

Investor Day  
New York City  
December 7, 2017

spark  
networks

Elite  
SINGLES

christian  
mingle

Jdate

Darling

Attractive World

swipe

silver  
SINGLES

### Forward-Looking Statements

All statements other than statements of historical fact are forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties, and other factors that may cause our performance or achievements to be materially different from those of any expected future results, performance, or achievements. Forward-looking statements speak only as of the date they are made, and we assume no duty to update forward-looking statements. Readers are cautioned that a number of important factors could cause actual results to differ materially from those expressed in, or implied or projected by, such forward-looking statements. Words and expressions reflecting optimism, satisfaction, or disappointment with current prospects, as well as words such as "believes," "hopes," "intends," "estimates," "expects," "projects," "plans," "anticipates," and variations thereof, or the use of future tense, identify forward-looking statements, but their absence does not mean that a statement is not forward-looking. Forward-looking statements include, but are not limited to, statements about the benefits of the business combination with Spark Networks Inc. (the "Business Combination"), statements about the ability to drive superior growth or achieve cost savings, statements about operating a diverse global platform of premium online dating sites, statements about the ability to leverage strengths of each of the companies in the Business Combination to provide exceptional user experience and drive stockholder value, statements about the expected size of the combined company following the Business Combination, statements about the projected financial results of the combined company for 2018, statements about the combined company's plans, objectives, expectations and intentions and other statements that are not historical facts. Such forward-looking statements are not guarantees of performance and actual results could differ materially from those contained in such statements. Factors that could cause or contribute to such differences include, but are not limited to: the risk that the benefits from the Business Combination may not be fully realized or may take longer to realize than expected; risks related to the degree of competition in the markets in which we operate; the effect of the Business Combination on our ability to retain and hire key personnel, operating results and business generally; our ability to continue to control costs and operating expenses; our ability to achieve the intended cost savings; our ability to promptly and effectively integrate the businesses of Spark Networks Inc. and Affinitas GmbH; our ability to generate cash from operations, lower-than-expected revenues, credit quality deterioration or a reduction in net earnings; our ability to raise outside capital and to repay debt as it comes due; our ability to introduce new competitive products and the degree of market acceptance of such new products; the timing and market acceptance of new products introduced by our competitors; our ability to maintain strong relationships with branded channel partners; our ability to enforce intellectual property rights and protect our intellectual property; general competition and price measures in the market place; general economic conditions; and the other concerns identified in the section titled "Risk Factors" in our Registration Statement on Form F-4 filed with the U.S. Securities and Exchange Commission.

### Non-IFRS Financial Metrics

This presentation contains certain non-IFRS financial measures. Non-IFRS measures should not be considered as an alternative to IFRS financial measures. Non-IFRS measures may not be calculated or comparable to similarly titled measures of other companies. See non-IFRS reconciliations below in this presentation for a reconciliation of these measures to the most directly comparable IFRS financial measures. Adjusted EBITDA, Adjusted Net Income and Adjusted Free Cash Flow is not a measurement of the company's financial performance under IFRS and should not be considered as an alternative to net income or any other performance measure derived in accordance with IFRS. Management uses these non-IFRS financial measures to facilitate comparison of its operating performance from period to period. We believe these non-IFRS financial measures are useful for investors, analysts and other interested parties as they facilitate company-to-company operating performance, by excluding potential differences caused by variations in (i) non-cash items such as stock-based compensation, asset impairments, non-cash currency translation adjustments related to an inter-company loan and (ii) one-time items that have not occurred in the past two years and are not expected to recur in the next two years.

# Introduction





BE THE WORLD'S LEADING  
PREMIUM DATING  
COMPANY



**Jeronimo Folgueira, Chief Executive Officer (Berlin)**

- *Joined Affinitas October 2015*
- *Prior experience:*
  - *Betfair*
  - *Bigpoint*
  - *RTL Group*



**Rob O'Hare, Chief Financial Officer (New York)**

- *Joined Spark Networks Inc. March 2015*
- *Prior experience:*
  - *Square Inc.*
  - *Pandora Media, Inc.*
  - *Spectrum Equity Investors*



**Michael Schrezenmaier, Chief Operating Officer (Berlin)**

- *Joined Affinitas September 2012*
- *Prior experience:*
  - *Kuehne + Nagel*
  - *European Founders Fund*



**Benjamin Hoskins, Chief Technology Officer (Berlin)**

- *Joined Affinitas January 2017*
- *Prior experience:*
  - *OLX*
  - *eBay UK Ltd*
  - *emergn*



**Herbert Sablotny, Chief Strategy Officer (Berlin)**

- *Joined Affinitas July 2016*
- *Prior experience:*
  - *McKinsey & Company*
  - *Goldman Sachs*



Spark Networks SE is the result of a merger between Spark Networks Inc. and Affinitas GmbH



75%



25%



## 29 Countries, 15 Languages



## Pro Forma Financials (LTM June '17)

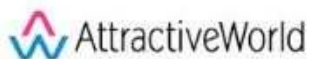
**Adj. Revenue**  
 €107 million  
 \$118 million

**Adj. EBITDA**  
 €11 million  
 \$12 million

**Cash**  
 €15 million  
 \$17 million

**Net Cash**  
 €4 million  
 \$4 million

## Key Brands



## Other Information

- Over 250 employees, +85% are based in Berlin, Germany
- Offices in Berlin (headquarters), New York, and Utah
- ~500k monthly paying subscribers worldwide
- ADR listed on NYSE American: LOV

Note: Pro Forma Figures are unaudited. Affinitas GmbH ("Elite Singles") results are presented in accordance with IFRS, and Spark Networks, Inc. are in accordance with US GAAP.  
 \* Adj. EBITDA excludes stock-based compensation expense, transaction fees, executive severance and other one-time charges. Please see appendix for reconciliation from Net Income.





## Company History: from eDarling to Spark Networks SE







Note: Affinitas: Samadhi consolidated only from Q4 2016. Figures prior to 2015 are unaudited and presented in in local GAAP.

Platform of  
Scale

We manage a differentiated portfolio of top brands, and are one of the 5 largest players in the US

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Cost  
Advantage

Lower-cost Berlin operating base allows for sustainable growth investments and strong cash flow generation

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Track  
Record of  
Growth

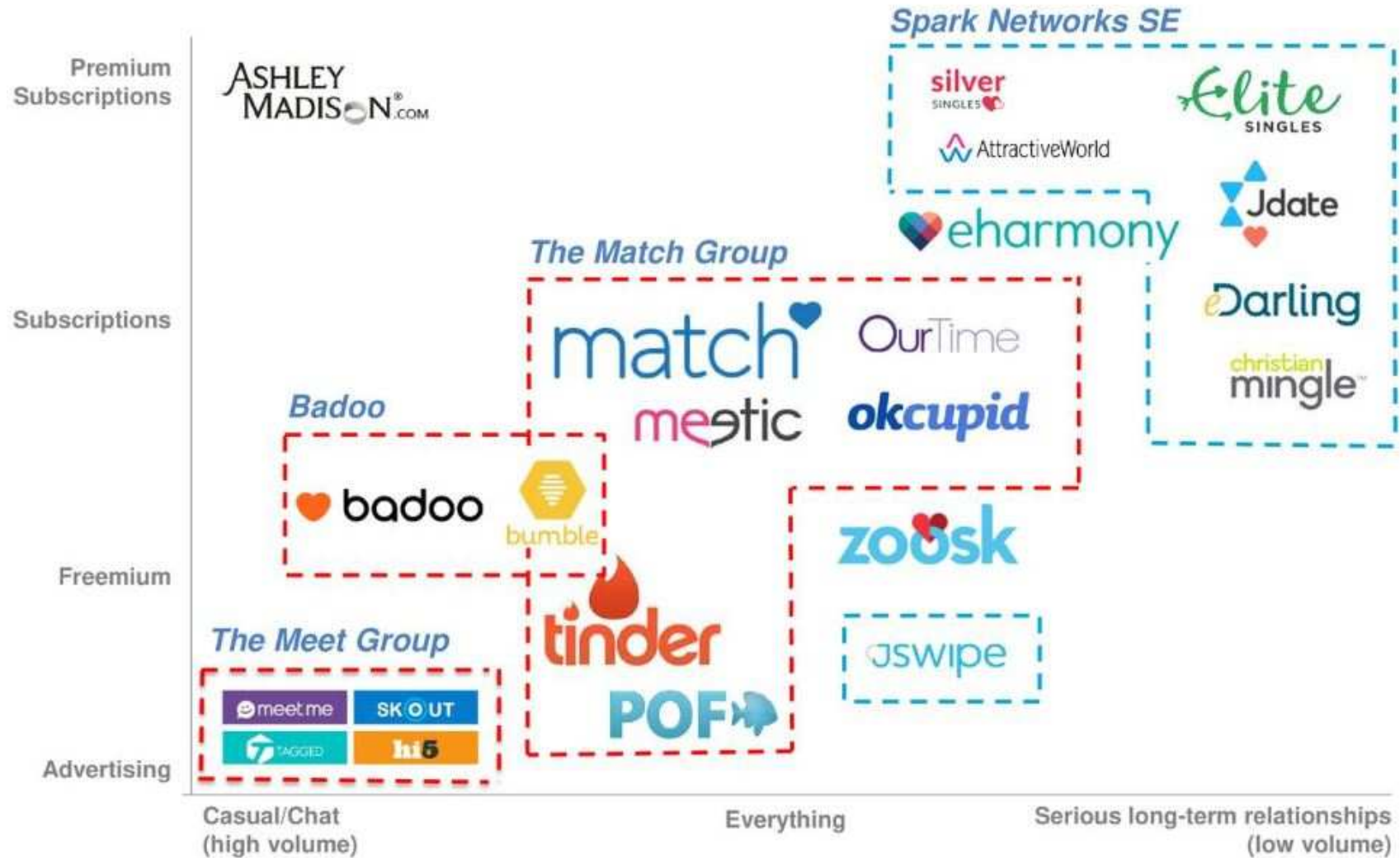
History of both driving organic growth through new product and market launches and executing accretive M&A

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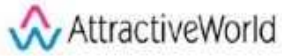



# The Spark Platform



We have an unique portfolio of strong brands with a clear positioning in the Premium & Serious Dating segment





Brand	Target Age	Description
	35+	Leading dating platform for successful, college-educated professionals
	30+	Leading Jewish dating platform in the world since 1997
	30+	Personality-based matchmaking for people seeking a serious long term relationship
	All	Leading Christian dating platform in the United States
	30+	Dating platform for discerning singles in France; member moderated community
	20-35	Jewish dating for millennials
	All	Market leader for the Mormon Community
	50+	Senior dating 50+ (to be re-launched in Dec 2017)

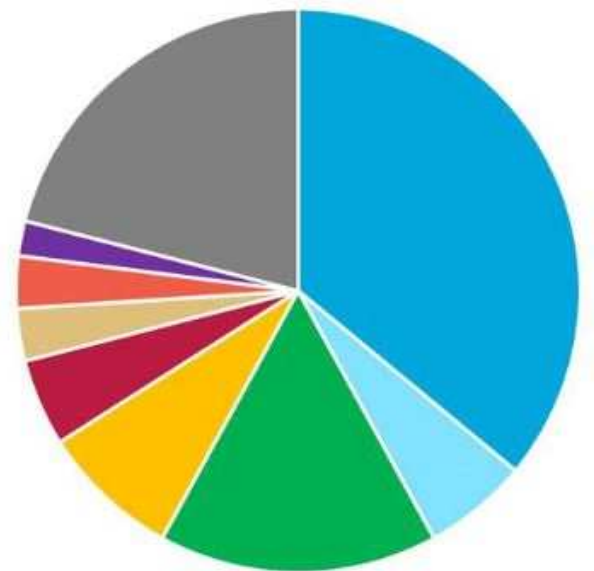
Brand Mix



Elite  
SINGLES

Note: mix based on H1 2017 revenues in €.

Geo Mix



- USA
- UK
- Spain
- Canada
- Australia
- Belgium
- France
- Germany
- Other



## Nearly Half a Million Monthly Paying Subscribers

### Affinitas GmbH Brands



**366,000**  
paid subscribers  
(Q2 2017)

### Spark Networks Inc. Brands



**115,000**  
paid subscribers  
(Q2 2017)

**Powerful portfolio of brands with nearly 500,000  
total average monthly paid subscribers**

Note: Subscriber figures are quarterly averages.



We are one of the top 5 players in the US market, profitable and playing an active role in industry consolidation

	Company	Revenues	Market Cap
1	The Match Group	\$1.3bn	\$7.7bn
2	Badoo (incl. Bumble)	<i>Private</i>	<i>Private</i>
3	Zoosk	<i>Private</i>	<i>Private</i>
4	eHarmony	<i>Private</i>	<i>Private</i>
5	<b>Spark Networks SE</b>	<b>\$118m</b>	<b>\$145m</b>

We are one of only 5 companies with over €100M of subscription dating revenue operating in North America out of 4,500 dating players, and the only publicly listed company apart from The Match Group to offer exposure to online dating subscriptions

Note: Market cap as of 5 Dec. 2017. Excludes Parship Elite Group as they do not operate in North America and The Meet Group given the majority of their revenue comes from advertising instead of subscriptions



# Operating Costs

LTM 30 June 2017

(% of Revenue)	Affinitas GmbH	Spark Networks Inc	Spark Networks SE	Long-term Target
<b>Revenue</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
Marketing Spend	63%	13%	51%	40-45%
<b>Contribution Margin</b>	<b>37%</b>	<b>87%</b>	<b>49%</b>	<b>55-60%</b>
Total Operating Expenses*	28%	71%	39%	20-25%
<b>Adj. EBITDA Margin*</b>	<b>8%</b>	<b>15%</b>	<b>10%</b>	<b>30-40%</b>
Non-GAAP Net Income*	4%	-15%	-1%	20-30%
<b>Free Cash Flow</b>	<b>9%</b>	<b>3%</b>	<b>8%</b>	<b>15-25%</b>

**Spark Networks SE is cash flow positive before implementing cost synergies. With cost synergies on Spark Networks Inc, we expect the Group to generate significant free cash flow for acquisitions and further growth investments**

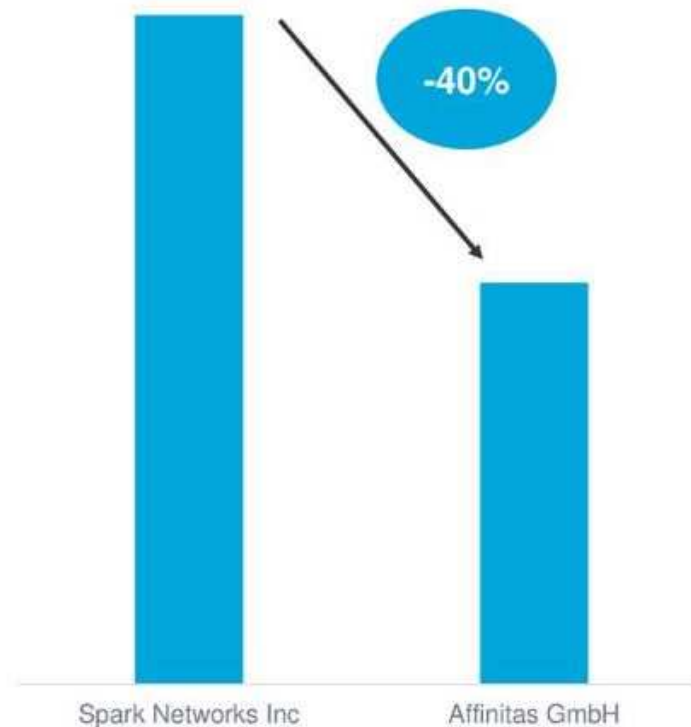
Note: Figures are unaudited and exclude the impact of Stock Based Compensation expense. EliteSingles results are presented in accordance with German GAAP.  
\* Excludes transaction fees, executive severance and other one-time charges.

**Identified Cost Synergies**

- ✓ Termination of the MSA with PEAK6 at the end of 2017
- ✓ Termination of most Spark Networks Inc. executive employment agreements in Q4 2017
- ✓ Closing the Los Angeles Office in Q1 2018
- ✓ Other efficiencies (scale benefits, duplicated contracts, etc.)

**We currently expect over €5m in cost synergies**

**Average Cost per Head\***

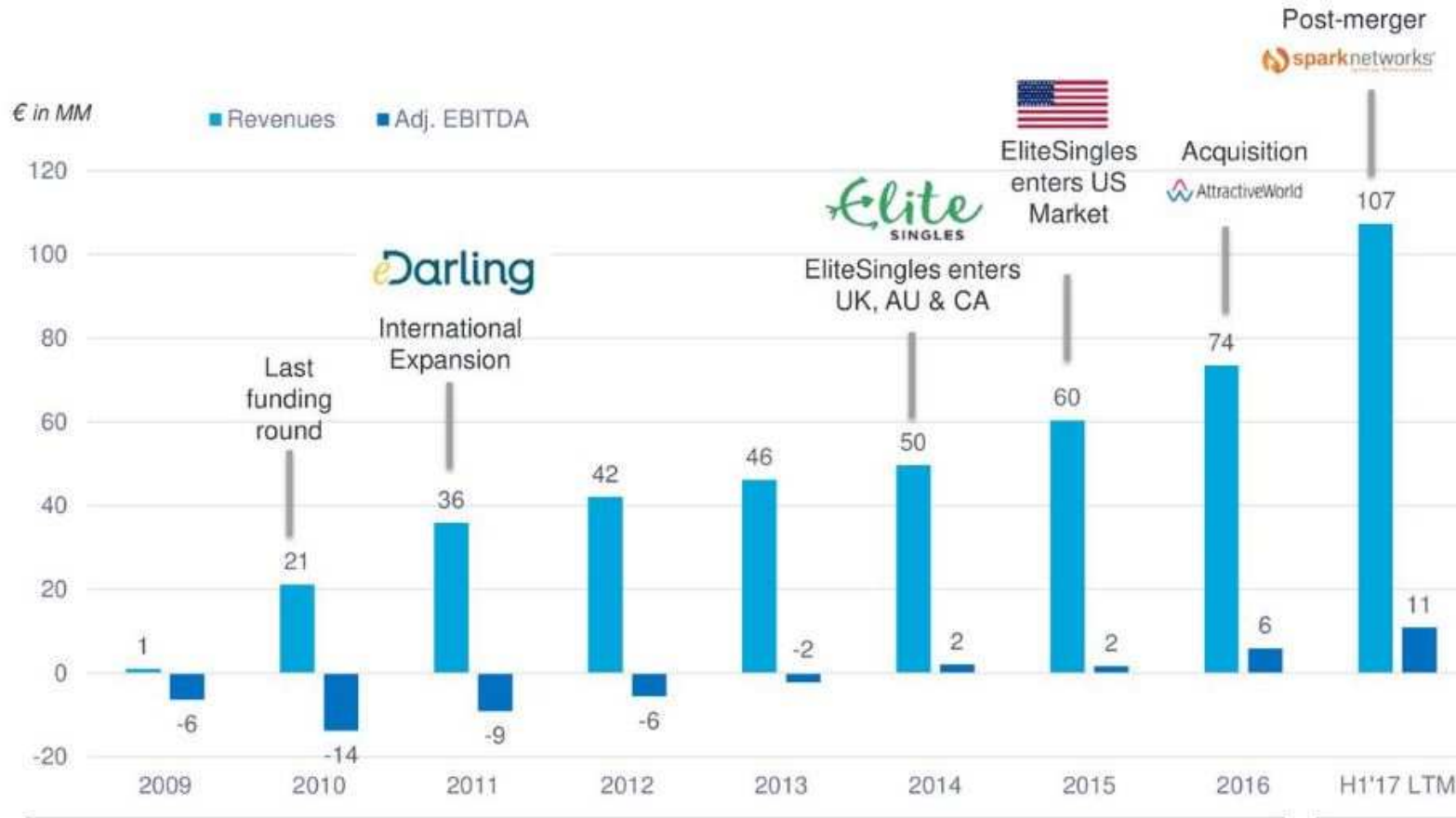


\* Figures exclude Customer Support and are fully burdened for benefits and bonuses.

# Growth Drivers



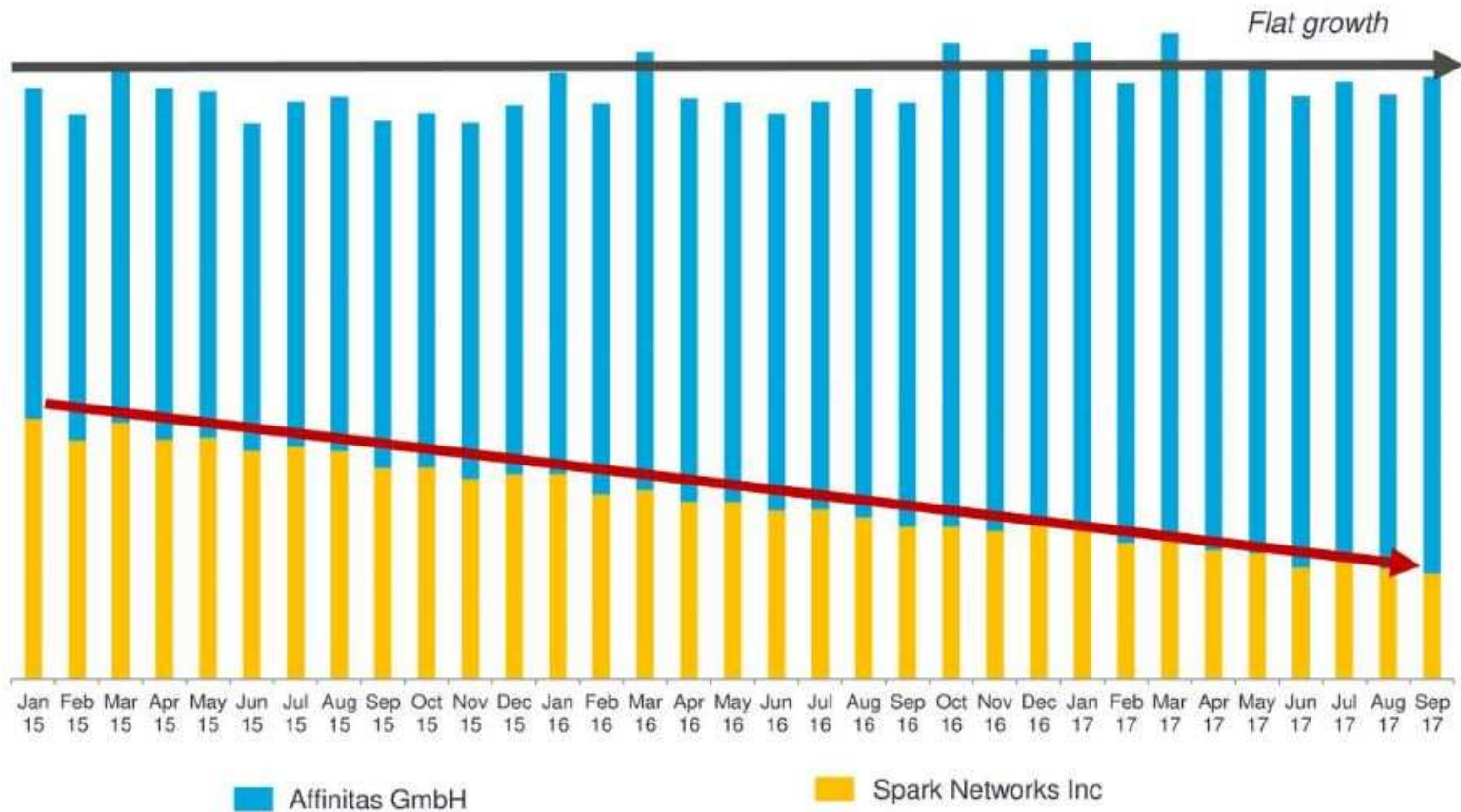
We have consistently grown Revenue organically and through M&A while also scaling profitability





However, continued organic growth will be dependent upon stabilizing JDate and Christian Mingle revenue

### Monthly Pro Forma Combined Revenue



Note: Spark Networks Inc. revenues were converted into € with monthly average exchange rates



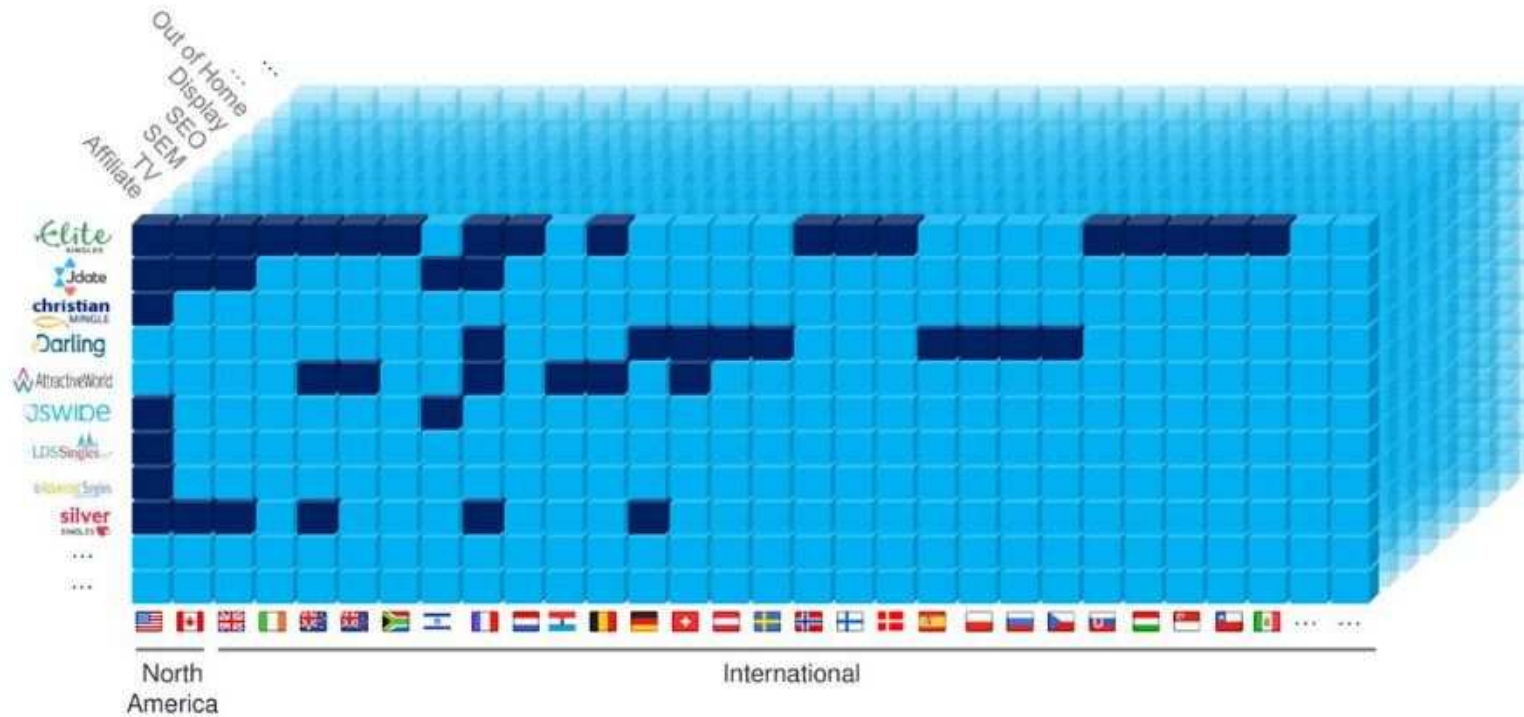
*Fun fact: EliteSingles app is consistently the #3 top grossing app in Canada after Tinder and Bumble on Lifestyle*

Country	Launch Date	Aided Awareness	Est. Market Share
France	May 2013	63%	~8%
UK	July 2013	49%	~5%
Canada	April 2014	62%	~10%
<b>USA</b>	<b>Sep 2015</b>	<b>16%</b>	<b>1%</b>

Every 5 points of “aided awareness” is worth €50m in revenue. However, scaling larger countries requires significant capital and time. Our US marketing investments have generated healthy returns, and we intend to continue to invest in this market





Currently served
  Currently unserved
  Non-public information
 Indicative

## Growth: New Markets x New Brands x New Channels



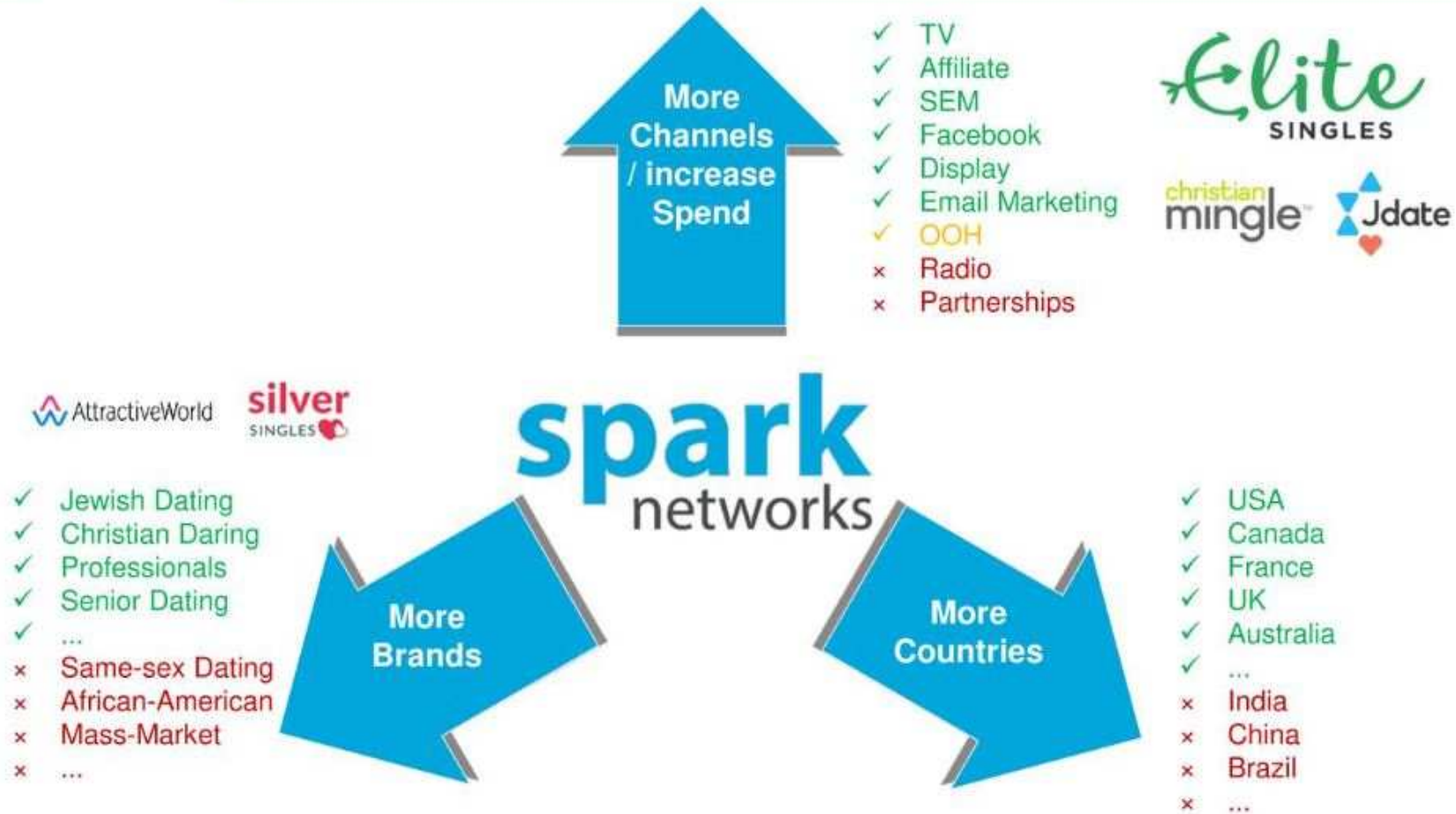


*We believe M&A activity allows us to scale our operations and grow our brand portfolio in a value accretive way*

	Deal Value	EBITDA	Multiple		Cost Synergies	Adjusted Multiple
 AttractiveWorld	€6.8m	€1.0m	6.8x		€1.0m	3.4x
 spark networks <sup>®</sup> <small>Igniting Relationships</small>	\$32m	\$1.0m	32.0x		\$5-8m	5.3-3.6x

**Further consolidation will continue to be a key growth vector for Spark Networks SE**





We have a long track record of executing across all three strategic development paths and will leverage this knowledge to drive future growth

# Brand Review

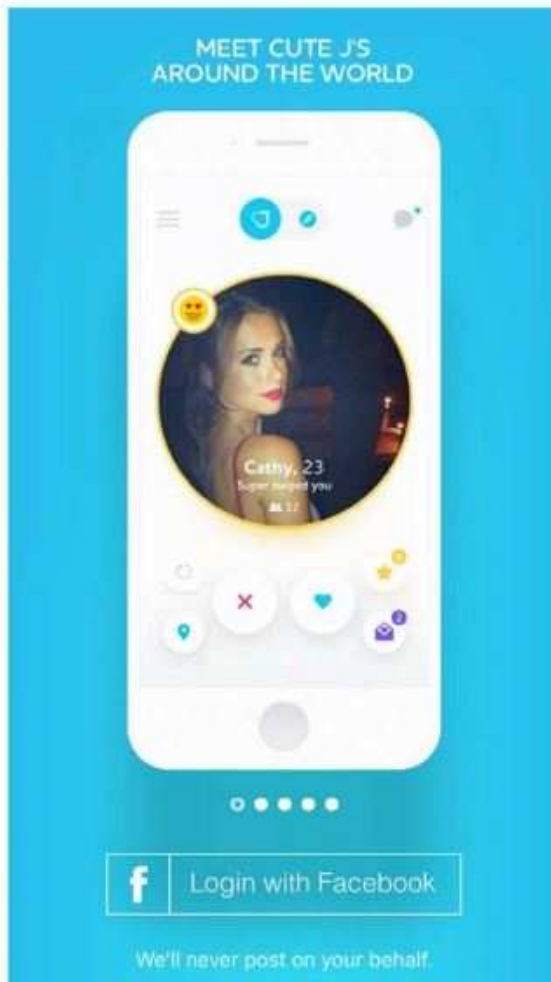


- EliteSingles, eDarling and SilverSingles are the core of new Spark's product portfolio with over 2/3 of revenues generated by these brands
- Product is a classic online matchmaking service with an extensive registration process based on a scientific questionnaire (280 questions) offering a limited number of matches per day.
- **Monetization is 100% via subscription with a hard paywall**
- **Approx. 70% of monthly signups come from mobile**



- JDate and Christian Mingle are certainly the strongest and most known brands (in the U.S.) in our portfolio
- Product is an online personals service with an open search functionality to browse the user base.
- Users must subscribe to communicate on the platform
- **Monetization is 100% via subscriptions but as classic freemium (soft paywall)**





- JSwipe is the leading dating app for the Jewish community and the most innovative product in the portfolio
- It is a well-known brand among millennial users from the Jewish community
- **Pureplay iOS / Android app product**
- **Freemium model. Monetization done both via subscriptions as well as “a la carte” options**





- AttractiveWorld is a well-established brand in France with a similar target group to EliteSingles
- Its key feature is that the community has to vote new members in before they can use the product and **only 1 in 3 are accepted**
- It is an open-database and users can browse using various filters
- **Monetization is 100% via subscriptions**



- Spark Network SE key strategy for tech & product in 2018 is to create a common platform which can integrate all brands
- Only a common platform will
  - facilitate fast and **cost efficient roll-out of new features to all brands** (ensuring all brands are state-of-the-art)
  - facilitate fast and **cost efficient creation of new brands and expansion to new countries**
  - enable **further M&A** and rapid integration
  - ensure a very **lean product and tech organization**
  - Eventually **shared liquidity**

# Conclusion

Platform of  
Scale

We manage a differentiated portfolio of top brands, and are one of the 5 largest players in the US

Cost  
Advantage

Lower-cost Berlin operating base allows for sustainable growth investments and strong cash flow generation

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Record of  
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History of both driving organic growth through new product and market launches and executing accretive M&A

# Appendix



### Valuation Overview

	<u>12/5/17</u>
(\$MMs except per share figures)	
<b>Enterprise Value Calculation:</b>	
Share Price	\$ 10.98
American Depository Receipts (ADRs in MMs)	<u>13.2</u>
<b>Market Capitalization</b>	<b>\$ 144.6</b>
Net Cash (6/30/17)	<u>4.3</u>
<b>Enterprise Value</b>	<b>\$ 140.4</b>

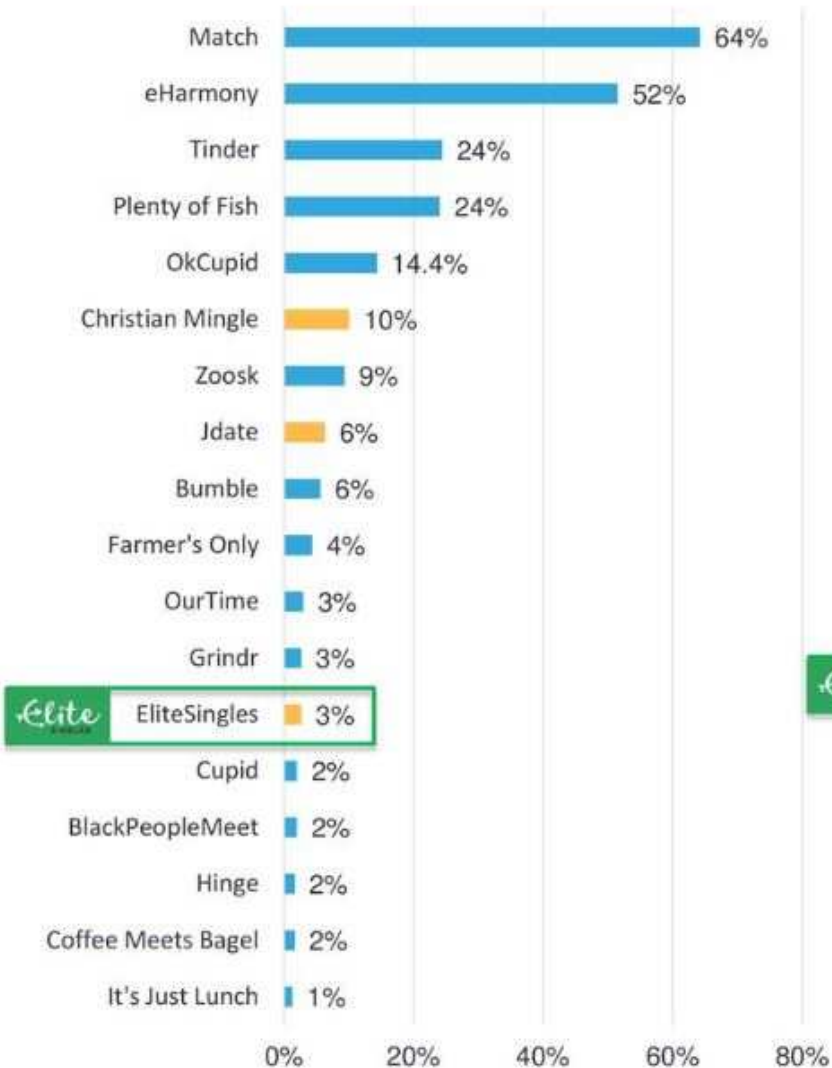
### Top Holders Detail

<i>(ADRs in MMs)</i>	<u>ADRs</u>	<u>% of Total</u>
Affinitas Phantom Share GmbH	2.8	21.1%
Rocket Internet SE	2.3	17.7%
Mercutio GmbH	1.2	9.0%
Holtzbrinck Ventures NM GmbH	1.1	8.2%
PDV Inter-Media Venture GmbH	1.1	8.2%
Lloyd Miller	0.6	4.3%
PEAK6	0.5	3.8%
<b>Top Seven Holders</b>	<b>9.5</b>	<b>72.2%</b>
<b>Total ADRs Outstanding</b>	<b>13.2</b>	

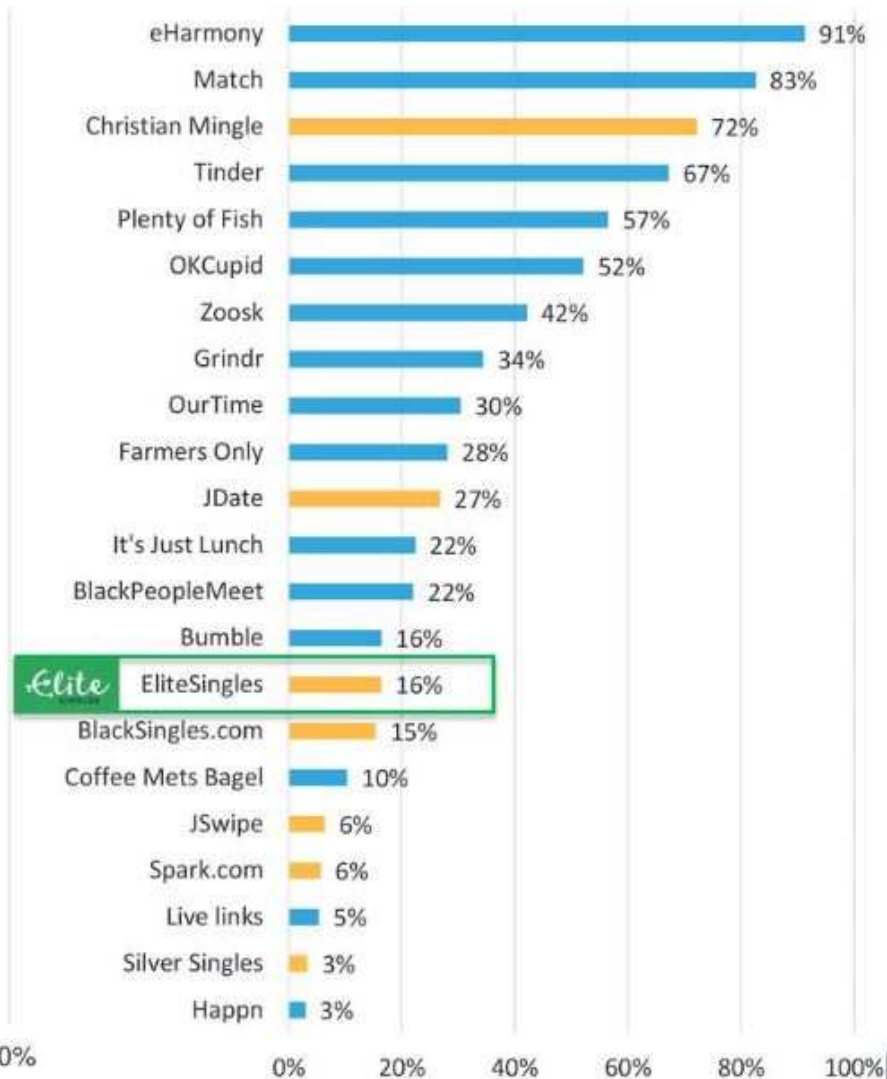
## US Awareness Tracker Results (Q2 2017)

Christian Mingle is our best known brand in the US, in total we have 7 brands with brand awareness

### Unaided Brand Recognition – No prompt



### Aided Awareness – Suggested List



Note: Aided brand awareness figures based on customer survey data from Q2 2017.

### Reconciliation of Total Comprehensive Income/ (Loss) to Adj. EBITDA:

(€ in 000s)

	FY 2016	H1'17	H1'16	LTM 6/30/17
Total Comprehensive income/(loss) for the period	€ 691	€ (1,704)	€ (69)	€ (944)
Discontinued operations	632	-	607	25
Net finance expenses	268	346	81	533
Income taxes	1,082	(616)	239	227
Depreciation	251	98	45	304
Amortization	1,027	1,407	8	2,426
Impairment of property, plant and equipment	-	25	-	25
Share-based compensation	991	376	556	811
Non-recurring financing, acquisition, and severance costs	927	2,438	49	3,316
<b>Adjusted EBITDA</b>	<b>€ 5,869</b>	<b>€ 2,370</b>	<b>€ 1,516</b>	<b>€ 6,723</b>



## Reconciliation of Net Loss to Adj. EBITDA – Spark Networks Inc.

### Reconciliation of Net Loss to Adj. EBITDA:

*(\$ in 000s)*

	<u>FY 2016</u>	<u>H1'17</u>	<u>H1'16</u>	<u>LTM</u> <u>6/30/17</u>
Net loss	\$ (6,890)	\$ (4,644)	\$ (3,079)	\$ (8,455)
Interest expense	83	78	33	128
Income tax (benefit) provision	(1,028)	(92)	(516)	(604)
Depreciation	3,234	3,374	1,458	5,150
Impairment of intangible and long-lived assets	4,629	24	91	4,562
Amortization of intangible assets	293	98	156	235
Non-cash currency translation adjustments	(66)	(423)	(64)	(425)
Stock-based compensation	982	345	666	661
Non-recurring legal, financing, acquisition, and severance costs	1,234	2,530	431	3,333
<b>Adjusted EBITDA</b>	<b>\$ 2,471</b>	<b>\$ 1,290</b>	<b>\$ (824)</b>	<b>\$ 4,585</b>