



**STRÖER**

# Barclays Media & Telecom Forum

September 01st, 2022 | Ströer SE & Co. KGaA

# Agenda



**Group Update**



**Financials**



**Outlook**

# Results 6M 2022

m€		6M 2021	6M 2022	▲
Revenues	Reported growth	685.9	810.0	+18%
	Organic growth <sup>(1)</sup>	+9.2%	+18.4%	+9.2%pts
EBITDA (adjusted)		180.2	220.3	+22%
EBIT (adjusted)		47.7	87.6	+84%
Net income (adjusted) <sup>(2)</sup>		27.1	58.0	>+100%
Operating Cash Flow		120.2	149.9	+25%
Capex		37.6	66.3	+76%

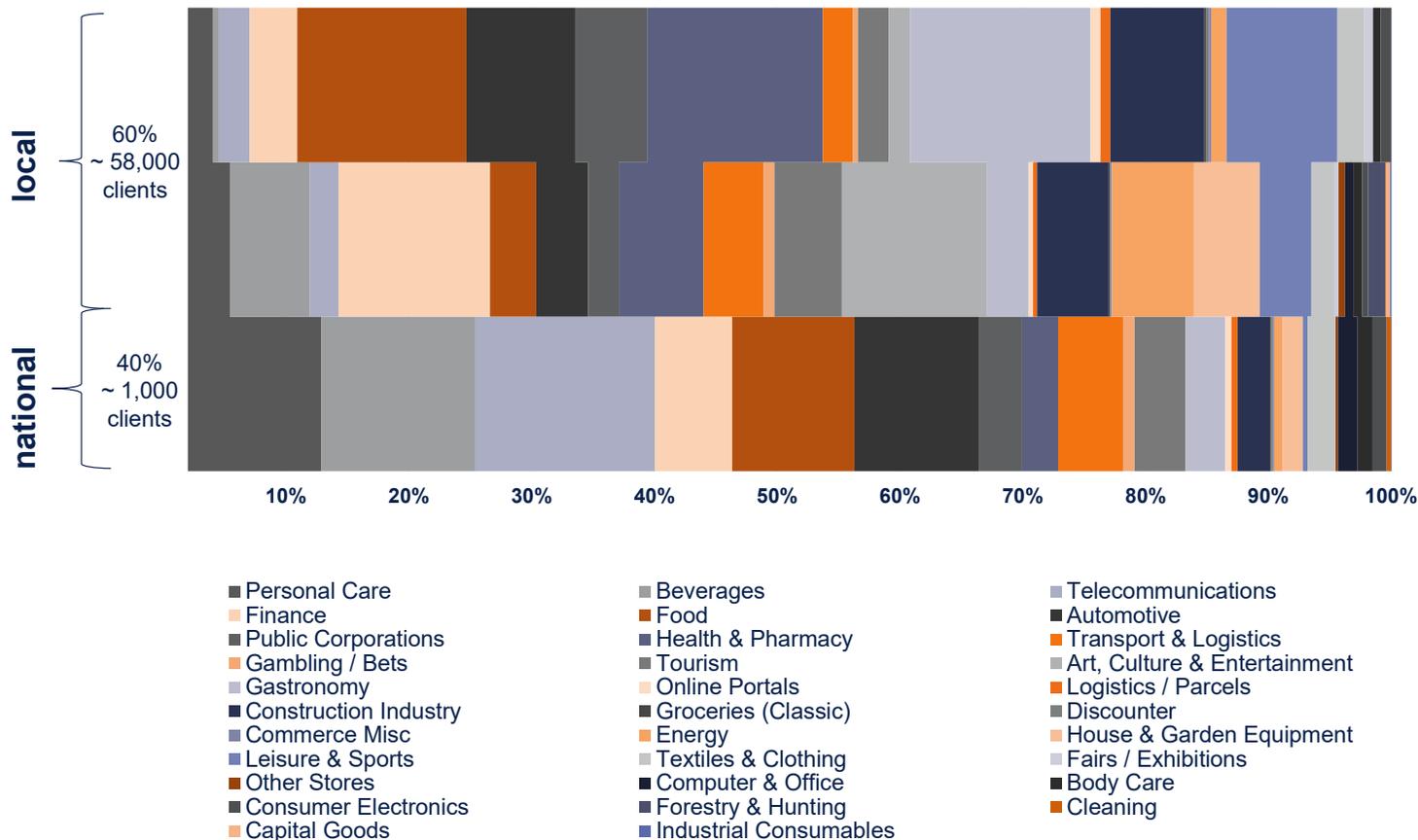
Note: New organic growth calculation with 12 months delayed recognition of acquisitions (applied from fiscal year 2022)

<sup>(1)</sup>Excluding exchange rate effects and effects from (de)consolidation and discontinuation of operations

<sup>(2)</sup>Adjusted for exceptional items and additional other reconciling factors in D&A (PPA related amortization and impairment losses), in financial result and in income taxes

# Diversified OoH Business across Sales Channels and Industries

Heterogeneous client structure makes OoH business highly resilient\*



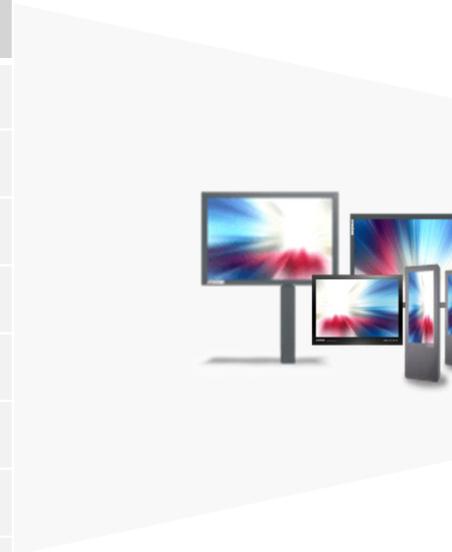
## Key Takeaways from H1

1. Local business completely unimpressed from uncertainty and inflation
2. Unchanged momentum for DooH (i.e. driven by flexibility & digital integration)
3. July & August orderbook: mid to high single digit growth against very strong PY summer
4. “Normal” orderbook status for September to December fueled by diversified customer base

# Accelerated Digitization of Out-of-Home Infrastructure

## Impressive combined D-OoH Net Reach

City	Combined net reach in %	GRPs
Berlin	60.9	444
Hamburg	82.7	946
Munich	65.6	795
Cologne	77.9	832
Frankfurt	60.5	487
Stuttgart	77.6	1,050
Düsseldorf	70.2	547
Essen	64.6	512



**65%**

D-OoH net reach  
in top 10 cities

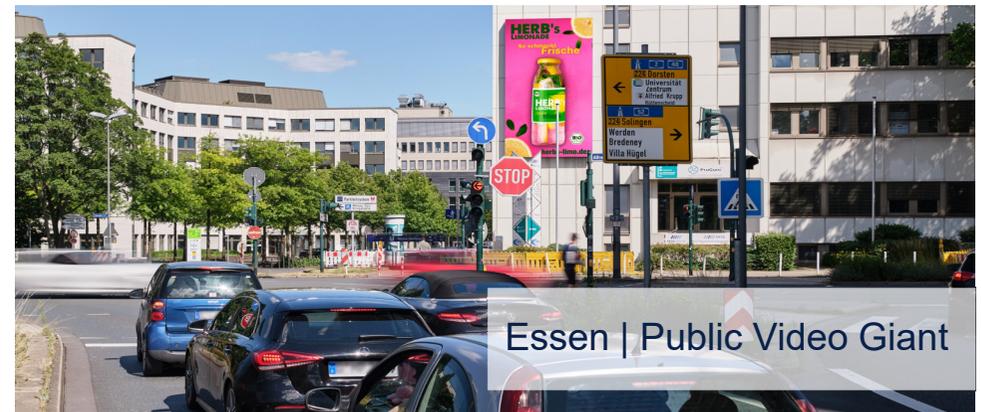


### National broadcast offer:

Public Video RON (Station, Mall, Infoscreen, Roadside, City, City Tower), 1 week, 10 sec. spot, Ø ad pressure

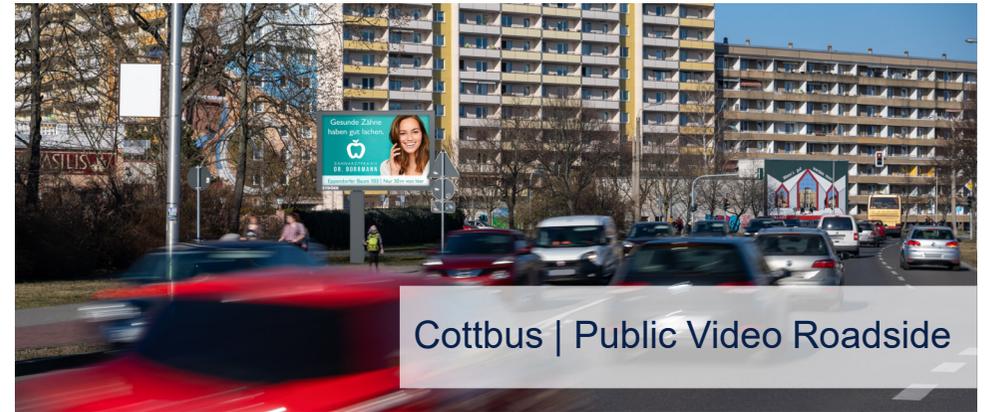
# Focus on Conversion of top Locations to Digital (1)

## Exemplary Sites from Q2 2022 pushing Growth of total Digital Network



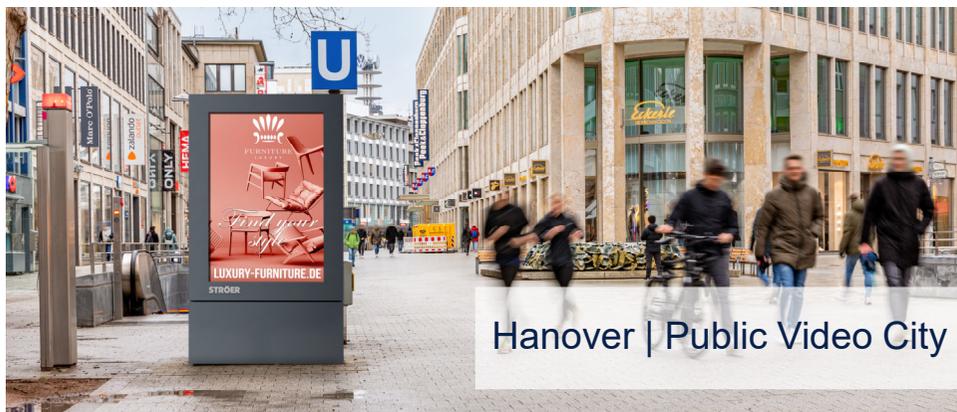
# Focus on Conversion of top Locations to Digital (2)

## Exemplary Sites from Q2 2022 pushing Growth of total Digital Network



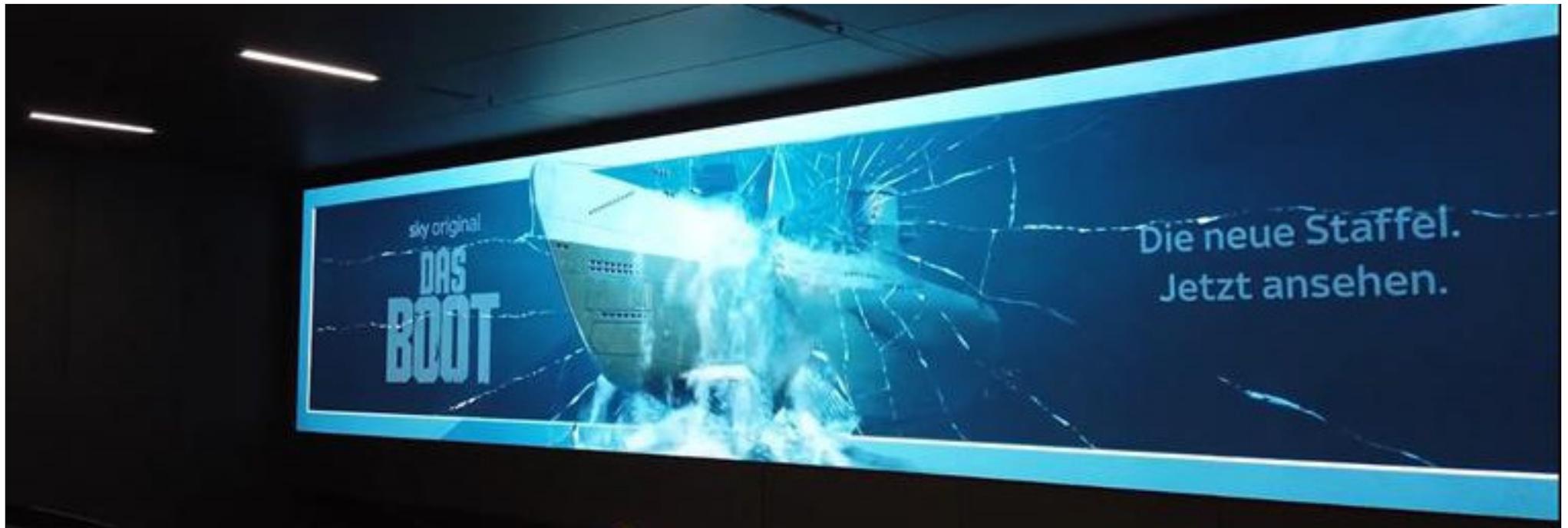
# Focus on Conversion of top Locations to Digital (3)

## Exemplary Sites from Q2 2022 pushing Growth of total Digital Network



## First 3D OoH Animation at München Stachus

Constantly evolving new Advertising Opportunitites for Advertisers



- First 3D-spot on 31 sqm Public Video Giant for Sky Deutschland
- Spectacular and attention grabbing First-Mover implementation
- In addition Sky was present on Digital Motion Tower in Munich train station, PV Giant, PV Station and PV Infoscreen in Top10 cities

# Strong Client connections in more volatile Times

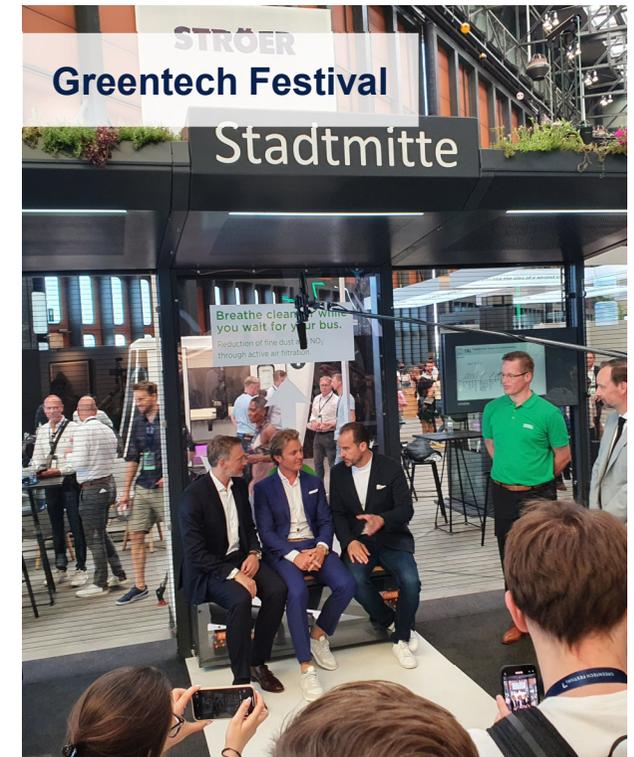
## Active presence on major industry events



- Trade Fair Booth – Masterclass - Expostage



- Presentation on: Convergence: OoH in a world of digital media



- Ströer exhibition stand together with Ottobahn and Mann+Hummel
- Panel at conference: bursting the 'green bubble' with better communication

# Client Access (1)

## Deepening Relations with major Advertising Partners



- Strategy change from TV to OoH/DOoH due to regressive TV reach
- Awareness push for the individual brands



- AIDA year opening campaign after a difficult previous year
- Focus on Classic, Online and DOoH

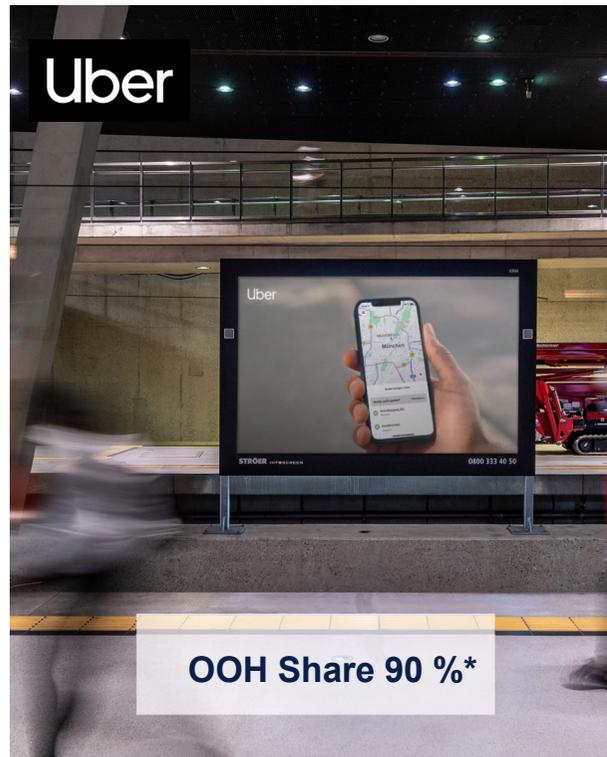


- Impact on the best home and family entertainment
- Top outlook for streaming campaigns in OoH and DOoH for the 2nd half in 2022

Source: Ströer Data, \* Increased Sales Performance from Q2 2021 to Q2 2022

## Client Access (2)

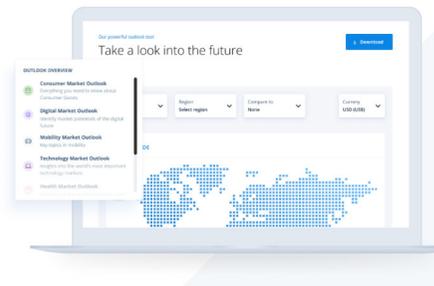
Bringing new (or again) Top Brands to (D)OoH



Source: Nielsen Media Research, gross advertising spend without advertising mail in Q2 2022, \* advertiser: Uber, PayPal, Calzedonia

# Statista and Asambeauty continue growth path

Statista, the global leading DaaS platform, continues growth course



statista 

- Statista sees a **42 per cent increase in turnover** to around 68 million in the first half of the 2022 financial year
- **Strong international business:** Statista was able to increase the share of sales to customers from the USA to 36 per cent of total sales
- Since its acquisition by Ströer, Statista has reported **average annual growth of 39 per cent.**

Asambeauty continues its strong growth trajectory and outperforms established market players



- Make-up brand M. Asam® MAGIC FINISH **doubled sales** at leading drugstores in the period from March to May compared to the previous year
- Skincare **grows twice** as fast as the overall facial care market in the drugstore sector\*
- Haircare brand ahuhu **grows 10 times faster** than the market, and doubles year-on-year sales in the drugstore sector\*
- **Asambeauty ranked 8th in the NielsenIQ Brand Score**

\*NielsenIQ, Drugstores Germany, comparative period March to May 21/22, Sales in €, press release 13 July 2022

# Recap Strategy and what we have been executing in H1

## Clear Focus on strong organic Growth Levers

1 Accelerated digitization of Out-of-Home infrastructure



2 OoH Plus leveraging network effects to drive OoH growth



3 Non-Core assets fully on growth track



# Agenda



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# Profit and Loss Statement Q2 2022

m€	Q2 2021	Q2 2022	▲
<b>Revenues</b>	<b>374.0</b>	<b>425.0</b>	<b>+14%</b>
Organic growth	+42.8%	+13.8%	-29.0%pts
<b>EBITDA (adjusted)</b>	<b>106.8</b>	<b>125.7</b>	<b>+18%</b>
Exceptional items	-0.6	11.5	n/a
<b>EBITDA</b>	<b>106.2</b>	<b>137.1</b>	<b>+29%</b>
Depreciation & Amortization <sup>(1)</sup>	-79.7	-75.4	+5%
<b>EBIT</b>	<b>26.5</b>	<b>61.7</b>	<b>&gt;+100%</b>
Financial result <sup>(1)</sup>	-6.7	-6.3	+7%
<b>EBT</b>	<b>19.8</b>	<b>55.4</b>	<b>&gt;+100%</b>
Tax result <sup>(2)</sup>	-4.6	-12.8	>-100%
<b>Net Income</b>	<b>15.2</b>	<b>42.7</b>	<b>&gt;+100%</b>
Adjustments <sup>(3)</sup>	10.9	-3.7	n/a
<b>Net Income (adjusted)</b>	<b>26.1</b>	<b>39.0</b>	<b>+49%</b>

Note: New organic growth calculation with 12 months delayed recognition of acquisitions (applied from fiscal year 2022)

<sup>(1)</sup>Thereof attributable to IFRS 16 in D&A 50.4m€ (PY: 48.4m€) and in financial result 3.8m€ (PY: 4.3m€); <sup>(2)</sup>Tax rate according to IFRS is 23.0% (PY: 23.2%)

<sup>(3)</sup>Adjusted for exceptional items (-11.5m€) and additional other reconciling factors in D&A (PPA related amortization and impairment losses, +6.7m€) and in income taxes (+1.1m€)

# Free Cash Flow Perspective Q2 2022

m€	Q2 2021	Q2 2022
<b>EBITDA (adjusted)</b>	<b>106.8</b>	<b>125.7</b>
- Exceptional items	-0.6	11.5
<b>EBITDA</b>	<b>106.2</b>	<b>137.1</b>
- Interest	-6.7	-5.9
- Tax	-5.6	-7.3
-/+ WC	3.3	6.3
-/+ Others	-3.8	-11.9
<b>Operating Cash Flow</b>	<b>93.4</b>	<b>118.4</b>
<b>Investments (before M&amp;A)</b>	<b>-23.8</b>	<b>-32.5</b>
<b>Free Cash Flow (before M&amp;A)</b>	<b>69.7</b>	<b>85.8</b>
Lease liability repayments (IFRS 16) <sup>(3)</sup>	-35.7	-43.0
<b>Free Cash Flow (adjusted)<sup>(4)</sup></b>	<b>33.9</b>	<b>42.8</b>

<sup>(1)</sup>Cash inflow from purchase price is part of M&A Cash Flow

<sup>(2)</sup>Net debt and adj. EBITDA of last 12 month adjusted for IFRS 16; restated retrospectively due to the purchase price allocations that were finalized after 30 September 2021

<sup>(3)</sup>Part of Cash Flow from financing activities; <sup>(4)</sup>Before M&A and incl. IFRS 16 lease liability repayments

## Comment

- Solid Cash Flow performance in Q2 2022; Free Cash Flow adj. almost offsets decline from Q1
- Decrease in Others due to adjustment of non-cash items, especially gain on disposal of international digital business activities<sup>(1)</sup> and partly release of stock option plan (one-off effects)
- High investments particularly in digitization of advertising units in OoH Media segment
- Bank leverage ratio<sup>(2)</sup> at 2.1 and thus better than PY despite dividend payment in Q2 2022 (PY: Q3)



## Segment Perspective – OoH Media

m€	Q2			▲	6M			▲
	2021	2022			2021	2022		
<b>Segment revenue, thereof</b>	<b>152.3</b>	<b>187.1</b>		<b>+22.8%</b>	<b>250.2</b>	<b>338.9</b>		<b>+35.4%</b>
Classic OOH	111.0	122.3		+10.1%	181.1	217.8		+20.2%
Digital OOH	29.3	50.6		+72.9%	46.8	92.9		+98.5%
OOH Services	12.0	14.2		+17.9%	22.3	28.3		+26.6%
<b>EBITDA (adjusted)</b>	<b>64.0</b>	<b>88.2</b>		<b>+37.9%</b>	<b>100.2</b>	<b>147.2</b>		<b>+46.9%</b>
<b>EBITDA margin (adjusted)</b>	<b>42.0%</b>	<b>47.2%</b>		<b>+5.2%pts</b>	<b>40.0%</b>	<b>43.4%</b>		<b>+3.4%pts</b>

### Comment

- OoH Media benefited from positive market dynamics; lockdown restrictions due to Covid-19 in 2021 until May
- Strong growth in revenue and EBITDA adj. despite insecurities from war in Ukraine softening demand from national key accounts
- Growth in segment revenue adjusted for tobacco advertising is 26.5% in Q2 and 39.4% YTD
- Especially Digital OoH with continuous strong growth; larger digital portfolio well accepted by customers
- Q2 and YTD EBITDA adj. and margin with improvement; PY period supported by short-time allowance

## Segment Perspective – Digital & Dialog Media

m€	Q2			6M		
	2021	2022	▲	2021	2022	▲
<b>Segment revenue, thereof</b>	<b>174.9</b>	<b>181.4</b>	<b>+3.7%</b>	<b>335.5</b>	<b>351.7</b>	<b>+4.8%</b>
Digital	101.1	98.3	-2.8%	186.6	187.0	+0.2%
Dialog	73.8	83.1	+12.6%	148.8	164.7	+10.7%
<b>EBITDA (adjusted)</b>	<b>45.0</b>	<b>40.4</b>	<b>-10.2%</b>	<b>82.7</b>	<b>77.9</b>	<b>-5.9%</b>
<b>EBITDA margin (adjusted)</b>	<b>25.7%</b>	<b>22.3%</b>	<b>-3.5%pts</b>	<b>24.7%</b>	<b>22.1%</b>	<b>-2.5%pts</b>

### Comment

- Slight revenue decrease in Digital (online advertising and content publishing) in Q2 due to high negative exchange rate effects at international business activities, which were successfully disposed of in Q2; positive organic growth rate driven by programmatic advertising on own platforms; YTD revenue on PY level
- Dialog (Call Center and D2D) with robust growth especially driven by highly successful direct sales activities for telecommunication products, that offset demanding conditions for sales in the energy sector (D2D) and higher sickness rates at Call Centers
- Challenging market environment in both business areas is reflected in EBITDA adj. development

## Segment Perspective – DaaS & E-Commerce

m€	Q2			6M		
	2021	2022	▲	2021	2022	▲
<b>Segment revenue, thereof</b>	<b>55.6</b>	<b>71.1</b>	<b>+27.9%</b>	<b>111.9</b>	<b>142.1</b>	<b>+27.0%</b>
Data as a Service	24.5	33.7	+37.4%	47.6	67.8	+42.4%
E-Commerce	31.0	37.4	+20.4%	64.3	74.3	+15.5%
<b>EBITDA (adjusted)</b>	<b>4.7</b>	<b>4.1</b>	<b>-13.5%</b>	<b>11.4</b>	<b>10.0</b>	<b>-12.4%</b>
<b>EBITDA margin (adjusted)</b>	<b>8.5%</b>	<b>5.7%</b>	<b>-2.8%pts</b>	<b>10.2%</b>	<b>7.1%</b>	<b>-3.2%pts</b>

### Comment

- Statista with ongoing strong growth
- Asam with accelerating growth compared to Q1 2022 especially due to strong Retail and eCom business
- Broadly stable EBITDA adj. despite continued strong expansion and cost inflation

# Sustainability – New sustainability report 2021 of Ströer published and corporate carbon footprint substantially reduced

## Third sustainability report of Ströer

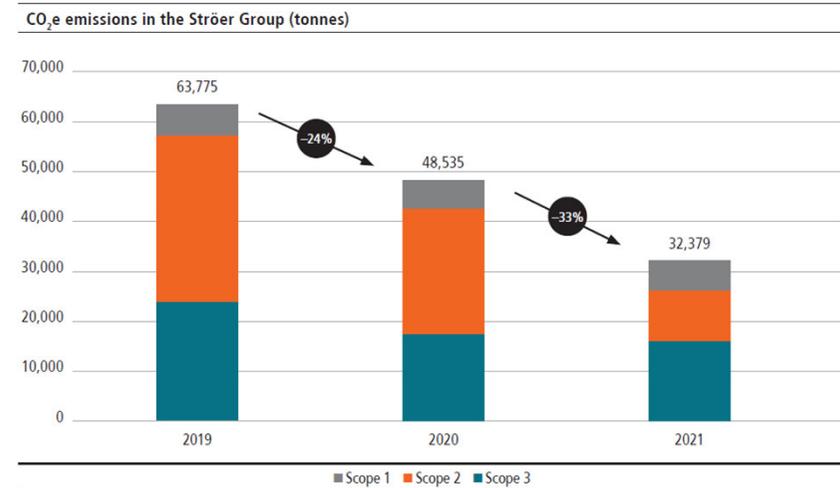


Prepared in accordance with Global Reporting Initiative (GRI) guidelines

Scope and depth of the topics and data significantly increased

Materiality analysis for Ströer Group conducted, taking double materiality into account

## Corporate carbon footprint (CCF) 2019-2021



Calculation of Ströer's CCF and full disclosure for 2019-2021 in new sustainability report, including material emission sources

In 2021, CCF fell by 33% compared to 2020, more than 14,000 t CO<sub>2</sub>e saved by switching to green energy

# Diversity Day @ Ströer

- Ströer used this year's Diversity Day to make the diversity of the Ströer team visible and for an intensive exchange
- Ströer employees put together a varied program of
  - panel discussions
  - keynote speeches
  - support for the implementation of unconscious bias training
  - The employees had the opportunity to get to know the WELCOMING OUT initiative

## Diversity OoH:

- Together with Charta der Vielfalt e.V., Ströer brought the 10th German Diversity Day to its digital advertising spaces in numerous stations throughout Germany and invented a diversity quiz on digital media.



# Agenda



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**Financials**



**Outlook**

## 2022 – Outlook

### H1 Results & Orderbook Q3 on track

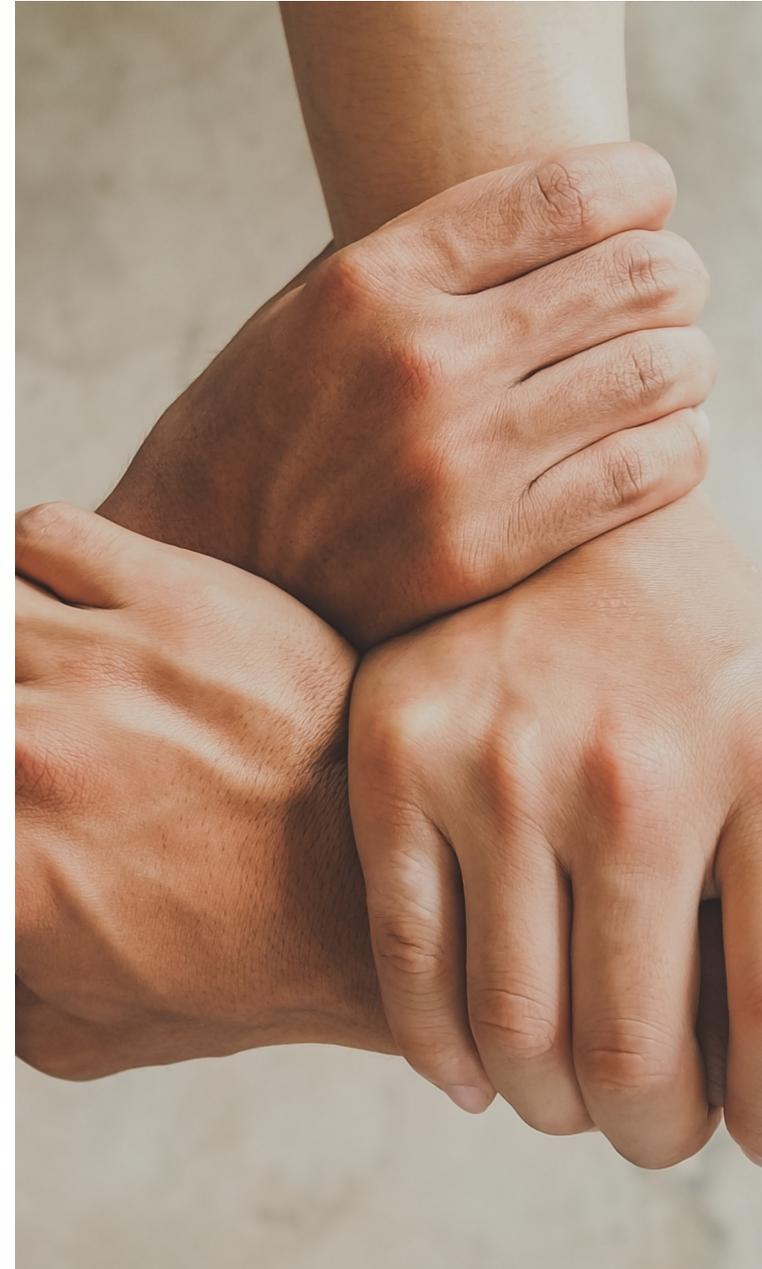
Based on the assumption that there is no significant new COVID wave in autumn/winter and without further escalation of the Ukraine situation and its domino effects

we expect for the **third quarter 2022**

- Group Organic Growth in the mid single digit range  
(OoH above strong prior year level; July & August Orderbook mid to high single digit momentum vs. both PY and 2019/pre-Pandemic levels)
- Group EBITDA margin broadly stable

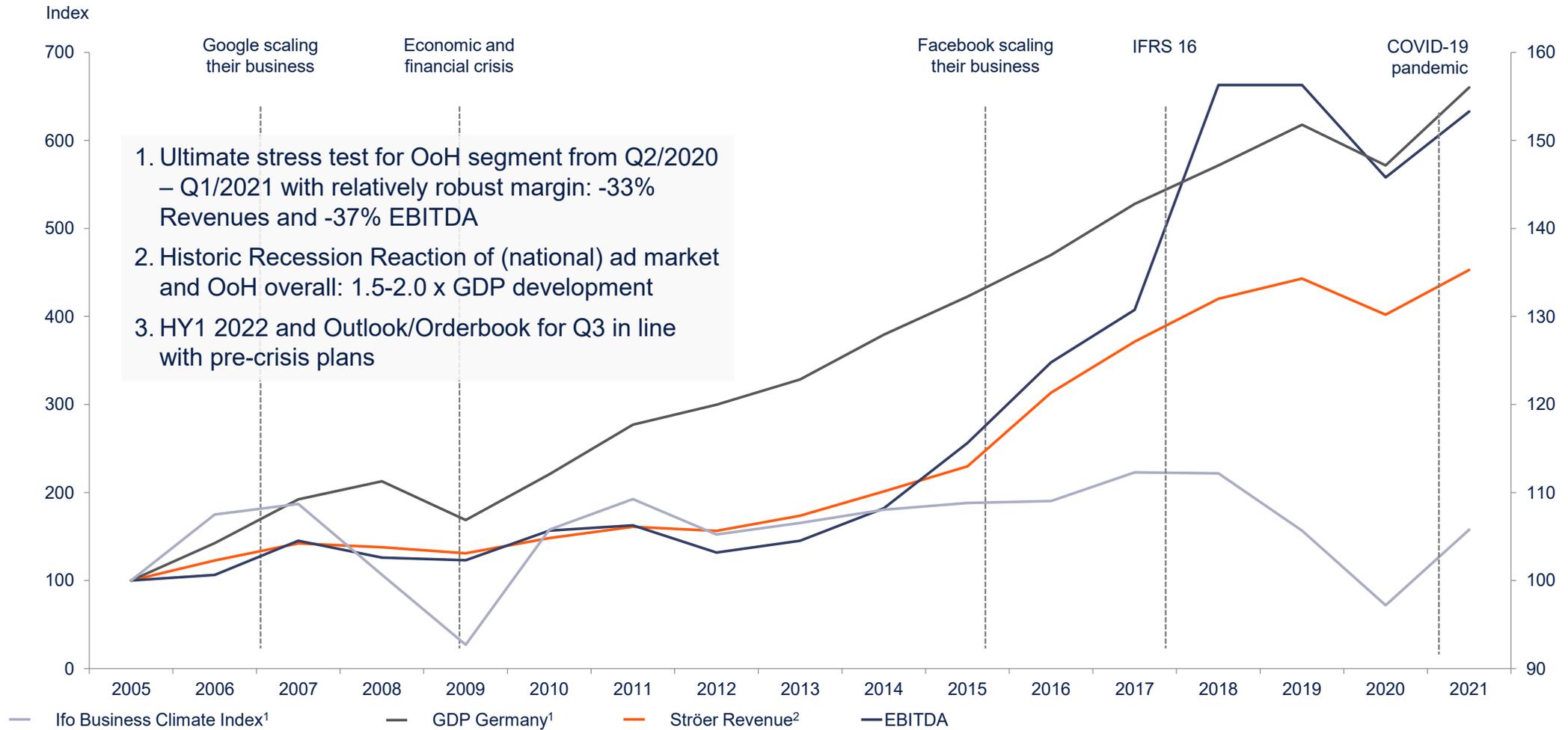
For the **full year 2022** we expect [still unchanged]

- Group Organic Growth of 10-14% (OoH up by 16-20%)
- Group EBITDA Margin above 2021 level



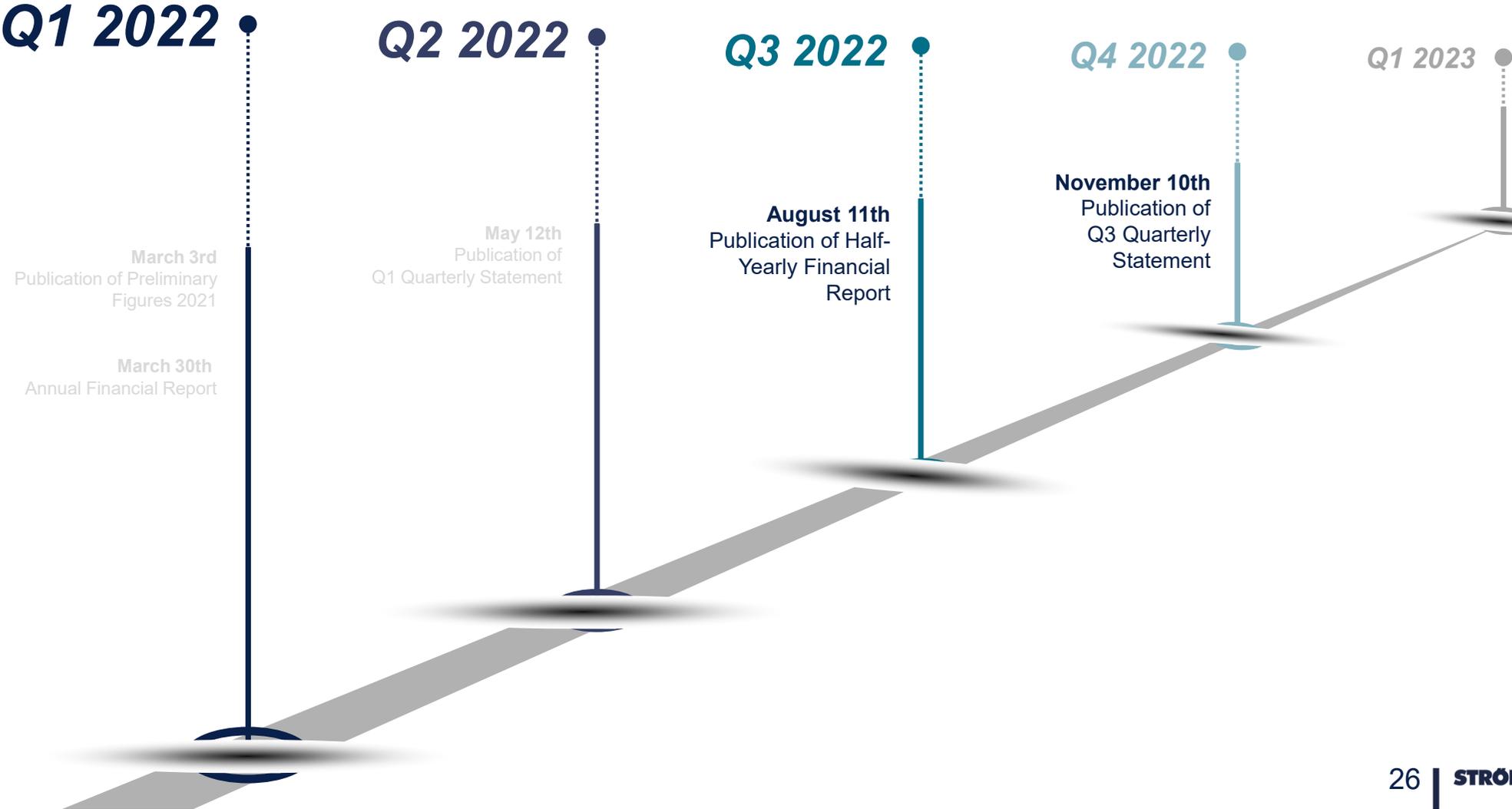
# OoH Plus – a very resilient media business

## Robustness despite Rise of Global Platforms and the Pandemic



Source: <sup>1</sup> Statista, GDP Germany / Ifo Business Climate Index <sup>2</sup> Ströer Group / Ströer Data

# Financial Calendar 2022



**OOH+**



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