Årsredovisning

för

Universum Communications Sweden AB

556587-5993

Räkenskapsåret

2022

Fastställelseintyg

Undertecknad styrelseledamot i Universum Communications Sweden AB intygar att resultaträkningen och balansräkningen i årsredovisningen har fastställts på årsstämma 2023-03-20. Årsstämman beslutade att godkänna styrelsens förslag till resultatdisposition.

Jag intygar också att innehållet i årsredovisningen och revisionsberättelsen stämmer överens med originalen.

Stockholm 2023-03-20

Yusuf Azoz

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Styrelsen och verkställande direktören för Universum Communications Sweden AB avger följande årsredovisning för räkenskapsåret 2022.

Årsredovisningen är upprättad i svenska kronor, SEK. Om inte annat särskilt anges, redovisas alla belopp i tusentals kronor (Tkr). Uppgifter inom parentes avser föregående år.

Förvaltningsberättelse

Information om verksamheten
Universum Communications Sweden AB är världsledande inom området Employer Branding. Verksamheten syftar till att bistå företag i att öka sin attraktivitet på den alltmer konkurrensutsatta marknaden för kvalificerad arbetskraft. Bolaget bedriver verksamhet i ett flertal länder. Universum Communications Sweden AB samverkar där med övriga bolag i den koncern i vilket bolaget ingår.

Bolagets verksamhet bedrivs främst inom produktområdena Research, som utför attitydundersökningar och genomför skräddarsydda utredningar och analyser inom ovan nämnda grupper, Media som producerar och publicerar tidskrifter och tidningsbilagor samt utvecklar kommunikation via internet, och Consulting, som genomför rådgivningsuppdrag åt kunder inom Employer Branding.

Bolaget är ett dotterbolag och helägt av Stepstone GmbH (DE249166292) med säte i Tyskland.

Företaget har sitt säte i Stockholm.

Väsentliga händelser under räkenskapsåret

Under året har bolaget gjort omfattande systeminvesteringar för att framtidssäkra och utveckla det undersökningsverktyg som utgör grunden för verksamheten.

Väsentliga händelser efter räkenskapsårets slut

Inga väsentliga händelser har skett efter balansdagen.

Förväntad framtida utveckling samt väsentliga risker och osäkerhetsfaktorer

Året har kommit igång väl och bolaget avser fortsätta investera för tillväxt den närmaste tiden.

Utländska filialer
Universum Communications Sweden AB innehar en filial i Finland. Den finländska filialen ingår i de redovisade beloppen för Universum Communications AB.

Flerårsöversikt (Tkr)	**2022**	**2021**	**2020**	**2019**	**2018**
Nettoomsättning	205 524	157 067	135 061	191 628	183 102
Resultat efter finansiella poster	-44 791	-29 745	-63 990	-13 769	-7 424
Soliditet (%)	27,8	30,2	12,0	24,1	28,5

Förslag till vinstdisposition

Styrelsen föreslår att till förfogande stående vinstmedel (kronor):

balanserad vinst	98 572 177
årets förlust	-44 791 289
	53 780 888
disponeras så att	
i ny räkning överföres	53 780 888

Företagets resultat och ställning i övrigt framgår av efterföljande resultat- och balansräkning samt kassaflödesanalys med noter.

Resultaträkning

Tkr

	Not	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
Rörelsens intäkter			
Nettoomsättning	2, 3	205 524	157 067
Övriga rörelseintäkter	4	19 773	30 951
Summa rörelseintäkter		**225 298**	**188 018**
Rörelsens kostnader			
Handelsvaror		-96 889	-79 495
Övriga externa kostnader	5, 6	-53 106	-36 109
Personalkostnader	7	-104 449	-86 930
Avskrivningar av materiella och immateriella anläggningstillgångar		-7 551	-9 201
Övriga rörelsekostnader		-12 523	-12 721
Summa rörelsekostnader		**-274 518**	**-224 456**
Rörelseresultat		**-49 221**	**-36 438**
Resultat från finansiella poster			
Resultat från andelar i koncernföretag	8	0	4 731
Nedskrivning av finansiella anläggningstillgångar		-15 476	0
Övriga ränteintäkter och liknande resultatposter	9	27 374	7 818
Räntekostnader och liknande resultatposter	10	-7 468	-5 856
Summa finansiella poster		**4 430**	**6 692**
Resultat efter finansiella poster		**-44 791**	**-29 745**
Resultat före skatt			
Skatt på årets resultat	11	0	-30
Årets resultat		**-44 791**	**-29 775**

Balansräkning

Tkr

	Not	2022-12-31	2021-12-31
TILLGÅNGAR			
Anläggningstillgångar			
Immateriella anläggningstillgångar			
Balanserade utgifter för utvecklingsarbeten	12	18 310	11 930
Summa immateriella anläggningstillgångar		**18 310**	**11 930**
Materiella anläggningstillgångar			
Inventarier, verktyg och installationer	13	1 464	560
Förbättringsutgifter på annans fastighet	14	503	403
Summa materiella anläggningstillgångar		**1 967**	**963**
Finansiella anläggningstillgångar			
Andelar i koncernföretag	15, 16	80 162	90 162
Andra långfristiga fordringar		0	50
Summa finansiella anläggningstillgångar		**80 162**	**90 212**
Summa anläggningstillgångar		**100 439**	**103 105**
Omsättningstillgångar			
Kortfristiga fordringar			
Kundfordringar		28 184	38 270
Fordringar hos koncernföretag		91 225	75 496
Övriga fordringar		3 170	3 773
Förutbetalda kostnader & upplupna intäkter	17	12 943	9 751
Upparbetade intäkter i projekt	18	27 932	18 170
Summa kortfristiga fordringar		**163 454**	**145 460**
Kassa och bank	19	2 316	10 601
Summa omsättningstillgångar		**165 770**	**156 061**
SUMMA TILLGÅNGAR		**266 209**	**259 166**

Balansräkning

Tkr

	Not	2022-12-31	2021-12-31
EGET KAPITAL OCH SKULDER			
Eget kapital	20		
Bundet eget kapital			
Aktiekapital		500	500
Reservfond		7 008	7 008
Fond för utvecklingsutgifter		12 836	6 456
Summa bundet eget kapital		**20 344**	**13 964**
Fritt eget kapital			
Balanserad vinst eller förlust		98 572	94 203
Årets resultat		-44 791	-29 775
Summa fritt eget kapital		**53 781**	**64 428**
Summa eget kapital		**74 125**	**78 392**
Avsättningar	21		
Övriga avsättningar		12 377	6 900
Summa avsättningar		**12 377**	**6 900**
Långfristiga skulder			
Övriga skulder		0	3 753
Summa långfristiga skulder		**0**	**3 753**
Kortfristiga skulder			
Förskott från kunder	18	31 897	26 277
Leverantörsskulder		6 858	8 453
Skulder till koncernföretag		101 000	109 981
Övriga skulder		11 276	8 736
Upplupna kostnader och förutbetalda intäkter	22	28 676	16 674
Summa kortfristiga skulder	23	**179 707**	**170 121**
SUMMA EGET KAPITAL OCH SKULDER		266 209	259 166

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Kassaflödesanalys

Tkr

	Not	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
Den löpande verksamheten			
Resultat efter finansiella poster		-44 791	-29 745
Justeringar för poster som inte ingår i kassaflödet		15 858	8 339
Betald skatt		-960	-2 027
Kassaflöde från den löpande verksamheten före förändring av rörelsekapital		**-29 893**	**-23 433**
Kassaflöde från förändring av rörelsekapitalet			
Förändring av Kundfordringar		10 086	-3 768
Förändring av kortfristiga fordringar		-11 370	-823
Förändring av kortfristiga skulder		19 946	-1 156
Förändring av leverantörsskulder		-1 594	4 501
Kassaflöde från den löpande verksamheten		**-12 825**	**-24 679**
Investeringsverksamheten			
Investering i immateriella anläggningstillgångar		-11 548	-7 968
Investering i materiella anläggningstillgångar		-1 778	-582
Nedskrivning av materiella anläggningstillgångar		2 093	127
Förändring av finansiella anläggningstillgångar		50	0
Kassaflöde från investeringsverksamheten		**-11 183**	**-8 423**
Finansieringsverksamheten			
Förändring koncernmellanhavanden		-24 711	-41 276
Erhållna aktieägartillskott		40 434	76 410
Kassaflöde från finansieringsverksamheten		**15 723**	**35 134**
Årets kassaflöde		**-8 285**	**2 032**
Likvida medel vid årets början		10 601	8 569
Likvida medel vid årets slut		**2 316**	**10 601**

Noter

Tkr

Not 1 Redovisnings- och värderingsprinciper

Allmänna upplysningar

Årsredovisningen är upprättad i enlighet med årsredovisningslagen och BFNAR 2012:1 Årsredovisning och koncernredovisning (K3).

Företagets redovisningsvaluta är svenska kronor (SEK). Vid varje balansdag räknas monetära poster i utländsk valuta om till balansdagens kurs.

Icke-monetära poster, som värderas till historiskt anskaffningsvärde i en utländsk valuta, räknas inte om. Valutakursdifferenser redovisas i rörelseresultatet eller som finansiell post utifrån den underliggande affärshändelsen, i den period de uppstår.

Redovisningsprinciperna är oförändrade jämfört med föregående år.

Universum Communications Sweden AB med organisationsnummer 556587-5993 är ett aktiebolag registrerat i Sverige med säte i Stockholm. Adressen till huvudkontoret är Jakobsbergsgatan 22. Universum Communications Sweden AB och dess dotterföretag ("koncernen") är världsledande inom området Employer Branding. Verksamheten syftar till att bistå företag i att öka sin attraktivitet på den alltmer konkurrensutsatta marknaden för kvalificerad arbetskraft. Bolaget bedriver verksamhet i ett flertal länder.

Universum Communications Sweden AB ägs till 100% av Stepstone GmbH, org.nr. DE249166292, med säte i Düsseldorf som i sin ägs till 100 % av koncernen Axel Springer SE, HRB154517B med säte i Berlin.

Koncernförhållanden

Företaget är moderföretag med hänvisning till undantagsreglerna i årsredovisningslagen 7 kap 2 § upprättas ingen koncernredovisning. Detta med anledning av att företaget med samtliga sina dotterbolag omfattas av koncernredovisning i det överordnade moderföretaget Axel Springer SE, Orgnr. HRB154517B, med säte i Berlin, Tyskland. Detta företag upprättar sin koncernredovisning enligt tyska redovisningsregler. Årsredovisningen är tillgänglig på Axel Springers hemsida www.axelspringer.com

Intäktsredovisning

Intäkter har tagits upp till verkligt värde av vad som erhållits eller kommer att erhållas, med avdrag för mervärdesskatt, rabatter, returer och liknande avdrag.

Företagets intäkter består i huvudsak av intäkter från försäljning av tjänster inom Employer Branding och verksamhetsgrenarna media, research, consulting och övrig försäljning.

Försäljning sker till fast pris och löpande räkning. Intäkterna från försäljning av tjänster på löpande räkning redovisas som intäkt i den period arbetet utförts och material levereras eller förbrukas. Intäkter från försäljning av tjänster till fast pris redovisas, i de fall det ekonomiska utfallet kan beräknas på ett tillförlitligt sätt, med tillämpning av s.k. succesiv vinstavräkning. Det innebär att intäkter och kostnader redovisas i förhållande till uppdragets färdigställandegrad på balansdagen.

Färdigställandegraden fastställs genom en beräkning av förhållandet mellan nedlagda uppdragsutgifter för utfört arbete på balansdagen och beräknade totala uppdragsutgifter.

Intäkter från försäljning av tjänster till fast pris redovisas, i de fall det ekonomiska utfallet inte kan beräknas på ett tillförlitligt sätt, med belopp som motsvarar uppkomna uppdragsutgifter som sannolikt kommer att ersättas av beställaren. Inom verksamhetsgrenarna media och research vilka säljs till fast pris tas intäkten vid publiceringstillfället respektive vid leverans av rapport, vilket enligt ovan är det tillfälle då alla risker och rättigheter övergått till köparen.

Consulting tjänster säljs till fast pris eller löpande räkning och intäkten redovisas i takt med färdigställandegraden respektive i den period arbetet utförs.

Övrig försäljning innefattar events m.m. där uppdragen säljs till fast pris. Intäkten tas vid genomförandet, vilket enligt ovan är det tillfälle då alla risker och rättigheter övergått till köparen. En befarad förlust på ett tjänsteuppdrag redovisas omedelbart som en kostnad.

När utfallet av ett tjänsteuppdrag inte kan beräknas på ett tillförlitligt sätt sker intäktsredovisningen endast med belopp som motsvarar uppkomna uppdragsutgifter som sannolikt kommer att ersättas av beställaren. Uppdragsutgifter redovisas som kostnader i den period då de uppkommer.

Utdelning och ränteintäkter
Utdelningsintäkter redovisas när ägarens rätt att erhålla betalningen har fastställts.

Immateriella tillgångar

Anskaffning genom separata förvärv
Immateriella tillgångar som förvärvats separat redovisas till anskaffningsvärde med avdrag för ackumulerade avskrivningar och eventuella ackumulerade nedskrivningar. Avskrivning sker linjärt över tillgångens uppskattade nyttjandeperiod, vilken uppskattas till 5 år.
Bedömda nyttjandeperioder och avskrivningsmetoder omprövas om det finns en indikation på att dessa har förändrats jämfört med uppskattningen vid föregående balansdag. Effekten av eventuella ändringar i uppskattningar och bedömningar redovisas framåtriktat. Avskrivning påbörjas när tillgången kan användas.

Anskaffning genom intern upparbetning.
Samtliga utgifter för utveckling av en immateriell tillgång redovisas som en tillgång om samtliga följande villkor är uppfyllda:
• det är tekniskt möjligt att färdigställa den immateriella anläggningstillgången så att den kan användas eller säljas,
• företaget avsikt är att färdigställa den immateriella anläggningstillgången och att använda eller sälja den,
• det finns förutsättningar för att använda eller sälja den immateriella anläggningstillgången,
• det är sannolikt att den immateriella anläggningstillgången kommer att generera framtida ekonomiska fördelar,
• det finns erforderliga och adekvata tekniska, ekonomiska och andra resurser för att fullfölja utvecklingen och för att använda eller sälja den immateriella anläggningstillgången, och
• de utgifter som är hänförliga till den immateriella anläggningstillgången under dess utveckling kan beräknas tillförlitligt.

Efter första redovisningstillfället redovisas internt upparbetade immateriella anläggningstillgångar till anskaffningsvärde efter avdrag för ackumulerade avskrivningar och eventuella ackumulerade nedskrivningar. Avskrivning påbörjas när tillgången kan användas. Aktiverade utgifter för den internt upparbetade tillgången skrivs av linjärt över en bedömd nyttjandeperiod om 5 år.

Borttagande från balansräkningen
En immateriell anläggningstillgång tas bort från balansräkningen vid utrangering eller avyttring eller när inte några framtida ekonomiska fördelar väntas från användning eller utrangering/avyttring av tillgången. Den vinst eller förlust som uppkommer när en immateriell anläggningstillgång tas bort från balansräkningen är skillnaden mellan vad som eventuellt erhålls, efter avdrag för direkta försäljningskostnader, och tillgångens redovisade värde. Detta redovisas i resultaträkningen som en övrig rörelseintäkt eller övrig rörelsekostnad.

Nedskrivningar av materiella anläggningstillgångar och immateriella tillgångar exklusive goodwill
Vid varje balansdag analyserar koncernen de redovisade värdena för materiella anläggningstillgångar och immateriella tillgångar för att fastställa om det finns någon indikation på att dessa tillgångar har minskat i värde. Om så är fallet, beräknas tillgångens återvinningsvärde för att kunna fastställa värdet av en eventuell nedskrivning. Där det inte är möjligt att beräkna återvinningsvärdet för en enskild tillgång, beräknar koncernen återvinningsvärdet för den kassagenererande enhet till vilken tillgången hör.

Likvida medel
Likvida medel inkluderar kassamedel och disponibla tillgodohavanden hos banker och andra kreditinstitut samt andra kortfristiga likvida placeringar som lätt kan omvandlas till kontanter och är föremål för en obetydlig risk för värdefluktuationer. För att klassificeras som likvida medel får löptiden inte överskrida tre månader från tidpunkten för förvärvet.

Materiella anläggningstillgångar
Materiella anläggningstillgångar redovisas till anskaffningsvärde efter avdrag för ackumulerade avskrivningar och eventuella nedskrivningar.

Anskaffningsvärdet består av inköpspriset, utgifter som är direkt hänförliga till förvärvet för att bringa den på plats och i skick att användas samt uppskattade utgifter för nedmontering och bortforsling av tillgången och återställande av plats där den finns. Tillkommande utgifter inkluderas endast i tillgången eller redovisas som en separat tillgång, när det är sannolikt att framtida ekonomiska fördelar som är förknippade med posten kommer att tillfalla koncernen och att anskaffningsvärdet för densamma kan mätas på ett tillförlitligt sätt. Alla övriga kostnader för reparationer och underhåll samt tillkommande utgifter redovisas i resultaträkningen i den period då de uppkommer.

Avskrivningar på materiella anläggningstillgångar kostnadsförs så att tillgångens anskaffningsvärde, eventuellt minskat med beräknat restvärde vid nyttjandeperiodens slut, skrivs av linjärt över dess bedömda nyttjandeperiod. Om en tillgång har delats upp på olika komponenter skrivs respektive komponent av separat över dess nyttjandeperiod. Avskrivning påbörjas när den materiella anläggningstillgången kan tas i bruk.

Materiella anläggningstillgångars nyttjandeperioder uppskattas till:
Maskiner och andra tekniska anläggningar:

Datorer 3 år
Inventarier 5 år

Bedömda nyttjandeperioder och avskrivningsmetoder omprövas om det finns indikationer på att förväntad förbrukning har förändrats väsentligt jämfört med uppskattningen vid föregående balansdag. Då företaget ändrar bedömning av nyttjandeperioder, omprövas även tillgångens eventuella restvärde. Effekten av dessa ändringar redovisas framåtriktat.

Borttagande från balansräkningen
Det redovisade värdet för en materiell anläggningstillgång tas bort från balansräkningen vid utrangering eller avyttring, eller när inte några framtida ekonomiska fördelar väntas från användning eller utrangering/avyttring av tillgången eller komponenten. Den vinst eller förlust som uppkommer när en materiell anläggningstillgång eller en komponent tas bort från balansräkningen är skillnaden mellan vad som eventuellt erhålls, efter avdrag för direkta försäljningskostnader, och tillgångens redovisade värde. Den realisationsvinst eller realisationsförlust som uppkommer när en materiell anläggningstillgång eller en komponent tas bort från balansräkningen redovisas i resultaträkningen som en övrig rörelseintäkt eller övrig rörelsekostnad.

Låneutgifter
De låneutgifter som uppkommer då företaget lånar kapital kostnadsförs i resultaträkningen i den period de uppstår.

Leasingavtal
Leasingavgifter vid operationella leasingavtal kostnadsförs linjärt över leasingperioden, såvida inte ett annat systematiskt sätt bättre återspeglar användarens ekonomiska nytta över tiden.

Inkomstskatter
Total skatt utgörs av aktuell skatt och uppskjuten skatt. Skatter redovisas i resultaträkningen, utom då underliggande transaktion redovisas direkt mot eget kapital varvid tillhörande skatteeffekter redovisas i eget kapital.

Aktuell skatt
Aktuell skatt avser inkomstskatt för innevarande räkenskapsår samt den del av tidigare räkenskapsårs inkomstskatt som ännu inte redovisats. Aktuell skatt beräknas utifrån den skattesats som gäller per balansdagen.

Avsättningar
Avsättningar redovisas när bolaget har en formell eller informell förpliktelse som en följd av tidigare händelser och det är sannolikt att ett utflöde av resurser kommer att krävas för att reglera förpliktelsen. Avsättningar värderas till den bästa uppskattningen av det belopp som krävs för att reglera förpliktelsen. Om effekten av tid när betalning sker är väsentlig nuvärdesberäknas förpliktelsen.

Ersättningar till anställda
Ersättningar till anställda avser alla former av ersättningar som företaget lämnar till de anställda. Kortfristiga ersättningar utgörs av bland annat löner, betald semester, betald frånvaro, bonus och ersättning efter avslutad anställning (pension). Kortfristiga ersättningar redovisas som kostnad och en skuld då det finns en legal eller informell förpliktelse att betala ut en ersättning till följd av en tidigare händelse och en tillförlitlig uppskattning av beloppet kan göras.

Avgiftsbest
För avgiftsbestämda planer betalar koncernen fastställda avgifter till en separat oberoende juridisk enhet och har ingen förpliktelse att betala ytterligare avgifter. Företagets resultat belastas för kostnader i takt med att förmånerna intjänas vilket normalt sammanfaller med tidpunkten för när premier erläggs.

Kassaflödesanalys
Kassaflödesanalysen visar förändringar av företagets likvida medel under räkenskapsåret. Kassaflödesanalysen har upprättats enligt den indirekta metoden. Det redovisade kassaflödet omfattar endast transaktioner som medfört in- och utbetalningar.

Nyckeltalsdefinitioner

Nettoomsättning
Rörelsens huvudintäkter, fakturerade kostnader, sidointäkter samt intäktskorrigeringar.

Resultat efter finansiella poster
Resultat efter finansiella intäkter och kostnader men före bokslutsdispositioner och skatter.

Uppskattningar och bedömningar

Uppskattningar och bedömningar utvärderas löpande och baseras på historisk erfarenhet och andra faktorer, inklusive förväntningar på framtida händelser som anses rimliga under rådande förhållanden.

Värdering av aktier
Per varje balansdag gör företaget en bedömning om det finns någon indikation på att värdet av aktier i dotterföretag är lägre än det redovisade värdet. Finns det en sådan indikation beräknar företaget återvinningsvärdet för aktierna och upprättar en nedskrivningsprövning. Vid värdering av aktier gör koncernen bedömningar avseende förväntningar på framtida kassaflöden vilka kan innefatta en osäkerhet då de bygger på förväntningar om framtiden.

Kundfordringar
I bolagets balansräkning finns det väsentliga kundfordringar. Bolaget utvärderar kontinuerligt betalningsförmågan hos kunder. Faktureringsflödet är säsongsbetonat, vilket resulterar i en hög kapitalbindning i kundfordringar i samband med årsbokslut. Det finns ingen historik av väsentliga kundförluster relaterade till nedskrivning av kundfordringar.

Not 2 Nettoomsättningens fördelning

	2022	2021
Nettoomsättningen per rörelsegren		
Media	43 212	36 190
Research	46 966	53 297
Consulting	47 161	31 385
Övrig försäljning	68 185	36 195
	205 524	**157 067**
Nettoomsättning per geografisk marknad		
Sverige	47 948	67 157
EU	57 444	35 482
Övriga världen	100 132	54 428
	205 524	**157 067**

Not 3 Inköp och försäljningar mellan koncernföretag

	2022	2021
Andel av årets totala inköp som skett från andra företag i koncernen	10,54 %	10,36 %
Andel av årets totala försäljningar som skett till andra företag i koncernen	42,53 %	31,30 %

Not 4 Övriga rörelseintäkter

	2022	2021
Vidarefakturerade kostnader	17 220	27 112
Övriga poster	2 553	3 839
	19 773	**30 951**

Not 5 Operationell Leasing

Bolaget är leasetagare genom operationella leasingavtal avseende kopiatorer och kaffemaskiner. Summan av årets kostnadsförda leasingavgifter avseende operationella leasingavtal uppgår till 381 Tkr (355). Utöver nämnda leasingavtal finns hyresavtal 9 017 Tkr (9 123).

Framtida leasingavgifter, för icke uppsägningsbara leasingavtal, förfaller till betalning enligt följande:

	2022	2021
Inom ett år	8 000	8 000
Senare än ett år men inom fem år	0	8 000
	8 000	**16 000**

Not 6 Arvode till revisorer

Med revisionsuppdrag avses granskning av årsredovisningen och bokföringen samt styrelsens och verkställande direktörens förvaltning, övriga arbetsuppgifter som det ankommer på bolagets revisor att utföra samt rådgivning eller annat biträde som föranleds av iakttagelser vid sådan granskning eller genomförandet av sådana övriga arbetsuppgifter.

	2022	2021
Ernst & Young AB		
Revisionsuppdrag	600	600
	600	600

Not 7 Anställda och personalkostnader

	2022	2021
Medelantalet anställda		
Kvinnor	73	61
Män	57	48
	130	109
Löner och andra ersättningar		
Styrelse och verkställande direktör	5 574	2 141
Ledande befattningshavare	5 760	6 301
Övriga anställda	81 755	65 304
	93 089	73 746
Sociala kostnader & Pensionskostnader		
Sociala kostnader enligt lag och avtal VD	1 266	1 364
Sociala kostnader enligt lag ledande befattningshavare	7 069	3 442
Sociala kostnader enligt lag och avtal övriga anställda	27 996	22 669
	36 331	27 475
Övriga personalkostnader*	-24 971	-14 291
Totala löner, ersättningar, sociala kostnader och pensionskostnader	104 449	86 930
Pensionsförpliktelser		
Bolagets avgiftsbestämda pensionsplaner	7 654	4 984
Nuvarande styrelse och verkställande direktör	433	529
	8 087	5 513

*Övriga personalkostnader avser främst omfördelning för arbete i projekt och summan återfinns i projektredovisningen.

Könsfördelning bland ledande befattningshavare		
Andel kvinnor bland övriga ledande befattningshavare	33 %	17 %
Andel män bland övriga ledande befattningshavare	66 %	83 %

Avtal om avgångsvederlag
Mellan företaget och verkställande direktören gäller en ömsesidig uppsägningstid om sex månader. Vid uppsägning från företagets sida erhålls inget avgångsvederlag. Vid uppsägning från verkställande direktörens sida utgår inget avgångsvederlag.

Mellan företaget och andra ledande befattningshavare gäller en uppsägningstid om två månader från ledande befattningshavares sida och från företagets sida gäller LAS dock minst två månader. Vid uppsägning från företagets sida erhålls inget avgångsvederlag. Vid uppsägning från ledande befattningshavarens sida utgår inget avgångsvederlag.

Not 8 Resultat från andelar i koncernföretag

	2022	2021
Erhållna utdelningar	0	4 731
	0	4 731

Not 9 Övriga ränteintäkter och liknande resultatposter

	2022	2021
Ränteintäkter	9	1
Ränteintäkter, koncernföretag	843	735
Kursdifferenser	26 522	7 073
Övrigt	0	9
	27 374	7 818

Not 10 Räntekostnader och liknande resultatposter

	2022	2021
Räntekostnader	39	14
Räntekostnader koncernföretag	1 460	1 717
Kursdifferenser	5 965	4 123
Övrigt	4	2
	7 468	5 856

Not 11 Årets skatt

	2022	2021
Redovisat resultat före skatt	-44 791	-29 745
Skatt beräknad enligt svensk skattesats 20,6%	0	0
Skatteeffekt av ej avdragsgilla kostnader	1 906	786
Skatteeffekt av ej skattepliktiga intäkter	-1	-4 731
Årets redovisade skattekostnad	0	30
Summa årets resultat efter skatt	**-42 886**	**-33 660**

Universum Communications Sweden AB har fastställda outnyttjade underskottsavdrag uppgående till 97 483 602 kr

Not 12 Balanserade utgifter för utvecklingsarbeten och liknande arbeten

	2022-12-31	2021-12-31
Ingående anskaffningsvärden	30 752	33 890
Inköp	11 548	7 968
Försäljningar/utrangeringar	0	-11 105
Utgående ackumulerade anskaffningsvärden	**42 300**	**30 753**
Ingående avskrivningar	-18 822	-25 211
Försäljningar/utrangeringar	0	10 978
Årets avskrivningar	-5 168	-4 589
Utgående ackumulerade avskrivningar	**-23 990**	**-18 822**
Utgående redovisat värde	**18 310**	**11 931**

Not 13 Inventarier, verktyg och installationer

	2022-12-31	2021-12-31
Ingående anskaffningsvärden	3 255	4 375
Inköp	1 511	582
Försäljningar/utrangeringar	-1 401	-1 702
Utgående ackumulerade anskaffningsvärden	**3 365**	**3 255**
Ingående avskrivningar	-2 695	-3 802
Försäljningar/utrangeringar	1 401	1 702
Årets avskrivningar	-607	-595
Utgående ackumulerade avskrivningar	**-1 901**	**-2 695**
Utgående redovisat värde	**1 464**	**560**

Not 14 Förbättringsutgifter på annans fastighet

	2022-12-31	2021-12-31
Ingående Anskaffningsvärde	683	683
Inköp	267	0
Ingående Avskrivningar	-281	-144
Årets Avskrivningar	-166	-136
Utgående redovisat värde	503	403

Not 15 Andelar i koncernföretag

	2022-12-31	2021-12-31
Ingående anskaffningsvärden	101 489	101 489
Utgående ackumulerade anskaffningsvärden	**101 489**	**101 489**
Ingående nedskrivningar	-11 327	-11 327
Årets nedskrivningar	-10 000	0
Utgående ackumulerade nedskrivningar	**-21 327**	**-11 327**
Utgående redovisat värde	**80 162**	**90 162**

Not 16 Specifikation andelar i koncernföretag

Namn	Kapital-andel	Rösträtts-andel	Antal andelar	Bokfört 2022-12-31 värde	Bokfört 2021-12-31 värde
Universum Communication Ltd	100%	100%	100	0	0
Universum Communication Switzerland AG	100%	100%	100	6 060	6 060
Universum Communication Inc	100%	100%	10 000	44 496	44 496
Universum Communication Italy S.r.l	100%	100%	10 000	108	108
Universum Communication Pte Ltd	100%	100%	205 000	20 302	30 302
Universum Communication SARL	100%	100%	20 000	177	177
Universum Business Consulting Shanghai Co. Ltd	100%	100%	1	0	0
Universum Communication SA	100%	100%	1	3 016	3 016
Universum Norway A/S	100%	100%	1 000 000	5 736	5 736
Universum Employer Branding GmbH	100%	100%	25 000	267	267
				80 162	**90 162**

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	Org.nr	Säte
Universum Communication Ltd	3,121,113	London
Universum Communication Switzerland AG	2803900467-5	Basel
Universum Communication Inc	13-4094742	New York
Universum Communication Italy S.r.l	11036880968	Milano
Universum Communication Pte Ltd	201107701W	Singapore
Universum Communication SARL	96802026583	Paris
Universum Business Consulting Shanghai Co. Ltd	310000400573	Shanghai
Universum Communication SA	201216676207	Johanesburg
Universum Norway A/S	992.927.786	Oslo
Universum Employer Branding GmbH	HRB199809B	Berlin

Not 17 Förutbetalda kostnader och upplupna intäkter

	2022-12-31	2021-12-31
Hyror	2 608	2 291
Upplupna projektkostnader	8 812	4 783
Förutbetalda kostnader	1 523	2 677
	12 943	9 751

Not 18 Upparbetade/förutbetalda intäkter i projekt

	2022-12-31	2021-12-31
Upparbetade intäkter i projekt	27 932	18 170
Förskott från kund	-31 897	-26 277
	-3 965	-8 107

Not 19 Kassa bank

	2022-12-31	2021-12-31
Disponibla tillgodohavanden hos banker och andra kreditinstitut	2 316	10 601
	2 316	10 601

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Not 20 Förändringar i eget kapital

Aktiekapital 10 000 000 aktier à kvotvärde 0,05 kronor.

	Aktie-kapital	Reserv-fond	Fond för utv.utgift	Balanserat resultat	Årets resultat	Totalt
Belopp vid årets ingång	500	7 008	6 456	94 203	-29 775	78 392
Disposition enligt beslut av årsstämman:				-29 775	29 775	0
Fond för utvecklingsutgifter			6 380	-6 380		0
Erhållna aktieägartillskott				40 524		40 524
Årets resultat					-44 791	-44 791
Belopp vid årets utgång	500	7 008	12 836	98 572	-44 791	74 125

Not 21 Avsättningar

	2022-12-31	2021-12-31
Övriga avsättningar		
Belopp vid årets ingång	6 900	6 900
Årets avsättningar Kapitaltäckning dotterbolag Shanghai	5 476	0
	12 376	6 900

Not 22 Upplupna kostnader och förutbetalda intäkter

	2022-12-31	2021-12-31
Upplupna löner	7 281	4 754
Upplupna semesterlöner	5 019	4 642
Upplupna sociala avgifter	6 051	4 029
Övriga poster	10 327	3 249
	28 678	16 674

Not 23 Ställda säkerheter

	2022-12-31	2021-12-31
Till förmån för koncernföretag		
Åtagande för Universum Communications Pte.	2 655	0
	2 655	0

Universum Communications Sweden AB har ett åtagande mot koncernföretaget Universum Communications Pte. Ltd (hädanefter Universum Singapore) att vid påkallelse erlägga betalning för fordringarna Universum Singapore har hos Universum Business Consulting (Shanghai) Co. Ltd (hädanefter Universum Shanghai). Per 2022-12-31 uppgår Universum Singapores fordringar hos Universum Shanghai till 2 655 031 SEK. Det bedöms inte sannolikt att förpliktelsen medför något utflöde av resurser från Universum Communications Sweden AB.

Undertecknade försäkrar härmed att årsredovisningen har upprättats i enlighet med årsredovisningslagen och god redovisningssed, att aktuella redovisningsnormer har tillämpats och att lämnade uppgifter stämmer med faktiska förhållanden.

Stockholm

Wolfgang Bruhn
Ordförande
2023-03-10

Thorsten Otte

2023-03-10

Sebastian Dettmers

2023-03-10

Yusuf Azoz
Verkställande direktör
2023-03-09

Revisorspåteckning

Vår revisionsberättelse har lämnats 2023-03-17

Ernst & Young AB

Jens Bertling
Auktoriserad revisor

Undertecknade försäkrar härmed att årsredovisningen har upprättats i enlighet med årsredovisningslagen och god redovisningssed, att aktuella redovisningsnormer har tillämpats och att lämnade uppgifter stämmer med faktiska förhållanden.

Stockholm

Wolfgang Bruhn Ordförande 2023-03-10	Thorsten Otte 2023-03-10
Sebastian Dettmers 2023-03-10	Yusuf Azoz Verkställande direktör 2023-03-09

Revisorspåteckning

Vår revisionsberättelse har lämnats

Ernst & Young AB

Jens Bertling
Auktoriserad revisor

EY
Building a better working world

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Revisionsberättelse

Till bolagsstämman i Universum Communications Sweden Aktiebolag, org.nr 556587-5993

Rapport om årsredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen för Universum Communications Sweden Aktiebolag för räkenskapsåret 2022-01-01 - 2022-12-31.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av Universum Communications Sweden Aktiebolags finansiella ställning per den 31 december 2022 och av dess finansiella resultat och kassaflöde för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen.

Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till Universum Communications Sweden Aktiebolag enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen och verkställande direktören som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen och verkställande direktören ansvarar även för den interna kontroll som de bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen och verkställande direktören för bedömningen av bolagets förmåga att fortsätta verksamheten. De upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen och verkställande direktören avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om att årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

Som del av en revision enligt ISA använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Dessutom:

- identifierar och bedömer vi riskerna för väsentliga felaktigheter i årsredovisningen, vare sig dessa beror på oegentligheter eller misstag, utformar och utför granskningsåtgärder bland annat utifrån dessa risker och inhämtar revisionsbevis som är tillräckliga och ändamålsenliga för att utgöra en grund för våra uttalanden. Risken för att inte upptäcka en väsentlig felaktighet till följd av oegentligheter är högre än för en väsentlig felaktighet som beror på misstag, eftersom oegentligheter kan innefatta agerande i maskopi, förfalskning, avsiktliga utelämnanden, felaktig information eller åsidosättande av intern kontroll.
- skaffar vi oss en förståelse av den del av bolagets interna kontroll som har betydelse för vår revision för att utforma granskningsåtgärder som är lämpliga med hänsyn till omständigheterna, men inte för att uttala oss om effektiviteten i den interna kontrollen.
- utvärderar vi lämpligheten i de redovisningsprinciper som används och rimligheten i styrelsens och verkställande direktörens uppskattningar i redovisningen och tillhörande upplysningar.
- drar vi en slutsats om lämpligheten i att styrelsen och verkställande direktören använder antagandet om fortsatt drift vid upprättandet av årsredovisningen. Vi drar också en slutsats, med grund i de inhämtade revisionsbevisen, om det finns någon väsentlig osäkerhetsfaktor som avser sådana händelser eller förhållanden som kan leda till betydande tvivel om bolagets förmåga att fortsätta verksamheten. Om vi drar slutsatsen att det finns en väsentlig osäkerhetsfaktor, måste vi i revisionsberättelsen fästa uppmärksamheten på upplysningarna i årsredovisningen om den väsentliga osäkerhetsfaktorn eller, om sådana upplysningar är otillräckliga, modifiera uttalandet om årsredovisningen. Våra slutsatser baseras på de revisionsbevis som inhämtas fram till datumet för revisionsberättelsen. Dock kan framtida händelser eller förhållanden göra att ett bolag inte längre kan fortsätta verksamheten.
- utvärderar vi den övergripande presentationen, strukturen och innehållet i årsredovisningen, däribland upplysningarna, och om årsredovisningen återger de underliggande transaktionerna och händelserna på ett sätt som ger en rättvisande bild.

Vi måste informera styrelsen om bland annat revisionens planerade omfattning och inriktning samt tidpunkten för den. Vi måste också informera om betydelsefulla iakttagelser under revisionen, däribland de eventuella betydande brister i den interna kontrollen som vi identifierat.

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Rapport om andra krav enligt lagar och andra författningar

Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens och verkställande direktörens förvaltning av Universum Communications Sweden Aktiebolag för räkenskapsåret 2022-01-01 - 2022-12-31 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter och verkställande direktören ansvarsfrihet för räkenskapsåret.

Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till Universum Communications Sweden Aktiebolag enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt. Verkställande direktören ska sköta den löpande förvaltningen enligt styrelsens riktlinjer och anvisningar och bland annat vidta de åtgärder som är nödvändiga för att bolagets bokföring ska fullgöras i överensstämmelse med lag och för att medelsförvaltningen ska skötas på ett betryggande sätt.

Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot eller verkställande direktören i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget, eller
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

Som en del av en revision enligt god revisionssed i Sverige använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Granskningen av förvaltningen och förslaget till dispositioner av bolagets vinst eller förlust grundar sig främst på revisionen av räkenskaperna. Vilka tillkommande granskningsåtgärder som utförs baseras på vår professionella bedömning med utgångspunkt i risk och väsentlighet. Det innebär att vi fokuserar granskningen på sådana åtgärder, områden och förhållanden som är väsentliga för verksamheten och där avsteg och överträdelser skulle ha särskild betydelse för bolagets situation. Vi går igenom och prövar fattade beslut, beslutsunderlag, vidtagna åtgärder och andra förhållanden som är relevanta för vårt uttalande om ansvarsfrihet. Som underlag för vårt uttalande om styrelsens förslag till dispositioner beträffande bolagets vinst eller förlust har vi granskat om förslaget är förenligt med aktiebolagslagen.

Stockholm 2023-03-17

Ernst & Young AB

Jens Bertling
Auktoriserad revisor

Bolagsverket

Årsredovisningar

851 98 Sundsvall

Erinran om hantering av handling i samband med inlämnande av årsredovisning

Vänligen bifogat finn årsredovisning för Universum Communications Sweden AB (Universum). Till årsredovisningen bifogas koncernredovisning för Axel Springer SE, Tyskland, moderbolag till Universum.

Notera att aktuell koncernredovisning för Axel Springer SE enligt gällande lagstiftning i Tyskland inte behöver registreras eller offentliggöras förrän 2023-12-31. För ytterligare bakgrund till detta hänvisar vi till tysk bolagslag.

Vi anför med anledning av detta att bifogad koncernredovisning endast får användas internt av Bolagsverket som grund för att registrera Universum Communications Sweden AB:s årsredovisning men inte på något sätt offentliggöras eller publiceras före 2023-12-31.

Koncernredovisningen bör således vid en förfrågan om utlämning enligt offentlighetsprincipen hanteras i enlighet med regler för en sekretessbelagd handling då ett offentliggörande skulle leda till irreparabel och väsentlig skada för Axel Springer SE.

Stockholm 2023-07-24

Universum Communications Sweden AB

Fredrik Andersson

Koncernjurist

2023072709973

axel springer_

Consolidated Financial Statements and Management Report Axel Springer SE

2022

Fotokopians överensstämmelse
med originalet intygas:

FREDRIK ANDERSSON
070-796 06 71

Content

Consolidated Financial Statements

Consolidated Statement of Financial Position

€ millions	Note	12/31/2022	12/31/2021*
Non-current assets		**5,885.6**	**6,044.1**
Intangible assets	(4)	4,578.3	4,668.6
Property, plant, and equipment	(5)	653.2	632.5
Non-current financial assets	(6)	542.9	624.6
Investments accounted for using the equity method		236.9	304.5
Other non-current financial assets		306.0	320.2
Receivables due from related parties	(32)	0.1	0.0
Receivables from income taxes		0.0	0.7
Other assets	(8)	71.2	53.6
Deferred tax assets	(25)	39.8	64.1
Current assets		**1,340.1**	**1,295.0**
Inventories		36.8	29.0
Trade receivables	(7)	919.2	921.7
Receivables due from related parties	(32)	8.0	9.0
Receivables from income taxes		38.0	21.3
Other assets	(8)	133.9	112.3
Cash and cash equivalents	(27)	204.1	201.6
ASSETS		**7,225.7**	**7,339.1**

€ millions	Note	12/31/2022	12/31/2021*
Equity	**(9)**	**2,500.9**	**2,500.6**
Shareholders of Axel Springer SE		2,244.8	2,264.7
Non-controlling interests		256.1	235.9
Non-current provisions and liabilities		**3,101.9**	**3,198.0**
Provisions for pensions	(11)	44.6	137.2
Other provisions	(12)	125.9	147.2
Financial liabilities	(13)	2,455.8	2,399.4
Trade payables		0.1	0.1
Liabilities due to related parties	(32)	31.5	22.1
Other liabilities	(14)	204.4	234.3
Deferred tax liabilities	(25)	239.7	257.8
Current provisions and liabilities		**1,622.8**	**1,640.6**
Provisions for pensions	(11)	21.5	20.4
Other provisions	(12)	168.0	159.0
Financial liabilities	(13)	151.1	226.4
Trade payables		623.6	628.0
Liabilities due to related parties	(32)	6.0	8.8
Liabilities from income taxes		44.0	62.4
Other liabilities	(14)	608.6	535.6
EQUITY AND LIABILITIES		**7,225.7**	**7,339.1**

* For the adjustment of the values as of December 31, 2021, see note (3p).

Consolidated Income Statement

€ millions	**Note**	**2022**	**2021***
Revenues	(16)	3,833.9	3,393.4
Other operating income	(17)	105.4	435.1
Change in inventories and internal costs capitalized	(18)	122.9	107.7
Purchased goods and services	(19)	−556.5	−497.7
Personnel expenses	(20)	−1,726.7	−1,532.3
Depreciation, amortization, and impairments	(21)	−459.5	−381.6
Other operating expenses	(22)	−1,141.3	−1,037.9
Income from investments	(23)	−47.2	76.1
Result from investments accounted for using the equity method		−33.9	15.4
Other investment income		−13.3	60.6
Financial result	(24)	−48.6	−32.3
Financial income		27.3	17.1
Financial expense		−75.9	−49.4
Income taxes	(25)	−107.2	−81.4
Net result		**−24.7**	**449.0**
Net result attributable to shareholders of Axel Springer SE		−45.0	400.2
Net result attributable to non-controlling interests		20.3	48.8

* For the adjustment of prior-year figures, see note (3p).

Consolidated Statement of Comprehensive Income

€ millions	Note	2022	2021*
Net result		**–24.7**	**449.0**
Actuarial gains/losses from defined benefit pension obligations		69.0	34.4
Items that may not be reclassified into the income statement in future periods (after taxes)		**69.0**	**34.4**
Currency translation differences		66.5	142.2
Changes in fair value of derivatives used to hedge cash flows		5.1	0.0
Other income/loss from investments accounted for using the equity method		0.3	5.7
Items that may be reclassified into the income statement in future periods if certain criteria are met (after taxes)		**71.9**	**147.9**
Other income/loss	**(26)**	**140.9**	**182.3**
Comprehensive income		**116.2**	**631.4**
Comprehensive income attributable to shareholders of Axel Springer SE		98.2	582.0
Comprehensive income attributable to non-controlling interests		18.0	49.3

* For the adjustment of prior-year figures, see note (3p).

Consolidated Statement of Cash Flows

€ millions	Note	2022	2021*
Net result		**−24.7**	**449.0**
Reconciliation of net result to the cash flow from operating activities:			
Depreciation, amortization, impairments, and write-ups		459.5	381.6
Result from investments accounted for using the equity method	(23)	33.9	−15.4
Dividends received from investments accounted for using the equity method		17.3	2.3
Result from disposal of consolidated subsidiaries and business units and intangible assets, property, plant, and equipment, and financial assets		−10.3	−339.2
Changes in non-current provisions		−113.5	−26.2
Changes in deferred taxes		1.5	−29.3
Other non-cash income and expenses		43.6	−23.6
Changes in trade receivables		−1.4	−161.3
Changes in trade payables		−2.3	96.6
Changes in other assets and liabilities		60.7	99.7
Cash flow from operating activities	**(27)**	**464.4**	**434.2**
Proceeds from disposals of intangible assets, property, plant, and equipment less costs of disposal		2.4	−0.5
Proceeds from disposals of consolidated subsidiaries and business units, less cash and cash equivalents given up	(2c)	−6.5	466.8
Proceeds from disposals of non-current financial assets		32.4	105.6
Purchases of intangible assets and property, plant, and equipment		−168.6	−184.7
Purchases of shares in consolidated subsidiaries and business units less cash and cash equivalents acquired	(2c)	−18.7	−909.5
Purchases of investments in non-current financial assets		−55.6	−76.5
Cash flow from investing activities	**(27)**	**−214.6**	**−598.9**
Dividends paid to shareholders of Axel Springer SE		−125.2	−400.3
Dividends paid to other shareholders		−6.2	−5.1
Purchase of non-controlling interests		−1.5	0.0
Repayments of lease liabilities		−70.5	−69.4
Proceeds from financial liabilities		1,040.7	2,776.8
Repayments of financial liabilities		−1,089.4	−2,157.5
Other financial transactions		2.9	−0.6
Cash flow from financing activities	**(27)**	**−249.1**	**143.9**
Cash flow-related changes in cash and cash equivalents		**0.8**	**−20.8**
Changes in cash and cash equivalents due to exchange rates		1.4	3.2
Changes in cash and cash equivalents due to changes in companies included in consolidation		0.4	0.0
Cash and cash equivalents at beginning of period		201.6	216.3
Changes to cash and cash equivalents in connection with assets held for sale		0.0	2.8
Cash and cash equivalents at end of period	**(27)**	**204.1**	**201.6**
Cash inflows and payments contained in the cash flow from operating activities:			
Income taxes paid		−181.0	−155.4
Income taxes received		17.7	15.7
Interest paid		−46.5	−27.8
Interest received		1.1	0.6
Dividends received		26.5	9.0

* For the adjustment of prior-year figures, see note (3p).

Consolidated Statement of Changes in Equity

				Accumulated other comprehensive income					
					Changes in fair value				
€ millions	**Subscribed capital**	**Additional paid-in capital**	**Accumulated retained earnings**	**Currency translation**	**Derivatives used to hedge cash flows**	**Other equity**	**Shareholders of Axel Springer SE**	**Non-controlling interests**	**Equity**
Balance as of 01/01/2021	**107.9**	**579.5**	**1,624.6**	**–121.7**	**0.1**	**–144.1**	**2,046.3**	**351.4**	**2,397.7**
Net result*			400.2				400.2	48.8	449.0
Other income/loss				141.7		40.1	181.8	0.5	182.3
Comprehensive income*			**400.2**	**141.7**		**40.1**	**582.0**	**49.3**	**631.4**
Dividends paid			–400.3				–400.3	–6.9	–407.2
Change in consolidated companies				12.1		1.2	13.3	–159.1	–145.9
Purchase/Disposal of non-controlling interests		–2.2	0.1	0.1			–2.0	1.0	–1.0
Other changes		25.0	0.5				25.5	0.1	25.6
Balance as of 12/31/2021*	**107.9**	**602.2**	**1,625.1**	**32.2**	**0.1**	**–102.8**	**2,264.7**	**235.9**	**2,500.6**
Net result			–45.0				–45.0	20.3	–24.7
Other income/loss				68.9	5.1	69.2	143.3	–2.3	140.9
Comprehensive income			**–45.0**	**68.9**	**5.1**	**69.2**	**98.2**	**18.0**	**116.2**
Dividends paid			–125.2				–125.2	–3.3	–128.5
Change in consolidated companies			1.0			0.2	1.2	1.7	3.0
Purchase/Disposal of non-controlling interests		–1.5	0.6				–0.9	3.7	2.8
Other changes		6.5	0.2				6.7	0.1	6.8
Balance as of 12/31/2022	**107.9**	**607.3**	**1,456.7**	**101.1**	**5.2**	**–33.4**	**2,244.8**	**256.1**	**2,500.9**

* For the adjustment of prior-year figures, see note (3p).

Notes to the Consolidated Financial Statements

General Information

(1) Basic principles

The Axel Springer SE is a European stock corporation (Societas Europaea) with its registered head office in Berlin, Germany. The company is registered in the Commercial Register of the local court Berlin-Charlottenburg under number HRB 154517 B. The principal activities of Axel Springer SE and its subsidiaries ("Axel Springer Group", "Axel Springer" or the "Group") are described in note (16).

On March 2, 2023, the Executive Board of Axel Springer SE authorized the consolidated financial statements for financial year 2022 and subsequently presented them to the Supervisory Board for approval. The consolidated financial statements were prepared by application of Section 315e HGB in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB) and the interpretations of the IFRS Interpretations Committee (IFRS IC) approved by the IASB, in effect and recognized by the European Union (EU) on the reporting date. The reporting currency is the euro (€); unless otherwise indicated, all figures are stated in euro millions (€ millions). Totals and percentages have been calculated based on euro amounts before rounding and may differ from a calculation based on the reported million euro amounts.

(2) Consolidation

(a) Consolidation principles

The consolidated financial statements include Axel Springer SE and its subsidiaries over which Axel Springer SE either directly or indirectly has control, can influence variable outflows from the subsidiary, and is exposed to the variability of these outflows.

The consideration transferred in business combinations is offset against the pro-rated fair value of the acquired assets and liabilities on the acquisition date. Any remaining positive difference allocated to our interests is capitalized as goodwill and recognized in the amount allocated to our shares, unless we acquire all shares in the company. Negative differences are immediately recognized as income. The acquisition date indicates the time at which the possibility for gaining control of the acquired business or company was obtained. We offset differences arising from disposals and purchases of non-controlling interests in equity.

If in the context of business combinations put options for the remaining non-controlling interests are agreed upon, the contingent consideration for these shares is accounted for as a financial liability measured at fair value and is remeasured at each balance sheet date. In the case of identical or almost identical call and put options for remaining non-controlling interests, where the purchase price to be paid is based on the future results of the company, the acquisition of these interests is assumed to be anticipated. To this extent, non-controlling interests are not disclosed.

Associated companies in which the Axel Springer Group can exert significant influence over the financial and operating policies, as well as joint venture companies that are managed jointly by Axel Springer and one or more other parties, are included in the consolidated financial statements by application of the equity method. In general, the IFRS separate and IFRS consolidated financial statements of these companies as at the Axel Springer Group's reporting date, respectively, serve as the basis for applying the equity method. Goodwill as well as assets and liabilities included in the amortized carrying amount are accounted for using the accounting principles applied to business combinations. Losses that exceed the carrying amount of the investment, or any other long-term receivables related to the financing of these companies, are not recognized, unless the Axel Springer Group is bound by additional contribution requirements. Intercompany profits and losses are eliminated on a pro-rated basis. The carrying amounts of investments are tested for impairment; if impairments exist, they are written down to the lower recoverable amount.

(b) Companies included in the consolidated financial statements

The composition of the companies included in our consolidated financial statements is shown in the following table:

	12/31/2022	12/31/2021
Fully consolidated companies		
Germany	83	84
Other countries	104	98
Investments accounted for using the equity method		
Germany	13	12
Other countries	7	8

Consolidated companies are listed in note (36). Essentially, the following changes occurred in the reporting year 2022:

At the beginning of July 2022, we acquired further 26.0 % of the shares in **No Fluff Jobs, Sp. Z o.o.**, Gdansk, Poland, which had previously been accounted for using the equity method. We now hold 70.0 % of the shares in No Fluff Jobs. Since then, the company has been fully consolidated.

The other changes related to mergers, foundations, initial consolidations and deconsolidations of fully consolidated companies as well as investments accounted for using the equity method.

(c) Acquisitions and divestures

At the beginning of July 2022, we acquired further 26.0 % of the shares in **No Fluff Jobs, Sp. Z o.o.**, Gdansk, Poland, via Grupa Ringier Axel Springer Polska AG, and now hold 70.0 % of the shares. Since then, the company has been fully consolidated. No Fluff Jobs operates a portal for IT job advertisements in Poland.

For the remaining 30.0 % of the shares in No Fluff Jobs call and put options were agreed upon, in which the purchase price to be paid is based on future company results. Accordingly, we assumed an anticipated acquisition of the remaining shares and did not account for any non-controlling interests.

The acquisition costs amounted to € 31.5 million, consisting of the purchase price paid of € 8.4 million, the partial fair value of the contingent consideration to be treated as purchase price in the amount of € 5.7 million, as well as the pre-existing investment of 44.0 % measured at a fair value of € 17.4 million (see note (23) for information on income from revaluation). The contingent consideration totaling € 10.9 million resulted from an earn-out and option agreement and included a partial amount of € 5.2 million that will be recognized as personnel expense over the option term.

Based on the preliminary purchase price allocation, the acquisition costs of this business combination were allocated to the purchased assets and liabilities on the acquisition date as follows:

€ millions	Carrying amount after acquisition
Intangible assets	11.3
Property, plant, and equipment	0.1
Trade receivables	0.2
Other assets and deferred tax assets	0.7
Cash and cash equivalents	3.3
Trade payables	−0.3
Provisions and other liabilities	−1.4
Deferred tax liabilities	−2.5
Net assets	**11.5**
Acquisition cost	31.5
Goodwill (preliminary)	**20.0**

The acquired intangible assets mainly relate to trademarks and customer relationships. The purchase price allocation considers all knowledge and adjusting events about conditions that already existed on the acquisition date, and has not yet been completed, particularly due to the closeness in time to the balance sheet date.

The non-tax-deductible goodwill is primarily attributable to inseparable values such as employee expertise, expected synergy effects from the integration, as well as the strategic advantages resulting from the leading market position and digital reach of the company.

The gross amount of the acquired trade receivables was € 0.2 million. No corresponding valuation allowances were recognized.

Since initial consolidation at the beginning of July 2022, No Fluff Jobs contributed to consolidated revenues in the amount of € 1.6 million and to consolidated net result in the amount of € −3.4 million. If No Fluff Jobs had already been fully consolidated on January 1, 2022, the consolidated revenues 2022 would have changed by € 4.9 million and consolidated net result 2022 would have changed by € −4.5 million.

Additional transactions carried out in the reporting year, as well as finalizations of purchase price allocations arising from acquisitions of companies in the previous year, had no material effects individually and collectively on the financial position, liquidity, and financial performance of the Group.

Acquisitions and divestures of the previous year:

At the middle of October 2021, we acquired 100.0 % of the shares in **Politico Media Group, LLC** (formerly Allbritton, LLC), Arlington, USA, which has been fully consolidated since then. The acquisition also included 50.0 % of the shares in AS TYFP Media GmbH & Co. KG, Berlin, the holding company of the POLITICO EU Group, so that Axel Springer is now the only shareholder. POLITICO has one of the world's most influential offerings for political news and supports Axel Springer's growth strategy, especially the expansion in the US media market.

The preliminary acquisition costs amounted to € 912.3 million and included the purchase price paid in the financial year 2021 of € 881.0 million and the 50.0 % shares in POLITICO EU Group measured at fair value of € 31.3 million. The acquisition-related expenses included in other operating expenses of the financial year 2021 amounted to € 3.2 million.

Based on the preliminary purchase price allocation as of December 31, 2021, the preliminary acquisition costs of this business combination were allocated to the purchased assets and liabilities on the acquisition date as follows:

€ millions	**Carrying amount after acquisition**
Intangible assets	334.1
Property, plant, and equipment and non-current financial assets	26.6
Trade receivables	31.7
Other assets and deferred tax assets	8.0
Deferred tax assets	1.3
Cash and cash equivalents	19.3
Trade payables	−5.5
Financial liabilities	−21.3
Provisions and other liabilities	−61.8
Deferred tax liabilities	−6.4
Net assets	**325.9**
Acquisition cost (preliminary)	912.3
Goodwill (preliminary)	**586.4**

The acquired intangible assets mainly relate to trademarks and customer relationships. The purchase price allocation considers all knowledge and adjusting events about conditions that already existed on the acquisition date, and has not yet been completed, particularly due to the closeness in time to December 31, 2021.

The goodwill, which is almost entirely tax-deductible, is primarily attributable to inseparable values such as employee expertise, expected synergy effects from the integration, as well as the strategic advantages resulting from the leading market position and digital reach of the company.

The gross amount of the acquired trade receivables was € 32.1 million. Corresponding valuation allowances in the amount of € 0.4 million were recorded.

Since initial consolidation at the middle of October 2021, POLITICO contributed to consolidated revenues 2021 in the amount of € 40.2 million and to consolidated net result 2021 in the amount of € 1.1 million. If POLITICO had already been fully consolidated on January 1, 2021, the consolidated revenues 2021 would have changed by € 171.3 million and consolidated net result 2021 would have changed by € 5.5 million.

At the beginning of March 2021, we have completely disposed our fully consolidated (100.0 %) shares held by Axel Springer in the French **La Centrale Group**, Paris, France, for a total purchase price of € 399.1 million. Cash and cash equivalents of the company of € 78.0 million already recognized in the Group were not disposed but distributed to us prior to the disposal. Axel Springer subsequently acquired a 22.5 % share in a newly founded acquiring company for an amount of € 50.0 million. The gain on disposal recognized in other operating income in the financial year 2021 amounted to € 251.3 million. The gain on disposal included expenses of € 0.6 million previously recognized in other comprehensive income in equity. As part of the disposal process, disposal-related costs in the amount of € 1.1 million were recorded in personnel expenses, other operating income and other operating expenses in the financial year 2021. The carrying amounts of the assets and liabilities disposed of were as follows:

€ millions	Carrying amount
Goodwill	96.3
Intangible assets	65.4
Property, plant, and equipment and non-current financial assets	1.7
Trade receivables	11.1
Other assets	4.1
Cash and cash equivalents	6.5
Trade payables	–3.3
Financial liabilities	–1.1
Provisions and other liabilities	–18.8
Deferred tax liabilities	–14.8
Disposal net assets	**147.2**
Realization of expenses previously recognized in other comprehensive income	–0.6
Selling price	399.1
Gain on disposal	**251.3**

At the end of September 2021, we have completely disposed our fully consolidated (87.0 %) shares in **Bistro.sk** (formerly Ringier Axel Springer SK, a.s.), Bratislava, Slovakia, held by Ringier Axel Springer Media AG for a preliminary total purchase price as of December 31, 2021, of € 43.5 million, of which € 42.8 million was paid in the financial year 2021. Previously, the News Media and Community Business were carved out into separate companies. The preliminary gain on disposal recognized in other operating income in the financial year 2021 amounted to € 24.8 million. In the course of the sale, non-controlling interests of € 0.2 million were derecognized. In addition, disposal-related costs in the amount of € 1.8 million were recorded in personnel expenses as well as other operating expenses in the financial year 2021. The carrying amounts of the assets and liabilities disposed of were as follows:

€ millions	Carrying amount
Goodwill	18.0
Intangible assets	1.0
Trade receivables	0.4
Other assets	0.3
Cash and cash equivalents	2.4
Trade payables	–0.5
Provisions and other liabilities	–2.7
Disposal net assets	**18.9**
Share of non-controlling interests in net assets	–0.2
Selling price (preliminary)	43.5
Gain on disposal (preliminary)	**24.8**

At the end of December 2021, we completed the sale of our previously fully consolidated shares (50.0 %) in **Ringier Axel Springer Media AG**, Zurich, Switzerland. Previously the Polish investments were carved out into Grupa Ringier Axel Springer Polska AG, Zurich, Switzerland, in which we continue to hold 50.0 % of the shares and which we continue to fully consolidate based on contractual rights. We disposed Ringier Axel Springer Media AG and all subsidiaries remaining after the carve-out in full for a preliminary total purchase price as of December 31, 2021, of € 213.9 million. Of the total purchase price, an amount of € 52.7 million was fulfilled by transferring a loan receivable granted to Axel Springer SE in the past due to cash and cash equivalents that were no longer required. The remaining preliminary purchase price of € 161.2 million as of December 31, 2021, was paid in the financial year 2021. The preliminary gain on disposal recognized in other operating income in the financial year 2021 amounted to € 41.7 million. The gain on disposal included expenses of € 12.3 million previously recorded in other comprehensive income in equity, almost exclusively from foreign currency translation differences. In the course of the sale, non-controlling interests of € 159.0 million were derecognized. As part of the disposal process, disposal-related costs in the amount of € 0.9 million were recorded in personnel expenses as well as other operating expenses in the financial year 2021. The carrying amounts of the assets and liabilities disposed of were as follows:

€ millions	**Carrying amount**
Goodwill	67.9
Intangible assets	49.6
Property, plant, and equipment and non-current financial assets	14.7
Trade receivables	17.6
Other assets	59.8
Cash and cash equivalents	98.5
Trade payables	–10.6
Financial liabilities	–7.4
Provisions and other liabilities	–18.5
Deferred tax liabilities	–5.4
Disposal net assets	**266.2**
Share of non-controlling interests in net assets	–159.0
Realization of expenses previously recognized in other comprehensive income	–12.3
Selling price (preliminary)	213.9
Loan transfer	–52.7
Gain on disposal (preliminary)	**41.7**

Additional transactions carried out in the financial year 2021, as well as finalizations of purchase price allocations arising from acquisitions of companies in the financial year 2020, had no material effects individually and collectively on the financial position, liquidity, and financial performance of the Group.

(d) Translation of separate financial statements denominated in foreign currency

Assets and liabilities of subsidiaries for which the functional currency is not the euro have been translated at the exchange rate in effect on the reporting date. Goodwill and fair value adjustments of assets and liabilities related to the acquisition of companies outside the European Monetary Union are assigned to the acquired company and accordingly translated at the exchange rate in effect on the reporting date.

Items of the income statement of these subsidiaries have been translated at the weighted average exchange rate. Equity components have been translated at the historical exchange rate at the date of origination. Foreign exchange differences resulting from the translation have been recognized within accumulated other comprehensive income and/or non-controlling interests.

The exchange rates of the foreign currencies important to us developed as follows in relation to the euro:

1 € in foreign currency	**Average price**		**Exchange rate on balance sheet date**	
	2022	**2021**	**12/31/2022**	**12/31/2021**
British pound	0.85	0.86	0.89	0.84
Israeli shekel	3.54	3.83	3.76	3.51
Polish zloty	4.69	4.56	4.69	4.59
US-Dollar	1.05	1.18	1.07	1.13

(3) Explanation of significant accounting and valuation methods

(a) Basic principles

The accounting and valuation principles applied uniformly across the Axel Springer Group in the reporting year have basically not changed in comparison to the previous year.

(b) Revenue recognition

Axel Springer Group is a leading digital publisher whose core business is digital classified ad models and journalism. We generate revenues primarily from advertising and circulation.

Revenues are basically recognized with fulfillment of the identified performance obligations, i.e. when the customer obtains control over the agreed goods and benefits from them or the agreed services have been provided. The revenues are calculated on the basis of the amount of the respective compensation we expect to receive for the transfer of promised goods or the provision of services ("transaction price") resulting from published price lists or individual agreements. Contracts with customers are either concluded for individual deliveries and services or have terms that are predominantly short-term. Compensation is due either in advance, at the time the service is rendered or under the provision of short-term payment targets. Expenses for initiating contracts with customers are generally of minor importance or relate to short-term contracts and are therefore recognized immediately in profit or loss for reasons of simplification.

In case we have already fulfilled part of our performance obligation, but our entitlement to payment depends on other performances, we recognize a contract asset in other non-financial assets. If the customer has already paid, but the performance obligation has not yet been fulfilled by us, we recognize a contract liability in other non-financial liabilities.

Advertising revenues include, in particular, revenues from digital classifieds, from the marketing of online and print media as well as from reach and performance-based marketing. Advertising revenues from digital classifieds are mainly generated by the sale of job, real estate and car ads. In accordance with the provision of services, the revenues are always realized linearly over the period of the respective advertisement. The corresponding remuneration is often received in advance or at the beginning of the service provision, so that we recognize contract liabilities in respect of outstanding performances.

The marketing of online and print media leads to revenue from the sale of advertisements in newspapers and magazines, from TV advertising and from the sale of advertising in our online media. Revenues are recognized with the publication or reproduction of the advertisement. Discounts and bonuses granted are taken into account, as they diminish sales revenues.

In reach-based marketing, we market advertising space to advertisers, which are compensated based on the generated reach or the interaction generated by the reach. In terms of performance-based marketing, we offer platforms, as a marketplace, that bring together advertisers and online publishers. The advertisers only pay a success-based compensation to the publisher if the advertising materials have actually been used and resulted in the desired transaction for the advertising customers. Our service consists, in particular, in the technological and financial settlement between the two parties. Since we regularly do not gain control over the advertising space offered, we primarily act as an agent in the area of performance-based marketing and only report our revenues in the amount of our commission claim.

Circulation revenues primarily include the sale of printed newspapers and magazines to retailers, wholesalers, subscribers and the sale of digital subscriptions. Revenues from the sale of printed offers are generally recognized at the time of delivery to the customer. Expected sales returns are taken into account on the basis of empirical values and reduce revenue. Digital subscription sales are realized on a linear basis over their term, as the performance obligations are successively fulfilled with the continuous update of the contents. Payments to subscribers for conclusion of subscriptions reduce the transaction price and are distributed over the subscription period to reduce revenue. Subscription compensations are generally collected in advance, so that contract liabilities are recognized for the outstanding fulfilments.

Revenues from barter transactions are recognized if the goods or services exchanged are dissimilar and the amount of revenue can be measured reliably. They are measured at the fair value of services received. If the fair value of the service received under barter transactions cannot be measured reliably, the fair value is determined on the basis of the service rendered.

For offers containing several service components ("bundle offers"), the breakdown of the transaction price is always based on the relative stand-alone selling prices of the individual performance obligations. If stand-alone selling prices are not directly derivable from the market, they are estimated at the beginning of the contract.

(c) Intangible assets

Internally generated intangible assets are measured as the sum of costs incurred in the development phase from the time when the technical and economic feasibility has been demonstrated until the time when the intangible asset has been completed. The capitalized production costs include all costs that are directly or indirectly allocable to the development phase. Costs for the self-development of websites are capitalized only when the website directly serves the generation of revenues. Purchased intangible assets are measured at cost.

Internally generated and purchased intangible assets that have a determinable useful life are amortized over their expected useful lives using the straight-line method, starting from the time when they become available for use by the enterprise, as follows:

in years	Useful life
Software and other licenses	2 – 11
Supply rights	3 – 5
Internet platforms	3 – 8
Customer relationships	3 – 15
Title rights and trademarks	7 – 25

Intangible assets with an indefinite useful life, which include goodwill, individual title rights and trademarks, and brand rights, are not amortized. At present, the use of these assets by the company is not limited by any economic or legal restrictions.

(d) Property, plant, and equipment

Property, plant, and equipment, with the exception of right-of-use assets resulting from leases, are measured at acquisition or production cost and depreciated over their expected useful lives using the straight-line method. Any gains or losses on the disposal of property, plant, and equipment were reported as other operating income or expenses. For depreciation purposes, the following useful lives are essentially applied:

in years	Useful life
Buildings	30 – 50
Leasehold improvements	2 – 21
Printing machines	5 – 20
Editing systems	3 – 10
Other operational and business equipment	2 – 15

Capital investment subsidies and bonuses granted by the government are recognized when it is reasonably certain that the subsidies will be granted, and the related terms and conditions will be fulfilled. Bonuses and subsidies granted for the acquisition or construction of property, plant, and equipment are accounted for in a deferred income item within other liabilities. In subsequent periods, the deferred income item is released and recognized as income over the useful life of the corresponding assets.

Rights-of-use assets resulting from leases are disclosed under property, plant, and equipment. A lease exists if we are entitled to use, for a certain period of time, an identifiable asset over which we have gained control, against payment. Leases mainly relate to office space, leased vehicles and other operating and office equipment at Axel Springer.

At the beginning of the lease term ("provision date"), lease rights-of-use assets are valued at acquisition costs, which arise from the corresponding lease liabilities and lease prepayments, taking into account leasing incentives received. Current depreciation is calculated on a linear basis.

Lease liabilities are recognized at the present value of the lease payments that have not yet been made and reported under financial liabilities. Discounting is always calculated using term-specific and currency-specific incremental borrowing rates, as we are unable to determine the interest rates underlying the leases on a regular basis. The lease liabilities are updated in accordance with the effective interest method. We report the corresponding interest expenses in the financial result.

For reasons of simplification, lease payments in connection with lease contracts with a maximum term of twelve months and leases for so-called low-value assets (acquisition or production cost of up to € 5,000) are included in other operating expenses over the respective term of the leasing contracts.

As a lessor, we operate, in particular, in the context of subletting office space. On the provision date, we evaluate as to whether an operating or finance lease exists. If all material risks and rewards are transferred, this is a finance lease. In that case, a receivable in the amount of the net investment in the lease is accounted for in other financial assets. We report the corresponding interest income in the financial result. Lease payments from operating lease activities are recognized as revenue in the income statement.

(e) Recognition of impairment losses in intangible assets and property, plant, and equipment

Impairment losses are recognized in intangible assets, in property, plant, and equipment, and in investment property when as a result of certain events or changed circumstances, the carrying amount of the assets is no longer covered by the recoverable amount, i.e. the higher of the fair value less cost of disposal ("net realizable value"), and the value in use. If it is not possible to determine the recoverable amount of an individual asset, the determination of the recoverable amount is carried out at the cash generating unit level, or in the group of cash generating units (each one a "reporting unit") to which the asset belongs.

Goodwill and intangibles with indefinite useful lives which are acquired in the context of business combinations, are not subject to amortization, and shall be tested at least once annually for impairment. In order to carry out the impairment tests, these assets are assigned to those reporting units that can be expected to profit from the synergies of the business combinations. These reporting units represent the lowest level at which these assets are monitored for management purposes. They generally correspond to individual titles and digital products of the Axel Springer Group. In the case of integrated business models, individual titles and digital products are summed up in a single reporting unit.

If the carrying amount exceeds the recoverable amount, this results in an impairment loss. For reporting units, the goodwill is initially reduced, and an additional impairment loss is allocated pro rata to the carrying amounts of the other assets of the reporting unit.

As a basic principle, the recoverable amount is initially determined based on the value in use. The net realizable value is additionally determined when the value in use is less than the carrying amount. The net realizable value corresponds to the amount reduced by the selling costs, which can be achieved on commercial terms through the sale of an asset or reporting unit. As quoted prices are not observable, as a general rule, the net realizable value is determined as the present value of future cash flows, which are derived from the medium-term planning and from the point of view of an independent third party. Thus, the valuation is based on unobservable input factors (Level 3, see note (3f)).

The determination of the value in use is taking into consideration the further use within the Group and is based on the estimated future cash flows, which are derived from the medium-term planning. Expenses of the Group's central operations are also taken into account. Basically, the planning horizon for the medium-term planning is five years. However, the values in use are primarily determined by the terminal value. The amount of the terminal value depends on the forecasted cash flow in the last year of medium-term planning, on the growth rate of the cash flows subsequent to the medium-term planning, and on the discount rate. The cash flows to be received after the last year are extrapolated on the assumption of a growth rate, which is derived from the assumed average market or industry growth rate of the reporting unit.

The discount rates for every business unit are determined with reference to the weighted average costs of capital and costs of debt of comparable companies. In this respect, country-specific risk premiums and tax rates are taken into account.

There are estimation uncertainties in the following assumptions on which the calculations were based:

- *Medium-term planning: The medium-term planning is determined on the basis of past historical values, and* factors in business-segment-specific expectations about future market growth. Here, we assume that cash flows in the electronic media sector will usually exhibit higher growth rates than in the print sector.
- Discount rates: Based on the average weighted capital costs of the sector in question, the discount rates of the reporting units also consider country-specific risks, which reflect the current market estimates.
- Growth rates: The growth rates are determined on the basis of published market research reports for the sectors in question. In estimating the long-term growth rates with regard to the determination of the value in use, due consideration was given to the compensatory effects between the different business lines, based on the adopted strategy of the Group.

Write-ups are made when the recoverable amount exceeds the carrying amount of an asset or a reporting unit, *due to changes in the estimates upon which the measurement is based. The write-up is limited to the amount* that would have resulted if previous impairment losses had not been recognized. There is no write-up of goodwill that has been subject to impairment.

(f) Financial assets and liabilities

Financial assets are mainly composed of cash and cash equivalents, trade receivables, receivables from related parties, loans, investments, securities, and financial derivatives with positive market values. Financial liabilities are mainly composed of trade payables, liabilities due to related parties, liabilities due to banks, promissory notes, lease liabilities, contingent consideration, and other option liabilities for the acquisition of non-controlling interests as well as financial derivatives with negative market values.

At initial recognition, trade receivables are measured at transaction price, all other financial assets and liabilities are measured at fair value. Transaction costs are included if the financial assets and liabilities are subsequently valued at amortized costs. Otherwise, they are immediately recognized as expenses.

The initial recognition and derecognition of purchases and disposals of financial assets conducted at arm's length are carried out at settlement date.

Subsequent to initial recognition, financial assets are recognized at fair value or at amortized costs, in case they are not part of a hedging relationship. We basically do not make use of the option to value certain financial assets at fair value through other comprehensive income in equity. The subsequent valuation depends on the business model for managing the financial assets and the characteristics of the contractual cash flows. Financial liabilities are measured at amortized costs or at fair value through profit and loss.

For financial assets and financial liabilities which need to be measured at fair value, we apply the following valuation hierarchy. Hereby, the input factors used in the valuation models are categorized into three levels:

- Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities (e.g., stock market prices).
- Level 2: Input factors other than prices quoted in Level 1, which are observable for the asset or the liability, either directly or indirectly (e.g., interest yield curves, forward rates).
- Level 3: Input factors which are not observable on a market for the asset or the liability (e.g., estimated future results).

When determining the fair value, the application of relevant and observable input factors is given high priority, whereas the application of non-observable input factors is given less priority. The classification of the valuation models into the respective valuation hierarchy levels is monitored at the end of each reporting period.

A financial asset is derecognized when the contractual rights to the cash flows from the financial asset have expired or have been transferred to third parties, or when the Group has assumed a contractual obligation to pay the cash flows to a third party, under which the risks and rewards or the power of control were transferred. Provided that after reasonable assessment, we cannot assume that a financial asset is completely or partly realizable anymore, a depreciation and thus a derecognition of this asset is made. At the latest, we no longer assume realizability from an overdue date of one year. A financial liability is derecognized when the obligation underlying the liability is settled or annulled or has expired.

Investments
Subsequent valuation for investments that have not been consolidated or accounted for using the equity method in the consolidated financial statements, is made at fair value through profit and loss. The fair value is determined on the basis of stock exchange or market prices by means of generally accepted valuation methods. The valuation methods employed include especially the discounted cash flow method (DCF method) based on the expected investment income. Any unrealized gains or losses resulting from the changes in fair value are recognized directly in income from investments.

Loans, receivables, and other non-derivative financial assets
With the exception of convertible loans which are assessed at fair value through profit or loss, all other loans, receivables, and other non-derivative financial assets are recorded at amortized costs after initial recognition by applying the effective interest method and under deduction of allowances, as they are exclusively held for the contractually agreed receipt of principal and interest payments. Profits and losses from the derecognition, impairments and currency translation effects are recognized in profit and loss and reported in other operating income, other operating expenses or in the financial result.

Allowances are recognized under consideration of future-oriented information, in general in the amount of the expected bad debt losses, based on probability-weighted default events in the following twelve months. If the risk of a default has increased significantly after initial recognition, all the default events of the entire remaining term of the financial asset are considered for the valuation of the allowance. A significant increase of the default risk is especially assumed in case of an overdue period of 30 days. A default is defined as 90 days overdue.

Interest income is basically determined on the basis of gross receivables under application of the effective interest rate and recorded in the financial result. In case the default risk increased since its initial recognition and additionally objective indications for an impairment are given, especially a downgrade in credit rating of the financial asset, interest income is only determined on the basis of the impaired receivable under application of the initial effective interest rate. The credit rating of the financial asset is especially affected in case of significant financial difficulties or breach of contracts by the debtor, as for example outstanding payments for a period of 90 days, or in case of impending bankruptcy.

For trade receivables, contract assets and lease receivables, the simplified method for the determination of impairments is applied. Regardless of the actual change of the credit risk, all events of default of the entire remaining term are considered. The allowance is identified on the basis of historical bad debt losses and future-oriented information. By using provision matrices, bad debt rates for different overdue periods are calculated separately for individual business models and geographical regions and are applied to the actual value of receivables on the balance sheet date.

Under other financial non-derivative assets, we additionally disclose finance lease receivables, a reimbursement right which is associated with pension obligations, and net defined benefit assets. For accounting see note (3d), and (3i) respectively.

Financial derivatives
Financial derivatives are utilized to hedge against currency and interest rate risks that have an influence on future cash flows. These are stated at their current market value. The valuation is based on observable parameters, using recognized valuation methods, and is particularly influenced by the development of forward rates or yield curves. If the conditions for the application of hedge accounting are met, changes in the fair values, including the tax effects, are recognized directly in equity as accumulated other comprehensive income. The amounts recognized in accumulated other comprehensive income are recycled when the underlying transaction is recognized on the balance sheet or income statement. The changes in the fair value of derivatives that do not meet the conditions for the application of hedge accounting, despite their economic hedging effect, are *measured at fair value through profit and loss*.

Financial liabilities
Upon initial recognition, other non-derivative financial liabilities are measured at fair value less transaction costs. In subsequent periods, they are principally measured at amortized cost using the effective interest method. For the accounting of lease liabilities see note (3d).

Contingent consideration arising from acquisitions (see note (2a)) and from earn-out agreements in the context of acquisitions as well as other option liabilities from the acquisition of non-controlling interests are recognized at fair value after initial recognition and are shown under other financial liabilities. To the extent it can be reliably measured, this value is derived from the estimated financial performance measures of the acquired companies in the years prior to the possible exercise dates of the options or the payment dates of the earn-outs. Changes in the fair value are recognized in the income statement. The discount rates are determined on the basis of the Group's cost of debt. The financial performance measures used as a basis for measurement are generally revenues, resp. EBIT or EBITDA figures adjusted for material non-recurring effects as well as effects from lease accounting (EBITDA).

(g) Inventories

Inventories are measured at production or purchase cost. Purchase costs are determined on the basis of a weighted average value. Production costs include all costs directly related to the units of production and production-related overhead costs. Inventories are measured at the reporting date at the lower of the purchase or production cost and the net realizable value. The net realizable value is the estimated selling price less estimated costs to be incurred until the sale. The net realizable value of goods and services in progress is calculated as the net realizable value of finished goods and services less remaining costs of completion. Impairments are reversed whenever the reasons justifying an earlier write-down no longer exist.

(h) Assets held for sale and discontinued operations

Assets are classified as held for sale when their disposal has been initiated, the sale of such is highly probable and the asset or disposal group is available for immediate sale in its present condition. The non-current assets held for sale are measured at the lower of the carrying amount or the fair value less costs to sell. Depreciation is no longer applied to these assets. Liabilities that are held in connection with assets held for sale are disclosed likewise separately in the balance sheet as a current item.

Discontinued operations represent a material geographical or operational line of business of the Group that is available for sale.

The results from continued operations in the financial year and the previous year are shown in the income statement. The results from discontinued operations, if existing, are shown separately. In this case, cash inflows and cash outflows from discontinued operations are shown separately in the notes to the consolidated financial statements. The information in the notes relate to the continued operations of the Group.

(i) Pension provisions

Pension obligations under defined benefit plans and a reimbursement right referring to this disclosed in the other financial assets, are determined using the projected unit credit method under which future changes in compensation and benefits are taken into account. Plan assets are recognized at fair value. In order to calculate the pension provisions, the present value of the obligations is netted against the fair value of the plan assets. If the plan assets exceed the related pension obligation, another current financial asset is recognized in the amount of the net defined benefit asset.

The expected life spans of the participants are determined with reference to the country-specific recognized actuarial tables. The present value of the defined benefit commitments is determined by discounting the estimated future cash outflows. The discount rate applied for this purpose is determined with reference to high-quality AA-rated corporate bonds that match the underlying pension obligations with respect to currency and maturity. If corporate bonds with matching terms do not exist, then the yields of these bonds at the balance sheet date are adjusted along the yield curve for fixed-interest government bonds using a constant spread over the term of the underlying pension obligations.

The return underlying the measurement of the plan assets is identical to the discount rate for defined benefit commitments.

Actuarial gains and losses resulting from changes in actuarial parameters are offset against accumulated other comprehensive income without affecting net result.

(j) Other provisions

Other provisions have been formed to account for all discernible legal and constructive obligations to third parties, provided that the settlement of the obligation is probable and the amount of the obligation can be reliably estimated. The amount of each provision corresponds to the expected settlement amount. In the case of long-term provisions, the expected settlement amount is discounted to the present value at the reporting date by application of appropriate market rates of interest. Provisions are recognized for restructuring expenses only when the intended measures have been sufficiently concretized and announced on or before the reporting date.

(k) Income taxes

Income taxes are taxes paid or taxes payable on income as well as deferred taxes. Income taxes consist of trade tax, corporation tax, solidarity surcharge and the corresponding foreign income tax. The calculation of income taxes is based on legal regulations and tax rates applicable in the respective countries. When assessing income tax treatments, uncertainties may arise as to how the respective tax legislations must be applied. In these cases, we consider what we believe to be the most likely amount in a range of possible outcomes.

Deferred taxes are recognized to account for the future tax effects of temporary differences between the tax bases of assets and liabilities and the carrying amounts of those assets and liabilities in the consolidated financial statements, and for interest and tax loss carry-forwards. Deferred taxes are measured on the basis of the tax laws already enacted for those financial years in which it is probable that the differences will reverse or the tax loss carry-forwards can be utilized. Deferred tax assets are recognized for temporary differences or interest and tax loss carry-forwards only when the ability to utilize them in the near future appears to be reasonably certain. Deferred taxes are recognized for temporary differences resulting from the fair value measurement of assets and liabilities obtained through business combinations. Deferred taxes are recognized for temporary differences relating to goodwill only when the goodwill can be utilized for tax purposes. Deferred tax assets and liabilities of tax groups are netted if they are based on the same kind of income taxes; otherwise, they are netted only if the deferred taxes are based on the income taxes imposed by the same tax authority and only when current taxes can be netted as well.

(l) Share-based payment programs

As part of performance-based remuneration programs, Axel Springer Group grants equity-settled and cash-settled share-based payment programs. The compensation components to be recognized as expenses over the vesting period are measured as the fair value of the options granted at the time when they were granted (in case of equity-settled programs) or at the reporting date (in case of cash-settled programs). The fair values are determined on the basis of generally accepted option pricing models. The corresponding amount is recognized in the additional paid-in capital (in the case of equity-settled programs) or as provisions/liabilities (in the case of cash-settled programs). Additions to liabilities or provisions are recognized in personnel expenses; reversals are accounted for in other operating income.

(m) Transactions in foreign currencies

Purchases and sales in foreign currencies are translated at the exchange rate on the date of the transaction. Assets and liabilities in foreign currencies are translated into the functional currency at the exchange rate on the reporting date. Any foreign exchange gains or losses resulting from such translations are recognized in profit or loss.

(n) Estimates and assumptions

The preparation of financial statements requires estimates and assumptions, as well as the exercise of discretionary powers, which can have an impact on the amount and disclosure of assets and liabilities, income and expenses and contingent liabilities. Estimates and assumptions are regularly reviewed and adjusted if necessary. Nevertheless, they may differ from the actual values. Estimates and assumptions which are affected by uncertainty are associated in particular with impairment testing of goodwill and intangible assets with indefinite useful lives (see note (3e)) as well as companies accounted for using the equity-method (see note (2a)), for purchase price allocations (see note (2c)) and assessing contingent consideration and other options for purchase of non-controlling interests (see note (3f)), setting actuarial parameters in the context of the valuation of pension obligations (see note (3i)), determining the amount of deferred tax assets to be capitalized (see note (3k)), determining fair values of financial assets (see note (3f)), accounting for other provisions (see note (3j)), assessing share-based payment programs (see note (3l)), and the determination of the useful lives of intangible assets (see note (3c)) and property, plant, and equipment (see note (3d)). Information concerning the carrying amounts, which are based on estimates and assumptions, can be found in the comments on the specific line items.

(o) New accounting standards

For the reporting year, IFRS Standards and IFRS Interpretations to be applied for the first time had no material impact for Axel Springer. There were also no mandatory applicable statements published by IASB and IFRS IC, that will have material impact on the Axel Springer consolidated financial statements.

(p) Adjustment of prior-year figures

In the reporting year, we became aware of information that made it necessary to adjust the previous year's figures.

For one fully consolidated subsidiary operating in the Classifieds Media business division, we have determined that revenue of € 14.2 million should have been recognized as of December 31, 2021, as a result of the fulfillment of the identified performance obligation. Due to the adjustment, trade receivables increased by € 16.9 million, current other non-financial liabilities by € 2.7 million, and income taxes and current income tax liabilities by € 4.4 million as of December 31, 2021. Consequently, the consolidated net result, consolidated comprehensive income, and equity increased by € 9.8 million. The change in equity related exclusively to the shares held by the shareholders of Axel Springer SE and the accumulated retained earnings.

The adjustment only affected certain items within cash flow from operating activities.

Notes to the Consolidated Statement of Financial Position

(4) Intangible assets

The changes in intangible assets were as follows:

€ millions	Purchased rights and licenses	Internally generated rights	Goodwill	Total
Acquisition or production cost				
Balance as of 01/01/2021	2,113.6	514.2	2,485.3	5,113.0
Initial consolidation	329.5	16.1	592.9	938.5
Deconsolidation	−100.0	−10.3	−87.0	−197.2
Currency effects	63.1	8.0	81.2	152.4
Additions	45.1	103.0	0.0	148.0
Disposals	−28.2	−17.0	0.0	−45.2
Reclassifications	−0.5	4.3	0.0	3.8
Balance as of 12/31/2021	**2,422.7**	**618.3**	**3,072.4**	**6,113.4**
Initial consolidation	15.0	4.9	32.9	52.8
Currency effects	20.2	−0.2	38.1	58.1
Additions	12.2	117.3	0.0	129.5
Disposals	−40.9	−19.8	0.0	−60.7
Reclassifications	0.7	1.5	0.0	2.3
Balance as of 12/31/2022	**2,429.9**	**722.1**	**3,143.4**	**6,295.4**
Depreciation, amortization, and impairments				
Balance as of 01/01/2021	827.7	352.3	78.6	1,258.6
Deconsolidation	−52.1	−5.5	0.0	−57.6
Currency effects	12.8	5.7	0.3	18.9
Additions	143.0	89.4	31.7	264.1
Thereof depreciation	*142.4*	*87.8*	*0.0*	*230.2*
Thereof impairment losses	*0.6*	*1.7*	*31.7*	*33.9*
Disposals	−23.2	−16.0	0.0	−39.1
Reclassifications	−2.8	2.8	0.0	0.0
Balance as of 12/31/2021	**905.5**	**428.8**	**110.6**	**1,444.8**
Currency effects	−4.4	−0.1	−2.1	−6.6
Additions	164.2	95.5	76.3	336.0
Thereof depreciation	*160.5*	*92.2*	*0.0*	*252.7*
Thereof impairment losses	*3.7*	*3.4*	*76.3*	*83.4*
Disposals	−38.6	−19.7	0.0	−58.3
Reclassifications	0.0	1.1	0.0	1.1
Balance as of 12/31/2022	**1,026.7**	**505.7**	**184.7**	**1,717.1**
Carrying amounts				
Balance as of 12/31/2022	1,403.2	216.4	2,958.7	4,578.3
Balance as of 12/31/2021	1,517.2	189.5	2,961.9	4,668.6

At the balance sheet date, the purchased rights and licenses mainly comprised title rights, trademarks, and customer relationships as in the previous year. The internally generated rights mainly consisted of software solutions and websites as in the previous year.

In the following tables, we disclose the allocation of goodwill and the purchased rights and licenses within the intangible assets with indefinite useful lives for reporting units, as well as the discount rates and growth rates used for impairment testing:

	€ millions					
Intangible assets with indefinite useful life	**Goodwill**	**Others**	**12/31/2022**	**Discount rate (before tax)**	**Discount rate (after tax)**	**Growth rate**
AVIV	1,011.3	0.2	1,011.5	11.7%	9.4%	2.0%
POLITICO	638.8	0.0	638.8	11.2%	9.8%	2.0%
Insider	431.6	1.0	432.6	12.7%	10.2%	2.0%
StepStone	359.5	41.2	400.8	12.0%	9.3%	2.0%
Awin	248.6	0.3	248.9	11.8%	9.5%	2.0%
Others	268.9	102.5	371.4	9.0% to 12.4%	7.7% to 9.6%	0.0% to 2.0%
Total	**2,958.7**	**145.2**	**3,103.9**			

	€ millions					
Intangible assets with indefinite useful life	**Goodwill**	**Others**	**12/31/2021**	**Discount rate (before tax)**	**Discount rate (after tax)**	**Growth rate**
AVIV	1,018.9	0.2	1,019.1	9.4%	7.6%	2.0%
POLITICO*	604.9	0.0	604.9			
Insider	407.3	0.9	408.3	10.0%	8.1%	2.0%
StepStone	365.6	41.2	406.9	9.5%	7.5%	2.0%
Awin	250.0	0.3	250.3	9.0%	7.3%	2.0%
Others	315.0	104.5	419.5	7.2% to 10.5%	5.5% to 8.0%	0.0% to 2.0%
Total	**2,961.9**	**147.2**	**3,109.1**			

* Acquisition of POLITICO Group mid-October 2021 (see note (2c)).

The changes in goodwill of the major reporting units were as follows:

€ millions	**01/01/2021**	**Initial consolidation**	**Impairment**	**Currency effects**	**12/31/2021**	**Initial consolidation**	**Currency effects**	**12/31/2022**
AVIV	1,030.9	2.0	−31.7	17.7	1,018.9	1.0	−8.6	1,011.3
POLITICO	0.0	586.4	0.0	18.5	604.9	0.0	33.9	638.8
Insider	375.7	0.0	0.0	31.6	407.3	0.0	24.2	431.6
StepStone	355.2	0.0	0.0	10.4	365.6	0.0	−6.1	359.5
Awin	242.2	2.5	0.0	5.3	250.0	0.0	−1.4	248.6
Total	**2,004.0**	**590.9**	**−31.7**	**83.6**	**2,646.8**	**1.0**	**42.0**	**2,689.8**

In the previous year, adjustments were made to the composition of the reporting units Insider and AVIV in line with the current management. For one reporting unit, this resulted in an impairment loss of € 31.7 million on goodwill. The impairment was based on adjusted earnings plannings caused by market-related reduced expectations of business development in the core business areas.

In addition to the discount rates and growth rates stated above, the impairment tests depend upon the medium-term planning of the reporting units.

In 2022, the **StepStone Group** benefited from an overall strong labor demand that is currently difficult to satisfy due to labor shortage in many sectors. The medium-term planning is as well based on the assumption that StepStone will continuously benefit from increasing labor shortage and employee turnover and thus develop positively despite an economical and political challenging environment in 2023. It is assumed that catch-up effects will be visible in the following years. To attract new customers and to expand business with existing customers, StepStone plans to make significant investments in customer-group-specific products as well as technologies that ensure a high applicant rate per published advertisement. Especially in EMEA (Europe, Middle East, Africa), StepStone will continue to invest in branding campaigns to strengthen brand awareness and to expand its market position. In summary, these assumptions lead to strong revenue and earnings growth in StepStone's medium-term planning.

The medium-term planning of the **AVIV Group**, which operates its real estate portals in Germany, France, Belgium, Israel, and Spain, is based on the assumption of stable market conditions. In the planning period revenue and earnings growth is expected. The revenue growth is expected to result from an adjusted pricing policy and modified product bundles as well as the extension of transactional business models and monetization of further services and products related to the real estate buying and selling process. In addition to these growth initiatives, the listings core business is also to be expanded by ongoing investments in personnel, advertising and technology as well as by synergies within the group through harmonizing technology and product components. The aim is to extend the market position by an enlarged customer base as well as an increased average revenue per customer.

In the medium-term planning, the **Insider Group** expects significant growth in revenue and operating profit. Insider assumes, after a difficult economic environment for the first half of 2023, a continued positive development of the macroeconomic situation in the USA and thus an improving digital advertising environment. Advertising revenues are also to be increased by optimizing the marketing of premium inventory and overall improved efficacy of the sales organizations. Besides advertising and revenues from third-party marketing of journalistic content as the main source of revenues, circulation revenues are a key driver of the forecast revenue growth due to the expansion of B2C and B2B subscription offerings. The driver of this growth is a continuous expansion of journalistic and data-driven content. Continued investments, especially in the areas of journalism and product & technology, will be pushed further in the planning period.

The **POLITICO Group's** medium-term planning envisages strong growth in revenues and earnings. Assuming a difficult market environment for the first half of 2023, a positive economic development is expected in the main market USA from 2024 onwards. The main growth drivers are volume- and price-driven increases in advertising revenues and the expansion of the subscription business, partly due to new product launches. Extensive investments, especially in the areas of sales, product & technology, will be pushed further in the planning period.

The medium-term planning of **Awin Group** is primarily characterized by implementing strategic projects. These include the creation of a self-service platform for small and medium-sized companies, customized software-as-a-service solutions for large customers and the establishment of subscription models. This should bind existing customers more strongly and win new customers, so that a significant increase from revenue and earnings can be realized over the next few years.

As in the previous year, the recoverable amount was generally determined by the value in use for all the above-mentioned major reporting units. Only the reporting unit POLITICO was measured based on net realizable value in the reporting year. In the course of a sensitivity analysis, we have assumed separately at the respective measurement date for each of our large reporting units a 10 % decrease of future cash flows in the last planning year, a 10 % increase of the weighted average costs of capital or a decrease of the terminal growth rate by half a percentage point. On this basis, as in the previous year, no major reporting unit indicated that their carrying amounts of the assets exceeded their recoverable amounts.

Goodwill and intangible assets with indefinite useful lives allocated to the other reporting units of the Group of € 371.4 million (PY: € 419.5 million) amounted to less than 10 % or cumulatively to less than 20 % of the total value. As in the previous year the recoverable amount of these reporting units was generally determined by the value in use. In the reporting year, the net realizable value was used for three reporting units. Impairment losses were recognized for three other reporting units. In the course of a sensitivity analysis, we have assumed separately at the respective measurement date for each of our other reporting units a 10 % decrease of future cash flows in the last planning year, a 10 % increase of the weighted average costs of capital or a decrease of the terminal growth rate by half a percentage point.

An impairment loss of € 55.3 million was recognized on the goodwill of a reporting unit operating in the News Media business division, which generates circulation and advertising revenues from digital, TV and print offerings in Germany. The impairment resulted from adjusted earnings forecasts for the coming years due to reduced expectations of business development as a result of market conditions, as well as from the market-related change in input factors used to determine the discount rate. The recoverable amount of the reporting unit was equal to a net realizable value of € 352.3 million. The measurement was based on non-observable input factors (Level 3) using a discounted cash flow method with a post-tax discount rate of 7.7 % and a terminal growth rate of 1.0 %. As a result, the sensitivity analysis for this reporting unit indicated that a 10 % decrease of future cash flows in the last planning year, a 10 % increase of the weighted average costs of capital or a decrease of the terminal growth rate by half a percentage point would result in an additional impairment loss of € 7.9 million, € 39.7 million, and € 17.7 million, respectively.

For a reporting unit operating in the News Media business division, which generates circulation and advertising revenues in Poland from digital and print offerings, as well as classified ads and job listings, an impairment loss of € 13.5 million was recognized on goodwill in the reporting year. The impairment resulted from the market-related change in input factors used to determine the discount rate. The recoverable amount of the reporting unit was equal to a net realizable value of € 261.0 million. The measurement was based on non-observable input factors (Level 3) using a discounted cash flow method with a post-tax discount rate of 8.8 % and a terminal growth rate of 2.0 %. As a result, the sensitivity analysis for this reporting unit indicated that a 10 % decrease of future cash flows in the last planning year, a 10 % increase of the weighted average costs of capital or a decrease of the terminal growth rate by half a percentage point would result in an additional impairment loss of € 22.1 million, € 32.4 million, and € 15.1 million, respectively.

For a reporting unit operating in the News Media business division, which generates circulation and advertising revenues mainly from print offerings via a joint-venture in France, an impairment loss of € 7.5 million was recognized on goodwill in the reporting year. The impairment resulted from adjusted earnings forecasts for the coming years due to reduced expectations of business development as a result of market conditions, as well as from the market-related change in input factors used to determine the discount rate. The recoverable amount of the reporting unit was equal to a net realizable value of € 11.1 million. The measurement was based on non-observable input factors (Level 3) using a discounted cash flow method with a post-tax discount rate of 8.3 % and a terminal growth rate of 0.0 %. As a result, the sensitivity analysis for this reporting unit indicated that a 10 % decrease of future cash flows in the last planning year, a 10 % increase of the weighted average costs of capital or a decrease of the terminal growth rate by half a percentage point would result in an additional impairment loss of € 0.7 million, € 1.0 million, and € 0.4 million, respectively.

(5) Property, plant, and equipment

The changes in property, plant, and equipment were as follows:

€ millions	Land and buildings	Technical equipment and machinery	Other equipment, operational and office equipment	Prepayments on construction in progress	Right-of-use assets	Total
Acquisition or production cost						
Balance as of 01/01/2021	181.7	553.3	274.0	31.0	545.3	1,585.4
Initial consolidation	0.0	0.1	6.0	0.4	20.6	27.0
Deconsolidation	−7.6	−12.9	−8.6	−0.2	−11.4	−40.7
Currency effects	0.7	−0.1	3.4	0.0	7.9	11.9
Additions	0.6	3.8	25.0	5.6	59.9	95.0
Disposals	−0.5	−12.3	−17.1	−0.4	−81.1	−111.4
Reclassifications	−0.2	18.2	5.8	−27.6	0.0	−3.8
Balance as of 12/31/2021	**174.7**	**550.1**	**288.6**	**8.9**	**541.1**	**1,563.3**
Initial consolidation	7.0	0.1	0.4	0.0	0.0	7.5
Currency effects	0.3	−0.1	0.5	0.0	0.1	0.7
Additions	0.3	2.4	32.3	5.0	107.3	147.3
Disposals	−2.7	0.0	−22.2	0.0	−23.9	−48.9
Reclassifications	0.2	3.0	0.4	−5.9	0.1	−2.3
Balance as of 12/31/2022	**179.7**	**555.4**	**299.9**	**7.9**	**624.6**	**1,667.6**
Depreciation, amortization, and impairments						
Balance as of 01/01/2021	87.8	477.3	189.2	0.0	162.1	916.4
Deconsolidation	−3.0	−10.2	−6.6	0.0	−5.9	−25.7
Currency effects	0.1	−0.1	2.0	0.0	2.5	4.5
Additions	4.3	20.2	30.1	0.0	62.9	117.5
Thereof depreciation	*4.3*	*20.2*	*29.1*	*0.0*	*62.8*	*116.4*
Thereof impairment losses	*0.0*	*0.0*	*1.0*	*0.0*	*0.1*	*1.1*
Disposals	−0.4	−12.3	−16.1	0.0	−53.0	−81.8
Reclassifications	0.3	0.0	−0.3	0.0	0.0	0.0
Balance as of 12/31/2021	**89.0**	**475.0**	**198.3**	**0.0**	**168.5**	**930.8**
Currency effects	−0.1	−0.1	0.0	0.0	−0.3	−0.4
Additions	4.9	18.4	30.3	0.0	69.8	123.5
Thereof depreciation	*3.8*	*18.4*	*30.0*	*0.0*	*68.5*	*120.9*
Thereof impairment losses	*1.1*	*0.0*	*0.3*	*0.0*	*1.3*	*2.7*
Disposals	−0.3	0.0	−21.5	0.0	−16.5	−38.4
Reclassifications	0.2	0.0	−1.3	0.0	0.0	−1.1
Balance as of 12/31/2022	**93.8**	**493.3**	**205.8**	**0.0**	**221.6**	**1,014.4**
Carrying amounts						
Balance as of 12/31/2022	85.9	62.2	94.2	7.9	403.1	653.2
Balance as of 12/31/2021	85.7	75.1	90.2	8.9	372.5	632.5

As of December 31, 2022, property, plant, and equipment with acquisition or production costs of € 431.0 million (PY: € 404.6 million) were in use, that had already been fully depreciated. At the balance sheet date, property, plant, and equipment had not been pledged as security for own liabilities as in the previous year.

The following right-of-use assets from leases were accounted for:

€ millions	12/31/2022	12/31/2021
Real estate	395.5	366.5
Technical equipment and machinery	2.9	1.3
Other equipment, operational and office equipment	4.7	4.7
Right-of-use assets	**403.1**	**372.5**

Depreciations regarding right-of-use assets from leases broke down as follows:

€ millions	2022	2021
Real estate	62.7	56.5
Technical equipment and machinery	1.7	1.7
Other equipment, operational and office equipment	5.4	4.7
Depreciation on right-of-use assets	**69.8**	**62.9**

For further information on right-of-use assets, lease liabilities and lease expenses see note (3d), (8), (13), (15), (16), (22), (24), (27) and (34).

(6) Non-current financial assets

(a) Investments recognized using the equity method

Summarized financial information regarding all companies which are accounted for using the equity method and are not individually material are shown below:

€ millions	2022	2021
Non-material associates		
Carrying amounts	180.4	238.8
Share attributable to the group:		
Net result	−45.5	35.0
Other income/loss	0.3	5.7
Comprehensive income	**−45.2**	**40.7**

€ millions	2022	2021
Non-material joint-ventures		
Carrying amounts	56.5	65.7
Share attributable to the group:		
Net result	−4.7	18.2
Other income/loss	0.0	0.0
Comprehensive income	**−4.7**	**18.2**

Of the carrying amounts and the total comprehensive income, an amount of € 108.0 million (PY: € 138.6 million) respectively € −18.2 million (PY: € 82.4 million) was attributable to our early-stage funds, mainly attributable to revaluation effects on investments recorded in the funds.

For information on impairment losses of non-material associates and joint ventures see note (23).

In the reporting year proportionate net result to be recognized in income from investments was not recorded in the amount of € – 1.1 million (PY: € – 3.4 million), since a carrying amount of zero was reached due to impairment losses or the recognition of proportionate income for the corresponding net investments. For this reason, cumulative net result not recognized as of December 31, 2022, amounted to € – 9.9 million (PY: € – 10.6 million). A net result of € – 1.8 million not recognized in the previous year has been recognized in profit or loss of the reporting year due to investments made.

For commitments in connection with associates and joint ventures as of the reporting date see note (32).

(b) Other non-current financial assets

Other non-current financial assets included financial assets measured at fair value through profit or loss in the amount of € 274.8 million (PY: € 289.5 million). These financial assets concern investments of € 211.4 million (PY: € 234.2 million), as well as convertible loans of € 63.4 million (PY: € 55.3 million). In addition, loans in the amount of € 31.2 million (PY: € 30.7 million) were accounted for at amortized cost.

Write-ups amounting to € 0.1 million (PY: loss allowances of € 1.0 million) were recognized for miscellaneous other financial assets in the reporting year. The total of loss allowances amounted to € 1.7 million (PY: € 1.8 million) as of the balance sheet date. In addition, loss allowances for loan commitments amounting of a total of € 2.0 million (PY: write-ups of € 0.7 million) were recognized.

The investments contained particularly our shares in Lakestar II LP amounting to € 51.3 million (PY: € 49.3 million).

(7) Trade receivables

The trade receivables broke down as follows:

€ millions	12/31/2022	12/31/2021
Trade receivables, nominal	953.5	948.7
Allowances for doubtful trade receivables	–34.3	–27.0
Trade receivables	**919.2**	**921.7**

The allowances for trade receivables were determined in the amount of the expected losses on receivables. This resulted in the following provision matrix as of December 31, 2022:

€ millions	Trade receivables		
Overdue	**Expected loss rate**	**Trade receivables, nominal**	**Allowances for doubtful trade receivables**
Non overdue	0.1 %	724.7	–0.8
up to 30 days	1.5 %	108.8	–1.7
31 to 90 days	3.0 %	62.9	–1.9
91 to 180 days	20.2 %	21.4	–4.3
> 180 days past due	71.9 %	35.6	–25.6
12/31/2022	-	**953.5**	**–34.3**

As of December 31, 2021, allowances for trade receivables resulted in the following provision matrix:

€ millions	Trade receivables		
Overdue	Expected loss rate	Trade receivables, nominal	Allowances for doubtful trade receivables
Non overdue	0.2%	713.2	−1.3
up to 30 days	0.8%	153.7	−1.2
31 to 90 days	3.9%	41.4	−1.6
91 to 180 days	33.5%	13.2	−4.4
> 180 days past due	67.9%	27.2	−18.5
12/31/2021	-	**948.7**	**−27.0**

The changes in the allowances for trade receivables are presented below:

€ millions	2022	2021
Balance as of 01/01	**27.0**	**41.8**
Additions	24.1	25.7
Reversals	−13.3	−29.3
Utilization	−4.8	−9.8
Other changes	1.4	−1.4
Balance as of 12/31	**34.3**	**27.0**

In the reporting year, trade receivables in the amount of € 4.8 million (PY: € 9.8 million) were impaired and derecognized (utilizations). Of the amounts derecognized in the reporting year € 0.4 million (PY: € 0.1 million) were still subject to enforcement measures.

(8) Other assets

The other assets broke down as follows:

€ millions	12/31/2022	12/31/2021
Net defined benefit asset	23.4	0.0
Reimbursement claim for pension obligations	13.8	18.6
Deposits	8.0	6.8
Derivatives	7.4	0.0
Receivables under finance leases	0.6	1.0
Other	30.0	24.9
Other financial assets	**83.2**	**51.3**
Thereof current	*33.6*	*25.5*
Thereof non-current	*49.6*	*25.8*
Advance payments	49.6	43.3
Receivables from other taxes	26.1	17.0
Contract costs	2.6	2.2
Receivables due from employees	1.9	0.5
Contract assets	0.1	0.3
Other	41.7	51.3
Other non-financial assets	**121.9**	**114.6**
Thereof current	*100.3*	*86.8*
Thereof non-current	*21.6*	*27.8*
Other assets	**205.1**	**165.9**
Thereof current	*133.9*	*112.3*
Thereof non-current	*71.2*	*53.6*

For information regarding the net defined benefit asset see note (11). Derivatives related entirely to interest rate derivatives in the form of interest rate swaps (see note (31)). The receivables from finance leases related almost entirely to subleases of office spaces.

The miscellaneous other financial assets particularly included a contractual claim against a third party for taking over a partial amount of an employee compensation program of a subsidiary, a purchase price claim for the final instalment regarding the sale of the office building in Hamburg executed in the financial year 2016 as well as creditors with a debit balance. The other non-financial assets mainly related to the accrual of partial amounts of contingent considerations identified as compensation for Appcast (see note (29)).

(9) Equity

The components and changes in consolidated equity are summarized in the consolidated statement of changes in equity.

(a) Subscribed capital

The fully paid-in subscribed capital in the amount of € 107.9 million remained unchanged and is divided into 107,895,311 registered shares with a calculated ratio of € 1.00 per share. The shares can only be transferred with the company's consent.

(b) Authorized capital

Pursuant to Section 5 (4) of the Articles of Incorporation, the Executive Board is entitled to increase the share capital one time or multiple times by a maximum amount of € 10.5 million with consent of the Supervisory Board until April 17, 2023, by issuance of newly registered shares in return for cash and/or contributions in kind (authorized capital). The shareholders generally thereby must be granted a subscription right. However, the Executive Board is entitled under specific circumstances with the approval of the Supervisory Board to waive the subscription right of the shareholders.

As of December 31, 2022, the authorized capital was not utilized and amounted to € 10.5 million unchanged to the previous year balance sheet date.

(c) Additional paid-in capital

The additional paid-in capital (€ 607.3 million; PY: € 602.2 million) mainly consists of share premiums from the capital increase in kind and issue of treasury shares and the equivalent of the personnel expenses for the share-based payment programs settled with equity instruments (see note (10)).

(d) Accumulated retained earnings

The accumulated retained earnings comprised the income of the companies included in the consolidated financial statements, to the extent that they have not been distributed to shareholders. In the reporting year, Axel Springer SE distributed an amount of € 125.2 million (PY: € 400.3 million) or € 1.16 (PY: € 3.71) per qualifying share for the previous reporting year. For the reporting year 2022, the Executive Board proposes to distribute a dividend of € 1.16 per share entitled to the dividend, in total representing € 125.2 million in expected payments. The dividend is contingent upon approval at the Annual General Meeting.

Furthermore, transactions with shareholders are recognized within the accumulated retained earnings.

The accumulated retained earnings were increased by € 9.8 million to € 1,625.1 million as of December 31, 2021, due to adjustments of prior-year figures (see note (3p)).

(e) Accumulated other comprehensive income

At the balance sheet date, accumulated other comprehensive income mainly comprised effects from foreign currency translations of € 101.1 million (PY: € 32.2 million), as well as actuarial gains and losses from pension plans of € –33.4 million (PY: € –102.5 million). In the reporting year and in the previous year, the changes in foreign currency translations were mainly attributable to conversions of financial statements denominated in US-Dollar, British pound and Israeli shekel (see note (2d)).

(f) Non-controlling interests

The non-controlling interests mainly related to the following companies:

€ millions	12/31/2022	12/31/2021
Ringier Axel Springer Polska Group	131.5	123.5
AWIN Group	79.1	72.3
Other companies	45.5	40.1
Non-controlling interests	**256.1**	**235.9**

At the end of December 2021, we completed the disposal of our previously fully consolidated shares (50.0 %) in Ringier Axel Springer Media AG, Zurich, Switzerland (see note (2c)). Prior to that, the Polish investments were carved out into Grupa Ringier Axel Springer Polska AG, Zurich, Switzerland, in which we continue to hold 50.0 % of the shares and which we continue to fully consolidate on the basis of contractual rights. In the previous year, non-controlling interests of € 159.0 million were disposed of in the course of the divestment.

(10) Share-based payment

In the reporting year, expenses and income for share-based payment programs amounted to € –38.2 million and € 18.7 million respectively (PY: € –65.5 million and € 0.8 million respectively). These effects were attributable to equity-settled programs with an amount of € –11.4 million (PY: € –24.0 million) and to cash-settled programs with an amount of € –26.8 million and € 18.7 million respectively (PY: € –41.5 million and € 0.8 million respectively). The liabilities and provisions recorded in relation to share-based payments totaled to € 77.7 million (PY: € 72.3 million), whereof an amount of € 24.8 million (PY: € 21.3 million) was recorded in liabilities due to related parties (see note (32)). Furthermore, the additional paid-in capital increased by € 5.0 million (PY: € 23.2 million) due to share-based payment programs. The summarized effects presented were related in particular to the following option programs.

In the previous year, a **Management Incentive Plan** was established for the members of the Executive Board of Axel Springer SE and for selected senior executives of the Axel Springer Group ("**MIP**"). The MIP is based in each case on contractual agreements between the participant and the respective employing company of the participant.

The MIP comprises the granting of Virtual Shares of Axel Springer SE ("VS") and various Phantom Stock Programs ("PSP"). The participants are granted VS at the beginning of the program, for which they have to make a personal investment. The personal investment is made through future work performance, for which the participants make a partial salary waiver, or through payment. The VS are not equity instruments. They only constitute remuneration claims against the respective employing company of the participant, which are intended to reflect a participation in Axel Springer SE's performance corresponding to that of a shareholder. This also includes rights to payments in the amount of dividends paid to shareholders.

In addition, the participants participate in the PSP, each of which establishes a remuneration claim, limited in amount, against the participant's respective employing company for a percentage share in the increase in value of Axel Springer SE ("AS-PSP") and, for some of the senior executives, additionally a participation in the increase in value of the group division to which they belong ("OpCo-PSP"), in particular StepStone, AVIV and News Media National ("NMN"). The base values relevant for determining the increase in value were agreed in each case based on value ratios at the beginning of the financial year 2020. Payment claims from the AS-PSP and the OpCo-PSP (except OpCo-PSP for the NMN business division) generally only arise if the market value of Axel Springer SE and the respective group division has increased by at least 50 % and 40 %, respectively, compared to the respective base value. The percentage remuneration for these OpCo PSPs increases from a value increase of 150 %. In the case of the OpCo-PSP for the NMN business division, a remuneration will arise if defined revenue and earnings objectives are achieved.

The settlement of the remuneration claims only applies upon the occurrence of defined payment or valuation events, in particular distributions, the disposal of shares of Axel Springer SE or individual group divisions in a determined amount, initial public offerings of individual group divisions, the renewed stock exchange listing of Axel Springer SE, and generally only if the participant is still working for Axel Springer at that time. In the event of a renewed stock exchange listing of Axel Springer SE, the remuneration claims may also be settled by the issue of shares. If an individual group division for which an OpCo PSP is in place goes public, the compensation entitlements of the senior executives working in this group division can also be settled in the form of shares. The compensation claims to be converted into shares are to be reduced by any tax amounts to be paid. If an IPO is carried out by the end of 2024, the compensation claims from the relevant PSPs are initially only to be settled pro rata temporis on the basis of a calculated term from January 2020. Remaining claims from these PSPs will be forfeited but will lead to corresponding claims of the participants under a new compensation program to be established at similar conditions. In the event of termination before the end of the term, the remuneration claims from the VS and PSP are forfeited; in this case, the participant will generally receive a compensation claim in the amount of the investment made or the lower fair value of the VS. In certain cases, a share in the increase in value achieved is also granted.

The MIP was mainly granted between May and December 2021 ("MIP 2021") based on individual contracts concluded with the participants. The MIP has been granted to additional participants in the reporting year 2022 ("MIP 2022"). The vesting period began with the announcement of the program in the second and third quarters of 2021 (MIP 2021), or with the individual granting (MIP 2022). It is expected to end for the VS granted to the beneficiaries of a business division and the parts of the PSP to be settled by then (approx. 82 %; PY: approx. 41 %) with the expected IPO, which is planned for 2024 (PY: 2022). For claims from the forfeited portions of these PSP (approx. 18 %; PY: approx. 59 %) to be transferred to a new compensation program, an expected total vesting period of four years until the second quarter of 2025 was estimated. For the VS and PSP granted to the remaining beneficiaries, a vesting period of four or five years was assumed until the second quarter of 2025 and 2026, respectively. Expected payments from the VS in the amount of the dividends are vested over the respective period until payment. A regular dividend of € 1.16 p.a. is assumed.

Depending on the most probable payment or valuation event, the VS and PSP (except for the OpCo-PSP for the NMN division) are recognized either as equity-settled share-based payment program or as cash-settled share-based payment program. The VS and PSP granted to the beneficiaries of a group division are accounted for as equity-settled share-based payment program, as an IPO is considered the most probable payment or valuation event for this subprogram and there is no current obligation to settle in cash. For the remaining subprograms, the probability of cash settlement is higher. The OpCo PSP for NMN business division does not meet the criteria of share-based payment and is accounted for as employee benefits.

The remuneration components resulting from the VS and PSP are recognized in profit or loss on a straight-line basis over the respective expected vesting period based on the fair values of the VS and PSP at the grant date (in the case of equity-settled program) or at the respective reporting date (in the case of cash-settled program). The personal investments made for the VS granted are recognized under other provisions until the VS are settled. At the respective valuation dates the fair values of the VS are determined as the proportionate fair values of Axel Springer SE on the basis of a discounted cash flow method. The respective medium-term plans and division-specific discount rates and growth rates are taken into account. The fair values of the AS-PSP and OpCo-PSP are estimated using a binomial model. The key valuation parameters are the value increases based on the market values of Axel Springer SE and the respective group divisions relevant for the OpCo-PSP compared to their underlying values, the expected volatility of the market values in relation to the expected terms or residual terms at the valuation date, and the term-dependent risk-free interest rates. The market values for Axel Springer SE and the relevant group divisions are derived from the respective fair values plus the dividends paid or profit transfers since the beginning of 2020.

The following significant parameters were taken into account for the measurement of the PSPs granted under the equity-settled MIP in the reporting year:

	2022		2021	
	AS-PSP	OpCo-PSP	AS-PSP	OpCo-PSP
Weighted average term (in years)*	1.2 / 2.3	1.2 / 2.3	0.3 / 3.3	0.3 / 3.3
Value increase compared to the underlying (%)	41.2	79.4	54.0	80.4
Volatility of the market value (%)**	31.5 / 36.1	40.0 / 48.8	29.2 / 34.7	37.1 / 43.4
Risk-free interest rate (%)**	3.0 / 3.1	3.0 / 3.1	−0.5 / −0.1	−0.5 / −0.1

* Terms separately for the portion to be settled at the time of the planned IPO of the business division and for remaining entitlements.
** In each case related to the remaining term.

The expected volatilities are based on an assessment of the historical volatilities of share prices of peer companies, in particular in the period corresponding to the expected term. The following table shows the development of VS and PSP granted:

	Compensation through shares				Compensation through cash			
	Personal investment*	VS	AS-PSP	OpCo-PSP**	Personal investment*	VS	AS-PSP	OpCo-PSP**
	€/VS	thousand	%	%	€/VS	thousand	%	%
01/01/2021	-	-	-	-	-	-	-	-
Granted	58.13	173	0.294	1.837 (2.143)	58.13	451	3.272 (3.345)	0.964 (1.123)
12/31/2021	**58.13**	**173**	**0.294**	**1.837 (2.143)**	**58.13**	**451**	**3.272 (3.345)**	**0.964 (1.123)**
Granted	68.47	13	0.022	0.139 (0.162)	77.56	98	0.287 (0.288)	0.647 (0.754)
Forfeited	58.13	−21	−0.037	−0.217 (−0.258)	63.39	−105	−0.491 (−0.494)	−0.110 (−0.128)
12/31/2022	**58.95**	**165**	**0.279**	**1.759 (2.047)**	**61.17**	**443**	**3.066 (3.138)**	**1.502 (1.748)**

* Weighted average of personal investment.
** Increased remuneration claims from PSP to value increases in parentheses.

VS and PSP were forfeited in the reporting year due to the early resignation of participants from the MIP. The corresponding compensation claims amounted to € 13.9 million (PY: € 0.0 million) and were mainly paid out in the reporting year. The VS and PSP outstanding at the end of the respective periods were not exercisable. The fair value of the equity-settled components of the MIP granted in the reporting year amounted in total € 0.2 million (PY: € 5.9 million) for the VS (excluding personal investment), € 0.5 million (PY: € 8.0 million) for the AS-PSP and € 4.0 million (PY: € 49.3 million) for the OpCo-PSP. The weighted average residual term of the equity-settled MIP with respect to the VS and the part of the PSP to be settled at the time of the planned IPO of the respective group division was assumed to be 1.2 years (PY: 0.3 years) as of December 31, 2022, and 2.3 years (PY: 3.3 years) for the continuing entitlements from the transfer to a new compensation program. The weighted average residual term of the cash-settled MIP was assumed to be 3.1 years (PY: 4.1 years) as of December 31, 2022. The expense recognized for the MIP in the reporting year was as follows:

	2022	2021
Expenses from share-based payments (equity-settled)	11.2	24.0
Expenses from share-based payments (cash-settled)	20.9	16.8
Expenses from share-based payments	**32.1**	**40.7**
Expenses from employee benefits	0.0	1.0
Expenses from the MIP	**32.1**	**41.7**

Provisions and liabilities for obligations from the MIP amounted to € 49.4 million as of December 31, 2022 (PY: € 30.8 million). In the previous year, payment claims from other share-based payment programs, which were waived as a personal investment for the granting of the VS, in the amount of € 12.3 million were reclassified to provisions for obligations from the MIP.

In addition to the MIP, a **Virtual Employee Participation Program** ("**VEP**") was introduced for employees of the Axel Springer Group in the previous year. The VEP is based in each case on contractual agreements between the participant and the respective employing company of the participant. At the beginning of the program, participants are granted Virtual Shares of Axel Springer SE ("VS"), for which they must make a personal investment. This will be satisfied by future work performance for which the participants make a partial salary waiver. The VS are not equity instruments. They create only payment claims against the respective employing company of the participant, which are intended to reflect a participation in the performance of Axel Springer SE corresponding to that of a shareholder. However, the participant will in any case receive back the personal investment made.

Payment claims are settled in cash only and only upon the occurrence of defined payment or valuation events, which generally are the same as for the MIP (see above). In addition, participants have the option of calling a payout at the end of financial year 2025 based on the fair value of the VS at that time, as long as no other payment or valuation event has occurred by then. In the event of early termination by the participant before the occurrence of a defined payment or valuation event, in principle only the personal investment made is paid out.

The VEP was granted mainly in the previous year through individually concluded program contracts with the participants. The VEP was granted to further participants in the reporting year. The vesting period began in the previous year with the announcement of the program in September 2021, and in the reporting year with the individual granting in the summer of the reporting year. Since – as in line with the MIP - an IPO of a business division is considered the most probable payment or valuation event, the program and therefore the vesting period for the beneficiaries of this business division is expected to end in financial year 2024 (VEP I). In the previous year, VEP I was expected to end in 2022. For the remaining part of the VEP (VEP II), a duration of approximately five years until the second quarter of 2026 is assumed.

The VEP is accounted for as a cash-settled share-based payment. Over the vesting period, the remuneration components resulting from the program are recognized in profit or loss on a straight-line basis based on the fair value of the VEP at the respective reporting date. The fair value of the VEP is determined based on an option pricing model. Key valuation parameters are the market value of Axel Springer SE and its volatility over the anticipated remaining duration of the VEP. For the determination of the fair value of Axel Springer SE, see the disclosures on the MIP (see above). The personal investments made for the VS granted are reported under other provisions until the VS are settled. The development of the VS granted is presented below:

	Personal invest-ment*	**VEP I**	**VEP II**	**Total**
	€/VS	**thousand**	**thousand**	**thousand**
01/01/2021	-	0	0	0
Granted	58.13	34	192	226
12/31/2021	**58.13**	**34**	**192**	**226**
Granted	58.13	0	1	1
Forfeited	58.13	–2	–6	–8
12/31/2022	**58.13**	**32**	**187**	**219**

* Weighted average of personal investment.

The VS outstanding at the end of the respective periods were not exercisable. The weighted average remaining term of the VS granted was assumed to be 1.2 years (PY: 0.3 years) for VEP I and 3.3 years (PY: 4.4 years) for VEP II as of December 31, 2022. The expense recognized for the VEP in the reporting year amounted to € 0.8 million (PY: € 1.1 million). The provisions recognized as of December 31, 2022, for obligations under the VEP, including the personal investments made, amounted to € 6.1 million (PY: € 1.4 million).

Members of the Executive Board and selected Executives were granted a long-term variable remuneration in the form of a **Long-Term Incentive Plan ("LTIP")** in 2016 and 2018 respectively. The LTIP was already almost completely terminated in the previous year with the introduction of the MIP (see above) and the remuneration claims earned under the LTIP up to this point were transferred to the MIP as a personal investment or paid out. After payment of remaining remuneration claims to LTIP beneficiaries, the program was fully terminated in the reporting year.

The LTIP was measured as a cash-settled share-based payment program at its fair value at the balance sheet date determined using a stochastic model for the valuation of stock option rights and recognized in line with the expected vesting. In the four-year performance period ending in financial year 2020, the specified value growth target was achieved. Based on a volume-weighted average price of the Axel Springer share of € 62.30, which was used as the basis for determining the increase in market capitalization, this resulted in a remuneration claim totaling € 100.0 million, half of which was attributable to payout amount I and half to payout amount II.

The compensation entitlement required market capitalization of Axel Springer SE to increase by at least 40 % within three, four, and a maximum of five years (respective "performance periods"). No claim for compensation could be made below this threshold. The compensation entitlement will increase only up to a growth in market capitalization by maximally 60 %. In the event of targets being achieved, the eligible members of the Executive Board and Executives were entitled to a payment claim totaling 3.63 % and 0.48 % respectively of the increase in market capitalization. The increase in market capitalization was calculated on the basis of the volume-weighted average price of Axel Springer shares for the last 90 calendar days before May 1, 2016, or before the end of the respective performance period multiplied by the number of outstanding Axel Springer shares (less treasury shares) adding dividend distributions during the performance period.

The payout of payment amount I, which vested in the financial year 2020, was initially postponed until 2021 due to a deferral agreement concluded with the beneficiaries. Payment amount II would have been paid in 2022 after a cooling-off period of two years. The net amount of all payments (after considering taxes and duties payable) would have had to be invested in full in Axel Springer shares issued. However, in the previous year, a partial transfer of remuneration claims to the MIP as a personal investment and payment of the remaining remuneration claims was agreed with the majority of LTIP beneficiaries, thus terminating the LTIP. The remaining beneficiaries received payment amount I in the previous year. In accordance with the initial agreement, they received payment amount II in the reporting year.

In the reporting year, the LTIP did not result in any personnel expense; in the previous year, the LTIP resulted in personnel expense of € 9.0 million. Payments amounting to € 1.3 million (PY: € 67.9 million) were made to beneficiaries. In the previous year, payment claims of beneficiaries under the LTIP amounting to € 11.4 million were also transferred to the MIP as a personal investment. Provisions of € 1.4 million recognized as of December 31, 2021, for remaining claims under the LTIP were utilized in the amount of € 1.3 million for payments made and reversed in the amount of € 0.1 million through profit or loss.

In the financial year 2018, the Executive Board member not participating in the LTIP was granted a **virtual stock option plan** for 225 thousand option rights with an underlying value of € 62.06 per option right, a term of six years and a qualifying period of four years. The program was terminated in the reporting year with the introduction of the MIP (see above) and the claims earned up to this point were transferred to the MIP as a personal investment. The conditions and requirements of the program for a claim to remuneration, which are described below, would have depended in particular on the performance of the Axel Springer share. However, the price of the Axel Springer share has not been determined since the delisting in the financial year 2020.

If the employment relationship had existed at least until the expiration of the vesting period, all virtual stock options granted could have vested. If the employment relationship had ended before the end of the vesting period, but no earlier than one year after the grant date, the option rights would have vested pro rata in proportion to the vesting period. A further condition for vesting to take place was that either the volume-weighted average price of the Axel Springer share was at least 30 % over the base value or that the percentage increase of this average price exceeded that of the base value of the development of the DAX over a period of 90 calendar days within a time period of a year before the end of the waiting period. Exercising stock options was only possible if the volume-weighted average price of the Axel Springer share of 90 calendar days before exercising such options was at least 30 % over the base value and that the percentage increase exceeded that of the DAX index. Each option granted a payment claim in the amount of the growth in value of the Axel Springer share, restricted to a maximum of 200 % of the base value, which corresponds to the difference between the volume-weighted average price during the last 90 calendar days previous to exercise and the base value. The eligible member of Executive Board was obliged to hold one Axel Springer share for every ten stock options as his personal investment. Disposing of these shares previous to exercising the stock options would have resulted in the stock options being forfeited at the same rate.

The virtual stock option plan was recognized as a cash-settled share-based payment program at its fair value determined using a Black-Scholes model in a Monte Carlo simulation as of the respective balance sheet date or until the termination date and recognized in accordance with the expected vesting. The revaluation at the date of termination of the program in the previous year resulted in income of € 0.7 million. The remaining claim amounted to € 0.9 million and was transferred to the MIP as a personal investment in the previous year.

The following material share-based payment programs existed at our subsidiaries:

With respect to the acquisition of **Appcast** in the financial year 2019 an existing equity-settled share-based payment program was replaced by a cash-settled share-based payment program. The stock options will vest after a period of four years and were linked to call and put options, which can be exercised between 2023 and 2025 and where the acquisition price to be paid will be measured by the future performance of the company (see note (29)). In May 2021, the call and put options were adjusted. The exercise price is now based on a revenue multiple. In addition, exercise dates were individualized, and maximum payout amounts were determined depending on the respective exercise dates. As a result of the amendment, the remuneration program no longer met the requirements for share-based payments as of the amendment date in May 2021. Since then, the program has been accounted for as employee benefits. In the previous year, personnel expenses from share-based payments amounting to € 6.8 million were recognized until the date of the amendment.

Upon closing date of the acquisition with respect to the majority shareholding in **Insider** at the end of 2015, present management board members of Insider were granted a total of 15,854 stock options to acquire a total of 13 % of the shares in Insider. The stock options will vest over a period until the end of 2025 (30 % become vested after three years, and subsequently a further 10 % each year) and are after that exercisable until the end of 2025. At the end of 2025 all shares that have been obtained can be tendered at fair value to Axel Springer, which leads to a cash-settled share-based payment program. In the financial year 2018, 4,756 options that have become vested by then were repurchased for a payment of USD 4.6 million (€ 4.0 million), so that unchanged to the previous year there were 11,098 options as of December 31, 2022.

In financial year 2019, in the course of the operational merger of two US companies Insider and Insider Intelligence the overall responsibility of the merged companies was transferred to the Executive Board of Insider and the existing option program was thus extended in such a way that the performance of Insider Intelligence is considered. For this purpose, the Executive Board was granted 9,351 options to acquire a total of 9.1 % of the shares in Insider Intelligence while maintaining all the conditions of the existing option program.

An upfront payment of USD 7.5 million (€ 6.3 million) was made in the previous year because the 2020 revenue targets were met. Additionally, a further upfront payment of up to USD 12.0 million (€ 11.2 million) will be made if the 2022 and 2023 revenue and earnings targets are met. In addition, without defined targets USD 9.0 million (€ 8.4 million) will be paid out in equal annual installments of USD 1.5 million (€ 1.4 million) from 2018 to 2023. All aforementioned prepayments will be offset against future payments from these options. There is no repayment obligation in case of stock options being forfeited or not being exercised.

As of December 31, 2022, unchanged to the previous year, there were options to acquire 9.1 % of the shares of the merged companies Insider and Insider intelligence of which none can be exercised. The exercise price and the weighted average remaining term respectively of the existing options are USD 3.6 to 3.9 thousand (€ 3.4 to 3.6 thousand) per share and 2.8 years (PY: 3.8 years) respectively.

The fair value as of the grant date and as of each reporting date was determined based on an option pricing model using a Monte-Carlo simulation, considering the strike price of the options, the risk-free interest rate and the expected dividends; the volatility was derived using a peer group comparison. At each reporting date, the option rights will be remeasured; likewise, the personnel expenses to be recorded over the vesting period will be calculated. In the reporting period, other operating income of € 18.4 million (PY: personnel expenses of € 5.7 million) were recognized due to adjusted growth assumptions. As of December 31, 2022, the provision amounted to € 19.1 million (PY: € 36.5 million) and was also affected by the payouts made (€ 1.4 million) in the reporting year as well as currency translations effects.

Other share-based payment programs were individually and in total insignificant for the financial position, liquidity, and financial performance of the Group.

(11) Pension obligations

The pension obligations in the reporting year relate almost exclusively to Group companies domiciled in Germany.

Under its defined contribution pension plans, the Group mainly contributes to public sector pension insurance carriers by virtue of the applicable laws. The current contribution payments amounted to € 58.3 million (PY: € 54.3 million) and were reported in personnel expenses.

Provisions for pensions were created to account for the obligations arising from vested pension rights and current benefits for former and active employees of the Axel Springer Group and their survivors. The reserves for performance-based pension plans correspond to the cash value of the obligations on the reporting date less fair value of the plan assets. Along with general actuarial risks such as risks from salary and pension increases, longevity risk, and interest rate risk as well as inflation risk, capital market and investment risk.

Essentially, four different types of pension plans exist in the German Group companies that are subject to the German Company Pension Act, and thus to the statutory regulations relating in particular to vesting, compensation for inflation in the benefit phase, and insolvency protection by the Pensions Guarantee Corporation. The pension plans are partially financed by premium reserve funds that are managed by Axel Springer Pensionstreuhand e. V. as trustee. Two pension plans provide for an annual pension for entitled persons based on fixed amounts that depend for the first pension plan only on the length of service in the company, and for the second pension plan additionally on the position in the company and are static in the vesting period and dynamic in the benefit payment period in accordance with the requirements of the Company Pension Act. The commitments to the Executive Board correspond in their design to the second pension plan and are additionally dynamic in the vesting period depending on inflation. The third pension plan is a defined-contribution benefit in which a benefit is calculated using fixed factor tables dependent on converted compensation components. Ongoing benefits are adjusted from the beginning of pension payments at 1 % p.a. The fourth pension plan includes direct commitments based on subsidized remuneration conversions which are congruently covered by insurance and usually grant a one-time payment upon retirement.

The measurement was based on the following parameters:

Information in %	2022	2021
Discount rate	3.9 %	1.0 %
Salary trend	2.0 %	1.5 %
Pension trend	2.0 %	1.5 %

As in the previous year, the expected life spans were determined with reference to the mortality tables 2018 G by Dr. Klaus Heubeck.

The following table shows the development of the defined benefit pension liabilities, associated plan assets and reimbursement rights:

	Defined benefit liabilities		Plan assets		Provisions for pensions		Reimbursement right		Net obligation	
€ millions	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Balance as of 01/01	**562.8**	**595.7**	**−405.3**	**−372.7**	**157.6**	**223.0**	**−18.6**	**−21.0**	**139.0**	**202.0**
Current service costs	5.2	5.7			5.2	5.7			5.2	5.7
Net interest expense	5.5	4.0	−4.1	−2.6	1.4	1.4	−0.2	−0.1	1.2	1.3
Pension expenses	**10.7**	**9.7**	**−4.1**	**−2.6**	**6.7**	**7.1**	**−0.2**	**−0.1**	**6.5**	**7.0**
Actuarial gains/losses from plan assets			21.3	−28.0	21.3	−28.0			21.3	−28.0
Changes in demographic *assumptions*	−0.4	0.0			−0.4	0.0			−0.4	0.0
Changes in financial assumptions	−132.3	−19.2			−132.3	−19.2	2.6	0.3	−129.7	−18.9
Experience-related adjustments	9.4	−1.4			9.4	−1.4	0.7	0.5	10.1	−1.0
Actuarial gains/losses	**−123.2**	**−20.6**	**21.3**	**−28.0**	**−102.0**	**−48.6**	**3.3**	**0.8**	**−98.7**	**−47.8**
Employer contribution			16.5	0.0	16.5	0.0			16.5	0.0
Employee contribution	2.2	2.5	0.0	−0.1	2.2	2.4			2.2	2.4
Benefit payments	−21.5	−21.2	−16.5	0.0	−38.0	−21.2	1.7	1.8	−36.3	−19.4
Change in consolidated companies	−0.3	−3.3	0.0	−1.9	−0.3	−5.2			−0.3	−5.2
Other	−1.6	0.1	1.6	0.0	0.1	0.1			0.1	0.1
Other changes	**−21.2**	**−22.0**	**1.6**	**−2.0**	**−19.6**	**−23.9**	**1.7**	**1.8**	**−17.9**	**−22.2**
Net defined benefit asset			**23.4**	**0.0**	**23.4**	**0.0**			**23.4**	**0.0**
Balance as of 12/31	**429.2**	**562.8**	**−363.0**	**−405.3**	**66.2**	**157.6**	**−13.8**	**−18.6**	**52.4**	**139.0**

Current charged service costs are represented in personnel expenses as expenses from defined benefit plans (see note (20)). Net interest expenses are recognized in financial result (see note (24)). Actuarial gains and losses are recognized in other income or loss in the consolidated statement of comprehensive income (see note (26)).

As of December 31, 2022, the weighted average duration of the defined benefit obligation was 12.5 years (PY: 14.0 years).

Plan assets amounted to € 386.5 million as of December 31, 2022 (PY: € 405.3 million). As of December 31, 2022, there was a net defined benefit asset amounting to € 23.4 million (PY: € 0.0 million), which were recognized under other financial assets (see note (8)).

Plan assets broke down as follows:

€ millions	**12/31/2022**	**12/31/2021**
Cash, cash equivalents, and money market instruments	98.2	9.4
Bonds	89.1	105.3
Real estate funds	5.7	5.5
Shares	0.0	76.0
Other	0.0	5.2
Plan assets with market price quotations	**193.0**	**201.2**
Real estate	193.1	202.0
Other	0.4	2.0
Plan assets without market price quotations	**193.5**	**204.0**
Plan assets	**386.5**	**405.3**

Real estate related entirely to the own-used Axel Springer high-rise in Berlin.

For the financial year 2023 we do not expect any significant employer contributions to plan assets.

Axel Springer SE is entitled to reimbursement of pension obligations or pension expenses arising in connection with them in connection with the outsourcing of rotogravure printing operations in 2005. The reimbursement right was recorded as other financial asset (see note (8)), whereas in the income statement, the income from the reimbursement was netted with the corresponding pension expenses. Based on the existing contractual regulations, we do not assume a short-term settlement of the reimbursement claim in full; the asset as well as the related pension liability are therefore presented as non-current in an amount of € 12.2 million (PY: € 16.8 million) and as current in the amount of € 1.6 million (PY: € 1.8 million).

An increase or decrease in the key actuarial assumptions would have the following percentage effects on the present value of the total pension obligations as of the balance sheet date:

	Increase by 25 basis points		**Decrease by 25 basis points**	
	2022	**2021**	**2022**	**2021**
Discount rate	−2.6%	−3.3%	2.7%	3.5%
Salary trend	0.0%	0.1%	0.0%	−0.1%
Pension trend	1.9%	2.3%	−1.8%	−2.2%

An increase of life expectancy by one year on average for persons entitled to pensions as of December 31, 2022, would have led to an increase of pension obligations by 3.8% (PY: 4.5%). The sensitivity calculations are based on the average term of the pension obligations calculated as of the balance sheet date. The calculations were carried out in isolation for the actuarial parameters classified as material. As the sensitivity analysis are based on the average duration of the expected pension obligations and therefore do not consider the expected payment dates, they only approximate information or statements on trends.

(12) Other provisions

Other provisions broke down as follows:

€ millions	Balance as of 01/01/2022	Utilization	Reversals	Additions	Other changes	Balance as of 12/31/2022	*Thereof current*	*Thereof non-current*
Other obligations towards employees	182.2	−70.7	−23.5	95.3	4.7	188.0	*97.1*	*90.9*
Partial early retirement program (Altersteilzeit)	42.0	−13.6	−0.1	6.4	0.1	34.7	*12.8*	*22.0*
Structural measures	28.2	−19.6	−1.2	15.6	−0.5	22.5	*16.4*	*6.1*
Other taxes	13.6	−1.5	−2.5	2.1	0.0	11.6	*11.6*	*0.0*
Discounts and rebates	11.4	−11.1	−0.2	7.9	0.1	8.1	*8.1*	*0.0*
Returns	7.2	−5.7	−0.4	6.2	−0.9	6.3	*6.3*	*0.0*
Dismantling obligations	4.3	−0.5	−0.4	0.5	0.0	3.9	*1.6*	*2.2*
Litigation expenses	4.7	−1.7	−0.9	0.5	0.0	2.6	*2.3*	*0.3*
Other	12.5	−5.6	−0.7	10.0	0.0	16.2	*11.8*	*4.4*
Other provisions	**306.2**	**−130.2**	**−29.9**	**144.4**	**3.4**	**293.9**	***168.0***	***125.9***

Other obligations towards employees primarily included performance-based remuneration. Share-based payments were also included (see note (10)). The reversal in the reporting year was mainly attributable to share-based payment programs (see note (10)). Other provisions related, among others, to Supervisory Board compensation (see note (32)) and to storage and archiving costs.

Other changes mainly resulted from the initial consolidation of acquired companies as well as the deconsolidation of disposed companies (see note (2c)), currency translation as well as compounding.

(13) Financial liabilities

The financial liabilities included liabilities from promissory notes in the amount of € 455.6 million (PY: € 612.7 million), other liabilities due to banks amounting to € 1,589.0 million (PY: € 1,480.4 million), as well as lease liabilities amounting to € 562.3 million (PY: € 532.7 million).

The promissory notes (nominal amounts) were characterized by the following utilizations, interest rates, and maturities at the reporting date.

2022 € million	2021 € million	Interest rate in %	Maturity
322.0	322.0	1.14	05/30/2024
72.0	72.0	0.91	05/30/2023
62.5	62.5	6-month EURIBOR + 0.70	05/30/2024
0.0	146.0	0.73	05/30/2022
0.0	12.0	6-month EURIBOR + 0.55	05/30/2022

The other liabilities due to banks (nominal amounts) related almost exclusively to utilization of credit lines by Axel Springer SE (incl. term loans), characterized by utilizations, interest rates, and maturities set forth in the table below.

2022 € million	2021 € million	Interest rate in %	Maturity
500.0	500.0	3-month EURIBOR + 1.20 (PY: EURIBOR + 1.45)	07/03/2026
300.0	300.0	3-month EURIBOR + 1.05 (PY: EURIBOR + 0.85)	07/03/2024
250.0	0.0	1-month EURIBOR + 1.00	07/02/2027
162.5	0.0	2.59	07/02/2027
139.0	0.0	€STR + 0.99	07/02/2027
100.0	0.0	3-month EURIBOR + 1.00	07/02/2027
100.0	0.0	€STR + 0.90	07/02/2027
40.0	0.0	€STR + 1.03	07/02/2027
0.0	300.0	1-month EURIBOR + 0.525	07/03/2024
0.0	187.5	0.04*	07/03/2024
0.0	169.0	Eonia + 0.45	07/03/2024
0.0	30.0	Eonia + 0.45	07/03/2024

* Changeable daily by the bank depending on market developments.

In December 2022, existing long-term revolving credit lines in the amount of € 1,500.0 million were refinanced ahead of schedule. The credit lines were utilized in the amount of € 791.5 million at the balance sheet date and have a term until July 2027. In the previous year, a term loan in the amount of € 500.0 million was concluded, which is due for repayment in July 2026. In the previous year, the term loan of € 300.0 million was extended by one year to July 2024.

On the reporting date unused long-term credit facilities amounted to € 708.5 million (PY: € 813.5 million).

The commercial paper program (see note (28)) was used in the reporting year on average in the amount of approximately € 274 million (PY: approximately € 228 million) with an average interest rate of 0.49 % (PY: 0.03 %). As in the previous year, there was no utilization as of the reporting date.

(14) Other liabilities

The other liabilities broke down as follows:

€ millions	**12/31/2022**	**12/31/2021**
Contingent considerations and other put options for purchase of non-controlling interests	213.0	222.1
Debit balances in accounts receivable	20.1	16.3
Liabilities from loans	3.0	5.3
Other	27.4	27.1
Other financial liabilities	**263.4**	**270.8**
Thereof current	*81.3*	*58.0*
Thereof non-current	*182.1*	*212.8*
Contract liabilities	343.2	298.8
Liabilities from other taxes	70.9	77.4
Liabilities due to employees	62.1	48.3
Accrued liabilities	27.2	26.3
Liabilities due to social insurance carriers	16.3	14.5
Capital investment subsidies	7.2	8.8
Liabilities for duties and contributions	3.8	4.2
Other	18.9	20.7
Other non-financial liabilities	**549.6**	**499.0**
Thereof current	*527.3*	*477.6*
Thereof non-current	*22.2*	*21.5*
Other liabilities	**813.0**	**769.9**
Thereof current	*608.6*	*535.6*
Thereof non-current	*204.4*	*234.3*

Contingent considerations and other put options for the purchase of non-controlling interests were mainly attributable to the put options for the acquisition of the non-controlling interests in Appcast and Morning Brew (see note (29)). Contract liabilities mainly related to customer prepayments. Liabilities due to employees related to outstanding wage and salary payments, management bonuses, and severance compensation claims. Accrued liabilities mainly contained liabilities resulting from unused vacation.

(15) Maturity analysis of financial liabilities

The contractually agreed (undiscounted) payments related to financial liabilities are presented in the following table:

		Undiscounted cash outflows		
€ millions	**Carrying amount as of 12/31/2022**	**2023**	**2023 to 2027**	**2028 ff.**
Financial liabilities	2,606.9	206.6	2,359.1	309.9
thereof lease liabilities	*562.3*	*80.7*	*255.0*	*309.9*
Other non-derivative financial liabilities	686.8	672.1	12.3	2.5
Contingent considerations and other put options for purchase of non-controlling interests	213.0	39.1	170.9	16.3

		Undiscounted cash outflows		
€ millions	**Carrying amount as of 12/31/2021**	**2022**	**2022 to 2026**	**2027 ff.**
Financial liabilities	2,625.8	254.3	2,211.8	295.2
thereof lease liabilities	*532.7*	*75.0*	*239.0*	*295.2*
Other non-derivative financial liabilities	686.3	670.3	13.9	2.2
Contingent considerations and other put options for purchase of non-controlling interests	222.1	24.3	185.6	18.3

Notes to the Consolidated Income Statement

(16) Revenues

Axel Springer's business is bundled into three business divisions: Classifieds Media, News Media and Marketing Media. In addition, there is the Services/Holding business division.

The **Classifieds Media** business division encompasses all business models that generate their revenues primarily through advertisers paying for advertising of jobs, real estate, cars, etc. The activities of the Classifieds Media business division are divided into two operational areas StepStone (jobs) und AVIV (real estate).

StepStone's job portals encompass the portals of Totaljobs, Jobsite and Saongroup, the regional portal meinestadt.de, the employer branding specialist Universum, as well as the content of Gehalt.de, Studydrive and Appcast. AVIV's real estate portals encompass the portals of SeLoger (incl. Logic-Immo), MeilleursAgents, Immoweb, Immowelt/Immonet as well as the generalist portal Yad2. Until its disposal in March 2021, the business division also included the car portal La Centrale (see note (2c)).

The **News Media** business division essentially comprises business models whose basis is the creation of journalistic content, and which are financed by advertising, paying readers, and content utilization with third parties such as social media platforms.

News Media National essentially comprises the BILD and WELT brands with their respective digital, TV and print offerings, including the computer, car and sports magazines of the BILD brand family, the price comparison portal Idealo as well as the streaming platform Dyn Media, that has been founded in 2022.

News Media International comprises international digital and print media offerings. In the U.S., Axel Springer is represented by the Insider Group, which includes the business, stock market, and financial news services Insider, Insider Intelligence, and Morning Brew, and by POLITICO, one of the world's most influential political news offerings. In addition to its U.S. business, POLITICO includes the activities of POLITICO EU. In Europe, we are represented in particular by the Ringier Axel Springer Polska Group, which includes the news and entertainment portal onet.pl, the classifieds portal Gratka.pl, the real estate portal Morizon.pl, and, since the reporting year, the IT job advertising portal No Fluff Jobs. The business division also includes the news aggregator upday, the finance portal finanzen.net, and the drive-to-store marketing partner Bonial. Until the disposal of Ringier Axel Springer Media in December 2021, the business division also comprised our business activities in Hungary, Serbia, Slovakia, and the Baltic countries (see note (2c)).

The **Marketing Media** business division includes the affiliate marketing platform Awin as the main operating unit. Awin mainly generates revenues through the performance-based display of advertising on the internet.

The **Services/Holding** business division includes group services and holding functions.

Revenues in the reporting year and the previous period were almost exclusively generated from contracts with customers and broke down as follows:

€ millions	Classifieds Media	News Media	Marketing Media	Services/ Holding	2022	Classifieds Media*	News Media	Marketing Media	Services/ Holding	2021
Advertising revenues	1,548.7	1,116.1	153.6	0.5	2,818.8	1,267.7	1,053.5	145.5	1.1	2,467.8
Circulation revenues	0.0	592.2	0.0	0.0	592.2	0.0	525.8	0.0	0.0	525.8
Other revenues	63.7	320.5	33.4	5.2	422.9	60.4	301.1	31.7	6.6	399.8
Revenues	**1,612.4**	**2,028.8**	**187.0**	**5.7**	**3,833.9**	**1,328.1**	**1,880.4**	**177.2**	**7.7**	**3,393.4**

* For the adjustment of prior-year figures, see note (3p).

Revenues in the Classifieds Media business division resulted almost exclusively from advertising revenues from online classifieds ads and broke down as follows:

€ millions	2022	2021
Jobs	1,089.9	826.2
Real estate	522.5	501.9
Revenues	**1,612.4**	**1,328.1**

Revenues in the News Media business division were predominantly generated by national and international advertising and circulation revenues and broke down as follows:

€ millions	2022	2021
Advertising revenues national	574.5	570.5
Circulation revenues national	387.2	406.8
Other revenues national	212.0	203.2
Revenues national	**1,173.6**	**1,180.5**
Advertising revenues international	541.6	483.0
Circulation revenues international	205.1	118.9
Other revenues international	108.6	98.0
Revenues international	**855.2**	**699.9**
Revenues	**2,028.8**	**1,880.4**

As in the previous year, most of the revenues in the Marketing Media business division were generated by advertising customers in performance-based marketing.

€ millions	**2022**	**2021**
Performance-based marketing	178.5	162.6
Reach-based marketing	8.5	14.6
Revenues	**187.0**	**177.2**

Furthermore, revenues in the Services/Holding business division for group services and holding functions of € 5.7 million (PY: € 7.7 million) were generated.

Contract liabilities recognized as of December 31, 2021, of € 298.8 million (PY: € 199.5 million) led to revenue of € 296.4 million (PY: € 195.3 million) in the reporting year.

Other revenues included revenues from operating leasing of € 3.9 million (PY: € 2.9 million). Thereof € 3.5 million (PY: € 2.5 million) were attributable to income from sub-leasing in the reporting year.

(17) Other operating income

The other operating income broke down as follows:

€ millions	**2022**	**2021**
Income from reversal of provisions	29.9	10.7
Subsequent valuation of contingent considerations	19.4	9.5
Foreign exchange gains	13.4	7.5
Income from reversal of allowances on receivables	13.3	29.3
Income from disposal of intangible assets and property, plant, and equipment	1.8	6.2
Income from disposal of subsidiaries and business units	0.3	324.3
Miscellaneous operating income	27.4	47.5
Other operating income	**105.4**	**435.1**

Income from the reversal of provisions mainly resulted from share-based payment programs (see note (10)). For information on income from the subsequent valuation of contingent considerations see note (29). Income from disposal of subsidiaries and business units in the previous year resulted mainly from the sale of La Centrale Group, Ringier Axel Springer Media Group (except for our Polish investments), and Bistro.sk (see note (2c)). Miscellaneous operating income contained a large number of non-material items.

(18) Change in inventories and internal costs capitalized

Change in inventories and internal costs capitalized increased to € 122.9 million (PY: € 107.7 million) in the reporting year and as in the previous year mainly related to IT development projects to develop and expand our digital business models.

(19) Purchased goods and services

The purchased goods and services broke down as follows:

€ millions	2022	2021
Raw materials and supplies and purchased merchandise	94.4	73.5
Purchased services	462.1	424.2
Purchased goods and services	**556.5**	**497.7**

Raw materials and supplies and purchased merchandise comprised paper costs amounted to € 55.0 million (PY: € 34.2 million).

The cost of purchased services was mainly related, as in the previous year, of purchased third-party printing services (including paper costs), professional fees and other purchased services.

(20) Personnel expenses

The personnel expenses broke down as follows:

€ millions	2022	2021
Wages and salaries	1,466.1	1,270.3
Other social expenses	157.5	134.3
Expenses from defined contribution plans	58.3	54.3
Share-based payments	38.2	65.5
Expenses of defined benefit plans	5.2	5.7
Other personnel expenses	1.4	2.3
Personnel expenses	**1,726.7**	**1,532.3**

Wages and salaries included additions to provisions for structural measures. The increase in wages and salaries and other social expenses was mainly due to the increase of the workforce in the fast-growing digital business divisions as well as consolidation-related changes. This was offset by lower expenses from share-based payment programs (see note (10)).

The average number of employees in the Group is shown below:

Number of employees	2022	2021
Salaried employees	14,539	13,611
Editors	3,402	2,936
Wage-earning employees	264	289
Total employees	**18,205**	**16,835**

The increase in personnel figures compared with the previous year resulted in particular from the increase of the workforce in the fast-growing digital business divisions.

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(21) Depreciation, amortization, and impairments

Depreciation, amortization, and impairments broke down as follows:

€ millions	2022	2021
Impairment losses in goodwill	76.3	31.7
Amortization of other intangible assets	252.7	230.2
Impairment losses in other intangible assets	7.1	2.2
Depreciation of property, plant, and equipment	120.9	116.4
Impairment losses in property, plant, and equipment	2.7	1.1
Depreciation, amortization, and impairments	**459.5**	**381.6**

Depreciation of property, plant and equipment included depreciation of right-of-use assets from leases of € 68.5 million (PY: € 62.8 million), see note (5).

The increase in amortization of other intangible assets largely related to assets arising from business combinations of the previous year (see note (2c)). For impairment losses in goodwill see note (4).

Impairment losses in investments are included in the income from investments (see note (23)).

(22) Other operating expenses

The other operating expenses broke down as follows:

€ millions	2022	2021
Advertising expenses	403.5	353.7
Expenses for non-company personnel	292.7	227.8
Consulting, audit and legal fees	74.9	61.2
Mailing and postage expenses	67.0	68.1
Maintenance and repairs	38.9	40.8
Commissions and gratuities	37.4	46.6
Travel expenses	26.0	10.8
Allowances for doubtful receivables	24.1	25.7
Training of employees	21.9	18.8
Subsequent valuation of contingent considerations and other option liabilities from the acquisition of non-controlling interests	19.3	70.7
Other taxes	16.5	15.2
Foreign exchange losses	14.9	16.2
Incidental rental costs	13.0	13.7
Lease expenses	10.9	7.9
Services provided by related parties	5.4	9.0
Miscellaneous operating expenses	74.7	51.7
Other operating expenses	**1,141.3**	**1,037.9**

For expenses from the subsequent valuation of contingent considerations and other option liabilities from the acquisition of non-controlling interests see note (29). The miscellaneous operating expenses included expenses for other insurance policies, expenses from bank charges and other operating expenses.

Lease expenses included expenses for short-term leases (€ 8.9 million; PY: € 6.1 million), low-value assets (€ 1.0 million; PY: € 1.0 million) as well as expenses for variable lease payments (€ 1.0 million; PY: € 0.8 million).

The following professional fees for the services rendered by the auditor Ernst & Young GmbH were recognized:

€ millions	**2022**	**2021**
Audits of financial statements	2.5	2.4
Tax advisory services	0.2	0.2
Total professional fees	**2.8**	**2.6**

The professional fees for audits of financial statements included mainly statutory and voluntary audits of the separate financial statements of Axel Springer SE and other German subsidiaries, the consolidated financial statements, as well as the audit of financial statements according to IDW PS 480, which prescribes the audit of financial statements compiled for a special purpose. The tax advisory fees were a result of support services regarding specific tax questions.

(23) Income from investments

The result from companies accounted for using the equity method amounted to € –33.9 million (PY: € 15.4 million). Besides our share in the investee's net result, it consisted mainly of impairment losses of € 11.2 million (PY: € 63.9 million) as well as income of € 15.4 million from the transitional consolidation of No Fuff Jobs (see note (2c)). The previous year included income of € 26.1 million from the transitional consolidation of the POLITICO EU Group (see note (2c)). Our share in the investee's net result were affected in particular by expenses (PY: income) from our early-stage funds (see note (6a)). Impairment losses were mainly accounted for by our investment in Ringier Axel Springer Schweiz AG in the amount of € 11.1 million (PY: € 4.5 million). In addition, the impairment losses recognized in the previous year related to the investment in Purplebricks in the amount of € 59.4 million.

The other investment income of € – 13.3 million (PY: € 60.6 million) included mainly results from the revaluation of other investments in the amount of € –30.4 million (PY: € 48.9 million). These are mainly related to our investments in Vox Media Holdings, Inc., in the previous year to our investments in early-stage funds.

(24) Financial result

The financial income broke down as follows:

€ millions	**2022**	**2021**
Interest income from loans and securities	4.6	3.1
Interest income from taxes	1.9	0.3
Interest income from bank accounts	0.4	0.1
Other interest income	5.5	0.1
Interest income	**12.5**	**3.6**
Other financial income	14.8	13.5
Financial income	**27.3**	**17.1**

The financial expenses broke down as follows:

€ millions	**2022**	**2021**
Interest expenses on liabilities due to banks and on promissory notes	30.7	17.6
Interest expenses from leases	9.7	8.5
Net interest expense due from pension accounting	1.2	1.3
Interest expense from compounding	0.1	1.7
Miscellaneous interest expenses	3.7	3.6
Interest expenses	**45.5**	**32.8**
Other financial expenses	30.4	16.6
Financial expense	**75.9**	**49.4**

With respect to financial assets and liabilities not carried at fair value through profit or loss, interest income and expenses amounting to € 5.2 million (PY: € 3.3 million) and € –43.3 million (PY: € –28.8 million) were recognized respectively.

Other financial income as well as other financial expenses included gains and losses from currency translation of € 13.7 million (PY: € 8.2 million) and € –15.2 million (PY: € –11.9 million). In addition, other financial expenses included losses from the revaluation of convertible loan receivables amounting to € –11.1 million (PY: € –3.4 million).

(25) Income taxes

The income tax expenses broke down as follows:

€ millions	**2022**	**2021**
Current taxes	138.3	134.2
Deferred taxes	–31.1	–52.8
Income taxes	**107.2**	**81.4**

The increase in current taxes mainly resulted from negative income items with no tax effect. In addition, the previous year included positive income items mainly from divestures (see note (2c)) that were not subject to any or any significant taxation.

The reconciliation of the tax expenses expected – applying the tax rate of Axel Springer SE – to income taxes that have been recognized in the income statement is as follows:

€ millions	2022	2021
Result before income taxes	82.5	530.5
Tax rate of Axel Springer SE	31.0 %	31.0 %
Expected tax expenses	**25.6**	**164.4**
Differing tax rates	–4.6	–33.2
Changes in tax rates	0.6	–3.0
Permanent differences	40.7	53.7
Adjustments to carrying amounts of deferred taxes	28.2	–12.5
Current income taxes for prior years	6.7	2.2
Deferred income taxes for prior years	–4.9	–6.1
Non-deductible operating expenses	21.2	25.9
Tax-exempt income	–8.1	–112.1
Trade tax additions/deductions	3.6	0.3
Other effects	–1.8	1.8
Income taxes	**107.2**	**81.4**

Companies with the legal form of a corporation domiciled in Germany are subject to corporate income tax at the rate of 15.0 % and solidarity surcharge of 5.5 % of the corporate income tax owed. In addition, the profits of these companies are subject to trade tax, for which the amount is municipality specific. Companies with the legal form of a partnership are subject to trade tax exclusively. The net result is assigned to the shareholder for purposes of corporate income tax. The group tax rate remains unchanged to the previous year at 31.0 %.

The effects of different tax rates for partnerships and for foreign income taxes from the tax rate applicable to Axel Springer SE are explained in the reconciliation in the item differing tax rates. The permanent differences resulted mainly from revaluation effects of investments (see note (23)), liabilities for contingent considerations (see note (29)), as well as other consolidation effects that are not taken into account for tax purposes. The adjustments recorded to the carrying amounts of deferred taxes of € 16.4 million (PY: € 2.3 million) were attributable to the non-recognition of deferred taxes on tax loss carryforwards. In the previous year, the effects of the first-time recognition of deferred tax assets had an offsetting effect. The tax-exempt income in the previous year resulted in particular from the disposal of La Centrale Group, Ringier Axel Springer Media Group as well as Bistro.sk (see note (2c)).

Deferred tax assets and liabilities were recognized to account for temporary differences and tax loss carry-forwards, as follows:

€ millions	12/31/2022 Deferred tax assets	12/31/2022 Deferred tax liabilities	12/31/2021 Deferred tax assets	12/31/2021 Deferred tax liabilities
Intangible assets	23.0	325.4	17.7	341.3
Property, plant, and equipment	6.0	127.8	6.5	121.5
Non-current financial assets	0.0	2.8	0.2	1.7
Inventories	0.5	0.0	0.6	0.0
Receivables and other assets	60.4	5.3	66.7	3.6
Pension provisions	3.9	75.3	12.8	56.5
Other provisions	43.9	5.0	32.4	6.2
Liabilities	161.5	5.3	175.5	7.5
Temporary differences	**299.2**	**546.9**	**312.5**	**538.4**
Tax loss carry-forwards	**47.8**	**0.0**	**32.1**	**0.0**
Total	**347.0**	**546.9**	**344.6**	**538.4**
Offsetting	–307.2	–307.2	–280.5	–280.5
Amounts as per balance sheet	**39.8**	**239.7**	**64.1**	**257.8**

Deferred tax liabilities related to property, plant and equipment as well as the deferred tax assets related to liabilities resulted mainly from lease accounting (see note (3d)). The increase in deferred tax assets on other provisions are mainly related to the Management Incentive Plan (see note (10)).

The development of the net balance of deferred tax items is shown below:

€ millions	2022	2021
Deferred tax assets as of January 1	64.1	49.1
Deferred tax liabilities as of January 1	–257.8	–271.0
Net tax position as of January 1	**–193.7**	**–221.9**
Deferred tax of current year	31.1	52.8
Changes in deferred taxes recognized in other comprehensive income	–32.0	–13.9
Changes due to currency translations	–0.8	–9.5
Changes in consolidation group	–4.5	–1.2
Net tax position as of December 31	**–199.9**	**–193.7**
Deferred tax assets as of December 31	39.8	64.1
Deferred tax liabilities as of December 31	–239.7	–257.8

Of the deferred tax assets and deferred tax liabilities an amount of € 24.6 million (PY: € 20.9 million) and € 19.7 million (PY: € 22.5 million) can be realized in the short term.

The amount of deferred tax assets to be disclosed in accordance with IAS 12.82 was € 1.8 million (PY: € 4.0 million). It is expected that this amount can be realized by utilization against the available operating income.

Deferred taxes in the total amount of € 14.9 million (PY: € 46.8 million) were recognized directly in equity, as they were related to matters that were likewise recognized directly in equity.

In the reporting year, no deferred tax assets were recognized with respect to corporate income tax loss carry-forwards amounting to € 328.6 million (PY: € 175.6 million), and with respect to trade tax loss carry-forwards amounting to € 138.5 million (PY: € 87.0 million), because it did not appear probable that sufficient taxable income could be generated for these amounts in the near future. Of the unrecognized tax loss carry-forwards an amount of € 179.9 million (PY: € 0.0 million) can be carried forward for a limited period of up to ten years. The utilization of tax loss carry-forwards that had not previously been recognized as deferred tax assets caused a reduction in income tax expenses of € 0.1 million (PY: € 4.3 million). In the previous year, there were corrections of recognized tax loss carry-forwards due to tax audits or differing tax assessments in the amount of € –9.4 million (PY: € 1.4 million).

Under certain criteria, deferred taxes must be recognized on the difference between the Group's interest in the equity of subsidiaries as presented in the consolidated statement of financial position and investment balance recognized in the financial statements for tax purposes, e.g. by retaining profits. Deferred tax liabilities were not recognized on differences of € 57.6 million (PY: € 51.2 million) because a realization is not planned at the present time. In the case of sale or profit distribution, 5.0 % of the gain on disposal or the dividend, respectively, would be subject to taxation in Germany; in addition, foreign withholding taxes might be incurred.

Notes to the Consolidated Statement of Comprehensive Income

(26) Other income/loss

The other income/loss broke down as follows:

	2022			2021		
€ millions	**Before tax**	**Tax effect**	**Net**	**Before tax**	**Tax effect**	**Net**
Actuarial gains/losses from defined benefit pension obligations	98.7	–29.7	69.0	47.8	–13.5	34.4
Currency translation differences	66.5	0.0	66.5	142.2	0.0	142.2
Changes in fair value of derivatives used to hedge cash flows	7.4	–2.3	5.1	0.0	0.0	0.0
Other income/loss from investments accounted for using the equity method	0.3	0.0	0.3	5.7	0.0	5.7
Other income/loss	**172.9**	**–32.0**	**140.9**	**195.8**	**–13.5**	**182.3**

Other income/loss from companies accounted for using the equity method is as in the previous year exclusively attributable to items that may not be reclassified into the income statement in future periods.

Notes to the Consolidated Statement of Cash Flows

(27) Other disclosures

The cash and cash equivalents were composed of short-term-available cash in banks, securities, cash on hand and checks.

Additions in both intangible assets and property, plant, and equipment of € 2.2 million (PY: € 1.6 million) had not been paid yet.

The total cash outflow for leases amounted to € 91.1 million (PY: € 85.7 million).

Cash flow from investing activities included income taxes paid of € 7.1 million (PY: € 7.6 million). These resulted from the divesture of La Centrale Group in the previous year (see note (2c)). In the previous year, taxes related to the sale of the new Axel Springer building in the financial year 2020. Together with the income taxes paid disclosed in the cash flow from operating activities below the cash flow statement, income taxes paid amounted to a total of € 188.1 million (PY: € 163.0 million).

The acquisition costs, cash payments, as well as acquired assets and liabilities for business acquisitions are presented as follows (see note (2c) for the major acquisitions):

€ millions	**2022**	**2021**
Intangible assets	18.0	345.7
Property, plant, and equipment	0.1	26.8
Trade receivables	0.3	34.5
Other assets	0.3	8.7
Deferred tax assets	0.5	2.0
Cash and cash equivalents	9.7	25.0
Trade payables	–0.3	–6.5
Financial liabilities	–0.6	–22.0
Provisions and other liabilities	–1.6	–63.6
Deferred tax liabilities	–3.8	–9.3
Net assets	**22.7**	**341.3**
Acquisition cost	54.1	934.0
Thereof paid	*24.6*	*895.6*

The cashflow from the purchases of shares in consolidated subsidiaries and business units less cash and cash equivalents acquired which are reported in the cash flow statement mainly related to the acquisition of No Fluff Jobs (see note (2c)) and, in addition to the cash payments and acquired funds listed above, in particular included payments for acquisitions of the previous years (in the previous year in particular payments from contingent consideration totaling € 37.3 million; see note (29)).

Proceeds from disposals, paid up amounts, and disposed assets and liabilities arising from investment transactions with loss of control are as follows:

€ millions	2022	2021
Goodwill	0.0	183.4
Other intangible assets	0.0	118.0
Property, plant, and equipment and non-current financial assets	0.0	15.3
Trade receivables	5.0	29.2
Other assets	0.1	65.4
Cash and cash equivalents	0.7	108.4
Financial liabilities	0.0	−8.6
Trade payables	−3.0	−14.4
Provisions and other liabilities	−2.0	−39.9
Deferred tax liabilities	−0.1	−20.9
Disposal net assets	**0.8**	**435.8**
Net realizable value	1.0	666.4
Thereof paid-up	*0.2*	*563.0*

In the previous year, the proceeds from disposals comprised in particular the sale of La Centrale Group of € 399.1 million, of which Axel Springer subsequently acquired a share of € 50.0 million in the newly founded acquiring company, and Ringier Axel Springer Media Group of € 213.9 million (see note (2c)). The disclosure of cash inflows from divestitures in the cash flow statement is made under proceeds from disposals of consolidated subsidiaries and business units less cash and cash equivalents given up. In addition, these also included proceeds from disposals from previous years.

In the previous year, proceeds from disposals of non-current financial assets mainly related to proceeds from the sale of our shares in Airbnb Inc. amounting to € 76.1 million.

The change in the statement of financial positions of current and non-current financial liabilities resulted almost exclusively from cash proceeds and cash repayments disclosed in the cash flow from financing activities. In addition, there were changes resulting from the non-cash-effective deferral of financing-related transaction costs and from the initial consolidation of a subsidiary. The change of the lease liabilities included repayments and interest payments (see note (24)) as well as non-cash-effective changes of the lease liabilities due to additions and disposals.

The cash inflows from other financing activities in the reporting year (PY: cash outflows) mainly related to other non-current loans and corresponded to their change within the other non-current financial liabilities in the statement of financial positions.

Other Disclosures

(28) Capital management

Beyond the provisions of German law applicable to stock corporations, Axel Springer SE is not subject to any further obligations relating to capital preservation, whether from its own Articles of Incorporation or from contractual obligations. The financial key figures we used for management purposes are primarily earnings-driven. The goals, methods, and processes of our capital management are subordinate to the earnings-driven financial key figures.

We can utilize the funds derived from the promissory notes (€ 456.5 million) and the term loan (€ 300.0 million) as well as also avail ourselves of our long-term credit lines (€ 1,500.0 million), both for general business purposes as well as to finance acquisitions. In addition, a further term loan (€ 500.0 million) has been concluded in the previous year exclusively for the purpose of financing acquisitions. For interest-optimizing satisfaction of short-term capital requirements, we are able to issue certain forms of short-term bearer bonds (commercial paper) with a maximum volume of € 750.0 million and a term of up to one year. For further information on financial liabilities see note (13).

At the end of December 2022, we refinanced our long-term credit lines ahead of schedule. The credit lines allow us to utilize funds of up to € 1,500.0 million, and their utilization is due for repayment in July 2027. In the previous year, we concluded a term loan in the amount of € 500.0 million, which is due for repayment in July 2026. The term of the term loan of € 300.0 million was extended in the previous year by one year to July 2024. The utilization of the credit lines and the term loans is tied to compliance with covenants. We have fully complied with all loan covenants to date.

In addition, there existed promissory notes amounting to € 456.5 million as of December 31, 2022, with maturities *until May 2023 (€ 72.0 million), and May 2024 (€ 384.5 million).*

As of the reporting date, the commercial paper program had not been utilized. It was only used within the reporting year (see note (13)).

For the purpose of maintaining and adjusting the capital structure, the company can adjust the dividend payments to its shareholders or purchase treasury shares representing up to 10.0 % of the subscribed capital as of the date of the resolution at the Annual General Meeting on the authorization to acquire treasury shares on April 18, 2018. Treasury shares can be used for acquisition financing, or they can be retired. At the reporting date and the previous year's reporting date, we held no treasury shares.

(29) Financial assets and liabilities

The carrying amounts of the items in the statement of financial positions as of December 31, 2022, comprising financial assets and liabilities can be attributed to the measurement categories according to IFRS 9 as follows (see note (3f)):

€ millions	Carrying amount as of 12/31/2022	Valuation categories according to IFRS 9 At fair value through profit or loss	At amortized cost	Other*
ASSETS				
Investments	211.4	211.4		
Loans	94.6	63.4	31.2	
Other non-current financial assets	306.0	274.8	31.2	
Trade receivables	919.2		919.2	
Receivables due from related parties	8.1		8.1	
Derivatives designated as a hedging instrument	7.4			7.4
Remaining other assets	197.7		75.8	121.9
Other assets	205.1		75.8	129.3
Cash and cash equivalents	204.1		204.1	
EQUITY AND LIABILITIES				
Financial liabilities	2,606.9		2,044.7	562.3
Trade payables	623.6		623.6	
Liabilities due to related parties	37.5		12.7	24.8
Contingent considerations and other put options for purchase of non-controlling interests	213.0	213.0		
Remaining other liabilities	600.0		50.5	549.6
Other liabilities	813.0	213.0	50.5	549.6

* No valuation categories according to IFRS 9, derivatives designated as a hedging instrument, as well as non-financial assets and liabilities.

A voluntary designation of financial assets and financial liabilities as measured at fair value through profit or loss was not made.

The carrying amounts of the items in the statement of financial positions as of December 31, 2021, comprising financial assets and liabilities can be attributed to the measurement categories according to IFRS 9 as follows:

		Valuation categories according to IFRS 9		
€ millions	**Carrying amount as of 12/31/2021**	**At fair value through profit or loss**	**At amortized cost**	**Other***
ASSETS				
Investments	234.2	234.2		
Loans	86.0	55.3	30.7	
Other non-current financial assets	320.2	289.5	30.7	
Trade receivables	921.8		921.8	
Receivables due from related parties	9.1		9.1	
Other assets	165.9		51.3	114.6
Cash and cash equivalents	201.6		201.6	
EQUITY AND LIABILITIES				
Financial liabilities	2,625.8		2,093.1	532.7
Trade payables	628.1		628.1	
Liabilities due to related parties	30.8		9.6	21.3
Contingent considerations and other put options for purchase of non-controlling interests	222.1	222.1		
Remaining other non-financial assets	547.7		48.7	499.0
Other liabilities	769.9	222.1	48.7	499.0

* No valuation categories according to IFRS 9 and non-financial assets and liabilities.

The following table presents the applied valuation hierarchy for financial assets and liabilities, which are not measured at amortized cost (see note (3f)):

	12/31/2022			12/31/2021		
€ millions	**Fair value based on market price (level 1)**	**Fair value based on observable market data (level 2)**	**Fair value not based on observable market data (level 3)**	**Fair value based on market price (level 1)**	**Fair value based on observable market data (level 2)**	**Fair value not based on observable market data (level 3)**
Investments	5.2		206.2	20.3		213.9
Loans			63.4			55.3
Derivatives designated as a hedging instrument (positive fair value) as part of other assets		7.4				
Contingent considerations and other put options for purchase of non-controlling interests			213.0			222.1

The development of investments mainly related to additions amounting to € 47.2 million, disposals amounting to € 48.9 million, fair value changes from the valuation affecting profit or loss recognized in income from investments amounting to € –30.4 million as well as reclassifications from investments accounted for using the equity method of € 12.9 million.

The development of loans mainly related to additions amounting of € 25.1 million, as well as fair value changes from the valuation affecting profit or loss recognized in financial result amounting to € –11.1 million. In addition, loans decreased by € 5.9 million due to a reclassification from investments accounted for using the equity method as a result of the classification of the loan as a net investment in the associated company.

In the reporting year, interest rate derivatives in the form of interest rate swaps were used to hedge interest rate risk (see note (31)). At the balance sheet date, the fair value of the interest rate swaps amounted to € 7.4 million (PY: € 0.0 million) and was presented under other assets (see note (8)).

The fair values of liabilities for contingent consideration from business combinations and other put options for purchase of non-controlling interests developed as follows:

€ millions	**2022**	**2021**
Balance as of 01/01	**222.1**	**144.3**
Acquisitions or granting of option rights	20.6	1.1
Payment	−2.3	−37.3
Subsequent valuation affecting net result	*−0.1*	*61.2*
thereof other operating income	*−19.4*	*−9.5*
thereof other operating expenses	*19.3*	*70.7*
Compound	−5.5	1.6
Other	−21.9	51.2
Balance as of 12/31	**213.0**	**222.1**

Contingent consideration and other put options for the purchase of non-controlling interests as of December 31, 2022, and as of December 31, 2021, mainly related to contingent considerations for the purchase of non-controlling interests in Morning Brew and Appcast.

The additions in the reporting year mainly related to No Fluff Jobs (see note (2c)). The expenses of the previous year mainly related to Morning Brew and were attributable to contractual adjustments to contingent considerations due to the positive business development and adjustment made to the medium-term planning of the company accordingly. The other changes related in particular to partial amounts of contingent considerations identified as compensation, mainly for Appcast (PY: Morning Brew and Appcast), some of which were recognized directly in personnel expenses or will be recognized over the term of the option agreement (see note (8)).

The fair value measurement of contingent consideration essentially depends on estimated financial performance measures of the acquired companies in the years before the possible exercise periods of the option rights or the payment dates of the earn-outs. The financial performance measures used as a basis for measurement are generally revenues, resp. EBIT or EBITDA figures adjusted for material non-recurring effects as well as effects from lease accounting (EBITDA). In case of an increase of the relevant estimated financial performance measures by 10 %, the value of the contingent consideration would increase by approximately 6 %. A decrease of the relevant financial performance measures by 10 % would result in a reduction of approximately 7 %.

With the exception of the financial liabilities presented below, the carrying amounts of the financial assets and liabilities were identical to their fair values:

	12/31/2022		**12/31/2021**	
€ millions	**Carrying amount**	**Fair value**	**Carrying amount**	**Fair value**
Financial liabilities	393.1	382.1	538.2	547.9

As in the previous year, the fair value disclosed related entirely to promissory notes and is determined on the basis of the difference between the contractually agreed effective interest rate and the market interest rate taking into account our credit risk (level 2 of the measurement hierarchy, see note (3f)).

The net gains and losses of financial instruments (excluding interest, income from investments and results from the currency translation) recognized in profit or loss are presented in the following table:

€ millions	2022	2021
Financial assets and liabilities measured at fair value through profit or loss	−42.1	−1.0
Financial assets measured at amortized cost	−13.8	7.9

As in the previous year, the net gains and losses in the category of "financial assets and liabilities measured at fair value through profit or loss" resulted mainly from the revaluation of other investments and convertible loans, effects from subsequent valuation of contingent consideration as well as results from disposals of other investments.

The net losses in the category of "financial assets measured at amortized cost" are mainly valuation effects for trade receivables and other assets as in the previous year.

(30) Financial risk management

With respect to its financial assets and liabilities, the Axel Springer Group is exposed to financial market risks, liquidity risks, and credit risks. The task of financial risk management is to limit these risks by means of targeted measures.

(a) Financial market risks

Financial market risks for financial assets and liabilities mainly consist of interest rate risks and exchange rate risks. In principle, the effects of these risks on the value can be assessed promptly and, where applicable, the loss risks can be reduced.

Selected derivative hedging instruments are used to hedge risks. The use of financial derivatives is governed by appropriate guidelines of the Group. These guidelines define the relevant responsibilities, permissible actions, reporting requirements and business partner limit, and prescribe the strict separation of trading and back-office functions.

To hedge the interest rate risk, we employ in particular fixed interest agreements. The degree of hedging specified in the Axel Springer finance regulations ranges between 22.0 % and 37.6 % (PY: 28.5 % and 60.8 %) of the underlying net transaction volume. On average for the year, a hedging ratio of 30.2 % (PY: 44.2 %) was achieved in relation to net indebtedness (promissory notes and liabilities to banks less cash and cash equivalents) by using fixed interest agreements and interest rate hedges (PY: by fixed interest agreements).

The effects of market interest rate changes on variable-interest financial instruments not hedged with financial derivatives are calculated using a sensitivity analysis. Assuming an increase of the interest level by 50 basis points, the financial result in the reporting period would have decreased by € 6.8 million (PY: € 0.4 million). Assuming a decrease of the interest level by 50 basis points, the financial result would have increased by € 6.8 million (PY: € 0.4 million).

Currency risks from operations are mainly avoided through the occurrence of operating costs in the countries in which we sell our products and services. Remaining currency risks from operations are insignificant to the Group since the majority of adjusted EBITDA is earned in the euro currency zone (for the definition of adjusted EBITDA, see section "Financial performance, liquidity and financial position" in the combined management report). In the reporting period, the share of adjusted EBITDA not earned in Euros was 29 % (PY: 32 %).

Currency risks from foreign currency claims and liabilities (without liabilities from contingent consideration) as well as claims and liabilities in euros in non-euro countries with net exposures starting at € 5 million per foreign currency are in principle hedged by means of maturity-congruent forward exchange transactions.

Local currency cash flows generated in non-euro zone countries are either reinvested to expand local business operations or invested with Axel Springer SE and hedged by means of forward exchange deals or distributed in the form of dividends. Therefore, the foreign exchange risk from fluctuating exchange rates for foreign currency cash and cash equivalents is limited.

Effects from the currency translation of statements prepared by subsidiaries in foreign currencies are recorded directly in accumulated other comprehensive income. Therefore, Axel Springer does not hedge such currency effects.

(b) Liquidity risk

We continually monitor the availability of financial resources to fund the company's operating activities and investments by means of a group-wide liquidity planning system and monthly cash flow analyses. Liquidity and financial flexibility of the Axel Springer Group is ensured by fixed credit lines in the amount of € 1,500.0 million (until 2027), by two term loans in the amount of in total € 800.0 million (until 2024 and 2026) as well as by promissory notes (€ 456.5 million). Note (15) contains a maturity analysis of our financial liabilities. The payment obligations for financial obligations that have been contractually agreed but not yet recorded are presented in note (34).

(c) Credit risk

Financial assets may be impaired if business partners do not adhere to payment obligations. Significant risk items are contained in non-current financial assets (loan receivables) as well as in trade receivables, receivables due from related parties, and other assets. The maximum exposure to risk from financial assets, which are fundamentally subject to credit risk, correspond to their carrying amounts. Collateral for related receivables and repayment claims usually does not exist.

The majority of our business models are based on a widely distributed and heterogeneous customer base. We therefore estimate the risk of significant defaults to be low. To the extent that credit risks are discernible, we reduce them using active management of receivables, credit limits, and credit checks of our business partners. Credit risks are taken into account in the statement of financial positions through appropriate allowances (see note (3f)). For the provision matrix for trade receivables see note (7).

The impairment losses (net) for trade receivables and other financial assets amounted to € 10.7 million (PY: € –3.9 million).

Investments in securities are mainly made only in instruments with first-class ratings (investment grade) according to our finance regulations. Investment in time deposits occurs exclusively at financial institutions that belong to the deposit protection fund and/or are classified by leading rating agencies as being at least of investment grade status BBB- (S&P) or Baa3 (Moody's).

(31) Financial derivatives designated as hedging instruments

In the reporting period, agreements were concluded to hedge the interest rate risk. The hedging relationships serve in particular to hedge interest rate risks of long-term financial liabilities (see note (13)). The cash flows were hedged through interest rate swaps. The interest rate swaps were concluded for the same term and nominal amount as the corresponding parts of the variable-interest financial liabilities (hedged items). Variable-interest promissory notes, parts of our term loans and parts of our long-term credit lines in the total amount of € 300.0 million were hedged.

The interest rate swaps were recognized at fair value (valuation hierarchy level 2). Fluctuations in fair value were recognized in accumulated other comprehensive income until the hedged item was realized. The valuation of the interest rate swaps resulted in a positive fair value of € 7.4 million at the balance sheet date (see note (29)). During the reporting period, a gain (after tax) of € 5.1 million was recognized in other comprehensive income (see note (26)).

(32) Relationships with related parties

In the reporting and the previous year, the Axel Springer Group was jointly managed by Dr. Mathias Döpfner, KKR Management LLP, Wilmington, Delaware, USA ("KKR") and Canadian Pension Plan Investment Board, Toronto, Canada ("CPPIB"). KKR is the ultimate parent company of the financial investor Kohlberg Kravis Roberts. CPPIB is the parent company of the Canadian government-owned financial investor CPP Investments.

Related parties for the Axel Springer Group were Dr. Mathias Döpfner as well as his immediate family members, the companies controlled, jointly controlled and or that are subject to significant influence by him, as well as companies in whose management he holds a key position. Furthermore, the subsidiaries, joint ventures, and associates of the Axel Springer Group were related parties, as well as the companies controlled, jointly controlled, and significantly influenced by KKR and CPPIB have been defined as related parties.

In addition, related parties have been the acting members of the Executive Board and Supervisory Board of Axel Springer SE (including their family members) and their controlled or jointly managed investments as well as the Axel Springer Pensionstreuhand e. V., which manages the plan assets of the Axel Springer Group, in the reporting year.

Besides the business relationships with consolidated subsidiaries, the following business relationships with related parties existed:

€ millions	Total	Associates and joint ventures	Other related parties	Total	Associates and joint ventures	Other related parties
Balance sheet	**12/31/2022**			**12/31/2021**		
Loans	64.8	61.6	3.2	59.7	59.7	0.0
Receivables	8.1	7.5	0.6	9.1	4.1	4.9
Thereof trade	*1.4*	*1.0*	*0.4*	*4.9*	*1.0*	*3.9*
Provisions	21.0	2.6	18.4	25.7	0.6	25.1
Liabilities	37.5	5.6	31.9	30.5	0.2	30.2
Thereof trade	*2.8*	*0.6*	*2.2*	*3.1*	*0.2*	*2.8*
Income statement	**2022**			**2021**		
Goods and services supplied	3.3	3.0	0.3	16.8	5.3	11.5
Goods and services received	44.4	0.9	43.5	53.0	1.5	51.5
Financial result	3.7	3.7	0.0	1.9	2.3	–0.5

In the previous year, allowances for receivables from related parties amounting to € 0.1 million were reversed in total.

The loans relating to associates and joint ventures mainly refer to convertible loans to a joint venture, through which we hold the shares in Homeday. As of December 31, 2022, loan impairment losses amounting to € 5.5 million (PY: € 1.8 million) were recorded for associates and joint ventures.

In the reporting and in the previous year, the receivables attributable to associates and joint ventures mainly related to the joint venture through which we hold the shares in Homeday.

Provisions mainly related to pension provisions to members of the Executive Board of Axel Springer SE. Liabilities due to other related parties mainly include obligations in connection with the share-based compensation program granted to members of the Executive Board of Axel Springer SE in the amount of € 24.8 million (PY: € 21.3 million) (see note (10)). The liabilities attributable to associates and joint ventures relate almost exclusively to a loan granted in the reporting year.

Goods and services provided to associates and joint ventures mainly included advertising services and, in the previous year, additionally other services. Goods and services provided to other related parties in the previous year related in particular to circulation revenues.

Goods and services received from other related parties related in particular to Supervisory and Executive Board members as in the previous year. The fixed compensation of members of the Executive Board of Axel Springer SE amounted to € 13.6 million (PY: € 11.5 million) in the reporting period 2022. The variable compensation amounted to € 5.2 million (PY: € 8.4 million). In addition, compensation of € 3.7 million (PY: € 0.0 million) was paid to members of the Board of Management following the termination of service. The measurement of the share-based compensation granted to the Executive Board (see note (10)) resulted in personnel expenses of € 11.7 million (PY: € 18.3 million) and other operating income of € 0.0 million (PY: € 0.8 million) in the reporting period. Guaranteed pension payments to members of the Executive Board resulted in personnel expense of € 1.0 million (PY: € 1.1 million). The compensation of the members of the Supervisory Board amounted to € 3.0 million (PY: € 3.0 million). Furthermore, as in the previous year services received mainly included other services of related parties.

An amount of € 2.4 million (PY: € 2.4 million) was paid to former Executive Board members and former managing directors and their survivors. A total amount of € 28.5 million (PY: € 33.7 million) was deferred for their pension obligations.

At the balance sheet date, there were payment commitments towards associates and joint ventures of € 0.0 million and € 8.6 million respectively (PY: € 13.0 million and € 15.2 million respectively). In addition, loan commitments were granted to associates amounting to € 11.9 million (PY: € 2.1 million) and financing guarantees were given amounting to € 2.1 million (PY: € 2.1 million), see note (33) and (34).

In the previous years, we granted convertible loans to a related party of a Supervisory Board member in the total amount of € 3.5 million and converted the loan into shares in the company in December 2019. The company develops future mobility concepts. Our shareholding remained unchanged at 27.3 % as of the balance sheet date. The related party of a Supervisory Board member continues to hold a further 41.0 % of the shares in the company.

In addition, we continue to hold a stake of approximately 93 % in an investment fund for media start-ups, in which the remaining shares are held by a related party of a Supervisory Board member. Due to partnership arrangements, we treat this investment as a joint venture. As of the balance sheet date, there were no payment commitments in this investment fund (PY: € 1.1 million). The related party of the Supervisory Board member received a compensation of € 0.4 million (PY: € 0.3 million) for the management services provided. In addition, a payment of € 1.0 million (PY: € 0.0 million) was made due to the achievement of performance targets.

The Axel Springer high-rise building in Berlin has been managed by Axel Springer Pensionstreuhand e. V. as trustee since the beginning of 2018. A lease agreement with a term of 30 years was concluded for the further use of the building. The corresponding lease liability as of December 31, 2022, amounted to € 110.9 million (PY: € 107.4 million). Lease payments in the reporting year amounted to € 6.4 million (PY: € 6.1 million). For further information on plan assets, see note (11).

(33) Contingent liabilities

As of December 31, 2022, contingent liabilities from guarantees existed in the amount of € 9.4 million (PY: € 4.1 million), which related to associates in the amount of € 2.1 million (PY: € 2.1 million), see note (32).

(34) Other financial commitments

The other financial commitments broke down as follows:

€ millions	12/31/2022	12/31/2021
Purchase commitments for		
- intangible assets	0.2	0.9
- property, plant, and equipment	2.9	4.4
- inventories	56.3	54.7
Future payments from unrecorded leases	8.5	29.9
Other obligations	495.3	174.1
Other financial obligations	**563.2**	**264.0**

Future lease payments from unrecorded leases included obligations under short-term leases (€ 3.8 million; PY: € 3.9 million), leases from low-value assets (€ 0.6 million; PY: € 0.8 million) and contracts that have already been concluded but start after the reporting date (€ 4.2 million; PY: € 25.2 million). All other leases have been accounted for as financial liabilities already (see note (13)).

Extension and termination options are not included in the measurement of lease liabilities if the exercise of the options is not reasonably certain. As of December 31, 2022, the potential future cash outflows from non-certain extension and termination options amounted to € 370.1 million (PY: € 353.4 million). These options related almost exclusively to leases for rented office spaces, in particular the new Axel Springer building in Berlin.

As of December 31, 2022, other obligations included payment commitments expected on the basis of available information for the acquisition of further shares in investments currently accounted for using the equity method in the years 2023 to 2027 totaling € 183.6 million (PY: € 0.0 million). In addition, license obligations in connection with live broadcasting rights for various sports in the amount of € 117.6 million (PY: € 0.0 million) were included. Also included were commitments to associated companies and joint ventures in the amount of € 20.5 million (PY: € 30.3 million) (see note (32)). In addition, other commitments mainly included contracts for TV productions and TV rights, as well as other services.

(35) Events after the reporting date

In February 2023, we issued new promissory notes for nominal amounts totaling € 260.0 million with predominantly fixed interest rates and terms of three, four, and five years. Payment was made at the end of February 2023. This financing measure is intended to secure the refinancing of previous loans and increase Axel Springer's financing leeway.

(36) Companies included in the consolidated financial statements and share property

		12/31/2022		12/31/2021		
No.	Company	Share-holding	via No.	Share-holding	Via No.	
1	Axel Springer SE, Berlin	-	-	-	-	
	Fully consolidated subsidiaries					
	Germany					
2	AS TV-Produktions- und Vertriebsges. mbH, Hamburg	100.0%	1	100.0%	1	
3	AS TYFP Media GmbH & Co. KG, Berlin	-	-	50.0%	1	
		-	-	50.0%	171	
4	AS TYFP Media Management GmbH, Berlin	-	-	100.0%	3	
5	AVIV Group GmbH, Berlin	100.0%	12	100.0%	12	[5]
6	AWIN AG, Berlin	80.0%	13	80.0%	13	
7	Axel Springer All Media GmbH, Berlin	100.0%	1	100.0%	1	[5]
8	Axel Springer Audio GmbH, Berlin	100.0%	1	100.0%	1	[5]
9	Axel Springer Auto-Verlag GmbH, Hamburg	100.0%	1	100.0%	1	[5]
10	Axel Springer Corporate Solutions GmbH & Co. KG, Berlin	100.0%	1	100.0%	1	[6]
11	Axel Springer Digital Classifieds GmbH, Berlin	100.0%	13	100.0%	13	[5]
12	Axel Springer Digital Classifieds Holding GmbH, Berlin	100.0%	11	100.0%	11	[5]
13	Axel Springer Digital GmbH, Berlin	100.0%	1	100.0%	1	[5]
14	Axel Springer Digital Ventures GmbH, Berlin	100.0%	13	100.0%	13	[5]
15	Axel Springer Digital Ventures US GmbH, Berlin	100.0%	14	100.0%	14	
16	Axel Springer Digital Ventures US II GmbH, Berlin	100.0%	14	100.0%	14	
17	Axel Springer Druckhaus Spandau GmbH & Co. KG, Berlin	100.0%	1	100.0%	1	[6]
18	Axel Springer hy GmbH, Berlin	55.7%	14	55.7%	14	
19	Axel Springer hy Technologies GmbH, Berlin	100.0%	18	100.0%	18	
20	Axel Springer INSIDER Ventures GmbH, Berlin	80.1%	14	80.1%	14	
		19.9%	131	19.9%	131	
21	Axel Springer International GmbH, Berlin	100.0%	1	100.0%	1	[5]
22	Axel Springer International Holding GmbH, Berlin	100.0%	21	100.0%	21	[5]
23	Axel Springer Kundenservice GmbH, Hamburg	100.0%	1	100.0%	1	[5]
24	Axel Springer Liveware IT GmbH, Berlin	-	-	100.0%	1	
25	Axel Springer Media for Equity GmbH, Berlin	100.0%	14	100.0%	14	[5]
26	Axel Springer Mediahouse Berlin GmbH, Berlin	100.0%	1	100.0%	1	[5]
27	Axel Springer Medien Accounting Service GmbH, Berlin	100.0%	1	100.0%	1	[5]
28	Axel Springer National Media & Tech GmbH & Co. KG, Berlin	100.0%	1	100.0%	1	[6]
29	Axel Springer Offsetdruckerei Ahrensburg GmbH & Co. KG, Ahrensburg	100.0%	1	100.0%	1	[6]
30	Axel Springer Offsetdruckerei Kettwig GmbH & Co. KG, Essen	100.0%	1	100.0%	1	[6]
31	Axel Springer Print Management GmbH, Ahrensburg	100.0%	1	100.0%	1	
32	Axel Springer Security GmbH, Berlin	100.0%	1	-	-	[5]
33	Axel Springer Services & Immobilien GmbH, Berlin	100.0%	1	100.0%	1	[5]
34	Axel Springer Sport Verlag GmbH, Hamburg	100.0%	1	100.0%	1	[5]
35	Axel Springer Syndication GmbH, Berlin	100.0%	37	100.0%	37	[5]
36	Axel Springer Teaser Ad GmbH, Berlin	100.0%	7	100.0%	7	[5]
37	"Axel Springer Verlag" Beteiligungsgesellschaft mbH, Berlin	100.0%	1	100.0%	1	[5]
38	B.Z. Ullstein GmbH, Berlin	100.0%	37	100.0%	37	[5]
39	BILD GmbH, Berlin	100.0%	1	100.0%	1	[5]

		12/31/2022		12/31/2021		
No.	**Company**	**Share-holding**	**via No.**	**Share-holding**	**Via No.**	
40	Bonial Holding GmbH, Berlin	100.0%	13	100.0%	13	5)
41	Bonial International GmbH, Berlin	100.0%	40	100.0%	40	5)
42	Buch- und Presse GmbH & Co. KG (previously Buch- und Presse-Großvertrieb Hamburg GmbH & Co. KG), Hamburg	100.0%	1	-	-	6)
43	Business Insider Deutschland GmbH, Berlin	100.0%	14	100.0%	14	5)
44	Buzz Technologies GmbH, Berlin	51.0%	1	51.0%	1	
45	Cammio GmbH, Berlin	100.0%	109	100.0%	109	
46	comparado GmbH, Lüneburg	100.0%	57	100.0%	57	
47	COMPUTER BILD Digital GmbH, Hamburg	100.0%	1	100.0%	1	5)
48	Content Factory TV-Produktion GmbH, Berlin	100.0%	88	100.0%	88	5)
49	Dyn Media GmbH, Cologne	75.2%	1	-	-	
50	Einundneunzigste "Media" Vermögensverwaltungsges. mbH, Berlin	100.0%	1	100.0%	1	5)
51	eprofessional GmbH, Hamburg	100.0%	7	100.0%	7	
52	finanzen.net GmbH, Karlsruhe	75.0%	14	75.0%	14	10)
53	finanzen.net zero GmbH, Karlsruhe	100.0%	52	100.0%	52	
54	FRAMEN GmbH, Berlin	57.5%	1	57.5%	1	11)
55	Gehalt.de GmbH, Hamburg	-	-	100.0%	74	
56	Idealo International GmbH, Berlin	100.0%	57	100.0%	57	
57	Idealo Internet GmbH, Berlin	74.9%	13	74.9%	13	
58	ImmoSolve GmbH, Bad Bramstedt	100.0%	60	100.0%	60	
59	Immowelt GmbH, Nuremberg	100.0%	61	100.0%	61	5)
60	Immowelt Hamburg GmbH, Hamburg	100.0%	61	100.0%	61	5)
61	Immowelt Holding GmbH, Nuremberg	100.0%	5	100.0%	5	5)
62	infoRoad GmbH, Heroldsberg	90.0%	9	90.0%	9	
63	Ladenzeile GmbH (previously Visual Meta GmbH), Berlin	96.0%	57	96.0%	57	
64	MAZ & More TV-Produktion GmbH, Berlin	100.0%	88	100.0%	88	5)
65	Media Impact GmbH & Co. KG, Berlin	100.0%	7	100.0%	7	6)
66	Media Impact Management GmbH, Berlin	100.0%	7	100.0%	7	5)
67	meinestadt.de GmbH, Cologne	100.0%	74	100.0%	74	
68	meinestadt.de Vertriebs-GmbH, Cologne	100.0%	67	100.0%	67	
69	PACE Paparazzi Catering & Event GmbH, Berlin	100.0%	1	100.0%	1	5)
70	Panther Holding GmbH, Berlin	100.0%	57	100.0%	57	
71	Press Impact GmbH, Hamburg	-	-	100.0%	1	
72	Sales Impact GmbH, Berlin	100.0%	1	100.0%	1	5)
73	SAMAS upday Investment GmbH, Berlin	51.0%	1	51.0%	1	
74	StepStone Continental Europe GmbH, Düsseldorf	100.0%	76	100.0%	76	
75	StepStone Deutschland GmbH, Düsseldorf	100.0%	74	100.0%	74	
76	StepStone GmbH, Berlin	100.0%	12	100.0%	12	
77	StepStone Management SE, Düsseldorf	100.0%	12	-	-	
78	Studydrive GmbH, Berlin	100.0%	74	100.0%	74	
79	TraderFox GmbH, Reutlingen	50.1%	52	50.1%	52	
80	Transfermarkt GmbH & Co. KG, Hamburg	51.0%	39	51.0%	39	6)
81	Ullstein GmbH, Berlin	100.0%	37	100.0%	37	5)
82	Umzugsauktion GmbH & Co. KG, Bötzingen	100.0%	60	100.0%	60	6)
83	Universum Employer Branding Services GmbH, Berlin	100.0%	180	100.0%	180	

No.	Company	12/31/2022 Share-holding	12/31/2022 via No.	12/31/2021 Share-holding	12/31/2021 Via No.	
84	upday GmbH & Co. KG, Berlin	77.6%	1	77.6%	1	6)
		22.4%	73	22.4%	73	
85	upday Holding GmbH, Berlin	100.0%	84	100.0%	84	
86	Visoon Video Impact GmbH & Co. KG, Berlin	51.0%	7	51.0%	7	6)
87	Wake Word GmbH, Aschheim	64.9%	8	64.9%	8	
88	WeltN24 GmbH, Berlin	100.0%	1	100.0%	1	5)
	Other countries					
89	Appcast, Inc., Lebanon, USA	87.4%	76	91.2%	76	9)
90	Appcast.IO LTD, Bristol, United Kingdom	100.0%	89	100.0%	89	
91	AWIN AB, Stockholm, Sweden	100.0%	6	100.0%	6	
92	AWIN B.V., Amsterdam, Netherlands	100.0%	6	100.0%	6	
93	AWIN Global Affiliate Network S.L., Madrid, Spain	100.0%	6	100.0%	6	
94	AWIN Inc., Wilmington, USA	100.0%	95	100.0%	95	
95	AWIN Ltd., London, United Kingdom	100.0%	6	100.0%	6	
96	AWIN SAS, Paris, France	100.0%	6	100.0%	6	
97	AWIN Sp. z o.o., Warsaw, Poland	100.0%	6	100.0%	6	
98	AWIN SRL, Milan, Italy	100.0%	6	100.0%	6	
99	AWIN VEICULAÇÃO DE PUBLICIDADE NA INTERNET LTDA., São Paulo, Brazil	100.0%	6	100.0%	6	
100	Axel Springer Beteiligungen Schweiz AG, Zurich, Switzerland	100.0%	104	100.0%	104	
101	Axel Springer España S.A., Madrid, Spain	100.0%	1	100.0%	1	
102	Axel Springer France S.A.S., Paris, France	100.0%	1	100.0%	1	
103	Axel Springer International Limited, London, United Kingdom	100.0%	22	100.0%	22	
104	Axel Springer Schweiz AG, Zurich, Switzerland	100.0%	103	100.0%	103	
105	Axel Springer Services Inc., Wilmington, USA	100.0%	14	100.0%	14	
106	Bonial SAS, Paris, France	100.0%	41	100.0%	41	
107	Business Insider Europe Limited, London, United Kingdom	100.0%	131	100.0%	131	
108	Cammio B.V., Den Hague, Netherlands	100.0%	109	100.0%	109	
109	Cammio Holding B.V., Den Hague, Netherlands	100.0%	76	100.0%	76	
110	Candidate Manager Ltd, Dublin, Ireland	100.0%	154	100.0%	154	
111	CaribbeanJobs Ltd, George Town, Cayman Islands	100.0%	154	100.0%	154	
112	City-Nav Sp. z o.o., Poznań, Poland	69.3%	152	69.3%	152	
113	Commission Factory Pty Ltd, Sydney, Australia	100.0%	6	100.0%	6	
114	Commission Factory Sdn. Bhd., Kuala Lumpur, Malaysia	100.0%	113	100.0%	113	
115	Coral-Tell Ltd., Tel Aviv, Israel	100.0%	5	100.0%	5	
116	Digital Classifieds France SAS, Paris, France	100.0%	5	100.0%	5	
117	Drive Innovation Insight SAS, Paris, France	100.0%	171	100.0%	4	
118	eMarketer Inc., New York, USA	100.0%	14	100.0%	14	
119	Estascontratadocom S.A., Panama City, Panama	100.0%	164	100.0%	164	
120	Falguière Conseil SAS, Paris, France	100.0%	116	100.0%	116	
121	FinPack Sp. z o.o., Szczecin, Poland	100.0%	142	100.0%	142	
122	FRAMEN UK LIMITED, London, United Kingdom	100.0%	54	-	-	
123	Grupa Morizon-Gratka Sp. z o.o., Warsaw, Poland	100.0%	142	100.0%	142	
124	Grupa Ringier Axel Springer Polska AG, Zurich, Switzerland	50.0%	103	50.0%	103	3)
125	HOUSELL FINANCE ONLINE SERVICES SL, Madrid, Spain	100.0%	126	100.0%	126	

No.	Company	12/31/2022 Share-holding	12/31/2022 via No.	12/31/2021 Share-holding	12/31/2021 Via No.	
126	Housell Inmo Online Services, S.L., Madrid, Spain	99.7%	5	99.3%	5	
127	ICI Formations SAS, Paris, France	100.0%	74	100.0%	157	
128	ictjob SPRL, Brussels, Belgium	99.0%	74	99.0%	74	
		1.0%	158	1.0%	158	
129	Immoweb Financial Services SA, Brussels, Belgium	100.0%	130	100.0%	130	
130	Immoweb SA, Brussels, Belgium	100.0%	116	100.0%	116	
131	Insider Inc., New York, USA	100.0%	14	100.0%	14	
132	Interactive Junction Holdings Proprietary Limited, Rosebank/Johannesburg, South Africa	100.0%	146	100.0%	146	
133	Jobcity Ltd., Tel Aviv, Israel	100.0%	115	100.0%	115	
134	Jobmagnet Limited, London, United Kingdom	100.0%	76	100.0%	76	
135	Jobs LU Ltd, Dublin, Ireland	100.0%	154	100.0%	154	
136	Jobs.ie Ltd, Dublin, Ireland	100.0%	154	100.0%	154	
137	Jobsite UK (Worldwide) Limited, Havant, United Kingdom	100.0%	162	100.0%	162	
138	Lendi Care sp. z o.o., Szczecin, Poland	100.0%	142	-	-	
139	Lendi Sp. z o.o., Szczecin, Poland	100.0%	142	100.0%	142	
140	Morning Brew, Inc., New York, USA	75.4%	14	75.4%	14	9)
141	My Web Ltd, Ebene, Mauritius	100.0%	146	100.0%	146	
142	MZN Property S.A., Warsaw, Poland	90.0%	124	90.0%	124	9)
143	NIJobs.com Ltd, Belfast, United Kingdom	100.0%	154	100.0%	154	
144	No Fluff Jobs Sp. z o.o., Gdansk, Poland	70.0%	124	-	-	9)
145	PLATO SAS, Paris, France	100.0%	5	-	-	
146	Pnet (Pty) Ltd, Johannesburg, South Africa	100.0%	154	100.0%	154	
147	Politico LLC, Arlington, USA	100.0%	149	100.0%	149	
148	Politico Media Group Holding Inc. (previously Axel Springer Wagon Holding Inc.), Wilmington, USA	100.0%	14	100.0%	14	
149	Politico Media Group, LLC, Arlington, USA	100.0%	148	100.0%	148	
150	POLITICO SRL, Brussels, Belgium	100.0%	171	100.0%	4	
151	Protocol Media LLC, Arlington, USA	100.0%	149	100.0%	149	
152	Ringier Axel Springer Polska Sp. z o. o., Warsaw, Poland	100.0%	124	100.0%	124	
153	Saknai Net Ltd., Tel Aviv, Israel	80.2%	115	80.2%	115	
154	Saongroup Limited, Dublin, Ireland	100.0%	76	100.0%	76	12)
155	ShareASale.com Inc., Chicago, USA	100.0%	94	100.0%	94	
156	SingleView Tech Ltd., Manchester, United Kingdom	100.0%	6	100.0%	6	
157	StepStone France SAS, Paris, France	-	-	100.0%	74	
158	StepStone NV, Brussels, Belgium	100.0%	74	100.0%	74	
		0.0%	160	0.0%	160	7)
159	Stepstone Online-Recruiting Inc., San Francisco, USA	100.0%	76	100.0%	76	
160	StepStone Österreich GmbH, Vienna, Austria	100.0%	75	100.0%	75	
161	StepStone Services Sp. z o.o., Warsaw, Poland	100.0%	74	100.0%	74	
162	StepStone UK Holding Limited, London, United Kingdom	100.0%	76	100.0%	76	
163	Tecoloco El Salvador S.A. de C.V., San Salvador, El Salvador	100.0%	164	100.0%	164	
		0.0%	154	0.0%	154	7)
164	Tecoloco International Inc, Panama City, Panama	100.0%	154	100.0%	154	
165	Tecoloco S.A. de C.V. Honduras, Tegucigalpa, Honduras	99.6%	164	99.6%	164	
		0.4%	154	0.4%	154	

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No.	Company	12/31/2022 Share-holding	12/31/2022 via No.	12/31/2021 Share-holding	12/31/2021 Via No.	
166	Tecoloco.com Cybersearch S.A., Guatemala City, Guatemala	100.0%	164	100.0%	164	
		0.0%	154	0.0%	154	7)
167	Tecoloco.com S.A. de C.V. Nicaragua, Managua, Nicaragua	95.0%	164	95.0%	164	
		3.0%	163	3.0%	163	
		2.0%	166	2.0%	166	
168	Totaljobs Group Limited, London, United Kingdom	100.0%	162	100.0%	162	
169	Turijobs México S DE RL DE CV, Mexico-City, Mexico	100.0%	164	100.0%	164	
		0.0%	154	0.0%	154	7)
170	Turijobs Tourism Services S.L., Barcelona, Spain	100.0%	74	100.0%	74	
171	TYFP Europe, LLC, Arlington, USA	100.0%	147	100.0%	147	
172	Universum Business Consulting Shanghai Co. Ltd, Shanghai, China	100.0%	180	100.0%	180	
173	Universum Communications Inc., New York, USA	100.0%	180	100.0%	180	
174	Universum Communications Italy S.R.L., Milan, Italy	100.0%	180	100.0%	180	
175	Universum Communications Ltd, London, United Kingdom	100.0%	180	100.0%	180	
176	Universum Communications Norway AS, Oslo, Norway	100.0%	180	100.0%	180	
177	Universum Communications Pte Ltd, Singapore, Singapore	100.0%	180	100.0%	180	
178	Universum Communications SA (PTY) Ltd, Johannesburg, South Africa	100.0%	180	100.0%	180	
179	Universum Communications SARL, Paris, France	100.0%	180	100.0%	180	
180	Universum Communications Sweden AB, Stockholm, Sweden	100.0%	76	100.0%	76	
181	Universum Communications Switzerland AG, Zurich, Switzerland	100.0%	180	100.0%	180	
182	upday France SARL, Paris, France	100.0%	85	100.0%	85	
183	upday Italia S.r.l., Milan, Italy	100.0%	85	100.0%	85	
184	upday Nederlands B.V., Amsterdam, Netherlands	100.0%	85	100.0%	85	
185	upday Nordics AB, Stockholm, Sweden	100.0%	85	100.0%	85	
186	upday Polska Sp. z o.o. Sp.k., Warsaw, Poland	100.0%	85	100.0%	85	
187	upday UK Ltd., London, United Kingdom	100.0%	85	100.0%	85	
188	Virtal Sp. z o.o., Gdansk, Poland	90.0%	142	90.0%	142	
189	WEBIMM SAS, Paris, France	65.0%	116	65.0%	116	
190	WORLD.MINDS FOUNDATION, Zurich, Switzerland	0.0%		-	-	15)
191	WORLD.MINDS MANAGEMENT AG, Baar, Switzerland	60.0%	1	-	-	9)
192	Y.S CREDIT ONE LTD, Bnei Brak, Israel	100.0%	115	-	-	
193	YOURCAREERGROUP Schweiz GmbH, Kloten, Switzerland	100.0%	74	100.0%	74	

No.	Company	12/31/2022 Share-holding	Via No.
	Other subsidiaries[1)]		
	Germany		
194	Achtundachtzigste "Media" Vermögensverwaltungsges. mbH, Berlin	100.0%	1
195	AS Buchversand GmbH, Munich	100.0%	37
196	Axel Springer Corporate Solutions Verwaltungs-GmbH, Berlin	100.0%	1
197	Axel Springer Financial Media GmbH i.L., Munich	100.0%	1
198	Axel Springer National Media & Tech Management GmbH, Berlin	100.0%	1
199	Dreizehnte "Media" Vermögensverwaltungsges. mbH i.L., Hamburg	100.0%	1
200	Einhundertachte "Media" Vermögensverwaltungsges. mbH, Berlin	100.0%	1
201	Einhundertdreizehnte "Media" Vermögensverwaltungsges. mbH, Berlin	100.0%	37
202	Einhundertelfte "Media" Vermögensverwaltungsges. mbH, Berlin	100.0%	74
203	Einhunderterste "Media" Vermögensverwaltungsges. mbH, Berlin	100.0%	1
204	Einhundertfünfzehnte "Media" Vermögensverwaltungsges. mbH, Berlin	100.0%	1
205	Einhundertneunte "Media" Vermögensverwaltungsges. mbH, Berlin	100.0%	1
206	Einhundertneunzehnte "Media" Vermögensverwaltungsges. mbH, Berlin	100.0%	1
207	Einhundertsechste "Media" Vermögensverwaltungsges. mbH, Berlin	100.0%	1
208	Einhundertsechzehnte "Media" Vermögensverwaltungsges. mbH, Berlin	100.0%	1
209	Einhundertsiebzehnte "Media" Vermögensverwaltungsges. mbH, Berlin	100.0%	1
210	Einhundertste "Media" Vermögensverwaltungsges. mbH, Berlin	100.0%	1
211	Einhundertvierzehnte "Media" Vermögensverwaltungsges. mbH, Berlin	100.0%	37
212	Einhundertzehnte "Media" Vermögensverwaltungsges. mbH, Berlin	100.0%	1
213	Einhundertzwölfte "Media" Vermögensverwaltungsges. mbH, Berlin	100.0%	1
214	Finanzen Corporate Publishing GmbH i.L., Berlin	100.0%	1
215	Fünfundneunzigste "Media" Vermögensverwaltungsges. mbH, Berlin	100.0%	1
216	Hammerich & Lesser Zeitschriften- und Buchverlag GmbH, Hamburg	100.0%	1
217	Informationsmedien Handels GmbH, Hamburg	100.0%	1
218	kinkaa GbR, Berlin	50.0%	57
		50.0%	70
219	meinestadt.de Vermögensverwaltungsges. mbH, Cologne	100.0%	67
220	SCOUTASTIC GmbH, Bremen	50.1%	80
221	Scubia GbR, Berlin	50.0%	57
		50.0%	70
222	Siebenundachtzigste "Media" Vermögensverwaltungsges. mbH, Berlin	100.0%	1
223	Tarif24 GmbH, Berlin	100.0%	57
224	Transfermarkt Verwaltungs GmbH, Hamburg	51.0%	39
225	Umzugsauktion Verwaltungs GmbH, Bötzingen	100.0%	60
226	upday Management GmbH, Berlin	100.0%	1
227	Varsavsky Axel Springer Management GmbH, Berlin	100.0%	14
228	Vertical Media GmbH, Berlin	100.0%	88
229	Vierundneunzigste "Media" Vermögensverwaltungsges. mbH, Berlin	100.0%	1
230	Visoon Video Impact Management GmbH, Berlin	51.0%	7
231	Zweiundsechzigste "Media" Vermögensverwaltungsges. mbH, Berlin	100.0%	1
	Other countries		
232	Axel Springer International Group Limited, London, United Kingdom	100.0%	1
233	Axel Springer Media Italia s.r.l., Milan, Italy	100.0%	65

No.	Company	12/31/2022 Share-holding	Via No.	
234	Axel Springer Norway AS, Oslo, Norway	100.0%	103	
235	Axel Springer Publishing International Limited, London, United Kingdom	100.0%	232	
236	Axel Springer TV International Limited, London, United Kingdom	100.0%	232	
237	Business Insider Asia Pte. Ltd., Singapore, Singapore	100.0%	131	
238	Car Price List Yad2 Ltd., Tel Aviv, Israel	100.0%	115	
239	Commission Factory Pte Ltd, Singapore, Singapore	100.0%	113	
240	Digitalni klik d.o.o., Zagreb, Croatia	60.0%	59	
241	ETSBA Ltd., Tel Aviv, Israel	100.0%	115	
242	eurobridge Inc., New York, USA	100.0%	1	
243	Immostreet ES, Barcelona, Spain	100.0%	116	
244	Politico Canada Corp, Arlington, USA	100.0%	147	
245	Politico International Services LLC, Arlington, USA	100.0%	147	
246	Saongroup Caribbean (Jamaica) Ltd, Kingston, Jamaica	100.0%	111	
247	Saongroup Caribbean (Trinidad) Ltd, Port of Spain, Trinidad and Tobago	100.0%	111	
248	Saongroup.com India Pvt Ltd, Pune, India	100.0%	154	
249	upday Polska Sp. z o.o., Warsaw, Poland	100.0%	85	
250	Vooop GmbH, Vienna, Austria	100.0%	64	
251	Yad2 Internet Ads Ltd., Haifa, Israel	100.0%	115	
252	Yad2Pay Ltd., Tel Aviv, Israel	100.0%	115	
	Associates and joint ventures accounted for using the equity method			
	Germany			
253	Axel Springer Plug and Play Accelerator GmbH, Berlin	50.0%	14	
254	Axel Springer Porsche GmbH & Co. KG, Berlin	50.0%	14	
255	cmmrcl.ly GmbH, Hamburg	25.1%	7	
256	Einhundertsiebte "Media" Vermögensverwaltungsges. mbH, Berlin	50.0%	5	
257	Goggo Network GmbH, Berlin	27.3%	14	
258	InterRed GmbH, Haiger	24.0%	1	
259	Media Pioneer Publishing AG, Berlin	35.9%	50	
260	Oskar.de GmbH, Karlsruhe	37.8%	52	
261	Project A Ventures GmbH & Co. KG, Berlin	26.3%	13	
262	Radio Hamburg GmbH & Co. KG, Hamburg	35.0%	8	
263	SoD ScreenOnDemand GmbH, Munich	25.1%	7	
264	Varsavsky Axel Springer GmbH & Co. KG, Berlin	93.3%	14	4)
265	Xingu Advertising GmbH, Munich	25.1%	7	

No.	Company	12/31/2022 Share-holding	Via No.	
	Other countries			
266	BV (Germany) Ltd., Gibraltar, Gibraltar	0.0%	39	8)
267	Editions Reworld Axel Springer (ERAS) S.E.N.C. (previously Editions Mondadori Axel Springer (EMAS) S.E.N.C.), Montrouge Cedex, France	50.0%	102	
268	GLC Group SAS, Paris, France	22.5%	116	
269	Purplebricks Group plc, Solihull, United Kingdom	26.5%	5	
270	QWANT SAS, Paris, France	15.6%	14	8)
271	Ringier Axel Springer Schweiz AG, Zurich, Switzerland	50.0%	100	
272	WeCheck Ltd., Ramat Hasharon, Israel	39.4%	115	
	Other associates and joint ventures[2)]			
	Germany			
273	Axel Springer Porsche Management GmbH, Berlin	50.0%	14	
274	Berliner Pool TV Produktion Gesellschaft mbH, Berlin	50.0%	88	
275	Blitz-Tip Radio Hessen Beteiligungsges. mbH & Co. KG, Bad Soden at Taunus	33.3%	8	
276	Dalim Software GmbH, Kehl	20.4%	1	
277	Filmgarten GmbH, Berlin	42.0%	57	
278	Ges. für integr. Kommunikationsforschung mbH & Co. KG, Munich	20.0%	1	
279	Ges. für integr. Kommunikationsforschung Verwaltungs GmbH, Munich	20.0%	1	
280	Intermedia Standard Presse-Code GmbH, Hamburg	32.0%	1	
281	ISPC Intermedia Standard Presse-Code GmbH & Co.KG, Hamburg	32.0%	1	
282	LAUT AG, Konstanz	25.0%	1	
283	Press Impact GmbH, Hamburg	50.0%	1	
284	Project A Management GmbH, Berlin	26.3%	13	
285	Qivive GmbH i.L., Bad Homburg	33.3%	1	
286	Sparheld International GmbH, Berlin	30.0%	57	
	Other countries			
287	BULGARPRESS OOD i.L., Veliko Tarnovo, Bulgaria	25.5%	1	
288	EMAS Digital SAS, Montrouge Cedex, France	50.0%	102	
289	Inoveo Holding SA, Sugiez, Switzerland	20.0%	116	
290	Real Estate Media S.A., Esch-sur-Alzette, Luxembourg	40.0%	130	

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		12/31/2022			
No.	**Company**	**Share-holding**	**Via No.**	**Equity € million[13)]**	**Net result € million[13)]**
	Other significant investments				
	Germany				
291	ANTENNE BAYERN GmbH & Co. KG, Ismaning	16.0 %	1	-	- [14)]
292	Project A Ventures III GmbH & Co. KG, Berlin	2.7 %	13	132.2	41.7
293	RADIO/TELE FFH GmbH & Co. Betriebs-KG, Bad Vilbel	15.0 %	8	-	- [14)]
	Other countries				
294	Lakestar II LP, Guernsey, Guernsey	5.7 %	14	839.2	484.7
295	Lerer Hippeau Ventures IV, LP, New York, USA	1.6 %	14	277.5	121.4
296	Lerer Hippeau Ventures V, LP, New York, USA	1.8 %	14	465.9	274.9
297	Lerer Hippeau Ventures VI, LP, New York, USA	2.5 %	14	420.9	310.7

1) No full consolidation due to immaterial impact (relation of revenues, net result and balance sheet total for the company to revenues, net result and balance sheet total of the Group).
2) No at-equity consolidation due to immaterial impact (relation of net result of the company to net result of the Group).
3) Control due to existing option rights exercisable at any time.
4) In the reporting year and/or previous year, no control due to the lack of contractual agreements, which exclude the power of control and the possibility to influence the variable outflows.
5) The company has exercised the exemption rights of Section 264 (3) of the German Commercial Code (Handelsgesetzbuch – HGB).
6) The company has exercised the exemption rights of Section 264b of the German Commercial Code (Handelsgesetzbuch – HGB).
7) Shares less than 0.1 % in the reporting year and/or in the previous year.
8) Rights that grant significant influence based on contractual agreements in the reporting year and/or in the previous year.
9) Due to option rights in the reporting year and in the previous year a share of 100 % was consolidated.
10) Due to option rights in the reporting year and in the previous year a share of 89.99 % was consolidated.
11) Due to option rights in the reporting year and in the previous year a share of 74.79 % was consolidated.
12) Applying rules of Section 357 (1) of the Companies Act 2014.
13) Unless otherwise stated, equity and profit for the year according to local annual financial statements for the financial year 2021. Values translated into foreign currency using the closing rate as of December 31, 2022.
14) No statement of equity and profit for the year as the annual financial statements are not published.
15) Due to control on the basis of contractual agreements in the reporting year, a share of 100 % was consolidated.

Berlin, March 2, 2023

Axel Springer SE

Dr. Mathias Döpfner   Jan Bayer   Dr. Julian Deutz   Niddal Salah-Eldin

Combined Management Report

Introductory Remarks

The combined management report for Axel Springer SE and the Axel Springer Group are summarized. The current combined management report for Axel Springer SE and the Axel Springer Group contains statements concerning the economic situation and business developments of the Axel Springer Group. These essentially also apply to Axel Springer SE. Further information on the economic situation of the parent company Axel Springer SE is contained in the chapter "Economic Position of Axel Springer SE".

For explanations of the key performance indicators used and the adjustments to our key earnings figures, we refer to the "Financial performance, liquidity, and financial position" section.

Fundamentals of the Axel Springer Group

Structure

Axel Springer SE, parent company of the Axel Springer Group, is a European company (Societas Europaea) based in Berlin. We are also represented at other locations in Germany. In addition, there are numerous companies in Germany and abroad. The consolidated shareholdings of the Axel Springer Group are shown in the notes (see note (36)).

Business model

Axel Springer is a media and technology company with a focus on digital classifieds and journalism. From an economic point of view, the digital classifieds, especially in the area of job and real estate advertising, are the most important pillars in the Axel Springer Group. The offerings in the field of journalism include a broad portfolio of brands such as the BILD and WELT Groups in Germany or Insider Inc. and POLITICO in the USA.

Business units

Axel Springer's business is bundled into three operating units: Classifieds Media, News Media and Marketing Media. In addition, there is the Services/Holding division. The following description of the business units and the presentation of the key financial figures are based on the allocation of the individual companies to the respective business units used in the 2022 financial year. The unit allocation has not changed significantly compared to the previous year.

Classifieds Media

The Classifieds Media unit encompasses all business models that generate their revenues primarily through advertisers paying for advertising of jobs, real estate and cars. Companies pay a certain price per ad for placing job ads, estate agents for advertising real estate, or car dealerships for publishing car ads. In addition, revenues are generated through the supply of qualified contacts or prospects (lead generation), marketing of online advertising spaces, the offer of supporting services related to home sales to private individuals, the provision of software functionalities for customers, and the preparation of studies and consulting services in the field of employer branding. Long-term growth drivers include the expansion of the product offering beyond the pure listing business, e.g., in the field of lead generation and the service offering to private home sellers. Product optimizations and price measures also contribute to revenue growth. Moreover, business developments are significantly determined by the economic environment in the respective market segments, the market position in the respective segment, and online usage behavior of advertisers and seekers.

The activities of the Classifieds Media unit are divided into two operational units, whose main brands are as follows:

Portfolio Classifieds Media

StepStone	AVIV
– StepStone	– SeLoger/Logic-Immo
– Totaljobs/Jobsite	– MeilleursAgents
– Saongroup	– Immowelt
– Appcast	– Immoweb
– Universum	– Yad2
	– Housell

In the **StepStone** unit, advertising spaces are sold to job advertisers and access to the online résumé databases of the respective portals is offered, in which job advertisers can actively search for suitable candidates.

With its various brands, StepStone is represented in over 20 countries with online job platforms. StepStone's activities are mainly organized centrally, which means that synergies are realized within the StepStone Group, such as jointly used products and offers and the joint coordination of development projects. Services in the area of employer branding are offered by the globally represented company Universum. With the company Appcast, StepStone also occupies the field of programmatic display of job ads in the world's largest recruiting market, the USA.

Overall, StepStone is benefiting from a strong demand for labor, which is currently difficult to meet due to labor shortages in many sectors. The demand for labor depends on global and regional economic growth. While the European business in particular benefited strongly from the high demand for talent in 2022, growth in the American market declined due to hiring freezes and restructuring at the large technology companies.

At **AVIV**, the portals specializing in real estate generate their revenues primarily from the sale of advertising space to brokers, project developers, housing associations or private individuals. The Israeli portal Yad2 generates its revenues from commercial car sellers, real estate agents, project developers and private individuals who mainly sell used goods on this marketplace.

AVIV is represented in the area of portals specializing in real estate with SeLoger, Logic-Immo and MeilleursAgents in France, with Immoweb in Belgium and with Immowelt in Germany. Across all brands, AVIV is concentrating on the development of portals that focus purely on advertisements towards transaction-based marketplaces that also offer upstream and downstream services, as well as on the joint development of new products and increasing efficiencies through e.g., the exchange of already existing technical components or algorithms. AVIV is represented on the Spanish market by Housell. Housell offers private real estate sellers support services around the sales process. In addition to the real estate portals, the Israeli portal Yad2 also belongs to AVIV. Yad2 is a generalist classifieds portal in Israel for real estate, car and classified ads.

The market for real estate portals is currently characterized by interest rates that have risen sharply in 2022 and thus a cooling demand for properties for sale. While the market in 2021 was still determined by a declining number of property owners willing to sell and thus of advertisements, the number of advertisements on the platforms increased significantly again in 2022. In addition, there is a shift in demand towards rental properties.

News Media

The News Media business unit essentially includes business models, the fundamentals of which is the creation of journalistic content and financed by advertising, paying readers and content exploitation with third parties such as social media platforms. The revenues in the News Media unit essentially consist of advertising and sales revenues. The advertising revenues result from the marketing of the reach of online and print media. The sales revenues come from the sale of classic print products and digital subscriptions. The value chain is cross-media and includes all essential processes from creation to the sales of information, entertainment and moving images. All journalistic content comes together in integrated newsrooms, some of which are used across different titles, and are prepared differently for online and print media. We mainly use our own printing plants to manufacture our print products. Distribution takes place primarily through press wholesalers. In addition to the activities characterized by journalistic content, the unit also includes the business with price and product portals, which generates click- and transaction-based advertising revenues by generating reach with online retailers.

The News Media business unit is divided into national and international offers. The main activities are as follows:

Portfolio News Media

National	International
– BILD	– Insider
– WELT	– Insider Intelligence
– Idealo	– Morning Brew
	– POLITICO
	– Ringier Axel Springer Polska
	– Upday
	– Bonial
	– finanzen.net

The **News Media National** unit mainly includes the brands BILD and WELT with their respective digital, TV and print offers as well as the price and product comparison portal Idealo with its brands idealo and Ladenzeile.

BILD.de is a news and entertainment portal in Germany. BILDplus is a digital paid-content offering. BILD's digital offerings also include other themed portals such as fitbook.de, stylebook.de, techbook.de, travelbook.de and myhomebook.de. The TV station BILD, founded in 2021, is also part of the offer. The print portfolio includes the national daily newspapers BILD and its regional editions as well as the national Sunday newspaper BILD am SONNTAG. The car, computer and sports media of the BILD brand family form a magazine portfolio around the core brands AUTO BILD, COMPUTER BILD and SPORT BILD. In addition to the digital news portal WELT.de, WELT offers WELTplus, a digital paid-content service. In the TV sector, WELT is represented by the news and information channels WELT and N24 Doku. In the print sector, the company offers in particular the premium daily newspaper DIE WELT and the national premium Sunday newspaper WELT AM SONNTAG.

In the digital business, sales revenues are still significantly lower than in the print business but are growing strongly. The print business continues to face the challenge of declining print circulations. For advertising customers, the most important factor besides circulation is reach, from which BILD in particular continues to profit.

The **News Media International** unit includes international digital and print media offerings.

In the USA, Axel Springer is represented by Insider, a digital offering for business, stock market and financial news, Insider Intelligence, a provider of paid analyses, studies and digital market data for companies and institutions, as well as Morning Brew, a newsletter provider focused on business news, and POLITICO, with its political news offerings. In addition to the US business, POLITICO also includes the activities of POLITICO EU.

In addition to news and entertainment portals such as Onet, Grupa Ringier Axel Springer Polska also includes Gratka.pl, a classified ads provider, Morizon.pl, a website for real estate ads as well as the IT recruitment advertising portal No Fluff Jobs, which was acquired in fiscal year 2022. The Polish print offerings include the Polish newspaper FAKT.

Our news aggregator upday aggregates "top news" curated by editors in 34 European countries and also personalizes algorithm based "My News" messages for the user.

The Berlin-based Bonial Group is a drive-to-store marketing partner in Germany. The German consumer information portals kaufDA.de and MeinProspekt.de deliver digitized advertising brochures from the retail trade in a regionalized form and mainly via mobile devices. The services are also offered under a local brand in France.

finanzen.net offers its users data and news on current developments on the financial markets every trading day. As part of its internationalization strategy, the portal is also represented with an offer in Switzerland, the USA and Austria. finanzen.net has been operating its own so-called neo-broker with ZERO since 2021.

The Ukraine crisis and the general economic situation had a particularly high impact on advertising placements in the national and international media business in 2022. In the digital area, strong traffic and innovative marketing concepts as well as a positive development in the number of subscribers in 2022 led to a significant increase in revenues. Idealo benefited from increased consumer price sensitivity, especially from the third quarter of 2022. The development of the general economic environment, inflation, the Ukraine crisis and the sustainability of trends in the digital sector will also be of great importance for the business developments in the News Media unit in 2023.

Media Marketing

The Media Marketing unit includes the affiliate marketing platform Awin as a key operating unit. Awin generates revenue primarily through the performance-based placement of advertising on the internet. Advertisers can use Awin technology and the Awin network to advertise their products and offers on publisher websites using advertising media such as text links or advertising banners. Advertisers pay a mainly success-based commission if a transaction desired by the advertiser is generated via the advertising media. As part of the ongoing transformation into a Marketing Technology (MarTech) Company, new contracts were changed to a new business model that relies more on fixed, contracted revenues (Annual Recurring Revenue). In the future, both business models will coexist. Awin offers innovative technologies, international reach and data-based insights for performance-based advertising partnerships with over 241,000 active publishers and over 21,200 advertisers worldwide. Awin's performance is closely correlated with e-commerce growth and benefited from the global increase in e-commerce consumption across all regions. We assume that this trend will continue in 2023.

Services/Holding

Superordinate Axel Springer Group services and holding divisions are reported in the Services/Holding unit. Group services are purchased by customers within the Axel Springer Group at normal market prices.

Management and supervision

The Executive Board of Axel Springer SE consists of four members. The Executive Board is advised and supervised by a Supervisory Board composed of nine members.

The responsibilities of the Executive Board of Axel Springer SE were distributed as follows at the reporting period:

Dr. Mathias Döpfner is the Chairman and Chief Executive Officer (CEO). In particular, he is responsible for strategy and editorial, the BILD Group, the WELT Group and Bonial. In addition, the areas of Public Affairs and Corporate Communications report to him.

Jan Bayer is Deputy Chairman of the Board and responsible for the News Media business in the USA. The US portfolio includes POLITICO, Insider, Insider Intelligence and Morning Brew.

Dr. Julian Deutz is responsible for the Finance Executive board division (CFO) as well as the Real Estate Classifieds (AVIV) and Job Classifieds (StepStone) divisions. In addition to the Accounting and Controlling departments, the Finance division includes, among others, M&A, Legal & Compliance (including data protection), Procurement, Financing, Taxes and Audit & Risk Management. He is also responsible for hy!, finanzen.net and APX/Early Stage.

Niddal Salah-Eldin has been an Executive Board member for Talent & Culture since July 2022 and is responsible for Global People & Culture and Diversity & Inclusion as well as the Free Tech Academy. She is also responsible for Idealo and Business Insider Germany.

In addition, Dr. Stephanie Caspar was a member of the company's Executive Board in the reporting year until July 2022 and as such was responsible for the entire Classifieds Media business (Real Estate Classifieds and Jobs Classifieds), e.g., the AVIV Group and the StepStone Group.

Furthermore, Dr. Ulrike Handel was a member of the company's Executive Board from May to December 2022 and was responsible in particular for the BILD Group, the WELT Group, Bonial, Idealo, Upday, Media Impact and the Awin Group.

Goals and strategies

Axel Springer's goal is to become the global market leader in the field of digital journalism and digital classified ads. Strategic priorities lie particularly in the divisions of Classifieds Media and News Media. When implementing the strategy and increasing the value of the company, growth should be pursued more strongly than in recent years.

In the **Classifieds Media** unit, Axel Springer intends to further expand its position as a leading international provider of digital classifieds portals. In addition to organic development, further acquisitions should contribute to growth, depending on acquisition opportunities. Synergies within the Axel Springer Group are used consistently. Moreover, early phase activities were started in the Classifieds Media unit and selected minority investments were made to identify innovative business models and providers at an early stage.

In the **News Media** unit, Axel Springer wants to leverage the potential of the strong national brands BILD and WELT in digital and print media, as well as the potential of international brands such as Insider and POLITICO. The print area is about limiting the circulation decline and aligning our products even more consistently with the readers to consolidate the strong position of our titles. The digital sector, on the other hand, requires greater investment in technological innovations and offer extensions across brands. With the digital brand subscriptions BILDplus, WELTplus and Insider Premium, the basis of paying readers on the internet is being further expanded. The video formats and TV channels of WELT and BILD are another pillar of the business unit. Via the central marketer Media Impact, the division offers advertisers a cross-media and far-reaching platform for advertising campaigns.

The strategy in the **Marketing Media** unit aims to successfully promote activities with new, innovative products and by expanding services and the publisher network.

The unit-specific organic growth measures are aimed at growing out of the existing portfolio and, among other things, increasing revenues and earnings per user or reader through attractive product and pricing, winning new users for our offers or existing users through new business models to be able to make offers.

In all units, Axel Springer also takes the opportunity to expand the business model by investing in companies with innovative business ideas. Investments are also occasionally made in companies that are still in the early stages of company development. Above all, however, established companies are acquired when opportunities arise. We select suitable participations primarily based on their appropriate strategic direction, the quality of management, profitability and the scalability of the business model. We assess the profitability of capital investments in new or existing business areas using recognized capital value methods, which take account of business-specific and country-specific risks.

Economic Report

Macroeconomic environment

In its outlook published in January 2023, the International Monetary Fund (IMF) estimates real growth in the **global economy** at 3.4 % in 2022. This compares to real growth of 6.2 % in 2021.

According to calculations by the Federal Statistical Office, the **German economy** grew by 1.9 % on a price-adjusted basis in 2022. This compares with price-adjusted growth of 2.6 % in 2021. In price-adjusted terms, private consumption in 2022 was 4.6 % above the previous year's level and thus almost at the pre-crisis level of 2019. Price-adjusted investments remained constant in 2022 and developed by 0.2 % compared to the previous year. Exports rose by 3.2 % in price-adjusted terms, while imports rose much more sharply by 6.7 % in real terms compared with the previous year.

According to the GfK survey, consumer sentiment improved for the third time in a row in December 2022. Income expectations will also increase in December 2022. According to GfK, this is due to moderate energy prices and relief packages from the German government, contrary to expectations.

According to calculations by the Federal Statistical Office, consumer prices rose by 8.6 % in 2022 compared to the previous year. On average for 2022, the Federal Employment Agency recorded 2.4 million unemployed. The figure thus decreased by 0.4 percentage points compared to the previous year, and the average unemployment rate was 5.3 % in 2022.

The IMF estimates that the **US** economy will grow by 2.0 % in real terms in 2022. For 2021, the IMF calculated a growth in economic output of 5.9 % in real terms. The **UK** economy could continue to grow at an estimated real rate of 4.1 % in 2022, according to the IMF, following recovery effects of 7.6 % in 2021. For **France**, the IMF estimates real economic growth in 2022 at 2.6 % in real terms after a recovery of economic output of 6.8 % in 2021.

Industry-specific environment

Based on the current advertising market forecast by Insider Intelligence (Total Media Ad Spendings Germany, October 2022), the **advertising market** in Germany in 2022 was 3.5 % above the previous year's level, while the global advertising market was up 5.1 % compared to 2021.

According to the latest surveys, the net turnover of the overall advertising market in Germany was € 21.7 billion in the reporting period (including classified ads and leaflet supplements, less granted discounts and agency commissions and excluding production costs). In the digital sector (display, social media, search and affiliate), net advertising revenues rose by 8.0 % to € 11.2 billion in 2022. Digital advertising expenditure thus corresponds to a share of 51.6 % in total advertising expenditure. The proportion has thus increased again compared to the previous year. The decisive factor here is the tight economic situation, which is increasingly driving companies into digital channels to allocate advertising budgets cost-effectively. In print media, the net advertising revenues of newspapers (newspapers, advertising papers and newspaper supplements) were down 2.2 % year-on-year at € 3.1 billion in the reporting period. With net advertising revenues of € 1.3 billion, magazines (consumer and trade journals) were 2.0 % below the previous year's level. Net TV advertising revenues in Germany also declined by 1.3 % to € 4.3 billion in 2022, while net advertising revenues in radio increased by 1.0 % to € 714 million. Net advertising revenues in out-of-home advertising grew by 4.5 % to € 1.1 billion in 2022.

Insider Intelligence anticipates the following advertising revenue development for the year under review:

Advertising economy (selection)

Change in net ad revenues compared to prior year (nominal)	**2022**
Germany	3.5 %
France	8.2 %
Great Britain	11.2 %
USA	9.8 %

Source: Insider Intelligence, Total Media Ad Spending Worldwide, October 2022.

The importance of digital subscriptions continues to grow strongly for media brands in Germany. While print distribution will have to reckon with an average annual decline in distribution revenues of 1.6 %, **digital distribution** will see an average annual growth in distribution revenues of 4.4 % (PwC German Entertainment &

Media Outlook 2022 to 2026). The willingness to pay for digital news content increased significantly from 9 % in 2021 to 14 % in 2022 (Reuters News Report 2021/22).

The **domestic press distribution market** was shaped by the Ukraine war and the high inflation rate. Due to the resulting reluctance to buy, the paid circulation of newspapers and magazines in subscription and retail sales fell by 7.9 % in 2022. Consequently, due to the price increases that have taken place, distribution revenues in subscription and individual sales have only decreased by 4.0 % compared to the previous year. The segment of newsstand newspapers had a stronger decline in sales (– 11.4 %) due to the possible purchase flexibility.

Due to the negative development of sales and turnover, the economic pressure on the press wholesalers is increasing, which already led to mergers among the wholesale partners in the reporting year and will continue in 2023.

The 323 IVW-registered daily and Sunday newspapers achieved total sales of around 12.8 million copies per day of publication. Compared to the prior-year figure, this corresponds to a decrease of 6.0 %. As in the previous year, newsstand sales (– 12.1 %) are much more affected than subscription sales (–6.5 %). Demand in the "Total Newspapers" segment within the press distribution market decreased by 7.9 %, weighted according to the respective frequency of publication.

Overall sales of general-interest magazines, including membership and club magazines, was 53.1 million copies per publication date. Compared to the prior-year figure, this corresponds to a decrease of 8.7 %. The number of IVW-registered titles was 570 (–4.6 % compared to the previous year). The demand for general-interest magazines, weighted according to the respective frequency of publication, fell somewhat more strongly than the "Newspapers Total" segment by 8.0 %.

Business development

In January 2022, Axel Springer acquired a majority stake in **Dyn Media** and has held 75.2 % of the shares since summer 2022. In the year under review, Dyn Media began developing a streaming platform for sports beyond football and is expected to become in the Summer of 2023 the new streaming platform for live broadcast and highlight coverage of all matches of the LIQUI MOLY Handball Bundesliga, 2. Handball-Bundesliga and DHB Pokal, the easyCredit Basketball Bundesliga, the Men's Volleyball Bundesliga and the Table Tennis Bundesliga.

In March 2022, Axel Springer holds a majority stake in the event management company WORLD. MINDS MANAGEMENT AG. **WORLD.MINDS** based in Switzerland, is an exclusive, invitation-only community of over 1,000 leaders in research, culture, politics and business. With its events, it promotes the exchange of essential new findings in business, geopolitics and research.

Since the beginning of July 2022, we have held a majority stake in **No Fluff Jobs** through the acquisition of a further 26 % of the shares. The company associated with Ringier Axel Springer Polska, headquartered in Poland, is engaged in the field of job classifieds and specializes in job offers in the IT segment.

In December 2022, the term of the **long-term credit lines** was extended ahead of schedule until July 2027. The financing volume remains unchanged at € 1,500.0 million. The financing conditions were adjusted to market developments.

Overall statement by the Executive Board on the business performance and the economic environment

Digitization continues to be the defining trend for the economic environment for media companies. This reflects the development of areas of the Axel Springer Group. The macroeconomic environment in the year under review was particularly affected by the Ukraine crisis, rising energy costs, high inflation and the associated general economic and political uncertainty. Our strategy of consistent digitization of the company has enabled us to limit the impact of this environment. With long-term investors as strategic partners who support our growth strategy, we are well positioned to leverage the potential that we see in our business units and thus achieve further organic growth.

Financial performance, liquidity, and financial position

Financial performance indicators

Our focus is on increasing both our profitability and our company value in a sustainable way. In terms of profitability, **pro forma revenues, adjusted EBITDA** (earnings before interest, taxes, depreciation and amortization) and **adjusted EBIT** (earnings before interest and taxes) are the most important **financial performance indicators**. These financial performance indicators, as well as the adjusted EBITDA margin, adjusted EBIT margin, free cash flow, net debt/liquidity and equity ratio, are not defined under International Financial Reporting Standards (IFRS) and should be regarded as supplementary information.

When calculating the pro forma revenues, the revenues for the companies acquired in the reporting year or previous year are taken into account as if these companies had been included in the consolidated financial statements since the beginning of the previous year. In the case of sales, the revenues of the companies sold are completely disregarded in the reporting year and in the previous year.

Adjusted EBITDA, adjusted EBITDA margin, adjusted EBIT and adjusted EBIT margin do not include any special effects and no depreciation, amortization and impairments from purchase price allocations. Special effects include effects from the acquisition and disposal (including contribution) of subsidiaries, parts of companies and investments (including effects from the subsequent measurement of contingent considerations and other option liabilities for the acquisition of non-controlling interests), impairments and write-ups on investments, effects from the sale of real estate, impairments and write-ups on owner-occupied real estate, expenses in connection with long-term company value-based compensation programs, restructuring costs, the entire income from investments and other significant one-off effects. In addition, an adjustment for company acquisitions and disposals corresponding to the determination of the pro forma revenues is made. Purchase price allocation effects include the expenses of depreciation, amortization and impairments of intangible assets, and property, plant, and equipment from the acquisition of companies and business units. The adjustments are explained in more detail in the presentation of the financial performance.

The adjusted EBITDA margin is determined as the ratio of the adjusted EBITDA to the pro forma revenues. The adjusted EBIT margin is determined as the ratio of the adjusted EBIT to the pro forma revenues.

The free cash flow results from the cash flow from operating activities less investments in intangible assets and property, plant and equipment (capital expenditures) plus proceeds from the disposal of intangible assets and property, plant and equipment. These partial amounts are stated separately in the Consolidated Statement of Cash Flows. Net debt/net liquidity is calculated as the balance of cash and cash equivalents and financial liabilities.

The equity ratio reflects the ratio between equity and the balance sheet total as of the respective balance sheet date.

We consider the pro forma revenues, the adjusted EBITDA, the adjusted EBITDA margin, the adjusted EBIT and the adjusted EBIT margin to be suitable performance indicators for measuring the operating profitability of Axel Springer, since these performance indicators disregard effects that do not reflect the fundamental business development of Axel Springer. We consider free cash flow, net debt/liquidity and the equity ratio to be suitable performance indicators for assessing our current financing and capital structure and future financing volume.

Financial performance

Despite an uncertain political and economic situation in 2022, our activities developed very well economically in the past financial year. In particular, business with job portals and with advertisements in our journalistic brands, which was particularly hard hit by the economic recession in the first year of the crisis, 2020, was able to grow again in 2022. The AVIV Group was able to grow steadily in 2022. Business models such as Idealo and Bonial were able to benefit from the general price sensitivity of consumers. POLITICO and Insider were able to further expand their number of digital subscribers in 2022. Accordingly, revenues in the reporting year were € 3,833.9 million and thus 13.0 % above the previous year (PY: € 3,393.4 million).*

At € 3,846.9 million, **pro forma revenues** were 12.8 % above the previous year's figure (€ 3,409.6 million). Pro forma revenues of the Classifieds Media unit increased by 22.1 %; the News Media unit grew by 7.2 %. The Marketing Media unit was also able to increase pro forma revenues by 5.5 %.

Advertising revenues increased significantly by 14.2 % to € 2,818.8 million (PY: € 2,467.8 million). **Pro forma advertising revenues** increased by 15.3 % to € 2,823.6 million (PY: € 2,448.9 million). All operating units contributed to this growth, with the Classifieds Media unit recording disproportionately high growth, particularly in the activities of StepStone. At 73.4 %, the share of pro forma advertising revenues in pro forma revenues was slightly above the previous year's level (PY: 71.8 %).

Circulation revenues increased by 12.6 % to € 592.2 million (PY: 525.8 million). The increase in **pro-forma circulation revenues** by 3.4 % from € 580.5 million to € 600.4 million was achieved through a significant increase in digital subscription sales despite a structural decline in the circulation of printed newspapers and magazines. The share of pro-forma circulation revenues in pro-forma total revenues fell to 15.6 % (PY: 17.0 %).

Other revenues amounted to € 422.9 million. This corresponds to an increase of 5.8 % (PY: 399.8 million). At € 422.8 million, **pro forma other revenues** was 11.2 % above the previous year's figure of € 380.2 million. Overall, pro forma other revenues accounted for 11.0 % (PY: 11.1 %) of pro forma revenues.

The **other operating income** amounted to € 105.4 million (PY: € 435.1 million) and essentially comprised in the previous year gains from the sale of consolidated subsidiaries, in particular the La Centrale Group with € 251.3 million and the Ringier Axel Springer Media Group (with the exception of our Polish investments) with € 41.7 million.

The **change in inventories and other own work capitalized** amounted to € 122.9 million (PY: € 107.7 million) and, as in the prior year, were mainly related to IT development projects to upgrade and expand our digital business models.

Compared to the prior-year figure, **total expenses** increased by 12.6 % to € 3,884.0 million (PY: € 3,449.4 million).

The **purchased goods and services** increased by 11.8 % to € 556.5 million (PY: € 497.7 million). The increase was due in particular to higher expenses for paper and other purchased services, especially for the StepStone Group. The ratio of purchased goods and services to total revenues rose slightly to 14.5 % (PY: 14.7 %).

Personnel expenses were € 1,726.7 million (PY: € 1,532.3 million), 12.7 % above the previous year's level. The main reasons for this development were the increases in personnel in the high-growth digital business units and consolidation-related changes. This was offset by lower expenses from long-term company-based compensation programs. The average number of employees in the Axel Springer Group rose by 8.1 % to 18,205 in 2022.

The increase in **depreciation** to € 459.5 million (PY: € 381.6 million) resulted primarily from higher scheduled amortization of other intangible assets and impairment losses on goodwill, mainly due to consolidation effects.

The **other operating expenses** amounted to € 1,141.3 million (PY: € 1,037.9 million). The increase was mainly due to increased expenses for external personnel and increased expenses for advertising measures. This was reduced by lower expenses in connection with the subsequent measurement of contingent considerations.

* The revenues (advertising revenue) of the previous year were adjusted and increased by € 14.2 million (see note (3p) of the notes to the consolidated financial statements).

Income from investments amounted to € –47.2 million (PY: € 76.1 million) and included losses from the revaluation of financial assets in the amount of € 30.4 million (PY: Profits of € 48.9 million) as well as impairment losses of € 11.1 million on our investments in Ringier Axel Springer Schweiz AG accounted for using the equity method (PY: to Purplebricks and Ringier Axel Springer Schweiz AG in the amount of € 59.4 million and € 4.5 million, respectively). In addition, the earnings contributions from our early-stage funds accounted for using the equity method amounted to € – 18.2 million (PY: € 82.4 million), which mainly resulted from revaluation effects on investments recognized in the fund.

The **financial result** amounted to € –48.6 million (PY: € –32.3 million). The decrease in the financial result was mainly due to higher interest expenses from liabilities to banks and higher write-downs on convertible loan receivables.

Income taxes amounted to € –107.2 million in the year under review (PY: € –81.4 million). The tax rate was 130.0 % (PY: 15.3 %) and was characterized by tax-neutral amortization of goodwill and financial assets as well as the non-recognition of deferred taxes on loss carryforwards.

The **adjusted EBITDA** rose by 2.2 % to € 742.9 million compared to the previous year (PY: € 727.2 million). The Axel Springer Group's margin was 19.3 % (PY: 21.3 %). The Classifieds Media unit was able to increase adjusted EBITDA by 23.0 % from € 406.9 million to € 500.3 million, mainly because of the job portals, while AVIV in particular had to take into account high investments in building up the AVIV Group with a uniform product offering on a shared technological platform. The adjusted EBITDA of the News Media unit decreased by 21.7 % from € 315.0 million to € 246.6 million. This development, which was contrary to the unit's revenue development, resulted in particular from sharply higher costs from the establishment of BILD TV and from start-up losses in connection with the establishment of new business models, such as Dyn Media. The Marketing Media unit recorded a decline in adjusted EBITDA of 5.0 % from € 60.4 million to € 57.4 million. In the Services/Holding unit, adjusted EBITDA declined from € –55.0 million to € –61.5 million, mainly due to higher costs because of the Ukraine crisis.

Adjusted EBIT increased by 1.4 % year-on-year to € 511.3 million (PY: € 504.3 million). At 13.3 %, the margin was below the level of the previous year (14.8 %). The Classifieds Media unit was able to increase adjusted EBIT by 28.7 % from € 308.7 million to € 397.4 million. The adjusted EBIT of the News Media unit decreased by 35.5 % from € 203.0 million to € 130.9 million. In the Marketing Media unit, adjusted EBIT decreased by 4.3 % from € 47.6 million to € 45.5 million. The adjusted EBIT of the Services/Holding unit fell from € –55.0 million to € –62.6 million. Due to the intra-group leasing of office space, income from on-charges to other business units was recognized in depreciation in the Services/Holding business unit.

The following adjustment effects resulted in adjusted EBITDA and adjusted EBIT:

€ million	**2022**	**2021***
Effects from business acquisitions	–10.0	–5.7
Effects from disposal of consolidated subsidiaries/real estate	1.0	321.0
Subsequent measurement of contingent consideration	0.1	–61.2
Company value-based compensation	–32.5	–104.1
Restructuring expenses	–46.1	–23.2
Pro-forma effects	–0.6	1.3
Income from investments	–47.2	76.1
Other adjustments	–17.1	12.9
Adjustments EBITDA	**–152.3**	**217.1**
Depreciation, amortization and impairments from purchase price allocations	–228.1	–156.1
Other adjustments	0.2	–2.5
Adjustments EBIT	**–380.2**	**58.5**

* The EBITDA adjustments of the previous year were aligned due to the items being adjusted in the year under review. In addition, the pro forma effects of the previous year are subject to change due to acquisitions and disposals during the year under review.

In the previous year, the effects from the sale of companies and real estate were mainly attributable to the La Centrale Group, the Ringier Axel Springer Media Group (with the exception of our Polish investments), and Bistro.sk. Adjustments in connection with the subsequent measurement of contingent considerations related, in particular, to Morning Brew in the previous year. In addition, expenses and income from the remeasurement of company value-based compensation programs were adjusted, in particular for the long-term management incentive plan as well as the compensation programs at Appcast, Insider and Morning Brew. The pro forma effects of the previous year were mainly attributable to the acquisition of POLITICO and the disposal of the business units of the Ringier Axel Springer Media Group, which almost offset each other. In the year under review and in the previous year, the full adjustment of the income from investments includes in particular the current results from the at-equity consolidation, impairments on investments accounted for using the equity method and revaluation effects on financial assets.

The reconciliation of adjusted EBITDA to net result is shown below:

Reconciliation of adjusted EBITDA to net result*

€ million	2022	2021*
Adjusted EBITDA	**742.9**	727.2
Depreciation, amortization, impairments/write-ups (without adjustments and purchase price allocations)	−231.6	−222.9
Adjusted EBIT	**511.3**	**504.3**
Adjustment effects	−380.2	58.5
Net financial result	−48.6	−32.3
Income taxes	−107.2	−81.4
Net result	**−24.7**	**449.0**

* For the adjustment of the previous year's figures, see the explanations in note (3p) in the notes to the consolidated financial statements.

Net result decreased by € 473.7 million to € −24.7 million (PY: € 449.0 million). **Earnings per share** decreased from € 3.71 per share to € −0.42 per share due to the positive share of profit attributable to minority interests.

Liquidity

Financial management

The funds in the Axel Springer Group are generally provided by Axel Springer SE. This arrangement ensures that the Axel Springer Group companies always have sufficient liquidity. The overriding goal of financial management is to provide cost-effective liquidity in the form of maturity-matched financing.

Net liquidity/debt

€ million	2022	2021
Cash funds	204.1	201.6
Financial liabilities	2,606.9	2,625.8
Net liquidity/debt*	**−2,402.8**	**−2,424.2**

* Including lease liabilities of € 562.3 million (PY: € 532.7 million).

In December 2022, the term of the long-term credit lines was extended ahead of schedule until July 2027. The financing volume remains unchanged at € 1,500.0 million. The financing conditions were adjusted to market developments. At the balance sheet date, the credit lines amounting to € 791.5 million (PY: € 686.5 million) had been utilized. In addition, there were two term loans of € 300.0 million and € 500.0 million with terms until July 2024 and July 2026, respectively. In addition, there were still promissory notes loans in the amount of € 456.5 million (PY: € 614.5 million) with terms up to May 2023 (€ 72.0 million) and May 2024 (€ 384.5 million).

To cover short-term capital requirements with optimized interest rates, Axel Springer can issue certain forms of short-term bearer bonds (commercial paper) with a maximum volume of € 750.0 million and a term of up to one year. As of the reporting date, no commercial paper had been issued.

The credit line, the term loan of € 300.0 million, the promissory notes and the short-term commercial paper program can be used both for general corporate purposes and to finance acquisitions. The term loan of € 500.0 million taken out in the previous year is used exclusively to finance acquisitions.

Cash flow development

Consolidated cash flow statement (condensed)

€ million	**2022**	**2021**
Cash flow from operating activities	464.4	434.2
Cash flow from investing activities	−214.6	−598.9
Cash flow from financing activities	−249.1	143.9
Effective change in cash and cash equivalents	**0.8**	**−20.8**
Cash and cash equivalents as of December 31	**204.1**	**201.6**

Cash flow from operating activities was € 464.4 million and thereby 7.0 % above the value of the same period last year (€ 434.2 million). This development resulted in particular from lower payments for long-term compensation programs based on the company's value. This was offset by higher net tax payments and higher net interest payments.

The cash flow from investing activities amounted to € −214.6 million (PY: € −598.9 million). Investments in intangible assets and property, plant and equipment were below the previous year's level, in particular due to a one-off technological investment made in the previous year. The payments (less cash acquired) for company and investment acquisitions completed in the previous year related mainly to € 861.7 million for the acquisition of POLITICO (including 50 % of the shares in POLITICO Europe). The investments in financial assets are mainly related to investments in our hybrid broker investments. The previous year also included investments in digital agencies. In the previous year, on the other hand, there were proceeds from the disposal of our shares (less cash and cash equivalents) in the La Centrale Group (€ 342.6 million, after deduction of an investment amount of € 50.0 million in the acquiring company), the Ringier Axel Springer Media Group (with the exception of our Polish investments) (€ 62.8 million) and Bistro.sk (€ 40.4 million). In addition, we sold our stake in Airbnb in the previous year (€ 76.1 million).

The cash flow from financing activities of € −249.1 million (PY: € 143.9 million) was characterized by the lower dividend to the shareholders of Axel Springer SE compared to the previous year as well as the net repayment (PY: net borrowing) of financial liabilities in addition to the repayment portion of rental and leasing payments.

Financial position

Consolidated Statement of Financial Position (condensed)*

€ million	**12/31/2022**	**12/31/2021**
Long-term assets	5,885.6	6,044.1
Short-term assets	1,340.1	1,295.0
Assets	**7,225.7**	**7,339.1**
Equity	2,500.9	2,500.6
Long-term borrowed capital	3,101.9	3,198.0
Short-term borrowed capital	1,622.8	1,640.6
Liabilities	**7,225.7**	**7,339.1**

* For the adjustment of the previous year's figures, see the explanations in note (3p) in the notes to the consolidated financial statements.

The development of long-term assets was primarily characterized by positive currency translation effects and the recognition of intangible assets as part of the first-time consolidation of the acquisition of No Fluff Jobs, which was completed in the year under review. This was offset by scheduled depreciations and impairment losses, in particular on goodwill. The decline in investments accounted for using the equity method was mainly due to negative earnings contributions from our early-stage funds, caused by revaluation effects on investments recognized in the funds, as well as impairment losses, especially on Ringier Axel Springer Schweiz AG. The increase in other assets was characterized by the asset surpluses from defined benefit pension plans. Current assets were slightly higher than in the previous year without significant changes.

Equity was almost unchanged from the previous year. Currency translation effects in the consolidated financial statements and the recognition of actuarial gains due to the increase in the discount rate for pension accounting (taking into account corresponding tax effects) had an increasing effect. This was counteracted in particular by the dividend paid to Axel Springer SE shareholders and the consolidated net result for the fiscal year. The equity ratio increased slightly to 34.6 % (PY: 34.1 %).

The decrease in long-term debt was mainly related to the reduction in the net pension obligation due to an adjustment of the discount rate.

Current liabilities decreased only slightly in the year under review. The decrease in financial liabilities due from the repayment of the promissory note loan due in fiscal year 2022 was partially offset by the reclassification of the promissory note loan due in fiscal year 2023. In addition, other liabilities increased, in particular due to the increase in contract liabilities.

Comparison of forecast with actual performance

In the forecast published in the 2021 Annual Report, we expected growth in pro forma revenues in the Axel Springer Group in the low double-digit percentage range for the 2022 fiscal year. We anticipated growth in adjusted EBITDA and adjusted EBIT in the mid-single-digit percentage range. In fact, this was confirmed in the revenue side in the 2022 fiscal year, while only low single-digit growth was achieved in adjusted EBITDA and EBIT. This can be explained primarily by additional expenses for the transformation and growth at AVIV to build the AVIV Group with a unified product offering on a shared technological platform and, in part, by inflation-related increases in costs.

For pro forma revenues in the Classifieds Media unit, we expected a disproportionate contribution to group-wide revenue growth in 2022 with a particularly dynamic development at StepStone. Despite increased investments in future growth, we anticipated adjusted EBITDA and adjusted EBIT growth in the mid double-digit percentage range. In fact, we were able to significantly exceed the previous year in terms of revenue, adjusted EBITDA and adjusted EBIT. Business with our job portals, which benefited from a significant shortage of workers, contributed in particular to this.

In the News Media unit, we anticipated a slightly disproportionately low contribution to growth in pro forma revenues in 2022 due to market conditions, in particular due to the continuing structural decline in print business. We anticipated a decline in adjusted EBITDA and adjusted EBIT due to investments. Pro forma revenue exceeded the 2021 financial year by a mid to high single-digit percentage, resulting primarily from increases in domestic digital activities and international operations, particularly at the US investments Insider and POLITICO as well as Finanzen.net and Bonial. Adjusted EBITDA in fiscal year 2022 was significantly lower than in fiscal year 2021. Adjusted EBIT also significantly declined year-on-year. The News Media unit faced particular challenges in the advertising market in the 2022 financial year and due to sharply increased costs.

If reference is made to the double-digit percentage range in our forecast, this refers to the range of at least 10 % and at most 20 %, based on the English term "teens". In contrast, "significantly below the previous year" or "significantly above the previous year" refer to deviations from the previous year of more than 20 %.

General assessment of the company's financial performance, liquidity, and financial position by the Executive Board

The 2022 financial year was marked by macroeconomic uncertainty caused by the war in Ukraine, high inflation and energy costs. Against this backdrop, the 2022 financial year was successful for us. Our pro forma revenues increased by 12.8 % and adjusted EBITDA by 2.2 %. Business with our job portals made a disproportionately high contribution to this positive development due to the economic situation. The real estate portals were also able to increase revenues again in 2022 and invest significantly in the transformation. In the News Media unit, structural declines in print revenues in the national area were largely offset by higher revenues from digital media offerings and the revenue growth of the Idealo Group. In addition, there were investments in new business models and rising costs, especially in the print sector. In the international news media unit, revenues rose significantly, especially in the USA. The Marketing Media unit also continued to record growing business.

We are convinced that there is still significant growth potential, especially in the area of digital classified ads and digital journalism. We continued to drive forward our growth initiatives. Acquisitions and active portfolio management will remain a building block for the further development of the Axel Springer Group in the future. Thanks to the strategic partnership with long-term investors who support our growth strategy, we are well positioned to leverage the potential that we see in our business units in order to continue to achieve organic growth in the future.

Net debt decreased slightly compared to the previous year. With a very strong cash flow, a solid balance sheet structure and the cheap financing options available to us, we are still in a good position to make the necessary capital expenditures to realize future growth.

Selected key figures at the Axel Springer Group level*

€ million	2022	2021
Revenues, pro forma	3,846.9	3,409.6
EBITDA, adjusted	742.9	727.2
EBITDA margin, adjusted	19.3 %	21.3 %
EBIT, adjusted	511.3	504.3
EBIT margin, adjusted	13.3 %	14.8 %
Net result	–24.7	449.0
Earnings per share (in €)	–0.42	3.71
Dividend per share (in €)**	1.16	1.16
Total dividends**	125.2	125.2
Equity ratio as of December 31	34.6 %	34.1 %
Net debt/liquidity as of December 31	–2,402.8	–2,424.2
Free cash flow (FCF)	298.2	248.9
FCF without effects from real estate transactions and MIP/LTIP***	311.3	331.9

* For the adjustment of the previous year's figures, please refer to note (3p) to the consolidated financial statements as well as in the section on financial performance of the Management Report.
** The dividend for the financial year 2022 is subject to the condition of approval by the annual shareholders' meeting.
*** FCF adjusted for effects from the construction and sale of the new building, the Axel-Springer-Passage in Berlin and the buildings in Hamburg as well as the MIP and LTIP program for the Executive Board as well as selected executives.

Non-financial performance indicators

Employees

What makes Axel Springer tick are its **employees** - their diversity, their individual skills, their knowledge and their commitment. Axel Springer employed an average of 18,205 (PY: 16,835) employees in the reporting year (excluding trainees and journalism students/volunteers). An average of 9,334 of the employees were based abroad (PY: 8,344); this corresponds to a share of 51.3 % (PY: 49.6 %). The Axel Springer Group employed an average of 8,033 women, 10,165 men and 8 diverse employees. At 44.1%, the proportion of women was only slightly below the previous year's level (PY: 44.5%). The number of editorial staff rose by 15.9 % to 3,402 in the reporting period. The number of salaried employees increased slightly by 6.8 % to 14,539.

Employees by business unit

Annual average number	**2022**	**2021**	**Change**
Classifieds Media	5,896	5,425	8.7 %
News Media	10,468	9,758	7.3 %
Media Marketing	1,293	1,157	11.8 %
Services/Holding	548	495	10.7 %
Axel Springer Group	**18,205**	**16,835**	**8.1 %**

In the Classifieds Media unit, employees were increased at StepStone and AVIV. The increase in the News Media unit was mainly due to the expansion of News Media National TV, organic growth in Insider and the full-year inclusion of POLITICO. On the other hand, there was a decline due to the disposal of parts of Ringier Axel Springer Media at the end of 2021. Awin increased its employees in the Marketing Media unit. The increase in the Services/Holding unit is mainly due to the first-time inclusion of AS Security in the consolidated financial statements.

Axel Springer's goal is to create a diverse and inclusive working environment in which all employees feel respected, valued and belonging. In order to anchor the topics of diversity and inclusion more deeply in the awareness of employees and in the business strategy, Axel Springer formulated a group-wide strategy in April 2022, which is to be implemented by the end of 2026. This includes efforts in five areas with a total of 15 commitments: Leadership Engagement, Credible Efforts, Inclusive Careers, Talent Experience, Data Leverage.

The promotion of women in management positions remains the focus of Axel Springer's holistic Diversity & Inclusion approach: By 2026, a gender ratio of at least 40 % women in top management positions is to be achieved throughout the Axel Springer Group. In the units, there are decentralized targets for greater gender diversity at the other management levels. The respective corridor is between 40 % and 50 %. Efforts are being made to include people with 'diverse' and non-binary gender identities in this goal. As of 31 December 2022, the Executive Board was composed of one woman and three men. At that time, the Supervisory Board had nine members, seven of whom were men and two women. The gender composition of Axel Springer's executives is shown below:

Executives by gender

Annual average number	**2022**	**Share 2022**	**2021**	**Share 2021**
Female	906	39.8 %	684	35.1 %
Male	1,373	60.2 %	1,267	64.9 %
Total	**2,279**	**100.0 %**	**1,951**	**100.0 %**

Research and development

Axel Springer does not operate a research and development department in the sense of an industrial company. All areas of the company optimize the existing offers and are working on establishing innovative products on the market. Above all, this means that we are continually expanding our range of services through innovations in the digital business, developing editorial content and expanding our journalistic excellence. In doing so, we attach great importance to the early consideration of the changing use of media.

In addition to our investments in investments in the early-stage area, we made our own contributions of € 122.9 million in the year under review (PY: € 108.3 million) in connection with IT development projects for the expansion and extension of our digital business models.

Market-related performance indicators

The following non-financial performance indicators are relevant for the assessment of our customer, market and offer-related performance, even if the company as a whole is not controlled accordingly: Unique users/visitors as well as business model-related key figures of our online media and the resulting market position, reach of our media in the advertising market as well as key figures on brand and advertising awareness, average paid circulation of all major newspapers and magazines and digital subscriptions.

Economic Position of Axel Springer SE

Selected key figures

€ million	2022	2021	2020	2019	2018
Revenues	759.8	794.1	775.4	851.1	823.2
Net result	−366.2	539.3	16.2	124.3	271.9
Dividend per share (in €)*	1.16	1.16	3.71	2.10	2.00
Total dividends*	125.2	125.2	400.3	226.6	215.8

* The dividend for the financial year 2022 is subject to the condition of approval by the annual shareholders' meeting.

Introductory remarks

Axel Springer SE is the parent company of the Axel Springer Group. Due to its subsidiaries, which Axel Springer SE controls directly or indirectly, the business developments are subject to the same risks and opportunities as the entire Axel Springer Group. These are presented in detail in the "Risk and opportunity report" chapter. Likewise, the expectations regarding the development of Axel Springer SE essentially correspond to the Axel Springer Group expectations described in the forecast report (see chapter "Forecast report").

The following explanations are based on the annual financial statements of Axel Springer SE, which was prepared in accordance with the provisions of the German Commercial Code and the German Stock Corporation Act. The annual financial statements and management report are published in the Federal Gazette.

Business activity

Axel Springer SE operates in the News Media National unit and publishes in particular national daily and weekly newspapers. In addition, the operating business activity includes offers from the digital portfolio of newspapers as well as car, computer and sports magazines. In addition, Axel Springer SE, as the parent company of the Axel Springer Group, performs holding functions, controls group-wide liquidity management and provides other services to companies within the Axel Springer Group. The general economic conditions of Axel Springer SE essentially correspond to those of the Axel Springer Group and are described in the "Economic report" chapter.

Financial performance, liquidity, and financial position

Financial performance

Income statement (condensed)

€ million	2022	2021
Revenues	759.8	794.1
Other operating income	66.8	99.4
Purchased goods and services	−245.3	−216.9
Personnel expenses	−206.6	−193.6
Amortization, depreciations, and impairments of intangible assets and property, plant and equipment	−10.4	−10.0
Other operating expenses	−497.5	−481.6
Result from non-current financial assets	−172.2	579.6
Interest income	−63.9	−0.5
Income taxes	3.1	−31.3
Net result	**−366.2**	**539.3**

Revenues decreased by € 34.3 million or 4.3 % in the reporting year. Due to further market-related declines in the print business, circulation revenues decreased by € 15.1 million or 4.5 % to € 321.7 million. Advertising revenues also declined and, at € 251.5 million, were € 15.7 million or 5.9 % below the previous year's figure. The other revenues (€ 186.6 million) decreased by € 3.6 million or 1.9 %.

Other operating income amounted to € 66.8 million in the year under review (PY: € 99.4 million). The decline was mainly due to lower income from the disposal of investments.

The purchased goods and services increased by € 28.4 million or 13.1 % to € 245.3 million. This was mainly due to the significant increase in purchase prices for printing paper.

Personnel expenses increased by € 13.0 million or 6.8 % to € 206.6 million. Higher expenses resulted in particular from the measurement of pension obligations due to higher inflation expectations. This was offset primarily by lower expenses from performance-related compensation programs and company value-based compensation schemes. The average number of employees (1,026; PY: 1,036) decreased by 1.0 %.

At € 10.4 million, amortization, depreciations, and impairments of intangible assets and property, plant and equipment were at the previous year's level.

At € 497.5 million, other operating expenses were € 15.9 million or 3.3 % above the previous year's figure. This included services from subsidiaries in the amount of € 224.9 million (PY: € 212.7 million).

Result from non-current financial assets amounted to € –172.2 million (PY: € 579.6 million). The profit transfer from subsidiaries included herein (€ – 113.5 million; PY: € 555.7 million) was burdened in particular by impairments of investments, while earnings contributions from StepStone had a positive impact in the previous year, which also included income from capital measures. Other income from direct investments of Axel Springer SE and loans amounted to € 18.6 million (PY: € 18.7 million). In addition, the valuation of investments and loans resulted in a negative result of € 77.3 million (PY: positive result of € 5.0 million), which included impairments of € 77.3 million (PY: € 10.4 million) and write-ups of € 0.0 million (PY: € 15.4 million).

The net interest income for the year under review was € –63.9 million (PY: € – 0.5 million) and essentially comprised interest expenses from utilized credit lines, promissory notes and short-term commercial paper issues as well as from the measurement of pension obligations. The year-on-year decline in net interest income was mainly the result of lower net interest income from pension accounting and higher interest expenses from liabilities to banks as a result of higher interest rates.

Income taxes (€ 3.1 million; PY: € –31.3 million) included in particular income from the adjustment of expected tax payments for previous years.

The 2022 financial year ended with a net loss of € 366.2 million (PY: net income of € 539.3 million).

Liquidity

Net debt (liabilities to banks and promissory notes minus cash and cash equivalents) amounted to € 1,999.9 million as of December 31, 2022 (PY: € 2,033.1 million).

In December 2022, the term of the long-term credit lines was extended ahead of schedule until July 2027. The financing volume remains unchanged at € 1,500.0 million; the financing conditions have been adjusted in line with market developments. At the balance sheet date, the credit lines amounting to € 791.5 million (PY: € 686.5 million) had been utilized. In addition, there were two term loans of € 300.0 million and € 500.0 million with terms until July 2024 and July 2026, respectively. In addition, there existed promissory notes totaling € 456.5 million (PY: € 614.5 million) with terms until May 2023 (€ 72.0 million) and May 2024 (€ 384.5 million).

To cover short-term capital requirements with optimized interest rates, Axel Springer can issue certain forms of short-term bearer bonds (commercial paper) with a maximum volume of € 750.0 million and a term of up to one year. As of the reporting date, no commercial paper had been issued.

The line of credit, the term loan of € 300.0 million, the promissory notes and the short-term commercial paper program can be used both for general corporate purposes and to finance acquisitions. The term loan of € 500.0 million taken out in the previous year is used exclusively to finance acquisitions.

Financial position

Statement of financial position (condensed)

€ million	12/31/2022	12/31/2021
Intangible assets and property, plant and equipment	42.8	46.9
Financial assets	7,575.3	7,634.5
Receivables from affiliated companies	217.0	364.9
Cash and cash equivalents	55.4	69.5
Other assets	55.4	75.3
Assets	**7,945.8**	**8,191.2**
Equity	1,986.0	2,477.3
Accruals	157.3	140.4
Liabilities to banks and promissory notes	2,055.3	2,102.6
Liabilities to affiliated companies	3,675.6	3,398.9
Other liabilities	71.6	71.9
Liabilities	**7,945.8**	**8,191.2**

The balance sheet total decreased in the reporting year by € 245.4 million to € 7,945.8 million. Non-current assets amounted to € 7,618.0 million (PY: 7,681.4 million) and represented 95.9 % (PY: 93.8 %) of total assets. It was 26.1 % (PY: 32.3 %) covered by equity.

Financial assets decreased by € 59.2 million to € 7,575.3 million in the year under review. The decrease resulted in particular from impairments of investments and loans as a result of a lower valuation at the balance sheet date.

Receivables from affiliated companies (€ 217.0 million; PY: € 364.9 million) and liabilities to affiliated companies (€ 3,675.6 million; PY: € 3,398.9 million) resulted mainly from group-wide liquidity management.

Equity as of December 31, 2022, decreased by € 491.3 million compared to the reporting date of the previous year and amounted to € 1,986.0 million (PY: € 2,477.3 million). This was due to the net loss for the reporting year in the amount of € 366.2 million and the dividend payment for the past financial year (€ 125.2 million). The equity ratio decreased to 25.0 % as of the reporting date (PY: 30.2 %).

Provisions grew by € 16.9 million compared with the previous year's balance sheet date to € 157.3 million (PY: € 140.4 million). The increase was mainly due to higher provisions for pension obligations as a result of inflation and lower plan assets. Pension provisions amounted to € 43.0 million after deduction of plan assets. In the previous year, there was a surplus of plan assets of € 23.9 million reported under other assets.

Liabilities to banks and promissory notes decreased slightly in the year under review and amounted to € 2,055.3 million (PY: € 2,102.6 million).

Dependency report

The Executive Board of Axel Springer SE submitted the dependency report prescribed by section 312 of the German Stock Corporations Act (Aktiengesetz – AktG) to the Supervisory Board and made the following concluding statement:

"According to the circumstances known by the Axel Springer SE at the time when legal transactions were carried out with an affiliated company, Axel Springer SE received appropriate consideration for each legal transaction and did not take or omit any measures in the reporting period either at the instigation or in the interest of the controlling companies or any company affiliated with them."

Risk and Opportunity Report

As an international group, Axel Springer is exposed to a large number of internal and external influences that can have a significant effect on the achievement of our goals. We define risks as the possibility of a negative deviation of the company's development from our goals, while opportunities represent the possibility of a deviation in a positive sense. Against this background, opportunities to increase the earnings and company value should be used and risks should only be taken if they are within an acceptable and reasonable framework for the company. Thus, risks should be limited to a level deemed acceptable by taking appropriate measures, be transferred to third parties in full or in part, or, in those cases where risk mitigation is not considered advisable, be avoided or monitored closely.

Risk management system

The risk management process is aligned to identify and assess all material risks and risks that are potentially existence-threatening as early as possible in order to be able to take appropriate countermeasures. The basic design of the structures and processes of the risk management system at Axel Springer is based not only on national standards but also on the internationally recognized "Enterprise Risk Management Framework", the framework developed by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Overall responsibility for risk management lies with the Executive Board of Axel Springer SE, the operational management of the individual risks falls primarily within the area of responsibility of the respective corporate divisions or shareholders of Axel Springer. This includes the early detection, identification and assessment of sector- or company-specific risks, the definition of suitable measures, their management and control as well as adequate documentation and reporting.

In addition, the respective divisional heads and executive boards of our companies are obliged to participate in the regular, systematic and standardized risk surveys. Significant ad hoc changes in the risk situation must be reported to the central corporate risk management department immediately.

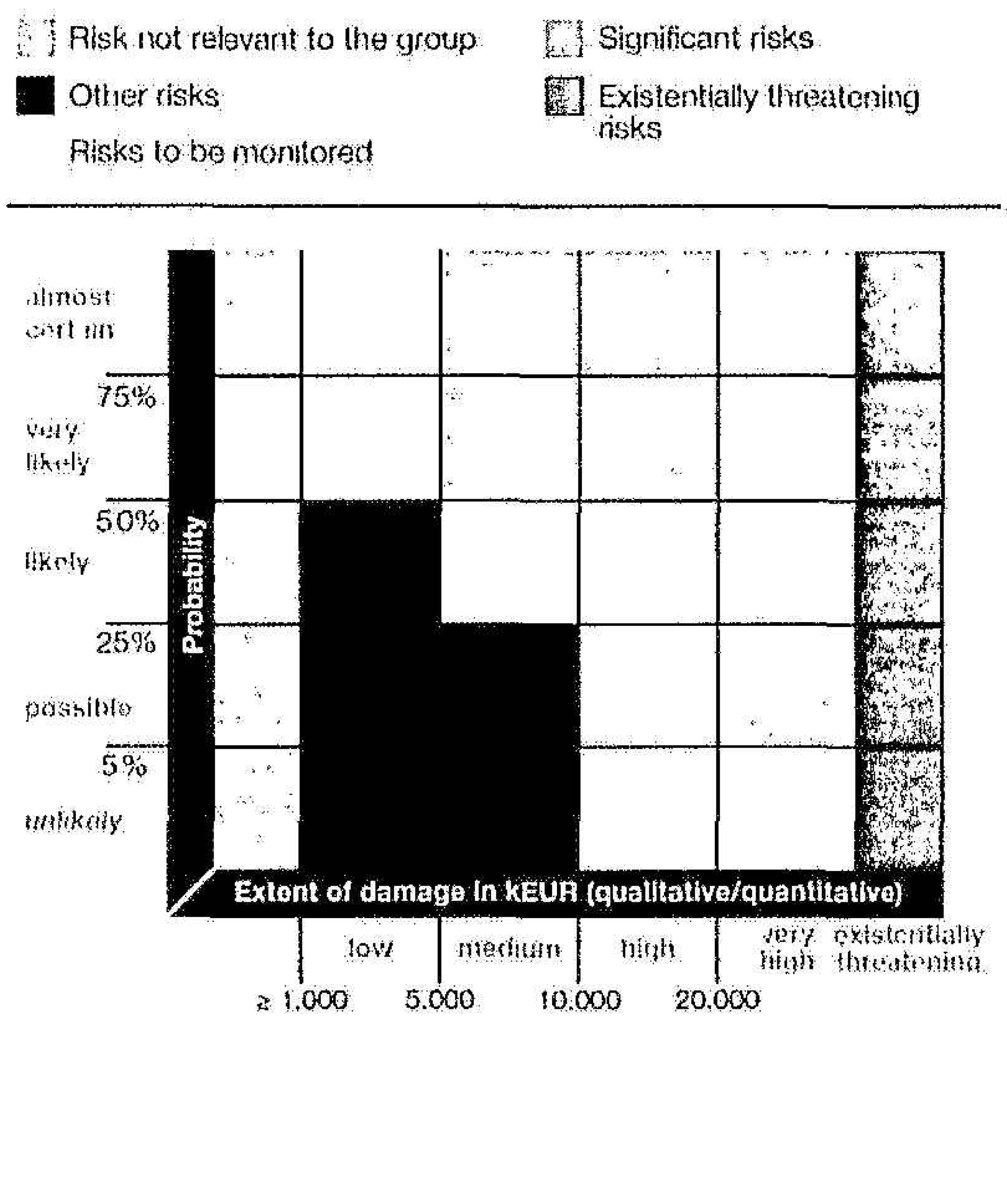
Central Corporate Risk Management provides overarching standards, methods and tools, manages both semi-annual and annual risk surveys and ensures reporting to the Audit Committee of the Supervisory Board and the Executive Board. It coordinates the risk management activities at the Axel Springer Group level and plausibility testing of the reported risks against completeness. In addition, central Corporate Risk Management continuously develops the risk management system of Axel Springer.

Risks are assessed quantitatively, where appropriate and quantifiable, based on the parameters "damage amount" (impact) and "probability of occurrence". A qualitative assessment of the potential damage is based on criteria such as operational effects, impact on our reputation or legal consequences. The risk is assessed taking countermeasures or risk reduction measures into account (net view). The net risk determined in this way is assessed in terms of its probability of occurrence. The subsequent classification of the risks takes place in an ordinal-scaled risk matrix.

To assess the materiality of the overall risk portfolio, the risks are categorized as critical, to monitor, other or not relevant to the Axel Springer Group.

The risk-bearing capacity is regularly determined at Axel Springer Group level, indicating the maximum

Risk Matrix of Axel Springer SE



extent of risk that can be borne without jeopardizing the continued existence of the company.

Opportunity management system

Axel Springer pursues the goal of sustainably securing entrepreneurial success. Potential opportunities arising from positive developments in the course of business activities should be identified early and exploited. As part of the management, strategy and planning processes, potential internal and external opportunities are identified and analyzed for the business units and shareholdings of Axel Springer. External opportunities arise, for example, as a result of changing market structures or customer requirements; internal opportunities arise from product innovations or quality improvements. The fundamentals for the opportunity identification are e.g., market and competition observations, analysis and regular exchange with subject matter experts. When weighed against the associated risks, identified opportunities serve as the fundamentals for business decisions and the initiation of appropriate measures, e.g., capital expenditures in new markets or technologies. The management of opportunities is the responsibility of the Executive Board across the Axel Springer Group and is carried out on a decentralized basis by the operational departments and their managing directors or department heads.

The internal audit system

Corporate Audit is organizationally assigned to the Corporate Audit, Risk Management and Corporate Information Security department, which is functionally subordinate to the entire Board of Management and disciplinary to the Executive Board for Finance and Human Resources. It is divided into the Operational Audit and IT Audit teams, which are separate from the Corporate Risk Management and Corporate Information Security teams in terms of organization and personnel.

Corporate Audit provides risk-oriented consulting and audits in all Axel Springer Group companies and divisions, aligning activities with the relevant national and international professional standards. In particular, the department has the task of systematically reviewing the adequacy and functionality of the internal control and monitoring system in a risk-oriented manner and, if necessary, to undertake measures to remedy the weaknesses. In order to maintain independence, the audit mandate of Corporate Audit with regard to risk management extends only to the decentralized components. Central risk management is regularly subject to an effectiveness review by qualified, external audit service providers.

Corporate Audit monitors the correct and timely implementation of the agreed measures to eliminate the identified vulnerabilities based on a systematic follow-up.

The results of individual audit or consultancy mandates are reported to the Executive Board and periodically summarized to the Audit Committee of the Supervisory Board.

To ensure the effectiveness of the internal auditing system, quality assurance and improvement procedures have been set up, which include external quality assessments in accordance with professional requirements.

Report on the accounting-related risk management system and internal control system

The accounting-related risk management system and the connected internal control system, which is also based on the COSO framework, form an essential part of the internal monitoring system of Axel Springer SE. The effective interaction of these systems should ensure the regularity, completeness and reliability of accounting and financial reporting. The financial reporting is therefore intended to convey a true and fair view of the assets, finances and financial performance of Axel Springer SE and the Axel Springer Group, taking into account the relevant laws and standards. The accounting-related risk management and internal control system encompass all organizational regulations and measures for identifying and dealing with the risks associated with accounting and financial reporting. However, even an effective and therefore adequate and functional risk management system and internal control system does not provide absolute certainty to prevent or detect any irregularities or inaccuracies.

The main elements of the accounting-related risk management and internal control system are:

- Processes for identifying, assessing, and documenting all significant financial reporting-related processes and risk areas, as well as the corresponding key controls.
- Process-integrated controls (computer-aided controls, validation of reporting data, dual control principle, separation of functions, analytical controls).
- Standardized financial accounting processes, through the use of an internal, intra-group shared Services Center in which a large part of the consolidated German Axel Springer companies are integrated.
- Group-wide requirements for accounting guidelines, charts of accounts and reporting processes.
- Quarterly communication of information to all consolidated Axel Springer Group companies on developments related to accounting, and the process of preparing the financial statements.
- Assuring the requisite expertise of employees involved in the financial accounting and financial reporting process by means of appropriate selection procedures and training. Use of external experts, e.g., for pension accounting and selected valuation tasks.
- Central preparation of the consolidated financial statements (including management report) using manual and system controls with regard to accounting-specific relationships.
- Protection of accounting-related IT systems against unauthorized access through authorization restrictions.
- Monthly internal Axel Springer Group reporting including analysis and reporting of significant developments as well as target / actual deviations. Regular, group-wide reporting to the persons responsible for reporting, the Executive Board and the Supervisory Board.

The effectiveness of the accounting-related risk management system and the internal control system is monitored by means of process-integrated controls. As a process-independent body, Corporate Audit regularly tests selected elements of the accounting-related internal control system set up at central level and in the Axel Springer Group companies in order to identify weaknesses and thus contribute to improving legal compliance. In addition, the Audit Committee of the Supervisory Board monitors the financial reporting processes and the effectiveness of the accounting-related internal control system and risk management system.

Risks and opportunities

If not stated elsewhere, all risks and opportunities will be mentioned in the following, which could have a considerable effect on reaching our company-wide targets. Within the types of risk presented, the risks and opportunities are generally classified according to their materiality for the Axel Springer Group.

The risks and opportunities identified as of the reporting date and presented below generally relate to the forecast period of 2023, unless they relate to long-term goals.

Market and competition risks

Market and competition risks generally relate to changes in sales and procurement conditions and the development of competing providers. Since Axel Springer operates and acquires globally, a large number of economic factors must be taken into account to determine market risks. Economic forecasts, above all for the important sales markets of Germany, Europe and the USA, serve as overarching indicators for assessing market and competition risks.

The tense geopolitical situation, in particular the ongoing Russian war against Ukraine, will continue to influence the economy in the 2023 financial year, both in Germany and worldwide. The danger of an escalation of the Russian war is ever-present. This can lead to losses in our business models, e.g., advertising revenues in the News Media unit could be negatively affected. This applies to both our national and international advertising revenues in the print and online sector or on TV. The current inflation, driven mainly by increased energy prices, has led to a slowdown in global growth, which has bottomed out but could still negatively impact Axel Springer's business activities, for example through continued price increases by our suppliers or declines in subscription numbers due to a reluctance to buy on the part of our readers.

Information on the economic development and the growth assumptions in 2023, especially for our relevant sales markets, are described in detail in the "Forecast report" section.

The corporate activities in our operating business units (see chapter "Fundamentals of the Axel Springer Group") continue to be exposed to high market and competitive dynamics, which could lead to a loss of market share and thus to a decline in revenues and earnings. Competition from large international technology companies, e.g., Alphabet (Google), Meta (Facebook) and Microsoft (LinkedIn), continues to increase steadily and can be observed continuously. These dominant companies not only concentrate specialized knowledge within their corporations but are also global leaders in digitalization and are penetrating new market segments. They also partly compete with our activities.

Start-ups with innovative or disruptive business models, missing (market) trends and new technologies (e.g., artificial intelligence), as well as a general lack of further development of our products, can also potentially jeopardize our existing market position and lead to lower revenues and earnings. In order to limit the market and competition risks, a systematic and continuous monitoring of the relevant market and competitive environment and emerging trends is conducted. Control measures for operational management are derived on the basis of this information. We improve the attractiveness of our business models, among other things, by capital expenditures in innovative product developments and adjustments, new high-quality services, the use of new technologies, target group-oriented marketing and increasing brand awareness. With these measures, we want to meet the changing needs of our customers while at the same time maintaining or expanding our competitive edge. The hiring and further development of highly qualified specialists and the expansion of long-term customer relationships also reduce risk.

A large number of our digital offerings are still constantly confronted with the risk of a sudden loss of visibility, which results in particular from the dominance of the Internet search engine Google. The constantly changing and sometimes non-transparent criteria of the search algorithms lead to unexpected visibility losses and can therefore have a significant impact on the current and future revenue situation. Even small increases and decreases in the visibility or placement on the results pages can lead to significant traffic loss and associated decline in traffic-related revenues for certain business models. We counter this risk through professional search engine marketing, targeted search engine optimization, the improvement of the online page structure, the optimization of our content and investments in alternative traffic sources.

Furthermore, the dependency on key customers can influence the economic development of some of our business models. For example, the loss of key customers could cause significant revenue losses and weaken our competitive position. In order to minimize these risks, we make a targeted effort to ensure customer loyalty and satisfaction, collaborating professionally with our customers and looking for alternative contractual partners.

In the area of printed publications, the ongoing change in reading behavior towards digital offerings continues to lead to a significant drop in revenue, which so far has not been offset by the proceeds from digital offerings. A changing market environment, which is characterized by product innovations, as well as unforeseeable market developments can further intensify the already calculated declines. The loss of large advertising customers due to legal advertising restrictions or the switching of important commercial customers to other advertising formats such as television, radio or other online media continue to represent a risk that must be taken seriously.

In addition to the risks mentioned before, the dependency on strategically significant cooperation partners is also subject to risks, for example for upday, a news aggregator platform for smartphones that was developed in cooperation with Samsung. If Samsung does not want to continue the cooperation, this would call into question the continued existence of the business model.

But our job portals are also confronted with this risk. This applies in particular to important traffic partners. The loss of a strategic cooperation partner could lead to reduced traffic and possibly a loss of market share. At the same time, customer satisfaction could decrease due to lower product performance. The conclusion of long-term contracts, legal support in the negotiation and renegotiation of contracts and continuous monitoring of the business activities of our cooperation partners contribute to reducing this risk.

Our real estate portals could be affected by persistently difficult market conditions. In particular, high interest rates in the countries in which we are active, combined with declining numbers of real estate transactions, could lead to our brokerage clients significantly reducing their marketing expenses or disappearing from the market altogether.

Market and competition opportunities

Uncertainties due to the geopolitical situation and inflation developments persist and the dynamics of a possible upswing in 2023 are expected to vary significantly between countries and individual business sectors. If the global economy recovers faster and better than forecast, this could have a positive impact on our sales development. In particular, our digital business models could benefit from the current economic situation, as the shift from "analogue" to "digital" is accelerating significantly due to the increased interest in news/information.

With our capital expenditures in digital growth markets, Axel Springer sees itself in a good position to master the economic crisis well and to expand our market share in digital business models. Even a negative overall economic development can open up opportunities: This could eliminate competitors from the market, thereby strengthening our own position. In addition, it would be possible to acquire companies at advantageous prices, thus expanding our position in existing markets and investing in new markets with growth potential.

Smart matching and recruiting technologies continue to be critical for StepStone to support our growth. With Appcast, a leading provider of programmatic e-recruiting in the USA, which belongs to the StepStone Group, we are participating in this rapidly growing market and are thus consistently continuing our growth strategy. StepStone's acquisition of Mya's conversational AI technology in 2021 will also contribute to the achievement of our growth targets. Optimized for dialogue situations, Mya's artificial intelligence (Conversational AI) can significantly change the way job seekers communicate. StepStone will interact even more with users through new channels to learn about their preferences and skills and motivate them to submit more applications. The innovative technology draws conclusions from the interviews with candidates and suggests suitable jobs via SMS, WhatsApp or on-site chat. This can lead to improved matching and thus a higher quality and number of suitable applications. This can increase the number of job seekers who can reached and increase the satisfaction of our customers.

In the business area of our real estate portals, we now pursue a "One Company" approach. The portals were merged under the family of AVIV Group GmbH and are located under a single management. The individual organizations are brought together in the sense of a matrix. At the same time, we are investing significantly in new technologies that will gradually replace the existing platforms and be rolled out across all real estate portals. This can create competitive advantages and economies of scale. In addition, we are internationalizing the MeilleursAgents product, which supports brokers in identifying owners who are willing to sell and thus generating additional business and are introducing it in Germany and Belgium. In addition, we are examining the development and introduction of further real estate-related services, partly with transaction-based remuneration.

In the News Media National divison, the constant further development of our media brands BILD and WELT opens up new possibilities. In particular, the consistent expansion of the digital platforms and the focus on the video range of BILD and WELT offers opportunities and additionally strengthens the presence of two of the largest media brands in Europe. The multi-mediality (print, digital, TV and audio), as well as the cross-editorial sports competence center and the consistent development of new business and growth areas, enable new business opportunities and the acquisition of new target groups. With over 650,000 paid content users (January 2023) at BILDplus and 210,000 paid content users (January 2023) at WELTplus we are a media pioneer.

The media market in the USA is still in a state of change. This gives our journalistic offerings the chance to expand their market position. Our US subsidiary Insider Inc, the global digital media company behind Business Insider, Insider, Markets Insider and an ever-growing family of brands, already offers several of the largest digital offerings for business news and analysis. Insider Inc. has grown steadily in recent years, is represented in nine countries and offers content on over 50 different stand-alone topics and publishes 17 global editions in eight languages. Insider Inc. could thus emerge as one of the winners of the changes in the media market. Morning Brew, another US subsidiary of Axel Springer, which also addresses a younger target group on alternative channels (newsletter, podcast, video and social media), could also contribute to this.

Through the acquisition of the digital US media group POLITICO, which is one of the leading news providers for politics and legislation, Axel Springer has been able to further expand its position in the US media market. POLITICO has a diversified revenue model through corporate subscriptions and different advertising revenue streams and operates in complementary segments. In the U.S., POLITICO is to be further regionalized to meet the growing demand for news there. But expansion into Europe - including France and Germany - is also planned, which could further expand our strong market position.

Strategic risks

Significant strategic risks at Axel Springer result primarily from decisions to make capital expenditures in new business fields and models as well as companies that develop differently than planned over the long term or that cannot assert themselves on the market or are displaced by new business models. Unscheduled depreciation, amortization and impairments in the balance sheet with expected permanent impairment within the scope of the impairment tests to be carried out and lower profitability would be the result. This risk affects activities in all operating units: a possible insufficient diversification also harbors a high-risk potential.

In general, the business units and models of our interests are, however, extremely heterogeneous, so that so-called cluster risks are limited by means of diversification. There is also further risk minimization, preventive control measures such as clear investment criteria, which we use to review new capital expenditures as part of our M&A activities, as well as active portfolio and investment management, the establishment and maintenance of a qualified management level and active and systematic monitoring of business and market development.

In addition to the risks mentioned before, the dependency on strategically significant cooperation partners is also subject to risks. Active key account management, legal support in the negotiation and renegotiation of contracts and continuous monitoring of the business activities of our cooperation partners contribute to reducing this risk.

Strategic opportunities

In a constantly changing environment, we are continuously developing our company so that we can continue to meet global and industry-specific challenges with innovative and needs-based solutions and strengthen our position as Europe's leading digital media company.

Due to the very positive development of the digital markets, Axel Springer's strategy, which aims to further expand the business along the existing core competencies, continues to offer good opportunities to build up a high-growth and high-yield digital portfolio, and to promote journalism as a successful business model in the digital world as well. In addition to the continuous digital transformation and monetization of the established strong media brands and its own new/online developments, Axel Springer uses the market development through strategically aligned acquisitions of and capital expenditures in new and future-oriented companies and technologies. Networking with the founding generation of digital start-ups, entering into new partnerships and expanding existing ones is also part of our international digitization strategy.

Entry into new markets or the expansion in existing markets (e.g., USA) as well as a further possible carve-out of business units could also open up growth options for us.

The acquisition of stakes in companies with promising digital business models in the growth phases of their life cycle gives us the opportunity to establish contacts within the industry and to other founders and investors as well as to gain and use access to new ideas and business models. If the portfolio companies develop successfully, we can benefit from potentially significant increases in value.

Information security risks

Due to the high degree of integration of information technologies into business processes and business models, Axel Springer relies on a high availability of IT components, to avoid interruption of business activity with far-reaching consequences for revenues and reputation. External factors in the form of cybercrime represent an increasing risk for the company. Examples of this are malware that has been smuggled in, which prevents access to company data by means of encryption or which threatens the publication of company data (ransomware), targeted overload attacks (DDoS attacks) and CEO fraud (attempted fraud).

Additional IT risks are classified as important if the confidentiality of information or data integrity can be compromised as a consequence. In consideration of the growing importance of paid digital content offerings, programmatic online advertising as well as the European Data Protection Regulation (GDPR) compliant processing of personal data, the protection against theft or loss of data is of great importance. For this reason, specific measures have been and are being taken to avoid or limit the effects of criminal activities and the failure of IT components as far as possible. The risk reduction measures include e.g., DDoS protection, backup data centers, vulnerability analysis, use of encryption, network access control, consolidation and standardization, search for data leaks and improving of systems. The stated measures are continuously analyzed and expanded or improved if necessary.

Data protection risks

The relevance of data protection as well as the social and political sensitivity to privacy, transparency and data security, especially in the digital sector, have been steadily increasing for years.

Risks for 2023 continue to arise from the European General Data Protection Regulation (GDPR), which has been in force since 2018. In addition to substantive tightening's of data protection (including consent or the processing of large amounts of data as part of "Big Data"), the GDPR has above all significantly increased the risks for data processing companies. A company-side accountability requirement is in place, according to which the company responsible for the personal data in question (e.g., employee and customer data) must prove the GDPR conformity and the formation and continuous adjustments of data protection organizational measures. In the event of violations, fines of up to € 20 million can be imposed under the GDPR or, in the case of a company, up to 4 % of the total annual turnover achieved worldwide in the previous financial year. In addition, violations of the GDPR can result in claims for damages and reputational damage.

In response to the introduction of GDPR, we have already taken numerous measures throughout the Axel Springer Group at an early stage. These include, among other things, the definition of responsibilities regarding data protection and data security, the implementation of training courses and the introduction of a new directive. In addition, a service center ("Data Privacy Hub") was established within the holding in the Data & IP (Group Legal) division, which, in addition to process instructions, leaflets, and templates, enables a group-wide exchange of all stakeholders and addresses strategically important and group-wide topics. For the measures taken by Axel Springer in the area of IT security, please refer to the section "Information security risks".

At the end of 2021, the new Telecommunications Telemedia Data Protection Act (TTDSG) came into force. The TTDSG regulates, among other things, the protection of privacy when using end devices (e.g., a PC or smartphone), regardless of whether there is a personal reference or not. The TTDSG states that storing information such as cookies and other tracking technologies in the end device or accessing this information is only permitted with the appropriate, informed consent of the end users. The Conference of Independent Data Protection Supervisors (DSK) emphasizes that the use of cookies or subsequent tracking requires user consent in most cases. This has a significant impact on online advertising as a central pillar of Axel Springer's financing of digital content offerings. Specifically, this concerns the use of cookies or similar technologies for the creation of user profiles for personalized advertising.

In this context, ensuring the data protection conformity of consent banners, in particular the lawful retrieval of consent and the sufficient provision of the necessary information, continues to be a central data protection challenge for the digital online offerings. The data protection supervisory authorities fundamentally demand an option to reject cookies and other technologies at the first level of the consent banner. This view is also supported by current case law and legally compliant solutions are being sought. In January 2023, the European Data Protection Board (EDPB) agreed on a common line regarding the design of the buttons for rejecting cookies, the design of the cookie banners as well as other symbols that website operators must observe accordingly. These legal developments could affect the economic development of our digital business models, for example the generation of digital advertising revenues could be impaired.

Furthermore, the transfer of personal data to the USA (so-called third country transfer) is of great relevance under data protection law. In 2020, the European Court of Justice (ECJ) found the level of data protection in the USA to be inadequate (Schrems II) and the previous adequacy decision by the EU Commission was declared invalid. The main reason for the inadequate level of protection from the point of view of the ECJ is the powers of the US authorities to access personal data of EU citizens without effective legal remedies. In June 2021, the European Commission adopted new Standard Contractual Clauses (SCC), creating a legal basis for data transfers to countries that have a different level of data protection than the European Union. Even though the SCCs published in 2021 have formally eliminated the legal uncertainty of transatlantic data transfers, the SCCs call for an individual assessment of the risk of the respective data transfer and the measures compared to it.

With the "Executive Order" of October 2022, the US government addressed the main points of criticism of Schrems II (decision of the European Court of Justice) on the legal situation of the USA. This should form the basis for an adequacy decision of the European Commission. The EU Commission is expected to decide in 2023 whether the Executive Order provides equivalent protection of personal data in the USA. The data protection supervisory authorities have already expressed considerable doubts about this.

Potential violations of the aforementioned data protection laws could result in fines, claims for damages and even the risk for reputational damage. We counteract these risks by informing ourselves at an early stage - also via the associations that represent us - about developments in the area of data protection and trying to identify the changes that are relevant to us in good time and the resulting organizational and legal requirements within the framework of a risk-oriented prioritization to implement appropriately.

Political risks

Possible uncertainties arise for Axel Springer from our business activities in Poland. The political situation is characterized by the political influence of the national-conservative government there on public media, but also by possible future attempts to influence private media.

Political and legal opportunities

At the European level, two particularly important new legislative texts, the Digital Services Act and the Digital Markets Act, entered into force in 2022. The former will introduce higher transparency requirements and central supervision by the EU Commission for very large online platforms. The latter is intended to ensure fair market conditions with regard to the large digital platforms, from which Axel Springer would also benefit. The main obligations for both laws will apply from the first quarter of 2024.

At the national level, the draft bill for an 11th amendment of the Law on Restrictions of Competition (Gesetz gegen Wettbewerbsbeschränkungen – GWB) was published in September 2022. It contains important provisions on the private enforcement of the Digital Markets Act and introduces for the first time a competence of the Federal Cartel Office to take measures following sector inquiries in order to open up the investigated markets to more competition.

Reputation risks

In addition to the reputation risks mentioned so far in connection with data protection and information security, further secondary risks or secondary effects can arise in connection with a primary risk. For example, a violation of law and order can cause high attention and damage our reputation due to Axel Springer's prominent position and its contribution to social opinion making. In particular, erroneous or contradictory reporting by one of our journalistic brands could be reputationally damaging. Further potential reputation risks may arise, for example, from the violation of journalistic independence if the journalistic work is endangered due to personal advantage, inadequate research, incomplete information or lack of care in dealing with sources. Any violations of country-specific laws and regulations, disregard of programs for equal treatment and equal opportunities or social and ecological conflicts in the context of the resource procurement process could also result in reputation damage. Violations of confidentiality agreements and incorrectly published information in the context of external reporting can have economic or legal consequences for Axel Springer. In addition, there is the risk of damage to the image of the Axel Springer Group or its brands through negative reporting or campaigns in social media channels, even if there is no legal violation from a legal perspective.

The reputation risks mentioned are counteracted, among other things, through regular employee awareness training through e-learning, guidelines and corporate principles of transparent internal and external communication as well as our Code of Conduct, which defines behavioral standards that apply throughout the Axel Springer Group. In our new Supplier Code of Conduct, we disclose our minimum requirements regarding social and environmental standards to our business partners. The Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz – LkSG), which has been in force since January 2023, obliges Axel Springer to avoid human rights violations and environmental damage in its own business and supply chain. In order to comply with these due diligence obligations, Axel Springer has drawn up appropriate procedures and measures and disclosed them in a policy statement on its human rights strategy. In it, we define our expectations of our employees and business partners in terms of human rights and the environment and thus also counter potential reputational risks.

Personnel risks

The individual skills, professional competences and the commitment of our employees contribute significantly to the success of Axel Springer. A significant risk therefore represents the loss of specialists and executives and the associated company-specific loss of knowledge and competence. We counteract this professionally and actively. One focus of our human resources management is the targeted and forward-looking employee development and motivation with the help of individual training and further education measures, regular feedback meetings and attractive bonus programs. Department-specific measures such as coaching, training needs analyzes and our group-wide talent management support us in identifying individual needs and then in filling positions with the right people/talents and developing them in a targeted manner. A particular focus is filling top management positions with women. Flexible working time models, the possibility of mobile working and comprehensive offers to improve the compatibility of family and work have also gained in importance, including its contribution to risk minimization.

Systematic succession planning and development, especially in the case of age-related fluctuation, supports the filling of key positions and is indispensable. In this way, the transfer of valuable wealth of experience and company expertise should be guaranteed, and the personnel requirements should be covered in the long term. In addition, the difficult situation in recruiting junior executives and executives represents a continuously growing risk. As a result of demographic change and increasing competition in the labor market, it is becoming increasingly difficult to find qualified personnel. With a view to the continuously increasing digitization of the Axel Springer Group, IT specialists in particular are still increasingly in demand. That is why we have launched strategic HR initiatives, for example to ensure the long-term development of a joint talent pool with a focus on bottlenecks and other key functions. Our proactive recruiting approach, additional recruiting resources and a salary level adjusted to current market prices also make an important contribution to positioning Axel Springer as an attractive and innovative employer in the age of New Work in the relevant target group.

Financial risks and risks from the use of financial instruments

Due to the degree of internationalization of Axel Springer, the Axel Springer Group is exposed to a number of market price risks. These include, in particular, changes in interest rates risks and currency risks. These risks are mainly managed by the Group Finance department on the basis of the guidelines set by the Axel Springer Executive Board. Derivative financial instruments are used exclusively for hedging purposes. Currency risks are largely avoided by raising operating costs in the countries in which we sell our products and services. Any remaining currency risks from foreign currency cash flows (transaction risks) are not hedged. Currency risks from open net positions of € 5 million or more per foreign currency are discussed on an individual basis with the relevant departments and hedged as far as possible. Currency effects from the translation of foreign currency financial statements (translation risks) are recognized directly in accumulated equity. Therefore, Axel Springer does not hedge against such currency risks. The existing interest rate risk results primarily from financial assets or liabilities with variable interest rates. However, this risk is limited due to well-defined financing principles and regular monitoring of the variable interest component, or, if necessary, minimized through the use of interest rate derivatives.

The liquidity risk is regularly monitored on the basis of medium-term planning. In December 2022, the credit line (€ 1,500.0 million Revolving Credit Facility (RCF)) was extended until 2027. Together with the agreed term loans totaling € 800.0 million and the promissory notes, these financing instruments form a sufficient liquidity framework – even for unplanned payments.

The investment of cash and cash equivalents generates only minor default risks in the Axel Springer Group. Default risks exist in the Axel Springer Group to a lesser extent from investments of cash and cash equivalents.

The risks from financial instruments and hedging measures are explained in detail in the notes to the consolidated financial statements under item (30). Overall, the financial risks are considered to be low.

Other risks

As part of our sustainability management, we have developed a comprehensive climate strategy (https://sustainability.axelspringer.com/strategy/) that provides for the continuous reduction of emissions. Our printing plants already operate an optimized energy management system and we regularly and successfully participate in energy audits.

Potential risks arising from global climate change have also been investigated. However, there are currently no signs that climate change would have a direct impact on Axel Springer's business models.

The past years have shown that even seemingly inconspicuous events at the beginning pose a considerable risk to the business activities of Axel Springer and our society in general (e.g., Covid 19 pandemic, war of aggression in Ukraine). The company therefore follows the all-hazard approach, in which all risks arising from extreme events, e.g., natural hazards, accidents, terrorist attacks or criminal acts, are taken into account equally. We counter this, among others, with increased security standards, crisis prevention and management as well as a detailed education and training of the safety-relevant group of people. The financial risk due to possible property damage and business interruption is covered by appropriate insurance.

As a part of our journalistic work, we are confronted with risks that can arise when our journalists have to travel to war and crisis zones. In addition to possible physical or mental impairments, reporting on site could also become impossible for us, especially in high-risk areas. Due to the Covid 19 pandemic, however, it is not only war zones that are now classified as risk areas, and therefore it is not only our journalists are exposed to potential dangers, but also every one of our employees who makes a mandatory trip and thus endanger their health with a potential infectious disease. This would not only result in the absence of our employees due to illness or repatriation costs, but also the possible loss of our reporting. We minimize probability of occurrence and impact of risks with special training to prepare travelers for emergencies, appropriate insurance and a 24/7 hotline to ensure on-site medical and security care. In addition to these measures, risk assessments and OSINT analyses of the hazard situation in the target country are carried out.

Operational and other opportunities

The ongoing cultural change at Axel Springer to become a world market leader in digital journalism and in digital classified ads brings with it additional opportunities in various areas. Firstly, the reduction of strict hierarchies and restructuring will ensure faster reaction and decision-making capacity to changing market and competition conditions. On the other hand, there is the opportunity to increase Axel Springer's attractiveness as an employer through a modern, international and increasingly digital working environment. Various initiatives make our company more attractive as an employer brand, especially for young professionals from the start-up environment and other relevant target groups. For example, the "FreeTech Academy of Journalism and Technology" aims to develop one's own technology competence in the long term, to combine journalism and technology in a unique way and to encourage the development of disruptive innovations where technology and journalism go hand in hand. The FreeTech Academy links journalists with tech talents under one roof and offers them an innovative training program. The transformation from academy to FreeTech Academy shows that we are responding to fundamental industry changes with an appropriate training program.

Opportunities are also opening up for us through staff reductions at large international technology companies. Both younger and experienced IT and software specialists can be recruited in this way.

Overall view of the risk and opportunity situation

The overall picture of the risk and opportunity situation of the Axel Springer Group consists of the individual risks and opportunities of all risk and opportunity categories of the consolidated majority interests and the Axel Springer Group holding company. There are currently no apparent risks that could jeopardize the continued existence of the Axel Springer Group or have a significant impact on the assets, earnings and liquidity. This applies to the condition that there is no significant deterioration of the economy in our markets and the media industry and, consequently, a significant deterioration in the financial performance of the Axel Springer Group. In addition, risk concentrations are reduced through continuous diversification, internationalization, optimization of the brand and product portfolio and digitization.

Forecast Report

Macroeconomic expectations

In its January 2023 outlook, the International Monetary Fund (IMF) expects global economic growth to slow and forecasts **global economic** growth of 2.9% in real terms by 2023. Economic growth for 2023 is already more optimistic than previous estimates, which is due to the resilience shown by various economies. The comparatively low economic growth for 2023 will be significantly influenced by rising key interest rates in the industrialized nations and the war in Ukraine. The IMF expects economic growth to slow in advanced economies, while emerging and developing countries can increase their growth by 0.1 percentage points compared to 2022. In the USA, the IMF also expects the US Federal Reserve's more restrictive interest rate policy to have a dampening effect on economic growth. While a positive correction in economic growth was made in the euro area, driven by downstream effects from 2022 and fiscal policy measures, the outlook for 2023 in the UK has been revised downwards by almost one percentage point compared to the October 2022 outlook. With regard to emerging and developing countries, China and India in particular are making an extraordinary contribution, which is partly due to robust domestic demand in India and increasing mobility in China. Despite some growth opportunities, the focus for most economies in 2023 is on averting further risks and thus specifically on reducing inflation, financial stability and continuing to fight Covid-19.

The ifo Institute expects economic growth in **Germany** to shrink by –0.1% in December 2022 (IMF: 0.1%). Despite the expected technical recession after the winter half of 2022/23, an economic recovery is expected from spring 2023. According to the ifo Institute, the number of people in employment is expected to rise by around 77,000 to an annual average of 45.6 million. This is due in particular to the economic slowdown and the resulting standstill in employment growth. The unemployment rate is likely to be around 5.5%. Despite expansionary fiscal policy and interest rate hikes to curb inflation, the ifo Institute expects consumer prices in Germany to rise by 6.4%.

Expected economic development (selection)

Change in gross domestic product compared to prior year (real)	2023
Germany	0.1%
France	0.7%
Great Britain	–0.6%
USA	1.4%

Source: IMF, January 2023.

The key negative factors mentioned for the global economy as a whole will have an equally dampening effect on the economic growth expected for 2023 in all of our key markets. The IMF expects the world's gross domestic product to grow by 2.9% in 2023 and global inflation to average 6.6%, down 2.2 percentage points from 2022.

Industry-specific expectations

The ongoing war in Ukraine and the resulting macroeconomic challenges, e.g., higher energy, food and fuel costs, rising inflation in general, as well as rising interest rates, have shifted spending by businesses and consumers. As a result, the advertising market is growing more slowly than initially assumed. Especially for companies, the increased focus will therefore be on direct profits in 2023. This is expected to prioritize performance campaigns, which will have an impact on the channel mix.

This assessment goes hand in hand with the fact that all growth drivers in the German advertising industry continue to be in the digital sector. In 2023, this will increase by 7.0 % in the display sector and by 11.8 % in the mobile sector according to the forecast of Insider Intelligence. These figures are above Insider Intelligence's forecast for the entire German advertising market. This will also grow by € 0.7 billion or 3.3 %, but not as strongly as the digital sector.

In addition to the expected trend of digital advertising growth (+7.0 %), growth in the out-of-home sector is also forecast for 2023 (+2.0 %). According to Insider Intelligence's forecast, advertising revenues in the TV advertising market are expected to decline slightly (−0.1 %). The same applies to newspapers (−1.3 %) and periodicals (−3.0 %). In the field of radio, Insider Intelligence expects a constant advertising market in 2023.

In the digital advertising market, on-demand providers, e.g., Netflix, Disney+, will play an increasingly important role in the future. So far, these have focused almost exclusively on so-called SVOD (subscription video on demand) business models. Netflix's announcement to rely on AVOD (advertising video on demand) business models in the future offers new opportunities for the advertising market.

According to Insider Intelligence's forecast, the advertising markets abroad in which Axel Springer is involved with its own corporate activities will develop as follows: In the US, advertising volume will increase by USD 24.1 billion in 2023; this corresponds to an increase of 7.0 %. The advertising market is expected to grow by 7.2 % in the UK in 2023 and 4.9 % in France.

Anticipated advertising activity (selection)

Change in net advertising revenues compared to prior year (nominal)	2023
Germany	3.3%
France	4.9%
Great Britain	7.2%
USA	7.0%

Source: Insider Intelligence, Total Media Ad Spending Worldwide, October 2022.

Axel Springer Group forecast

Axel Springer's goal is to become the global market leader for digital journalism and classified ads. To this end, we are constantly developing our offerings and expanding our business organically and, where possible and sensible, through targeted acquisitions. Together with our investors, we want to consistently continue on the path of growth we have taken thus far and thereby achieve long-term growth in company value.

For the 2023 financial year, we expect pro forma sales growth in the Axel Springer Group in the low to mid-single-digit percentage range. We expect our Classifieds portals and our US media to contribute disproportionately to revenue growth, although growth will be significantly lower than in the previous year, mainly due to economic and exchange rate factors. We anticipate a slight decline in the German media, in particular due to the continuing structural decline in print business. We expect adjusted EBITDA to decline by a mid-single-digit percentage due to inflation-related rising costs and continued growth initiatives. We anticipate a decline in adjusted EBIT in the low double-digit percentage range.

Future dividend proposals to the Annual shareholders' meeting will take into account the respective status of implementation of the growth strategy and the necessary financial resources.

We plan the future development of the financial performance, liquidity, and financial position based on assumptions that are plausible and sufficiently probable from today's perspective. However, the actual development can deviate significantly from the assumptions made and the resulting planning and trend statements. In particular, the forecast is based on the assumption that there will be a moderate recession in Europe and the USA in the first half of 2023, the war in Ukraine will continue and not expand, inflation will decrease slightly in the course of the first half of the year and a recovery will begin in the second half of 2023. Furthermore, the forecast is based on the assumption that the actual exchange rates will not deviate significantly from the underlying target exchange rates.

Independent Auditor's Report

To Axel Springer SE

Report on the audit of the consolidated financial statements and of the Group management report

Opinions

We have audited the consolidated financial statements of Axel Springer SE, Berlin, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31, 2022, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity for the fiscal year from January 1 to December 31, 2022, and notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the management report of Axel Springer SE and the Axel Springer Group (hereinafter "Group management report") for the fiscal year from January 1 to December 31, 2022.

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 the additional requirements of German commercial law pursuant to Section 315e (1) HGB ["Handelsgesetzbuch": German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at December 31, 2022, and of its financial performance for the fiscal year from January 1 to December 31, 2022, 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.

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 Sec. 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's responsibilities for the audit of the 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 German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the Group management report.

Responsibilities of the executive directors and the supervisory board for the consolidated financial statements and the Group management report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRS as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB, 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, the executive directors are 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 or error.

In preparing the consolidated financial statements, the executive directors are 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 re-sponsible 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, the executive directors are 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, the executive directors are 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 con-ducted in accordance with Sec. 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit of the 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 the executive directors and the reasonableness of estimates made by the executive directors and related disclosures;
- conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 and the additional requirements of German commercial law pursuant to Section 315e (1) HGB;
- 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 audit 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 the executive directors in the Group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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

Berlin, March 3, 2023

Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft

Ludwig	von Michaelis
Wirtschaftsprüfer	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]