

PRESS RELEASE

Ströer: After record quarter strong year-end business expected

- **Consolidated revenue increases by 11% from EUR 436m to EUR 484m in the third quarter**
- **EBITDA (adjusted) rises at almost the same rate in the reporting period, up by 10% from EUR 134m to EUR 147m**
- **Even faster growth in DOOH business of 28% in the third quarter of 2023**
- **Market share of out-of-home advertising (OOH) climbs to an all-time high of 9%**

Cologne, November 9, 2023 Ströer SE & Co. KGaA has published its figures for the third quarter of 2023. Consolidated revenue improved by 11% in the reporting period, from EUR 436m to EUR 484m. EBITDA (adjusted) grew at almost the same rate, rising by more than 10% from EUR 134m to EUR 147m.

This strong level of earnings for the third quarter highlights the resilience and strength of the OOH+ strategy, which combines the core OOH business with the related Digital and Dialog Media businesses. In an otherwise weak advertising market, out-of-home advertising remains undeterred, as expected, and its market share climbed to an all-time high of 9% in the third quarter. The Board of Management expects this trend to continue. The main drivers of the trend are the progressive digitalization of OOH infrastructure and the ongoing digital transformation of the order processing chain through programmatic buying. Revenue growth of 28% for digital OOH media (DOOH) in the third quarter – with programmatic DOOH revenue up by more than 100% – clearly illustrates the continuing momentum.

Besides the impressive performance of the DOOH business, all of Ströer's other product groups contributed to its very satisfying revenue growth too. Particular mention should be made of Asam Beauty, which notched up very encouraging growth of 30% in the first nine months of 2023. For the year as a whole, Asam is anticipating revenue of around EUR 200m with an EBITDA margin of approximately 20%. The Board of Management expects this positive trajectory to continue in the coming year, forecasting revenue of some EUR 270m with a further improvement in the margin. All sales channels – e-commerce, brick-and-mortar retail, and international business – contributed to the brand's improved performance.

For many years now, Ströer has reported on its own progress toward sustainability (ESG). The Group's sustainability ambitions are regularly assessed by rating agencies and in the summer, MSCI upgraded the Group to an 'A' rating. This means that Ströer numbers among the top third of all media companies worldwide. Its ESG endeavors do not go unnoticed in Germany either, and Ströer was a finalist for the 2024 German Sustainability Award. In addition to Ströer's improved sustainability reporting, the fact that out-of-home advertising is one of the lowest-emission media in the media mix is also crucial to its sustainability progress. The importance of environmental footprints in customers' marketing and advertising strategies – 'green media' – continues to snowball. Digital OOH is one of the by far most energy-efficient mediums, with 6 grams of CO₂ (green electricity) per 1,000 contacts. Specifically, this means that every advertiser can significantly improve their own carbon footprint by giving a higher weighting to OOH, especially digital OOH, in their advertising portfolio.

“The strong third-quarter results for 2023 show that, as expected, our OOH+ strategy continues to be more beneficial than a pure-play OOH strategy. We've never had a better third quarter. We bucked the market trend to achieve growth, with the entire segment benefiting from a record market share of 9%. In a market environment that is seeing most other players struggle with structural changes, Ströer is growing. Digital out-of-home advertising remains a significant and consistent driver of growth in our portfolio. We are also very satisfied with Asam Beauty's excellent growth.

The dynamic growth being seen across all parts of the business continues to be driven by persistently strong demand for Asam's high-quality German beauty products, which, as is to be expected for Asam, now have margins of approximately 20% again. The sharp increase in retail touchpoints in the home market of Germany from the second quarter of 2024 will provide additional support for the strong demand. We remain very confident, also looking ahead to 2024," says Christian Schmalzl, Co-CEO of Ströer. "That is thanks in no small part to the current momentum in our out-of-home order book for the fourth quarter. On the back of the double-digit organic growth in year-end bookings, which exceeds our previous expectations, we are anticipating further growth at the start of the new year."

OOH Media

The revenue of the OOH Media segment rose by 7.4% in the third quarter, from EUR 202m to EUR 217m. The segment's EBITDA (adjusted) advanced by 2.9%, from EUR 99m to EUR 102m. The EBITDA margin (adjusted) was 46.8% (Q3 2022: 48.8%).

Digital & Dialog Media

The Digital & Dialog Media segment also generated revenue growth in the third quarter of 2023, with revenue jumping by 17.8%, from EUR 176m to EUR 208m. The segment's EBITDA (adjusted) edged up by 4.2%, from EUR 37m to more than EUR 38m. The EBITDA margin (adjusted) stood at 18.3% (Q3 2022: 20.8%).

DaaS & E-Commerce

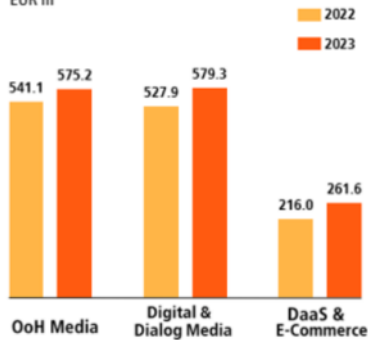
The DaaS & E-Commerce segment achieved revenue growth of 22.3%, with revenue surging from EUR 74m to EUR 90m in the third quarter of 2023. EBITDA (adjusted) leaped from EUR 7m to EUR 15m in the third quarter, while the corresponding EBITDA margin (adjusted) almost doubled to 16.3% (Q3 2022: 8.8%).

REVENUE

EUR 1,348.3m

(prior year: EUR 1,246.3m)

SEGMENT REVENUE EUR m



EBITDA (ADJUSTED)

EUR 374.6m

(prior year: EUR 353.9m)

EBITDA-MARGIN (ADJUSTED)

27.8%

(prior year: 28.4%)

ORGANIC REVENUE GROWTH

7.9%

(prior year: 13.5%)

ADJUSTED CONSOLIDATED PROFIT

EUR 78.5m

(prior year: EUR 104.2m)

FREE CASH FLOW BEFORE M&A TRANSACTIONS

EUR 127.4m

(prior year: EUR 115.9m)

ROCE

18.6%

(prior year: 21.0%)

EUR m	Q3 2023	Q3 2022	9M 2023	9M 2022
Revenue	483.6	436.3	1,348.3	1,246.3
EBITDA (adjusted)	147.5	133.6	374.6	353.9
Exceptional items	0.3	-2.7	-4.0	5.4
EBITDA	147.7	130.9	370.7	359.3
Amortization, depreciation, and impairment	-78.6	-73.3	-231.2	-219.6
thereof attributable to purchase price allocations and impairment losses	-4.5	-6.8	-14.3	-20.3
EBIT	69.2	57.6	139.4	139.7
Net finance income/costs	-19.8	-5.4	-48.2	-17.7
EBT	49.4	52.2	91.2	122.0
Taxes	-14.2	-13.0	-25.7	-29.1
Consolidated profit or loss for the period	35.2	39.1	65.5	92.9
Adjusted consolidated profit or loss for the period	38.5	46.3	78.5	104.2
Free cash flow (before M&A transactions)	50.2	32.2	127.4	115.9
Net debt (Sep. 30/Dec. 31)			860.9	718.0

About Ströer

Ströer is a leading German media house and, with its "OOH plus" strategy, combines the business segments outdoor advertising/out-of-home (OOH), digital media and dialog marketing, as well as offerings from the areas of e-commerce and Data as a Service (DaaS): In its core "Out of Home" segment, the Ströer Group operates around 300,000 media carriers - from traditional billboard media and exclusive advertising rights at train stations to digital out-of-home media (DOOH). Outdoor advertising - especially DOOH - is one of the lowest-carbon media in the overall media mix in relation to the number of contacts reached. With an attractive portfolio of leading German websites and a broad selection of advertising formats, Ströer reaches more than 50 million unique users per month in the digital sector. The company has also built up a strong position in the news sector with t-online and also offers a wide range of premium content for digital natives. In the field of dialog marketing, Ströer offers innovative solution models for telephone, e-mail and chat as well as in direct sales.

The Ströer Group has around 10,000 employees at around 100 locations. In fiscal year 2022, Ströer generated revenue of EUR 1.77 billion. Ströer SE & Co. KGaA is listed on the MDAX of Deutsche Börse.

The company has always integrated sustainable thinking and action into its own business and offers responsible, sustainable communication solutions. All campaigns of advertising customers are carried out in a climate-neutral form. The goal of the company is to be completely climate-neutral by 2025. Ströer offsets unavoidable CO2 emissions directly associated with advertising measures by supporting certified climate protection projects (<https://fpm.climatepartner.com/tracking/15477-2108-1001/de>).

More about Ströer and its sustainability strategy at www.stroeer.de/en/.

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