fair value less costs to sell was classified as the recoverable amount (Level 3 of the fair value hierarchy). The discount rate used for the cash flow forecast was determined on the basis of market data and key performance indicators for the peer group and depends on the economic environment in which the cash flows are

generated. As a result, separate discount rates were calculated for foreign CGUs based on local circumstances.

The growth rate used for the terminal value (TV) is determined on the basis of long-term economic expectations and the expectations regarding the inflation trend in each market. Information from central banks, economic research institutes, and official statements by the relevant governments is gathered and evaluated in order to calculate these growth rates.

For each non-impaired CGU, we conduct a scenario analysis to assess the effect of significant parameters on the need for impairment. This is based on the difference between the recoverable amount and the carrying amount.

For Ströer Poland, the difference between the recoverable amount and the carrying amount of the CGU at the measurement date is EUR 23,714k (prior year: EUR 52,711k). If the discount rate were to increase by more than 4.3 percentage points or the average forecast EBITDA (the EBITDA expected in the detailed forecast period and in the terminal value) were to decrease by more than 9.1%, the recoverable amount would be the same as the carrying amount of the CGU.

No details of the scenario analyses are required for the other CGUs as the difference between the recoverable amount and the carrying amount is large enough.

20 Property, plant, and equipment

The changes in property, plant, and equipment are presented in the following statement of changes in non-current assets.

EUR k	Land, land rights, and buildings	Plant and machinery	Other equipment, furniture, and fixtures	Property, plant, and equipment (leasing)	Prepayments and assets under construction	Total
Cost						
Opening balance as at Jan. 1, 2022	10,915	6,089	619,840	1,608,532	61,321	2,306,698
Changes in the basis of consolidation	0	0	-225	-505	0	-730
Additions	13,792	1,069	80,201	141,751	33,592	270,404
Reclassifications	5,438	0	10,676	0	-16,115	0
Disposals	-261	-212	-26,988	-30,193	-469	-58,123
Exchange differences	-13	0	-483	-1,846	-79	-2,422
Closing balance as at Dec. 31, 2022/ opening balance as at Jan. 1, 2023	29,872	6,945	683,022	1,717,739	78,249	2,515,827
Changes in the basis of consolidation	13	0	104	-1,352	0	-1,235
Additions	788	914	58,425	170,876	23,827	254,830
Reclassifications	3,012	2,939	5,511	-22	-11,512	-71
Disposals	-209	76	-23,359	-15,742	-1,272	-40,506
Exchange differences	5	0	1,411	5,437	630	7,483
Closing balance as at Dec. 31, 2023	33,480	10,874	725,114	1,876,936	89,923	2,736,328
Depreciation and impairment/reversals of impairment						
Opening balance as at Jan. 1, 2022	2,239	2,599	389,548	694,324	3,943	1,092,654
Changes in the basis of consolidation	0	0	-141	-349	0	-490
Depreciation and impairment	816	927	47,485	197,040	227	246,494
Reclassifications	0	0	0	0	0	0
Reversals of impairment losses	0	0	-1	-265	0	-266
Disposals	-242	-47	-22,805	-17,554	-222	-40,870
Exchange differences	-9	0	-307	-1,413	-48	-1,777
Closing balance as at Dec. 31, 2022/ opening balance as at Jan. 1, 2023	2,805	3,479	413,780	871,782	3,900	1,295,746
Changes in the basis of consolidation	0	0	-122	-984	0	-1,106
Depreciation and impairment	1,498	1,104	53,442	202,429	445	258,918
Reclassifications	0	0	0	0	0	0
Reversals of impairment losses	0	0	0	-162	0	-162
Disposals	-99	-22	-20,288	-13,333	-171	-33,914
Exchange differences	3	0	791	5,060	205	6,059
Closing balance as at Dec. 31, 2023	4,207	4,561	447,604	1,064,791	4,379	1,525,542
Carrying amount as at Dec. 31, 2022	27,067	3,466	269,242	845,956	74,350	1,220,081
Carrying amount as at Dec. 31, 2023	29,273	6,315	277,509	812,144	85,544	1,210,786

Other equipment mainly includes advertising media (residual carrying amount as at December 31, 2023: EUR 244,983k; prior year: EUR 230,979k).

An amount of EUR 199k was recognized as income from compensation for damage to or destruction of property, plant, and equipment (prior year: EUR 479k).

Property, plant, and equipment (leasing) as at December 31, 2023 declined year on year as the additions were more than offset by depreciation. Please refer to our explanations in note 34 in these notes to the consolidated financial statements.

Impairment of EUR 2,820k (prior year: EUR 2,073k) was recognized on property, plant, and equipment (mainly other equipment), of which EUR 1,738k (prior year: EUR 2,073k) was attributable to dismantled advertising media (property, plant, and equipment) and EUR 1,082k (prior year: EUR 0k) to right-of-use assets under leases.

The impairment loss was included in the cost of sales.

21 Trade receivables

The changes in specific loss allowances on trade receivables were as follows:

EUR k	2023	2022
Loss allowances at the start of the reporting year	11,371	8,916
Additions (recognized in profit or loss)	5,128	4,264
Reversals (recognized in profit or loss)	-2,048	-1,357
Utilization	-6,127	-447
Exchange differences	30	-5
Loss allowances at the end of the reporting year	8,354	11,371

Within the scope of specific loss allowances, trade receivables with a gross invoice value of EUR 12,758k were written down as at the reporting date (prior year: EUR 18,594k). Net of specific loss allowances of EUR 8,354k (prior year: EUR 11,371k), the carrying amount of these receivables stood at EUR 4,404k as at the reporting date (prior year: EUR 7,223k).

The Group also uses a provision matrix in order to measure the expected credit losses on trade receivables from a very large number of customers who only have small balances and for whom specific loss allowances were therefore not recognized.

The changes in loss allowances on trade receivables from the very large number of customers who have small balances were as follows:

EUR k	2023	2022
Loss allowances at the start of the reporting year	3,469	2,823
Additions (recognized in profit or loss)	2,289	1,166
Reversals (recognized in profit or loss)	-556	-138
Utilization	-1	-391
Exchange differences	-14	9
Loss allowances at the end of the reporting year	5,187	3,469

The following table shows the carrying amounts of past due trade receivables, the estimated credit risk, and the expected credit losses as at December 31, 2023. The loss rates were calculated on the basis of the actual credit losses in the two preceding years plus a markup of 25% to account for the macroeconomic challenges anticipated in 2024.

EUR k	Past due by				
	1 to 30 days	31 to 60 days	61 to 90 days	91 to 180 days	more than 180 days
Dec. 31, 2023					
Gross carrying amounts	26,513	10,120	6,801	6,305	3,482
Estimated credit risk (%)	4.4%	6.2%	4.2%	25.1%	18.3%
Expected credit loss	1,161	628	289	1,583	636
Dec. 31, 2022					
Gross carrying amounts	22,237	7,142	4,720	3,355	3,115
Estimated credit risk (%)	3.1%	3.4%	7.5%	10.6%	16.5%
Expected credit loss	687	243	353	357	514

Including the expected credit losses on receivables that are not yet past due, on which credit risk of 0.6% (prior year: 0.6%) and a credit loss of EUR 889k (prior year: EUR 1,315k) are expected, the resulting loss allowances on trade receivables amounted to EUR 5,187k (prior year: EUR 3,469k).

22 Other financial and non-financial assets

A breakdown of non-current other financial and non-financial assets is shown in the following table:

EUR k	Dec. 31, 2023	Dec. 31, 2022
Financial assets		
Other loans	4	4
Miscellaneous non-current financial assets	985	624
Total	989	628
Non-financial assets		
Prepaid expenses	5,321	6,445
Miscellaneous other non-current assets	3,689	2,423
Total	9,009	8,868

Current other financial and non-financial assets can be broken down as follows:

EUR k	Dec. 31, 2023	Dec. 31, 2022
Financial assets		
Receivables from existing and former shareholders of Group entities	0	1
Creditors with debit balances	4,678	5,677
Security deposits	1,709	1,478
Residual purchase price receivables from the disposal of Group entities	84	1,225
Other loans	354	458
Miscellaneous financial assets	4,998	4,432
Total	11,823	13,271
Non-financial assets		
Prepaid expenses	29,193	28,054
Tax receivables	14,124	11,068
Other prepayments	730	2,148
Miscellaneous other assets	4,361	3,490
Total	48,407	44,760

In accordance with IFRS 15, the prepaid expenses include deferred contract extension costs in an amount of EUR 270k (prior year: EUR 536k) in non-current non-financial assets and in an amount of EUR 365k (prior year: EUR 754k) in current non-financial assets.

The changes in specific loss allowances for other financial assets measured at amortized cost were as follows:

EUR k	2023	2022
Loss allowances at the start of the reporting year	3,171	3,097
Additions (recognized in profit or loss)	376	217
Reversals (recognized in profit or loss)	0	-143
Utilization	-265	0
Loss allowances at the end of the reporting year	3,282	3,171

Within the scope of specific loss allowances, financial assets with a nominal value of EUR 4,380k were written down as at the reporting date (prior year: EUR 4,137k). Net of specific loss allowances of EUR 3,282k (prior year: EUR 3,171k), the carrying amount of these receivables stood at EUR 1,098k as at the reporting date (prior year: EUR 966k).

The following table shows the carrying amounts of past due financial assets that were not yet impaired.

EUR k	Past due by				
	1 to 30 days	31 to 60 days	61 to 90 days	91 to 180 days	more than 180 days
Dec. 31, 2023	1,911	406	123	250	1,983
Dec. 31, 2022	2,344	1,099	336	201	1,705

As at the reporting date, no losses were expected in respect of current financial assets that were neither impaired nor past due.

23 Inventories

EUR k	Dec. 31, 2023	Dec. 31, 2022
Materials and supplies	14,414	10,725
Finished goods	27,691	18,686
Prepayments made on inventories	1,744	1,521
Total	43,849	30,932

The inventories recognized as an expense in the income statement during the reporting year amounted to EUR 63,640k (prior year: EUR 43,225k). The total cost of inventories expensed included write-downs to net realizable value of EUR 1,540k (prior year: EUR 420k).

24 Cash

EUR k	Dec. 31, 2023	Dec. 31, 2022
Bank balances	72,252	79,813
Cash on hand	61	60
Total	72,313	79,873

The bank balances included overnight money and time deposits of EUR 4,261k (prior year: EUR 7,718k). As in the prior year, the interest rates achieved were approximately 0.00%.

As at the reporting date, bank balances of EUR 2,452k were subject to short-term restrictions on availability (prior year: EUR 7,888k).

25 Equity

The changes in the individual components of equity in 2023 and 2022 are presented in the consolidated statement of changes in equity.

Issued capital

As at the end of 2022, Ströer SE & Co. KGaA's issued capital had stood at EUR 56,081,240.00. This issued capital corresponded to subscribed capital of EUR 56,691,571.00 less the nominal value of the shares that had been repurchased by December 31, 2022 of EUR 610,331.00.

In 2023, Ströer SE & Co. KGaA repurchased additional treasury shares with a nominal value of EUR 479,657.00, temporarily taking the total nominal value of treasury shares to EUR 1,089,988.00. On August 8, 2023, Ströer Management SE decided to reduce the subscribed capital of Ströer SE & Co. KGaA by retiring the 1,089,988 treasury shares.

Subscribed capital

The Company's subscribed capital decreased from EUR 56,691,571.00 to EUR 55,706,313.00 in 2023. This decrease was chiefly due to the decision by Ströer Management SE on August 8, 2023 to reduce the subscribed capital of Ströer SE & Co. KGaA from EUR 56,691,571.00 to EUR 55,601,583.00 by retiring 1,089,988 treasury shares. The exercising of 104,730 stock options had the opposite effect, increasing the Company's subscribed capital to EUR 55,706,313.00 as at December 31, 2023. The subscribed capital was thus divided into 55,706,313.00 no-par-value bearer shares as at December 31, 2023. They have a nominal value of EUR 1.00 each and are fully paid up.

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 represented the likely maximum number of shares that could be acquired over the subsequent six months within the regulatory limits. The Company launched the share buyback program on October 3, 2022. A total of 610,331 treasury shares had been purchased under the program by December 31, 2022. The average purchase price for these shares was approximately EUR 42.35 per share. Between January 1, 2023 and April 21, 2023, a further 479,657 treasury shares were purchased under the program. The average purchase price for these shares was approximately EUR 50.36 per share. The share buyback program ended on April 21, 2023. Between October 3, 2022 and April 21, 2023, a total of 1,089,988 shares were repurchased under the program. The average purchase price for all of these shares was approximately EUR 45.87 per share.

The nominal share in subscribed capital of all the treasury shares repurchased came to EUR 1,089,988.00, or 1.923%. In accordance with section 71b AktG, however, shares held by the Company on the day of the shareholder meeting do not confer any voting rights and are not dividend-bearing.

This share buyback program was intended to enable shareholders of Ströer SE & Co. KGaA to share in the Company's profit. This flexible instrument represented an addition to our capital allocation options that include dividend payments.

On August 8, 2023, Ströer Management SE decided to reduce the subscribed capital of Ströer SE & Co. KGaA from EUR 56,691,571.00 to EUR 55,601,583.00 by retiring the 1,089,988 treasury shares.

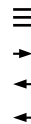
The following disclosures are mainly taken from the articles of association of Ströer SE & Co. KGaA.

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 1,217,901.00 by issuing a maximum of 1,217,901 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.

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.

2022 conditional capital

The Company's share capital is subject to a conditional increase of a maximum of EUR 11,330,000.00 by issuing a maximum of 11,330,000 new no-par-value bearer shares (2022 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 7 on the agenda of the shareholder meeting on June 22, 2022. 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.

2023 conditional capital

The share capital is subject to a conditional increase of a maximum of EUR 1,950,000 by issuing a maximum of 1,950,000 no-par-value bearer shares (2023 conditional capital). The sole purpose of the conditional capital increase is for rights to be granted, as authorized under item 7 on the agenda by the shareholder meeting on July 5, 2023, to holders of stock options under the 2023 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 July 5, 2023 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 2023 conditional capital.

Capital reserves

The Group's capital reserves increased by EUR 8,279k to EUR 761,335k as at December 31, 2023 (prior year: EUR 753,057k). This increase related to the Stock Option Plans of Ströer SE & Co. KGaA. For further information, please refer to notes 40 and 41.

Retained earnings

Retained earnings contain profits that were generated in the past less any distributions by entities included in the consolidated financial statements.

By resolution of the shareholder meeting on July 5, 2023, a sum of EUR 102,864k from accumulated profit for 2022 was distributed as a dividend (EUR 1.85 per dividend-bearing no-par-value share). This was offset by the Ströer Group's consolidated profit for 2023. In addition, retained earnings declined by EUR 23,839k in connection with the purchase of treasury shares.

Accumulated other comprehensive income/loss

Accumulated other comprehensive income/loss includes exchange differences from the financial statements of foreign subsidiaries prepared in foreign currency.

Non-controlling interests

Non-controlling interests comprise minority interests in the equity of consolidated entities.

Obligation to purchase own equity instruments

By granting put options to the non-controlling shareholders of subsidiaries, the Company has undertaken to purchase the non-controlling interest if certain contractual conditions are met. We have presented these options as a notional acquisition on the reporting date in accordance with our disclosures on accounting policies. For these obligations, liabilities of EUR 28,787k (prior year: EUR 27,314k) were recognized in financial liabilities.

Appropriation of profit

Profit is appropriated in accordance with the provisions of German commercial and stock corporation law that determine how the accumulated profit of Ströer SE & Co. KGaA is calculated.

In 2023, a profit for the period of EUR 115,028k was recognized in the separate financial statements of Ströer SE & Co. KGaA prepared in accordance with German commercial law (prior year: EUR 156,457k).

Capital management

The objective of capital management in the Ströer Group is to ensure the continuation and growth of the Company and to maintain and build on its attractiveness to investors and market participants. To ensure this, the Board of Management continually monitors the level and structure of debt. The debt included in the general capital management system comprises the financial liabilities and other liabilities recognized in the consolidated statement of financial position. In its Group financing through bank loans, the Ströer Group observes an external covenant in the form of the maximum permitted leverage ratio. Key elements of the internal management system are the planning and ongoing monitoring of the adjusted operating profit (EBITDA (adjusted)) because, through the leverage ratio, EBITDA (adjusted) is factored into the determination of the credit margin to be applied. This leverage ratio is defined as the ratio of net debt to operating profit before interest, depreciation, and amortization (EBITDA (adjusted)). The relevant key performance indicators are submitted to the Board of Management for evaluation as part of regular reporting. As in the prior year, the Company comfortably complied with the net debt ratio agreed with the respective banks in the loan agreements as at the reporting date. For details on EBITDA (adjusted), please refer to note 32 'Segment information'.

The Board of Management also monitors the Group's equity ratio. The equity used as a basis for determining the equity ratio is the equity reported in the statement of financial position including non-controlling interests.

Equity is also monitored at the level of the individual entities as part of the monitoring of compliance with the minimum capital requirements aimed at averting proceedings under insolvency law. The equity monitored in this context is the equity recognized in accordance with the law of the country in question.

The capital management strategy was otherwise unchanged compared with the previous year.

26 Provisions for pensions and similar obligations

The major pension plans in place are defined benefit plans in Germany, where the defined benefit obligation either depends on the remuneration of the employee in question upon reaching retirement age or is based on a fixed commitment. As the actuarial gains and losses are recognized directly in equity immediately, the present value of the defined benefit obligation less plan assets corresponds to the pension provision reported in the statement of financial position.

Provisions for pensions and similar obligations are calculated as follows:

EUR k	Dec. 31, 2023	Dec. 31, 2022
Present value of defined benefit obligation as at Jan. 1	30,994	43,445
Current service cost	447	731
Net interest cost	1,245	558
Actuarial gains (-)/losses (+)	1,988	-12,369
Benefits paid	-1,499	-1,632
Changes in the basis of consolidation	0	323
Other changes	-28	-62
Present value of defined benefit obligation as at Dec. 31/carrying amount	33,147	30,994

In the reporting year, actuarial losses of EUR 1,988k were recognized in other comprehensive income (prior year: gains of EUR 12,369k). This deterioration was mainly due to the fall in the discount rate compared with that in the previous year. For 2024, payments in connection with pension obligations totaling EUR 1,498k (prior year: EUR 1,538k) are anticipated.

The plan assets consist of reinsurance with a fair value as at December 31, 2023 of EUR 32k (prior year: EUR 44k). No further disclosures are provided in respect of the plan assets as the amounts are not material.

Sensitivities were calculated with half a percentage point above and below the discount rate used. Raising the discount rate by 0.5 percentage points would decrease the present value of the defined benefit obligation by EUR 1,539k (prior year: EUR 1,459k) while lowering it by 0.5 percentage points would increase the defined benefit obligation by EUR 1,663k (prior year: EUR 1,564k) as at the reporting date.

In addition to a change in the discount rate, the rate of pension increase was identified as a significant factor influencing the present value of the defined benefit obligation. Raising the rate of pension increase by 0.5 percentage points would increase the present value of the defined benefit obligation by EUR 632k (prior year: EUR 615k) while lowering it by 0.5 percentage points would decrease the defined benefit obligation by EUR 591k (prior year: EUR 576k) as at the reporting date.

The sensitivities were calculated using the same methods as the provisions that were recognized. The ranges used in calculating the sensitivities of the parameters are derived from the changes that are considered possible up to the next reporting date based on historical experience. These methods have their limitations in the sense that historical experience is not always a reliable guide for forecasting future trends and because they are unable to factor in simultaneous changes in multiple parameters.

The present value of the pension entitlements was calculated using the following assumptions:

Group (%)	Dec. 31, 2023	Dec. 31, 2022
Discount rate	3.50	4.14
Rate of pension increase	1.00	1.00
Rate of salary increase	2.00	2.00
Employee turnover	1.00	1.00

The components of the expenses for pension benefits recognized in profit or loss are presented in the following table:

EUR k	2023	2022
Interest cost	1,245	558
Service cost and other changes	443	669
Expenses for defined benefit pension benefits	1,688	1,227
Expenses for statutory pension contributions (defined contribution)	39,063	36,221
Total expenses for pension benefits	40,751	37,448

The interest cost from pension obligations is included in net interest expense, while the service cost is included in personnel expenses. Actuarial gains and losses are recognized in other comprehensive income.

Cumulative actuarial gains (+) and losses (–) recognized in equity amounted to a net loss of EUR 703k after taxes as at the reporting date (prior year: net gain of EUR 651k).

The average weighted duration of the defined benefit plans was ten years (prior year: eleven years).

The present value of the defined benefit obligation and the actuarial gains and losses can be broken down as follows:

EUR k	Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020	Dec. 31, 2019
Present value of the shortfall	33,147	30,994	43,445	44,949	44,145
Gain/loss for the period from					
Experience adjustments to plan liabilities	116	122	954	524	–386
Adjustments to actuarial assumptions	1,872	–12,491	–2,088	469	4,013

27 Other provisions

Provisions changed as follows in 2023:

EUR k	Jan. 1, 2023	Exchange differences	Changes in the basis of consolidation	Allocation	Effects from unwinding the discount and changes in the discount rates	Utilization	Reversal	Re-classification	Dec. 31, 2023
Restoration obligations	36,310	177	0	5,697	637	–2,559	–2,213	0	38,049
thereof non-current	25,124								25,908
Personnel	29,949	–69	0	20,817	8	–25,274	–2,201	51	23,281
thereof non-current	1,495								1,357
Miscellaneous	53,210	–193	–479	61,474	3	–54,799	–3,359	–93	55,764
thereof non-current	2,411								4,100
Total	119,469	–85	–479	87,989	648	–82,632	–7,773	–42	117,094

The provision for restoration obligations is based on the anticipated costs of restoration. The provision was discounted using a discount rate of 2.25% (prior year: 2.58%).

Miscellaneous other provisions included, for example, provisions for restructuring of EUR 6,003k and provisions for compensation claims and litigation risks.

The personnel provisions include bonuses for the Board of Management and employees and obligations arising from severance payments.

28 Financial liabilities

Non-current financial liabilities can be broken down as follows:

EUR k	Carrying amount	
	Dec. 31, 2023	Dec. 31, 2022
Lease liabilities (IFRS 16)	682,779	728,609
Liabilities from note loans	202,514	315,277
Other liabilities to banks	437,497	407,568
Obligation to purchase own equity instruments	28,787	27,314
Liabilities from acquisitions	1,921	1,694
Other non-current financial liabilities	2,371	2,350
Total	1,355,868	1,482,812

Current financial liabilities can be broken down as follows:

EUR k	Dec. 31, 2023	Dec. 31, 2022
Lease liabilities (IFRS 16)	169,334	147,949
Liabilities from note loans	112,970	17,995
Other liabilities to banks	33,023	6,802
Debtors with credit balances	17,661	18,363
Interest liabilities	3,182	2,393
Other current financial liabilities	31,136	25,401
Total	367,306	218,903

As at December 31, 2023, current and non-current lease liabilities (IFRS 16) were down by a total of EUR 24,445k year on year. This was partly because a higher discount rate had to be used when remeasuring modified or extended leases. Please also refer to our explanations in note 34 in these notes to the consolidated financial statements.

The rise in current liabilities from note loans is due to a loan tranche of EUR 113,000k maturing in October 2024. This amount was reclassified from non-current to current liabilities from note loans. By contrast, note loans of just EUR 18,000k were due to mature in 2023.

Ströer SE & Co. KGaA placed a note loan with a volume of EUR 145,000k on the capital markets in June 2016. A total of EUR 127,000k of this loan was paid back in previous years. The remaining EUR 18,000k was repaid in June 2023. Of this amount, a volume of EUR 15,000k had a variable interest rate of Euribor plus a margin of 110bp. The remaining EUR 3,000k was subject to a fixed interest rate of 127bp.

Ströer SE & Co. KGaA placed a further note loan with a volume of EUR 350,000k on the capital markets in October 2017, of which a total of EUR 237,000k was repaid in previous years. The remaining tranches of EUR 113,000k are due to be repaid by October 2024. A volume of EUR 28,000k has a variable interest rate of Euribor plus a margin of 90bp. The remaining EUR 85,000k is subject to a fixed interest rate of 139bp.

Ströer SE & Co. KGaA placed a note loan with a volume of EUR 203,000k on the capital markets in June 2022. The individual tranches have terms until June 2025 (EUR 68,000k), June 2027 (EUR 107,000k), and June 2029 (EUR 28,000k). A volume of EUR 112,500k has a variable interest rate of Euribor plus a margin that ranges between 70bp and 110bp. The interest rate on the other EUR 90,500k is fixed and ranges between approximately 200bp and 280bp.

Furthermore, Ströer SE & Co. KGaA agreed on a credit facility of EUR 650,000k with a banking syndicate comprising selected German and foreign financial institutions in December 2022, with the option to extend the volume by a further EUR 100,000k if required. The facility has been committed for a fixed term ending in December 2028, with the option to extend the financing by a further year if needed. The total volume of EUR 650,000k has been structured as a flexible revolving facility. The credit facility has a variable interest rate of Euribor plus a margin that ranges between 80bp and 175bp depending on the leverage ratio.

In addition, Ströer SE & Co. KGaA agreed another credit facility of EUR 75,000k in total with three of the banks in the aforementioned syndicate in June 2023. This supplementary facility has been committed for a fixed term ending in June 2025 and can be extended by a further year if required. The facility's variable interest rate is also in line with the market at Euribor plus a margin that ranges between 80bp and 175bp in the first year depending on the leverage ratio. The margin increases across the term and in the third year ranges between 170bp and 265bp. The total volume of EUR 75,000k has been structured as a flexible revolving facility. The facility was unutilized as at December 31, 2023.

As is the case with the costs for previous financing arrangements, the transaction costs will be recognized over the term of the loan.

For both credit facilities from 2022 and 2023, a maximum leverage ratio (defined as the ratio of net debt to EBITDA (adjusted)) of 3.25 was agreed. If this maximum leverage ratio is exceeded, the lending banks can demand immediate repayment of the outstanding loan amounts.

Ströer SE & Co. KGaA's leverage ratio stood at around 2.24 (prior year: 2.20) as at December 31, 2023, which was well below the maximum leverage ratio of 3.25. As a result, we do not expect that the maximum leverage ratio will be exceeded during the remaining term of the credit facility agreements.

For the two note loans from 2017 and 2022 remaining as at December 31, 2023, a maximum leverage ratio of 3.25 was also agreed, but exceeding that ratio only leads to an increase in the interest rate of 50bp.

Current other liabilities to banks comprise, among other items, the liabilities from reverse factoring of EUR 30,005k (prior year: EUR 0k). For further information, please refer to note 31.

Other current financial liabilities include, among other items, liabilities to a joint venture in the OOH business of EUR 7,000k (prior year: EUR 7,675k) and liabilities to non-controlling interests of EUR 10,632k (prior year: EUR 2,480k) that had to be accounted for as settlement claims within the scope of profit-and-loss transfer agreements.

29 Trade payables

Current trade payables can be broken down as follows:

EUR k	Dec. 31, 2023	Dec. 31, 2022
Trade payables	118,030	125,359
Accrued liabilities for outstanding invoices	102,420	92,708
Total	220,450	218,067

30 Other liabilities

Current and non-current other liabilities can be broken down as follows:

EUR k	Dec. 31, 2023	Dec. 31, 2022
Liabilities from other taxes	32,077	27,984
Deferred receipts	89,690	86,199
Miscellaneous other liabilities	20,995	14,593
Total	142,762	128,776

As in the prior year, a significant proportion of the deferred receipts was attributable to payments received in the Group's subscription business that fall due at the start of the subscription and are recognized as revenue over the contractual term of the subscription. Of the deferred receipts from the prior year, a sum of EUR 77,759k (prior year: EUR 68,765k) was recognized as revenue in the reporting year.

OTHER NOTES

31 Notes to the statement of cash flows

The Ströer Group's statement of cash flows has been prepared in accordance with IAS 7 'Statement of Cash Flows' and shows the cash flows in the financial year, broken down by operating, investing, and financing activities.

Cash flows from operating activities are presented using the indirect method, whereby profit or loss for the period is adjusted for non-cash transactions in accordance with IAS 7. It is also adjusted for items that are attributable to cash flows from investing or financing activities. The starting point for cash flows from operating activities is consolidated profit or loss for the period before net finance income/costs, net tax income/expense, and amortization, depreciation, and impairment. Cash flows from operating activities include, among other items, cash received from distributions by associates and joint ventures. Cash flows from operating activities do not include any other dividends received.

Besides the amounts contained in the statement of cash flows, IAS 7.43 requires the disclosure of non-cash transactions that result in an increase in non-current assets. Non-cash transactions in the wider sense also include additions under IFRS 16 leases. Additions under IFRS 16 leases came to EUR 170.9m in 2023 (prior year: EUR 141.8m). IFRS 16 leases only impact on cash at the time of the actual lease payments. They are recognized within cash flows from operating activities in the amount of the interest portion and within cash flows from financing activities in the amount of the principal portion.

Liabilities with extended payment terms (reverse factoring) are also classed as non-cash transactions. These liabilities totaled EUR 30.0m as at December 31, 2023 (prior year: EUR 0.0m). The total volume of liabilities assumed in connection with reverse factoring came to EUR 55.0m in 2023 (prior year: EUR 74.7m).

As in previous years, all cash payments due to service providers in connection with reverse factoring are always recognized in full as an outflow in cash flows from operating activities. However, since the start of 2023, the disbursement by the factoring bank to the Ströer Group's service providers has been classed as cash flows from operating activities, with the cash received from borrowings recognized simultaneously in cash flows from financing activities. In previous years, however, the subsequent payment made by Ströer to the factoring bank had been presented as an outflow in cash flows from operating activities. This means that the extended payment terms under the reverse factoring program no longer have an impact on the statement of cash flows.

Cash and cash equivalents consists of the cash reported in the statement of financial position. Cash comprises cash on hand and bank balances.

The following table shows the cash and non-cash changes in financial liabilities. With regard to lease liabilities (IFRS 16), the amount in the 'Other changes' column mainly relates to additions from new leases.

EUR m	Jan. 1, 2023	Change in cash flows from financing activities	Changes in the basis of consolidation	Changes in fair value	Other changes	Dec. 31, 2023
Lease liabilities (IFRS 16)	876.6	-191.3	-0.4	30.7	136.5	852.1
Non-current liabilities to banks	722.8	30.5	0.0	0.2	-113.5	640.0
Current liabilities to banks	24.8	8.2	0.0	0.0	113.0	146.0
Obligation to purchase own equity instruments	27.3	0.0	0.0	1.5	0.0	28.8
Other financial liabilities	50.2	-3.5	0.0	0.2	9.3	56.3
Total financial liabilities	1,701.7	-156.0	-0.4	32.6	145.2	1,723.2

EUR m	Jan. 1, 2022	Change in cash flows from financing activities	Changes in the basis of consolidation	Changes in fair value	Other changes	Dec. 31, 2022
Lease liabilities (IFRS 16)	945.1	–197.4	0.0	16.5	112.3	876.6
Non-current liabilities to banks	395.9	345.2	0.0	0.2	–18.5	722.8
Current liabilities to banks	234.6	–227.8	0.0	0.0	18.0	24.8
Obligation to purchase own equity instruments	27.5	–3.0	0.0	2.8	0.0	27.3
Other financial liabilities	45.2	–3.9	0.0	1.4	7.5	50.2
Total financial liabilities	1,648.4	–86.8	0.0	20.9	119.3	1,701.7

32 Segment information

Reporting by operating segment

The Ströer Group has grouped its business activities into three segments that operate independently in the market, working in close cooperation with the Group holding company Ströer SE & Co. KGaA. The three segments are Out-of-Home Media, Digital & Dialog Media, and DaaS & E-Commerce. While the Classic OOH, Digital OOH, and OOH Services product groups are allocated to the Out-of-Home Media segment, the Digital & Dialog Media segment comprises the Digital and Dialog product groups. The DaaS & E-Commerce segment consists of the Data as a Service and E-Commerce product groups.

2023

EUR k	OOH Media	Digital & Dialog Media	DaaS & E-Commerce	Reconciliation	Group
External revenue	755,923	807,727	350,680	0	1,914,330
Internal revenue	100,472	8,058	180	–108,711	0
Segment revenue	856,395	815,785	350,860	–108,711	1,914,330
EBITDA (adjusted)	391,176	155,006	54,250	–31,591	568,841
Amortization, depreciation, and impairment	229,661	41,385	36,048	16,308	323,402
Interest income	1,621	7,982	208	–8,936	876
Interest expense	64,757	16,308	3,223	–17,551	66,738
Income taxes	–15,130	–2,545	–4,713	–30,215	–52,604

2022

EUR k	OOH Media	Digital & Dialog Media	DaaS & E-Commerce	Reconciliation	Group
External revenue	741,116	736,634	294,192	0	1,771,942
Internal revenue	49,746	7,106	179	-57,030	0
Segment revenue	790,862	743,740	294,371	-57,030	1,771,942
EBITDA (adjusted)	372,989	177,790	20,712	-30,090	541,401
Amortization, depreciation, and impairment	222,802	41,167	22,386	17,152	303,507
Interest income	450	1,341	209	-1,305	695
Interest expense	20,789	4,542	610	4,463	30,405
Income taxes	-19,478	822	-3,222	-37,116	-58,996

OOH Media

The OOH Media segment encompasses the Group's entire OOH advertising business, comprising the Classic OOH, Digital OOH, and OOH Services product groups. Furthermore, the segment includes all of the operations of Ströer Poland and the giant poster business BlowUP.

Digital & Dialog Media

The Digital & Dialog Media segment comprises all of the operations in the Digital and Dialog product groups.

DaaS & E-Commerce

This segment comprises all of the operations of the Data as a Service and E-Commerce product groups.

Internal management and reporting is based on the IFRS accounting principles described in note 1 'General'.

Intersegment revenue is calculated using prices that would be charged on an arm's-length basis.

The reconciliation of revenue from all segments to the Group's revenue only includes consolidation effects.

The Group uses the internally defined key performance indicator of EBITDA (adjusted) to measure the performance of its segments.

From the Board of Management's perspective, this KPI provides the most appropriate information for assessing the economic performance of the individual segments.

The segment KPI of EBITDA (adjusted) comprises the total of gross profit, selling and administrative expenses, other net operating income/loss (other operating income less other operating expenses), and the share of the profit or loss of investees accounted for using the equity method, in each case before amortization, depreciation, and impairment and adjusted for exceptional items.

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), 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).

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

EUR k	2023	2022
Expenses and income from changes in the investment portfolio	1,240	2,257
Expenses and income from capital structure measures	-19	-113
Reorganization and restructuring expenses	-11,116	-4,928
Other exceptional items	-4,707	3,597
Total	-14,601	813

In 2023, expenses and income from changes in the investment portfolio principally reflected the income of EUR 2,133k from the sale of grapevine marketing GmbH, Munich.

The reorganization and restructuring expenses in 2023 mainly related to new restructuring at Ströer Digital Publishing GmbH (EUR 6,003k) and restructuring measures at various Group companies such as the Statista Group (EUR 1,093k).

Other exceptional items represented an expense of EUR 4,707k in 2023 (prior year: income of EUR 3,597k). The year-on-year change was chiefly due to expenses under the stock option plan of EUR 3,543k, whereas in the prior year the stock option plan had given rise to income of EUR 9,285k. That prior-year

income had mainly been 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 in 2022.

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	2023	2022
Total segment earnings – EBITDA (adjusted)	600,432	571,490
Reconciliation items	–31,591	–30,090
EBITDA (adjusted)	568,841	541,401
Adjustments	–14,601	813
EBITDA	554,239	542,214
Depreciation (right-of-use assets under leases (IFRS 16))	–201,347	–197,040
Amortization and depreciation (other non-current assets)	–115,405	–102,505
Impairment losses (including goodwill impairment)	–6,650	–3,962
Net finance income/costs	–65,811	–27,894
Profit or loss before taxes	165,027	210,813

Reporting by geographical location

Revenue and non-current assets are allocated according to the location principle (i.e. the geographical location of the revenue-generating Ströer entity).

2023

EUR k	Germany	Rest of the world	Group
External revenue	1,717,479	196,851	1,914,330
Non-current assets (IFRS 8)	2,192,543	101,812	2,294,355

2022

EUR k	Germany	Rest of the world	Group
External revenue	1,589,933	182,010	1,771,942
Non-current assets (IFRS 8)	2,234,232	80,225	2,314,456

Reporting by product group

The Group has defined a total of seven product groups on the basis of the products and services that it provides.

2023

EUR k	Classic OOH	Digital OOH	OOH Services	Digital	Dialog	Data as a Service	E-Commerce	Reconciliation	Group
Segment revenue	497,020	299,272	60,104	418,671	397,114	148,830	202,030	-108,711	1,914,330

2022

EUR k	Classic OOH	Digital OOH	OOH Services	Digital	Dialog	Data as a Service	E-Commerce	Reconciliation	Group
Segment revenue	497,858	233,669	59,335	387,640	356,099	136,152	158,220	-57,030	1,771,942

Classic OOH

The Classic product group comprises the traditional (analog) OOH advertising products, from traditional poster media to advertisements at bus and tram shelters and on public transport.

Digital OOH

The Digital OOH product group consists of digital out-of-home products, particularly public video and roadside screens.

OOH Services

The OOH Services product group covers all revenue from 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 portfolio in the out-of-home advertising business.

Digital

This product group comprises revenue from online marketing activities conducted on both internal and third-party advertising platforms.

Dialog

The Dialog product group comprises all revenue from telesales, telemarketing, and field sales services (customer communication services).

Data as a Service

The Data as a Service product group comprises revenue from the processing and provision of statistical market and consumer data.

E-Commerce

All revenue from e-commerce business is included in this product group.

In 2023, no single end customer accounted for 10% or more of total revenue.

33 Other notes pursuant to IFRS 7 and IFRS 13 on financial risk management and financial instruments

Financial risk management and derivative financial instruments

Through its operating activities, the Group is exposed to credit risk, liquidity risk, and market risk in relation to its finances. Market risk mainly consists of interest-rate risk and currency risk.

Credit risk

Credit risk is related to the deterioration of the economic situation of Ströer's customers and counterparties. This gives rise to the risk of a partial or full default on contractually agreed payments and the risk of credit-risk-related impairment losses on financial instruments. Excluding collateral, the maximum credit risk equates to the carrying amount.

Credit risk mainly results from trade receivables. The receivables portfolio is monitored on an ongoing basis in order to manage credit risk. Customers wishing to enter into transactions with large business volumes undergo a creditworthiness check beforehand; credit risk is at a level customary for the industry. Loss allowances are recognized for the residual risk. To a lesser extent, the Ströer Group is also exposed to credit risk arising from other financial assets.

Working with the relevant departments, the risk management function regularly analyzes, in particular, whether any credit risk concentrations have arisen as a result of the build-up of receivables with comparable features. The Group has defined comparable features as a high amount of receivables accumulated from a single debtor or a group of related debtors. As at the reporting date of December 31, 2023, no such risk concentrations involving significant amounts were evident.

Interest-rate risk

The Ströer Group is mainly exposed to interest-rate risk in connection with non-current floating-rate financial liabilities and its holdings of cash and cash equivalents. Liabilities amounting to EUR 175.5m were subject to a fixed rate of interest as at the reporting date. The remaining liabilities had a floating interest rate. Interest rates are monitored regularly to enable a swift response to changes if necessary. Hedging is coordinated and executed centrally. There were no interest-rate hedges either at the end of the reporting year or at the end of the previous year.

Sensitivity analysis of interest-rate risk shows the effect of an upward shift in the interest-rate curve of 100bp and a downward shift of 100bp on the profit or loss for the period, all other things being equal. The analysis relates to floating-rate financial liabilities and holdings of cash and cash equivalents. The results are summarized in the following table:

EUR k	2023		2022	
	+100bp	-100bp	+100bp	-100bp
Change in profit or loss for the period	-4,322	4,322	-3,910	3,910

Currency risk

With the exception of the translation of the operating profit/loss of foreign operations into euros, currency risk is only of minor significance in the Ströer Group. The functional currency of a foreign operation is its local currency.

Currency risk arising on monetary financial instruments that are not denominated in the functional currencies of the individual Ströer group entities is included in sensitivity analysis. Effects from the translation of financial statements of foreign operations prepared in foreign currency into the Group's reporting currency (euro) are not included in the sensitivity analysis in accordance with IFRS 7.

A 10% increase/decrease in the value of the euro against the Polish zloty would decrease/increase the profit or loss for the period by EUR 242k (prior year: EUR 218k). A corresponding increase/decrease in the value of the euro against the US dollar would decrease/increase the profit or loss for the period by EUR 1,880k (prior year: EUR 1,718k). The effect on profit or loss for the period of all other currencies in the Group was insignificant as at December 31, 2023. This analysis was performed on the assumption that all other variables, in particular interest rates, remain unchanged and is based on the foreign currency positions as at the reporting date.

Liquidity risk

Liquidity risk is defined as the risk that Ströer SE & Co. KGaA will not have sufficient funds to settle its payment obligations. It is mitigated by means of systematic liquidity management. A liquidity forecast for a fixed planning horizon and the unutilized credit lines in place ensure that the Group has adequate liquidity at all times. Liquidity risk also exists in connection with liabilities with extended payment terms (reverse factoring). Thanks to the Ströer Group's comfortable level of freely available lines of credit and comparatively low volume of liabilities under the reverse factoring program of EUR 30.0m as at December 31, 2023 (prior year: EUR 0.0m), however, there was no material liquidity risk as at the end of 2023. The cash payments in settlement of the liabilities to service providers are always recognized in full in cash flows from operating activities.

The following table shows the liquidity situation and the contractual maturities of the payments due under financial liabilities as at December 31, 2023:

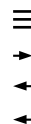
Contractual maturity of financial liabilities including interest payments as at Dec. 31, 2023

EUR k	Carrying amount	Less than 1 year	1 to 3 years	4 to 5 years	More than 5 years	Total
Financial liabilities ¹	842,274	222,564	127,309	549,978	28,746	928,597
Lease liabilities	852,112	208,426	361,347	200,078	319,141	1,088,992
Trade payables	220,450	220,450	0	0	0	220,450
Obligation to purchase own equity instruments	28,787	0	26,282	0	3,413	29,695
Total	1,943,623	651,440	514,938	750,056	351,300	2,267,734

Contractual maturity of financial liabilities including interest payments as at Dec. 31, 2022

EUR k	Carrying amount	Less than 1 year	1 to 3 years	4 to 5 years	More than 5 years	Total
Financial liabilities ¹	797,843	85,992	217,519	527,777	29,576	860,864
Lease liabilities	876,558	194,222	336,383	244,930	331,663	1,107,198
Trade payables	218,067	218,067	0	0	0	218,067
Obligation to purchase own equity instruments	27,314	0	14,674	9,507	4,466	28,647
Total	1,919,782	498,281	568,576	782,214	365,705	2,214,776

¹ Excluding the obligation to purchase own equity instruments and lease liabilities.



Additional disclosures on financial instruments

The following table presents the carrying amount and fair value of the financial instruments included in the individual items of the statement of financial position, broken down by class and measurement category according to IFRS 9.

EUR k	Measurement category pursuant to IFRS 9	Carrying amount pursuant to IFRS 9				Fair value as at Dec. 31, 2023
		Carrying amount as at Dec. 31, 2023	Amortized cost	Fair value through other comprehensive income	Fair value through profit or loss	
Assets						
Cash	AC	72,313	72,313			72,313
Trade receivables	AC	207,532	207,532			207,532
Other non-current financial assets	AC	989	989			989
Other current financial assets	AC	11,823	11,823			11,823
Equity instruments measured at fair value through other comprehensive income	FVTOCI	3,403		3,403 ¹		3,403
Equity and liabilities						
Trade payables	AC	220,450	220,450			220,450
Non-current financial liabilities ²	AC	642,381	642,381			634,689
Current financial liabilities ²	AC	197,972	197,972			197,972
Contingent purchase price liabilities	FVTPL	1,921			1,921	1,921
Obligation to purchase own equity instruments	AC	28,787	28,787			28,787
Thereof aggregated by measurement category pursuant to IFRS 9:						
Assets measured at amortized cost	AC	292,657	292,657			292,657
Equity instruments measured at fair value through other comprehensive income	FVTOCI	3,403		3,403		3,403
Financial liabilities measured at fair value through profit or loss	FVTPL	1,921			1,921	1,921
Financial liabilities measured at amortized cost	AC	1,089,590	1,089,590			1,081,898

¹ Other equity investments (Level 3).

² Excluding the obligation to purchase own equity instruments, excluding contingent purchase price liabilities (Level 3), and excluding IFRS 16 lease liabilities.

EUR k	Measurement category pursuant to IFRS 9	Carrying amount pursuant to IFRS 9				Fair value as at Dec. 31, 2022
		Carrying amount as at Dec. 31, 2022	Amortized cost	Fair value through other comprehensive income	Fair value through profit or loss	
Assets						
Cash	AC	79,873	79,873			79,873
Trade receivables	AC	216,207	216,207			216,207
Other non-current financial assets	AC	628	628			628
Other current financial assets	AC	13,271	13,271			13,271
Equity instruments measured at fair value through other comprehensive income	FVTOCI	3,182		3,182 ¹		3,182
Equity and liabilities						
Trade payables	AC	218,067	218,067			218,067
Non-current financial liabilities ²	AC	725,195	725,195			713,975
Current financial liabilities ²	AC	70,954	70,954			70,954
Contingent purchase price liabilities	FVTPL	1,694			1,694	1,694
Obligation to purchase own equity instruments	AC	27,314	27,314			27,314
Thereof aggregated by measurement category pursuant to IFRS 9:						
Assets measured at amortized cost	AC	309,979	309,979			309,979
Equity instruments measured at fair value through other comprehensive income	FVTOCI	3,182		3,182		3,182
Financial liabilities measured at fair value through profit or loss	FVTPL	1,694			1,694	1,694
Financial liabilities measured at amortized cost	AC	1,041,530	1,041,530			1,030,310

¹ Other equity investments (Level 3).

² Excluding the obligation to purchase own equity instruments, excluding contingent purchase price liabilities (Level 3), and excluding IFRS 16 lease liabilities.

Due to the short terms of cash and cash equivalents, trade receivables, trade payables, other financial assets, and current financial liabilities, it is assumed that the fair values correspond to the carrying amounts.

The fair values of the liabilities to banks included in non-current financial liabilities are calculated as the present values of the estimated future cash flows, taking into account Ströer's own credit risk (Level 2 fair values). Market interest rates with matching maturities are used for discounting. It is therefore assumed that the carrying amount of non-current financial liabilities is equal to the fair value as at the reporting date. The only deviation from this was among the note loans, where fixed-rate tranches with a volume of EUR 175.5m were determined to have a slightly lower fair value of EUR 167.8m as at the reporting date.

The fair value hierarchy levels and their application in respect of the Group's assets and liabilities are described below:

Level 1: Quoted market prices are available in active markets for identical assets or liabilities. The quoted market price for the financial assets held by the Group is equivalent to the current bid price. These instruments are assigned to Level 1.

Level 2: Quoted or market prices for similar financial instruments in an active market or for identical or similar financial instruments in a market that is not active or inputs other than quoted market prices that are based on observable market data. An instrument is assigned to Level 2 if all significant inputs required to determine the fair value of the instrument are observable in the market.

Level 3: Valuation techniques that use inputs that are not based on observable market data. Instruments assigned to Level 3 include, in particular, unquoted equity instruments.

Changes in the assessment of the level to be used for measuring the assets and liabilities are made at the time that any new facts are established.

Purchase price liabilities from acquisitions

There are also contingent purchase price liabilities from acquisitions that are assigned to Level 3. These liabilities, which are linked to contractually agreed conditions, are remeasured as financial liabilities at fair value as at the reporting date on the basis of the measurement model laid down in the contract. The fair values of liabilities from contingent purchase price payments are determined on the basis of discounted cash flows and using unobservable inputs. The valuation models include the EBITDA figures forecast for the interests concerned (which are probability-weighted in some cases) and maturity-matched, risk-adjusted interest rates. The EBITDA figures result from the relevant short-term and medium-term planning. They are estimated and, if necessary, updated on a quarterly basis. The following table shows the changes in the liabilities assigned to Level 3:

EUR k	Jan. 1, 2023	Additions	Write-downs	Write-ups	Disposals	Dec. 31, 2023
Contingent purchase price liabilities	1,694	0	0	227	0	1,921

EUR k	Jan. 1, 2022	Additions	Write-downs	Write-ups	Disposals	Dec. 31, 2022
Contingent purchase price liabilities	1,414	1,694	-684	417	-1,147	1,694

In 2022 and 2023, the remeasurement of contingent purchase price liabilities did not give rise to any expenses or income. The write-ups were recognized directly in equity in 2023. Interest expense from the unwinding of discounts amounted to EUR 0.0m (prior year: EUR 0.0m).

The valuation models are sensitive to the amounts of forecast and actual EBITDA. For example, if the EBITDA figure in question increased by 20% (or decreased by 20%), the fair values of the contingent purchase price liabilities would increase by EUR 0.5m (prior year: EUR 0.5m) (or decrease by EUR 0.6m (prior year: EUR 0.6m)).

The valuation models are also sensitive to the discount rates used. However, if the discount rate increased or decreased by 100bp, there would only be a marginal change in the liabilities due to the short terms. This also applies to the prior-year amounts.

Other equity investments

The valuation model for equity instruments measured at fair value through other comprehensive income (Level 3) is largely based on market multiples derived from comparable transactions. The estimated fair value would rise (fall) if the relevant market multiples were bigger (smaller). The volume of equity instruments of EUR 3,403k as at the reporting date (prior year: EUR 3,182k) resulted from additions of EUR 249k (prior year: EUR 197k), disposals of EUR 21k (prior year: EUR 0k), write-ups of EUR 38k (prior year: EUR 0k), and write-downs of EUR 45k (prior year: EUR 428k).

The following table shows the net gains and losses on financial instruments recognized in the income statement, broken down by measurement category according to IFRS 9:

EUR k	2023	2022
Financial assets measured at cost	-7,361	-5,937
Financial liabilities measured at cost	419	-1,282

The net gains and losses on financial assets measured at cost included gains/losses from impairment losses (EUR 7,790k; prior year: EUR 6,728k), reversals of impairment losses, and currency translation effects.

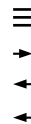
The net gains and losses on financial liabilities measured at cost included gains/losses from currency translation effects and from the unwinding of the discount on loans.

The total interest income for financial assets or financial liabilities that are not measured at fair value through profit or loss came to EUR 876k in 2023 (prior year: EUR 695k). The total interest expense for financial assets or financial liabilities that are not measured at fair value through profit or loss came to EUR 64,878k in 2023 (prior year: EUR 29,420k).

34 Notes on leasing pursuant to IFRS 16

The changes in right-of-use assets under leases are broken down by asset class in the following table:

EUR k	Advertising media locations	Real estate	Furniture and fixtures/other	Total
Cost				
Opening balance as at Jan. 1, 2022	1,327,109	240,907	40,517	1,608,532
Changes in the basis of consolidation	0	-389	-116	-505
Additions	119,125	17,534	5,091	141,751
Reclassifications	0	0	0	0
Disposals	-7,424	-19,049	-3,720	-30,193
Exchange differences	-1,800	-31	-15	-1,846
Closing balance as at Dec. 31, 2022/opening balance as at Jan. 1, 2023	1,437,010	238,972	41,757	1,717,739
Changes in the basis of consolidation	0	-1,310	-42	-1,352
Additions	130,286	30,750	9,839	170,876
Reclassifications	-22	0	0	-22
Disposals	-13,376	-1,900	-466	-15,742
Exchange differences	5,271	110	55	5,437
Closing balance as at Dec. 31, 2023	1,559,170	266,621	51,145	1,876,936
Depreciation and impairment/reversals of impairment				
Opening balance as at Jan. 1, 2022	555,137	110,211	28,976	694,324
Changes in the basis of consolidation	0	-254	-95	-349
Depreciation and impairment	160,610	30,199	6,231	197,040
Reclassifications	0	0	0	0
Reversals of impairment losses	-130	-7	-129	-265
Disposals	-6,166	-7,672	-3,716	-17,554
Exchange differences	-1,391	-13	-10	-1,413
Closing balance as at Dec. 31, 2022/opening balance as at Jan. 1, 2023	708,060	132,464	31,257	871,782
Changes in the basis of consolidation	0	-942	-42	-984
Depreciation and impairment	163,937	31,609	6,883	202,429
Reclassifications	0	0	0	0
Reversals of impairment losses	-109	-49	-4	-162
Disposals	-12,504	-383	-446	-13,333
Exchange differences	4,947	75	38	5,060
Closing balance as at Dec. 31, 2023	864,331	162,773	37,687	1,064,791
Carrying amount as at Dec. 31, 2022	728,950	106,508	10,500	845,956
Carrying amount as at Dec. 31, 2023	694,839	103,848	13,457	812,144



Further information on leasing:

EUR k	2023	2022
Expense for variable lease payments not included in the measurement of lease liabilities	49,760	47,873
Income from the sub-leasing of real-estate right-of-use assets to third parties	2,862	2,944
Total cash outflows for leases	271,444	262,661

The lease liabilities expected to be payable under leases already entered into but that will not be recognized in the statement of financial position until after December 31, 2023 amounted to EUR 28k (prior year: EUR 633k). The lease liabilities not yet recognized in the statement of financial position are also disclosed under 'Miscellaneous other financial obligations' in note 35.

For information about lease liabilities, please refer to note 28 'Financial liabilities'. Interest expense from leasing is disclosed in note 15 'Net finance income/costs'. For further information on leasing, please refer to note 33 'Other notes pursuant to IFRS 7 and IFRS 13 on financial risk management and financial instruments'.

35 Contingent liabilities and other financial obligations

Contingent liabilities

There were no guarantees or liabilities similar to guarantees as at December 31, 2023.

Financial obligations

There are other financial obligations from the following contractual obligations, which are shown by maturity as at the reporting date below:

Dec. 31, 2023

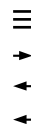
EUR k	Total amount	Thereof due in		
		up to 1 year	1 to 5 years	more than 5 years
Investment obligations	45,007	15,199	24,171	5,637
Maintenance services	5,910	1,559	4,351	0
Miscellaneous other financial obligations	9,482	7,600	1,191	691

As at December 31 of the previous year, the obligations could be broken down as follows:

Dec. 31, 2022

EUR k	Total amount	Thereof due in		
		up to 1 year	1 to 5 years	more than 5 years
Investment obligations	23,122	18,146	4,976	0
Maintenance services	6,239	1,768	4,471	0
Miscellaneous other financial obligations	25,192	24,297	895	0

In 2023, other financial obligations included agreed IFRS 16 leases amounting to EUR 28k (prior year: EUR 633k) that were not to be recognized as an addition under the IFRS 16 leases until 2024 (see note 34).



36 Related parties

The Board of Management, the Supervisory Board, and their close family members are deemed related parties (persons). Besides the entities included in the consolidated financial statements, related parties (companies) include, in particular, those entities in which related parties (persons) hold a controlling position alone or jointly with others.

The following transactions were conducted between the Ströer Group and related parties in 2023:

Mr. Udo Müller is a shareholder of Ströer SE & Co. KGaA and Co-CEO of Ströer Management SE, Düsseldorf. Based on the current Group structure, which is unchanged from the prior year, Mr. Müller is classed as the ultimate controlling party as defined by IAS 24. In 2023, the Ströer Group procured services with a value of EUR 4k (prior year: EUR 14k) that were either performed by Mr. Müller or by an entity which he is able to control (alone or jointly with others) or significantly influence. Conversely, the Ströer Group performed services with a value of EUR 63k (prior year: EUR 231k) for Mr. Müller or for an entity which he is able to control (alone or jointly with others) or significantly influence. The services procured and received mainly related to rentals and to media services. As at December 31, 2023, these relationships gave rise to receivables of EUR 3k (prior year: EUR 1k) and liabilities of EUR 1k (prior year: EUR 1k).

Mr. Dirk Ströer is a shareholder of Ströer SE & Co. KGaA. He also holds shares in entities with which relationships for the provision of goods and services existed in the reporting year that largely involved the marketing of advertising media, the award of advertising rights, and the rental of buildings. The expenses resulting from the goods and services received amounted to EUR 26,596k in 2023 (prior year: EUR 28,987k); the corresponding income totaled EUR 7,583k (prior year: EUR 7,574k). This income stems exclusively from the business relationships with Mr. Ströer. It does not include the considerable out-of-home advertising revenue that the Ströer Group generates in the advertising market using Mr. Ströer's advertising media. As at December 31, 2023, these relationships gave rise to receivables of EUR 2,549k (prior year: EUR 1,926k) and liabilities of EUR 44k (prior year: EUR 542k).

Ströer SE & Co. KGaA distributed a dividend totaling EUR 102,864k in the reporting year. Mr. Udo Müller and Mr. Dirk Ströer received a share of this dividend in line with the interests that they hold.

Ströer Management SE is the general partner of Ströer SE & Co. KGaA and provides management services to Ströer SE & Co. KGaA. This business relationship is also assigned to Mr. Udo Müller as he currently holds the majority of shares in Ströer Management SE. The services received from this business relationship in respect of corporate management mainly relate to the services of the Board of Management of Ströer Management SE and amounted to EUR 11,299k in 2023 (prior year: EUR 12,118k); the income generated totaled EUR 533k (prior year: EUR 510k). As at December 31, 2023, these relationships gave rise to receivables of EUR 16k (prior year: EUR 136k) and liabilities of EUR 18,233k (prior year: EUR 16,748k).

The services received from business relationships with investees accounted for using the equity method amounted to EUR 9,671k in the reporting year (prior year: EUR 11,484k); the income generated totaled EUR 3,263k (prior year: EUR 7,017k). As at December 31, 2023, these relationships gave rise to receivables of EUR 444k (prior year: EUR 714k) and liabilities of EUR 7,626k (prior year: EUR 11,544k). The year-on-year decline in these amounts is mainly due to the lower number of investees accounted for using the equity method.

37 Auditor's fees

The following expenses for services rendered by the Group's auditor KPMG AG Wirtschaftsprüfungsgesellschaft were posted in 2023:

EUR k	2023	2022
Auditor's fees		
Fees for audit services	1,799	1,553
Fees for audit-related services	44	156
Fees for other services	31	113
Total	1,874	1,822

The fees for audit services by the auditing firm KPMG AG Wirtschaftsprüfungsgesellschaft related primarily to the audit of the consolidated financial statements and the separate financial statements, including the combined management report, of Ströer SE & Co. KGaA plus various audits of the annual financial statements of its subsidiaries including statutory additions to the audit engagement. Audit-related services relate to the provision of miscellaneous assurance services under separate contracts and the review of the voluntary dependent company report. Other services relate to expenses for advisory services in connection with other financial matters.

38 Disclosures pursuant to section 264 (3) HGB

The following German subsidiaries with the legal form of a corporation or partnership make use of the exemption from certain provisions concerning the presentation, audit, and publication of separate financial statements/management reports in accordance with section 264 (3) HGB and section 264b HGB:

Asam Betriebs-GmbH, Beilngries
 ASAMBEAUTY GmbH, Unterföhring
 AVEDO Essen GmbH, Essen
 AVEDO Gelsenkirchen GmbH, Gelsenkirchen
 Avedo II GmbH, Pforzheim
 Avedo Köln GmbH, Cologne
 Avedo Leipzig GmbH, Leipzig
 AVEDO Leipzig West GmbH, Leipzig
 Avedo München GmbH, Munich
 Avedo Rostock GmbH, Rostock
 BHI Beauty & Health Investment Group Management GmbH, Unterföhring
 BlowUP media GmbH, Cologne
 Business Advertising GmbH, Düsseldorf
 Content Fleet GmbH, Hamburg

DERG Vertriebs GmbH, Cologne
 DSM Deutsche Städte Medien GmbH, Frankfurt am Main
 DSM Rechtesgesellschaft mbH, Cologne
 DSM Werbeträger GmbH & Co. KG, Cologne
 DSM Zeit und Werbung GmbH, Cologne
 ECE flatmedia GmbH, Hamburg
 Edgar Ambient Media Group GmbH, Hamburg
 Hamburger Verkehrsmittel-Werbung GmbH, Hamburg
 INFOSCREEN GmbH, Cologne
 InnoBeauty GmbH, Unterföhring
 Interactive Media CCSP GmbH, Cologne
 M.Asam GmbH, Unterföhring
 nxt statista GmbH & Co. KG, Hamburg
 nxt statista Management GmbH, Hamburg
 OPS Online Post Service GmbH, Berlin
 Permodo GmbH, Düsseldorf
 Poster Select Media-Agentur GmbH, Cologne
 Ranger Marketing & Vertriebs GmbH, Düsseldorf
 RegioHelden GmbH, Stuttgart
 Retail Media GmbH, Cologne
 Sales Holding GmbH, Düsseldorf
 Service Planet GmbH, Düsseldorf
 SMD Rechtesgesellschaft mbH, Cologne
 SMD Werbeträger GmbH & Co. KG, Cologne
 SRG Rechtesgesellschaft mbH, Cologne
 SRG Werbeträger GmbH & Co. KG, Cologne
 Statista GmbH, Cologne
 Ströer Connections GmbH, Berlin
 Ströer Content Group GmbH, Cologne
 Ströer Content Group X GmbH, Cologne
 Ströer Content Group Sales GmbH, Cologne
 Ströer Core GmbH & Co. KG, Cologne
 Ströer DERG Media GmbH, Kassel
 Ströer Deutsche Städte Medien GmbH, Cologne
 Ströer Digital Commerce GmbH, Cologne
 Ströer Digital Group GmbH, Cologne
 Ströer Digital Media GmbH, Hamburg
 Ströer Digital Publishing GmbH, Cologne
 Ströer media brands GmbH, Berlin
 Ströer Media Deutschland GmbH, Cologne
 Ströer News Publishing GmbH, Cologne
 Ströer Next Publishing GmbH, Cologne
 Ströer Sales & Services GmbH, Cologne
 Ströer Sales Group GmbH, Cologne
 Ströer Social Publishing GmbH, Berlin
 Ströer SSP GmbH, Munich
 Ströer Werbeträgerverwaltungs GmbH, Cologne
 Ströer X GmbH, Leipzig
 Yieldlove GmbH, Hamburg

39 Declaration of compliance with the German Corporate Governance Code

The Board of Management of Ströer Management SE, which is the general partner of Ströer SE & Co. KGaA, and the Supervisory Board of Ströer SE & Co. KGaA submitted the annual declaration of compliance with the German Corporate Governance Code in accordance with section 161 AktG on December 12, 2023. This declaration of compliance was made permanently available to shareholders in the corporate governance section of the Company's website at <https://ir.stroeer.com/investor-relations/corporate-governance>.

40 Remuneration of the Board of Management and the Supervisory Board

The remuneration of the Board of Management is paid by Ströer Management SE, which is reimbursed for these sums by Ströer SE & Co. KGaA on the basis of billing for corporate management services. The recognized expense arising from remuneration agreements with the Board of Management and the Supervisory Board of the Ströer Group is presented below:

EUR k	2023	2022
Board of Management		
Short-term benefits	5,113	5,506
Other long-term benefits	5,370	5,545
Share-based payments	3,309	0
Total	13,792	11,051
Supervisory Board		
Short-term benefits	509	477
Total	509	477

Short-term benefits primarily comprise salaries, remuneration in kind, and performance-based remuneration components that are paid during the following 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. The share-based payments relate to the Stock Option Plan resolved upon in 2015, under which stock options were granted in 2015 and 2017 to 2020, the Stock Option Plan resolved upon in 2019, under which stock options were granted in the period 2019 to 2023, and the Stock Option Plan resolved upon in 2023, under which stock options were granted in 2023.

The provision for the share-based LTI payments (excluding the Stock Option Plan) granted to the Board of Management (for the last time in 2020) amounted to EUR 155k as at December 31, 2023 (prior year: EUR 424k).

2015 Stock Option Plan

Under the Stock Option Plan resolved upon by the shareholder meeting in 2015, the Board of Management received a total of 1,187,576 options from 2015 to 2020. This led to an expense of EUR 2,832k in 2023 (prior year: income of EUR 1,800k).

The weighted average fair value of all options granted under the 2015 Stock Option Plan was EUR 14.82 (prior year: EUR 8.09).

For further details, please refer to note 41 'Share-based payment'.

2019 Stock Option Plan

Under the Stock Option Plan resolved upon by the shareholder meeting in 2019, the Board of Management received a total of 1,560,000 options from 2019 to 2022 and a total of 20,000 options in 2023. This led to an expense of EUR 75k in 2023 (prior year: income of EUR 6,525k).

The weighted average fair value of the options granted during the reporting year was EUR 6.00 (prior year: EUR 3.34).

The weighted average fair value of all options granted under the 2019 Stock Option Plan was EUR 6.09 (prior year: EUR 5.16).

For further details, please refer to note 41 'Share-based payment'.

2023 Stock Option Plan

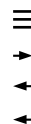
Under the Stock Option Plan resolved upon by the shareholder meeting in 2023, the Board of Management received a total of 1,500,000 options in 2023. This led to an expense of EUR 402k in 2023 (prior year: n/a).

The weighted average fair value of the options granted during the reporting year was EUR 4.63 (prior year: n/a).

The weighted average fair value of all options granted under the 2023 Stock Option Plan was EUR 4.63 (prior year: n/a).

For further details, please refer to note 41 'Share-based payment'.

As at December 31, 2023, a total of EUR 17,905k (prior year: EUR 16,227k) was recognized as provisions for all potential future short-term and long-term bonus entitlements of the Board of Management, of which EUR 155k (prior year: EUR 424k) was attributable to current share-based payment entitlements.



Of the long-term benefits (LTI), a sum of EUR 5,350k is due for payment in 2024.

Additional disclosures in accordance with HGB:

The total remuneration for the Board of Management's performance of its duties amounted to EUR 17,548k for 2023 (prior year: EUR 11,118k). This included share-based payments with a fair value of EUR 7,065k at the time of grant (prior year: EUR 67k). In 2023, the active members of the Board of Management were granted 20,000 stock options (prior year: 20,000) under the 2019 Stock Option Plan and 1,500,000 stock options under the 2023 Stock Option Plan.

In 2023, the members of the Supervisory Board were granted total remuneration of EUR 509k (prior year: EUR 477k) for their work on the Supervisory Board.

41 Share-based payment

2015 Stock Option Plan for executives and employees

In 2015, the Group launched a stock option plan that entitles the relevant members of the Board of Management and executives to acquire shares in the Company.

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 years. The Company has the right to settle the options in cash instead of granting new shares. The options are expected to be equity settled.

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. 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 granted.

The following table shows the number and weighted average exercise prices (WAEP) of, and movements in, stock options during the financial year.

EUR	2023	2023	2022	2022
	Number	WAEP	Number	WAEP
Outstanding on Jan. 1	1,130,846	54.37	1,330,846	53.85
Granted	0	0	0	0
Forfeited	0	0	0	0
Exercised	-104,730	47.59	0	0
Expired	-106,892	55.36	-200,000	50.92
Outstanding on Dec. 31	919,224	55.03	1,130,846	54.37
Exercisable on Dec. 31	692,758	52.92	677,920	52.26

The expense (prior year: income) recognized for benefits received during the financial year is shown in the following table:

EUR k	2023	2022
Expense (prior year: income) arising from equity-settled share-based payment transactions	2,922	-1,484

The weighted average remaining contractual term for the stock options outstanding as at December 31, 2023 was 1.6 years (prior year: 2.4 years).

The weighted average fair value of all options granted under the 2015 Stock Option Plan was EUR 14.95 (prior year: EUR 8.62).

2019 Stock Option Plan for executives and employees

In 2019, the Group launched another stock option plan that entitles the relevant members of the Board of Management and executives to acquire shares in the Company.

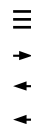
The option rights can be exercised at the earliest at the end of a four-year vesting period beginning on the option grant date. The options have a contractual term of eight years. The Company has the right to settle the options in cash instead of granting new shares. The options are expected to be equity settled.

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 600m. 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 granted.

The following table shows the number and weighted average exercise prices (WAEP) of, and movements in, stock options during the financial year.

EUR	2023	2023	2022	2022
	Number	WAEP	Number	WAEP
Outstanding on Jan. 1	40,000	67.77	1,770,000	52.78
Granted	20,000	45.57	20,000	66.56
Forfeited	0	0	0	0
Exercised	0	0	0	0
Expired	0	0	-1,750,000	52.58
Outstanding on Dec. 31	60,000	60.37	40,000	67.77
Exercisable on Dec. 31	0	0	0	0



The expense (prior year: income) recognized for benefits received during the financial year is shown in the following table:

EUR k	2023	2022
Expense (prior year: income) arising from equity-settled share-based payment transactions	75	-7,720

The weighted average remaining contractual term for the stock options outstanding as at December 31, 2023 was 6.5 years (prior year: 7 years).

The weighted average fair value of the options granted in 2023 was EUR 6.00 (prior year: EUR 3.34).

The weighted average fair value of all options granted under the 2019 Stock Option Plan was EUR 6.09 (prior year: EUR 5.16).

The table below lists the inputs used to value the options granted under the 2019 Stock Option Plan in 2023 (2022):

	Options granted in 2023		Options granted in 2022	
	Board of Management members	Executives	Board of Management members	Executives
Dividend yield (%)	5.28	–	5.00	–
Expected volatility (%)	30.50	–	30.50	–
Risk-free interest rate (%)	2.30	–	0.84	–
Expected term of stock options (years)	5.5	–	7.0	–
Share price at grant date (EUR)	45.52	–	51.00	–
Model used	Black Scholes	–	Black Scholes	–

The expected volatility is based on an assessment of the historical volatility of the Company's share price, in particular in the period that corresponds to the expected term. The expected term of the stock options is based on estimates made by the Board of Management.

2023 Stock Option Plan for executives and employees

In 2023, the Group launched another stock option plan that entitles the relevant members of the Board of Management and executives to acquire shares in the Company.

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 years. The Company has the right to settle the options in cash instead of granting new shares. The options are expected to be equity settled.

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 625m. The gain that can be achieved by option holders from exercising their stock options must not exceed three times (for some employees two 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 granted.

The following table shows the number and weighted average exercise prices (WAEP) of, and movements in, stock options during the financial year.

EUR	2023 Number	2023 WAEP
Outstanding on Jan. 1	0	
Granted	1,926,500	45.76
Forfeited	0	0
Exercised	0	0
Expired	0	0
Outstanding on Dec. 31	1,926,500	45.76
Exercisable on Dec. 31	0	0

The expense (prior year: n/a) recognized for benefits received during the financial year is shown in the following table:

EUR k	2023
Expense (prior year: n/a) arising from equity-settled share-based payment transactions	402

The weighted average remaining contractual term for the stock options outstanding as at December 31, 2023 was 6.61 years (prior year: n/a).

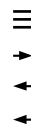
The weighted average fair value of the options granted in 2023 was EUR 5.34 (prior year: n/a).

The weighted average fair value of all options granted under the 2023 Stock Option Plan was EUR 5.34 (prior year: n/a).

The table below lists the inputs used to value the options granted under the 2023 Stock Option Plan in 2023:

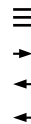
	Options granted in 2023	
	Board of Management members	Executives
Dividend yield (%)	5.39	4.35
Expected volatility (%)	30.50	28.5
Risk-free interest rate (%)	2.66	2.28
Expected term of stock options (years)	5.5	5.5
Share price at grant date (EUR)	44.96	54.00
Model used	Black Scholes	Black Scholes

The expected volatility is based on an assessment of the historical volatility of the Company's share price, in particular in the period that corresponds to the expected term. The expected term of the stock options is based on estimates made by the Board of Management.

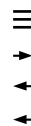


42 Governing bodies

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
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	Shelly Group AG, Sofia, Bulgaria
Ulrich Voigt Chief Executive Officer of Sparkasse KölnBonn (Deputy Chairman)	Landesbank Berlin Holding AG, Berlin Landesbank Berlin AG, Berlin Ströer Management SE, Düsseldorf	
Dr. Karl-Georg Altenburg Founding partner at CirCap GP SARL, Luxembourg	Ströer Management SE, Düsseldorf	MedShr Ltd., London, UK
Martin Diederichs Attorney Partner at the law firm Heidland Werres Diederichs Rechtsanwälte Partnerschaftsgesellschaft mbB, Cologne	Pison Montage AG, Dillingen Ströer Management SE, Düsseldorf	DSD Steel Group GmbH, Saarlouis
Professor Stephan Eilers Partner at Freshfields Bruckhaus Deringer Rechtsanwälte Steuerberater PartG mbB, attorney (since July 5, 2023)	Rudolf Bunte Beteiligungs-SE, Papenburg Ströer Management SE, Düsseldorf	Meyer Werft Holding GmbH & Co. KG, Papenburg, Meyer Turku OY, Turku, Finland
Andreas Güth Regional manager at Eisenbahn- und Verkehrsgewerkschaft in Kassel (EVG)		
Andreas Huster Chairman of the works council of tricontes360 Gera GmbH, Gera (until April 1, 2023)	tricontes360 Verwaltung Hamburg GmbH, Hamburg	
Sabine Hüttinger Head of Portfolio Service Center Region East at Ströer Deutsche Städte Medien GmbH, Cologne		
Christian Kascha Team and project leader for research and consulting projects at Statista GmbH		
Simone Kollmann-Göbels Senior Vice President Procurement & Real Estate at Ströer SE & Co. KGaA		



Name	Membership of statutory supervisory boards	Membership of comparable oversight bodies
Elisabeth Lepique Managing Partner at Luther Rechtsanwaltsgesellschaft mbH, attorney, tax accountant	Ströer Management SE, Düsseldorf	Berliner Stadtreinigung Anstalt des öffentlichen Rechts, Berlin
Barbara Liese-Bloch Managing Director of MONOFIL-TECHNIK Gesellschaft für Synthese Monofile mbH, Hennef		
Tobias Meuser Portfolio Manager at Ströer Deutsche Städte Medien GmbH, Cologne		
Christian Sardiña Gellesch Regional Manager Portfolio West at Ströer Deutsche Städte Medien GmbH, Cologne (since June 28, 2023)		
Dr. Kai Sauermann Auditor / tax accountant, shareholder-managing director of SEJ GmbH-Steuerberatungsgesellschaft, Cologne (until July 5, 2023)	Ströer Management SE, Düsseldorf ETRIS Bank GmbH, Wuppertal	
Tobias Schleich Chairman of the works council of Ströer Digital Media GmbH, Hamburg		
Stephan Somberg Labor Union Secretary (ver.di)		
Petra Sontheimer Management coach and organizational consultant at cidpartners GmbH, Bonn		



43 Subsequent events

No material events have occurred since the reporting date.

Cologne, March 15, 2024

Ströer SE & Co. KGaA represented by:

Ströer Management SE
(general partner)

Udo Müller
Co-CEO

Christian Schmalzl
Co-CEO

Henning Gieseke
CFO

RESPONSIBILITY STATEMENT

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

Cologne, March 15, 2024

Ströer SE & Co. KGaA represented by:

Ströer Management SE
(general partner)

Udo Müller
Co-CEO

Christian Schmalzl
Co-CEO

Henning Gieseke
CFO

INDEPENDENT AUDITOR'S REPORT

To Ströer SE & Co. KGaA, Cologne

Report on the Audit of the Consolidated Financial Statements and of the Group Management Report

Opinions

We have audited the consolidated financial statements of Ströer SE & Co. KGaA, Cologne, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as of December 31, 2023, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from January 1 to December 31, 2023, and notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the combined management report of the Company and the Group (hereinafter the "group management report") of Ströer SE & Co. KGaA for the financial year from January 1 to December 31, 2023.

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

The group management report contains cross-references that are not required 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 consolidated financial statements comply, in all material respects, with the IFRSs as adopted by the EU and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as of December 31, 2023, and of its financial performance for the financial year from January 1 to December 31, 2023, and
- the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on

the group management report does not cover the content of those components of the group management report specified in the "Other Information" section of the auditor's report. The group management report contains cross-references that are not required 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, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

Basis for the Opinions

We conducted our audit of the consolidated financial statements and of the group 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 Consolidated Financial Statements and of the Group Management Report" section of our auditor's report. We are independent of the group entities 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 consolidated financial statements and on the group management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from January 1 to December 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Impairment testing of goodwill

Please refer to Notes 2 and 3 of the notes to the consolidated financial statements for information on the accounting policies applied and the assumptions used. Disclosures on the amount of goodwill can be found under Note 19 and information on the economic development of the operating segments can be found in the "Financial performance of the segments" section of the group management report.

The Financial Statement Risk

Goodwill amounted to EUR 918.1 million as of December 31, 2023, and, at 33.5% of total assets, accounts for a significant share of the assets.

Goodwill is tested for impairment annually (without specific cause) at the level of cash-generating units. If impairment triggers arise during the financial year, an event-driven goodwill impairment test is also carried out during the year. For goodwill impairment testing, the carrying amount is compared with the recoverable amount of each cash-generating unit. If the carrying amount exceeds the recoverable amount, an impairment loss is recognized. For the purpose of performing an impairment test on goodwill, the fair value less costs to sell was identified as the higher recoverable amount of the cash generating unit. The reporting date for the annual impairment test is September 30, 2023.

Impairment testing of goodwill is complex and based on a range of assumptions that require judgment. These include the expected business and earnings performance of the cash-generating units for the next five years, the assumed long-term growth rates and the discount rate used.

There is the risk for the consolidated financial statements that an existing need to recognize impairment losses is not identified. There is also the risk that the related disclosures in the notes are not appropriate.

Our Audit Approach

With the involvement of our valuation experts, we assessed the appropriateness of the key assumptions and calculation methods of the Company, among other things. To this end, we discussed the expected development of business and earnings as well as the assumed long-term growth rates with those responsible for planning. We also reviewed the consistency with the budget prepared by management and approved by the Supervisory Board. With the involvement of our valuation experts, we furthermore assessed the appropriateness of assumptions with external market estimates.

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. We compared the assumptions and data underlying the discount rate, in particular the risk-free rate, the market risk premium and the beta coefficient, with our own assumptions and publicly available data.

To evaluate the methodically and mathematically correct implementation of the valuation method, we verified the measurement made by the Company using our own calculations and analyzed deviations. In order to take account of the existing forecast uncertainty and the earlier deadline selected for impairment testing, we examined the effects of possible changes in the discount rate, earnings performance and the long-term growth rate on the recoverable amount by calculating alternative scenarios (sensitivity analysis) and comparing them with the values stated by the Company.

Finally, we assessed whether the disclosures in the notes on impairment testing of goodwill are appropriate.

Our Observations

The calculation method used for impairment testing of goodwill is appropriate and in line with the accounting policies to be applied.

The Company's assumptions and data used for measurement are appropriate.

The related disclosures in the notes are appropriate.

Existence of revenue

Please refer to Notes 2 and 3 in the notes to the consolidated financial statements for information on the accounting policies applied and the assumptions used. Disclosures on the amount of revenue can be found under Note 9 in the notes.

The Financial Statement Risk

The Group's revenue amounted to EUR 1,914.3 million in financial year 2023. Revenue is one of the Group's most important indicators of target achievement and additionally forms a significant basis for decisions for the users of financial statements.

The Group generates revenue mainly in the following areas:

- Marketing of traditional and digital outdoor advertising space (Out-of-Home Media)
- Marketing of online advertising as part of own and third-party content offers as well as dialog marketing via call centers and direct sales (Digital and Dialog Media)
- Brokerage of access to data/databases (Data as a Service) and sale of beauty products via e-commerce (DaaS & E-Commerce).

Revenue is based on a large number of business transactions, some of which are complex, and is recognized in a large number of Group companies with different processes over time or at a point in time, depending on the business model, when the respective performance obligation is satisfied by transferring the promised asset or service to the customer.

Given these circumstances and the related vulnerability regarding misstatements, there is the risk for the consolidated financial statements that revenue during the year is recognized without actual services having been rendered.

Our Audit Approach

In order to examine the existence of revenue, we assessed the design and setup – and in Digital Out-of-Home Media also the effectiveness – of internal controls relating to order acceptance, performance of service and invoicing.

We assessed the existence of the revenue by reconciling invoices with the corresponding payments received. Where a payment had not yet been received, we also reconciled invoices with the corresponding orders and contracts and the evidence of services performed. This was based on revenue recognized during the financial year and selected using a mathematical/statistical procedure.

Furthermore, we selected credit notes and reverse entries recorded by Ströer after the reporting date based on a mathematical-statistical or deliberate approach and verified that they did not relate to revenue of financial year 2023.

Additionally, we examined the accounting journal with respect to manual revenue entries. For selected manual revenue entries, we obtained evidence, such as underlying contracts or orders, proof of performance or invoices, regarding the existence of revenue in order to evaluate whether the revenue recognized was supported by actual performance of services..

Our Observations

The approach for recognizing revenue is 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 group management report, whose content was not audited:

- the separate group non-financial report referred to in the group management report, but which is not expected to be provided to us until after the date of this audit opinion,
- the corporate governance statement referred to in the group management report, and
- information extraneous to management reports and marked as unaudited.

The other information also includes the remaining parts of the annual report. The other information does not include the consolidated financial statements, the group management report information audited for content and our auditor's report thereon.

Our opinions on the consolidated financial statements and on the group 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 consolidated financial statements, with the group 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 Consolidated Financial Statements and the Group Management Report

Management is responsible for the preparation of consolidated financial statements that comply, in all material respects, with IFRSs as adopted by the EU and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, management is responsible for such internal control as they have determined necessary to enable the preparation of consolidated 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 consolidated financial statements, management is responsible for assessing the Group'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 unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, management is responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated 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 group 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 group management report.

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated 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 consolidated financial statements and on the group 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 consolidated financial statements and this group 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 consolidated financial statements and of the group 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 consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group 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 Group'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 consolidated financial statements and in the group 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 Group to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRSs as adopted by the EU.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.
- Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with [German] law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by management in the group 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 consolidated 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.

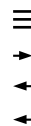
Other Legal and Regulatory Requirements

Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Group 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 consolidated financial statements and the group management report (hereinafter the "ESEF documents") contained in the electronic file "529900MBF3N1ATE55378-2023-12-31-de.zip" (SHA256-hash value: ABFD1F85580EA176FB10402386048B266421943A688CFB13255B3F05541EFC01) 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 consolidated financial statements and the group management report into the ESEF format and therefore relates neither to the information contained in these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the consolidated financial statements and the group 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 consolidated financial statements and the accompanying group management report for the financial year from January 1 to December 31, 2023, contained in the "Report on the Audit of the Consolidated Financial Statements and the Group 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 consolidated financial statements and the group 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 QMS 1) (09.2022).



The Company's management is responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the group management report in accordance with Section 328 (1) sentence 4 item 1 HGB and for the tagging of the consolidated financial statements in accordance with Section 328 (1) sentence 4 item 2 HGB.

In addition, the Company's management is responsible for such internal control that 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 the 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 consolidated financial statements and the audited group management report.
- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Commission Delegated Regulation (EU) 2019/815, as amended as of the reporting date, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditor by the Annual General Meeting on July 5, 2023. We were engaged by the Supervisory Board on December 18, 2023. We have been the group 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 consolidated financial statements and the audited group management report as well as the examined ESEF documents. The consolidated financial statements and group management report converted to the ESEF format – including the versions to be entered in the German Company Register [Unternehmensregister] – are merely electronic renderings of the audited consolidated financial statements and the audited group 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 made available in electronic form.

German Public Auditor Responsible for the Engagement

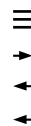
The German Public Auditor responsible for the engagement is Carsten Nölgen.

Cologne, March 15, 2024

KPMG AG
Wirtschaftsprüfungsgesellschaft

Nölgen
Wirtschaftsprüfer
[German Public Auditor]

Dr. Ohmen
Wirtschaftsprüfer
[German Public Auditor]



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Disclaimer

This annual report contains forward-looking statements that entail risks and uncertainties. The actual business performance and results of Ströer SE & Co. KGaA and of the Group may differ significantly from the assumptions made in this annual report. This annual report does not constitute an offer to sell or an invitation to submit an offer to purchase securities of Ströer SE & Co. KGaA. There is no obligation to update the statements made in this annual report.

May 8, 2024

August 8, 2024

November 13, 2024

Q1 2024 quarterly statement

H1/Q2 2024 half-year financial report

9M/Q3 2024 quarterly statement

