

Initiative



MEDIAFACTBOOK
ROMANIA 2023

THIS DOCUMENT IS A PRODUCT OF INITIATIVE.

In putting together the Media Fact Book we have used data and information supplied by: Romanian Transmedia Audit Bureau (BRAT), National Readership Survey and Consumption (SNA Focus), Kantar Media, International Advertising Association (IAA), Interactive Advertising Bureau (IAB), The National Institute of Statistics (INSSE), Gemius AdReal data, The Romanian Association for Audience Measurement (ARMA), The Romanian Association for Radio Audience Measurement (ARA), Global Web Index, eCommerce Awards Gala (GPeC), Eurostat, Statista, The National Authority for Management and Regulation in Communications (ANCOM), The Internet Traffic Audience Study (SATI), Business Monitor International, Social Progress Index by Deloitte (SPI), DataReportal (Kepios Analysis), JustWatch Report, BOLD Study (The impact of economic crisis on Romanians' health – a custom research by Initiative, MedicOne, Path & iSense).

Acknowledgements to the following members of:

the **INITIATIVE** team: Alexandra Olteanu, Ruxandra Stefan, Ana Andrei, Ruxandra Stan, Corina Burlan, Razvan Simionescu, Alexandru Toreanik, Catalina Ghita, Alexandru Miu, Andreea Dinescu, Cosmin Otel, Daniel Popescu

PATH: Denisa Andrei, Roxana Bleoaja,

who significantly contributed to this book.

The visuals were generated by using MidJourney AI Art.

Special contributors:

- Maria Pop, Marina Constanda – Golin
- Cristina Pascaru, Hoang-Anh Vu – Initiative
- Nicoleta Grigoriu

© INITIATIVE MEDIA S.A, Bucharest, 2023 All rights reserved

This publication is protected by copyright. No parts of this book may be reproduced without the prior written consent of the copyright owner.

Readers should understand that the data contained in the Media Fact Book is as actual and accurate as the sources could provide at the moment the book was written.

Your comments and suggestions are welcome as a valuable input for the future editions of this book.





CONTENT

Editor's Foreword	5
Consumer Insights	6
Media Market	11
Television Market	28
Digital Market	51
OOH Market	69
Radio Market	76
Print Market	83
List of abbreviations	87

EDITOR'S FOREWORD



Between the harsh realities of an analog world, with its economic struggles and war and the shiny spectacular options rushing towards us from the innovation labs of the tech industry, we get to build our lives and businesses.

After years of slow, incremental growth one can say we are at the dawn of a technological breakthrough with everything Artificial Intelligence promises to change forever in the way we work, understand the world, and use our creativity.

How will Artificial Intelligence transform the media industry is the million-dollar question. Maybe we will become faster, more insightful due to the speed between the moment we ask a question and the answer we receive, or maybe we will be forced to create new rules

to be able to distinct between AI generated content and the one designed by humans.

The disruption it creates versus the benefits will be the subject of many debates in the future, but one thing is certain, the world is changing faster, and we all need to be prepared to learn, adapt, and understand how to make it work the best for our objectives.

This year we decided to see the way Artificial Intelligence can create images that speak about the future of the media industry and how concepts like reach and display come to life in human centric visuals.

We invite you to read our latest report having in mind that we get to live truly transformative times and only the ones with vision, courage, and willingness to play will enjoy the leader role.

CHAPTER 1

CONSUMER INSIGHTS 2023



CONSUMER INSIGHTS 2023



When crisis become the norm and they overlay in a web of situations that seem without ending, people start to build coping mechanism designed to help them get by and get ready for new challenges.

The last few years were marked by a cascade of larger-than-life events: pandemic, war, and inflation; most of them should happen once in a generation, but sadly we got to live all at once.

2022 was also the year when we found out the results of the latest census, in the last ten years Romania's population shrunk by 1 million people, reaching 19.053.800.

One of the most impactful findings is the demographic aging, an aspect that comes with significant economic consequences for the next decade and will determine a series of policies designed to help the overall progress of society.

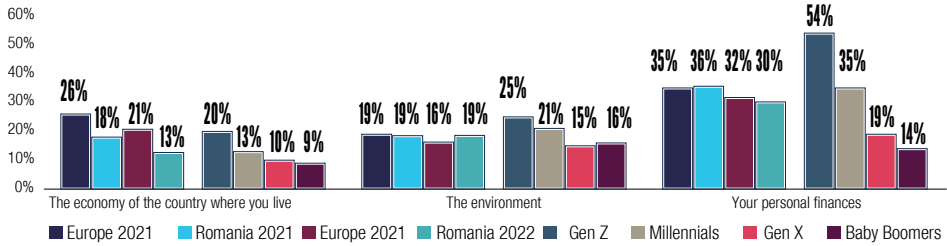
With a constant afterthought about health as the most valuable asset, followed by peace seen as something impossible to destroy, came the economic crisis with the constant stress of every day costs getting higher because of the inflation. The cost-of-living crisis that impacted the entire world is leaving its mark on the Romanian consumer affecting decisions and choices on all levels.

BUILDING RESILIENCE & THRIVING AGAINST ADVERSITY

Symbolic but extremely impactful, the mindset Romanians are going through is increasingly pessimistic, and this comes with a change in purchasing habits, in how they make plans and in how they position themselves in relationship with brands and authorities. In a mix of macro-economic realities and individual financial struggles, 2022 and the first part of 2023 are proving to be a time of personal reassessments and resilience building.

According to Global Web Index 2022 research on the online population we registered an increasing pessimism vs. 2021, particularly coming from older generations (X & Boomers generations), on country's economic evolution & personal finances in the next six months. Gen Z & Millennials are far more optimistic, much closer to the European average. The economic environment and personal finances are the subjects that generated the highest levels of stress for Romanians in 2022.

CHART 01: ATTITUDES TOWARDS THE FUTURE



Source: GWI, Online population

The winter 2022-2023 Eurobarometer offers more insights in what constitutes the biggest worrying factors for the Romanian consumer, after inflation and soaring prices, health, and education are mentioned, and energy saving strategies were implemented by 64% of the population.

While in 2022 Romania had closed the gap to Hungary and Portugal in terms of GDP per

capita, translated in purchasing power parity, according to the March 2023 data published by Eurostat, the local consumer is not feeling this economic progress in his quality of life. Last year, Romania climbed one position in the global Social Progress Index study made by Deloitte, a ranking for evaluating a multitude of factors that reflect on the quality of life and social wellbeing.

THE NEW NORMAL

When we take a closer look at the changes the Romanians were forced to make to deal with the pressing cost of living crisis, we see numerous behaviour shifts meant to protect the family budget, while keeping a good living standard.

One of the most stress inducing preoccupation for all Romanians is managing a good health and all the costs related to this. Initiative Media, in partnership with Medic One and iSense Solutions, designed a custom research about the impact of the economic crisis in how Romanians manage their health. 70% of the respondents from this national study declared they were affected by the rising costs for medicines and medical services. While almost half of them declared the prescriptions were too expensive and they struggled to make the purchase, the most impactful behaviour change was registered for 17% of the chronic patients who were forced to give up on treatment and investigations or to reduce the dosage.

The findings from our study are corroborated with the ones from Global Web Index, where we see how Romanians did not seem to focus

on healthcare as much and in the context of financial pressures we can notice they adopt slightly different behaviours when it comes to selfcare: the price became the most important factor to consider when buying pharmaceutical brands (40% vs. 36% in 2021), and information and recommendations found online are now more important (21% vs. 19%) because this way they can skip a medical appointment.

Other changes Romanians were forced to make are also revealed in the Global Web Index 2022 research about our country and not surprisingly given the economical context, we noted a 2% YoY increase in the part of population declaring to use reward and loyalty programs for retail and services, reaching 35%.

Financial pressure has an impact on the behaviours Romanians adopt when it comes to holidays and travel. Though value for money remains key criteria when choosing a destination (45%), special offers and deals face a significant increase in 2022 compared with 2021 (+2% YoY at 25%) together with good facilities for families (+2% YoY at 18%).

Trade-offs are visible on aspects like ease of travelling and cultural experience which significantly lost their importance (16%, respectively 10%).

While the interest rates are on an upward trend and consumers are increasingly aware of each financial decision, their selection made major markets like real estate and cars deliver poor results in terms of sales, with high fluctuations from month to month.

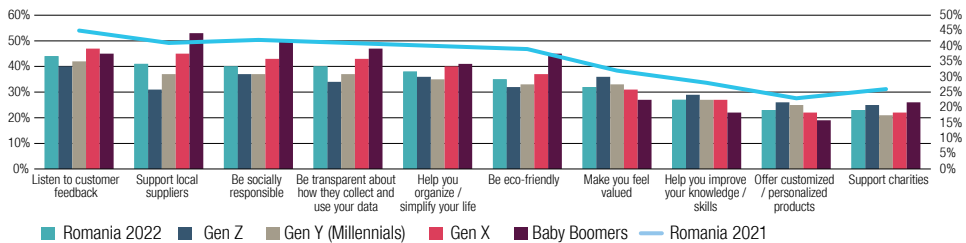
SHORTER TERM PLANS & CREATING A PERSONAL SAFE SPACE

Culturally, Romanians score high in community values and have a more traditional approach on life (spending time with family, helping others before oneself) vs. previous year and Europe's average, yet significant changes can be noted for those values that add up psychological pressure on oneself (being financially secure, being successful, learning new skills, challenging oneself) indicating a higher need to embrace the uncertainty and focus on those aspects one can control. Importance of having a positive attitude has also decreased significantly vs. last year and Europe's average which can reflect Romanians defeated attitude and the overall need of better guidance from institutions and purpose-driven brands aiming on the greater good of the society.

Key traits a brand should display to please Romanians are reliability (71%), authenticity (52%) and brightness (meaningfully different and innovative: 49%). Interestingly, we notice a significantly higher pressure on brands to be innovative (44%, +3% vs. 2021) and cool (23%, +2% vs. 2021). The younger generation expect brands to show more of their funny, exclusive & young side.

Talking about brand actions, what Romanians would desire more is for these to listen to customer feedback (44%), support local suppliers (41%) and be socially responsible (40%). Also, we notice less pressure than in 2021 for brands to be eco-friendly (35%, -4% YoY) which could be a result of financial pressure and belief that the cost of eco-friendliness is automatically translated in either higher price or lower quality.

CHART 02: WHAT CONSUMERS WANT FROM BRANDS? TOP 10 BRAND ACTIONS



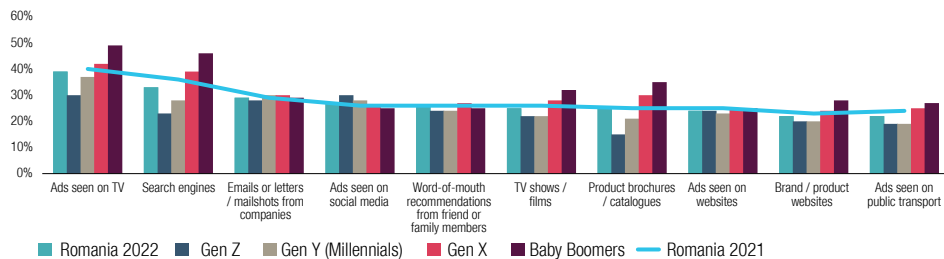
Source: GWI, Online population

According to the Global Web Index research of the Romanian market, when it comes to how we discover new brands and products the top sources are TV ads (39%), search engines (33%), ads on social media (27%) and word-of-mouth (26%). We continue to see a dominance of TV as influential medium for brand discovery and a significant difference between Romanians and other Europeans who, on average, have search engines as their top choice (37%), followed by TV (34%),

word-of-mouth (32%), and ads on Social Media (25%).

Another interesting findings show how brand discovery is changing for today's consumer: it is noted a rise of ads seen before online videos, ads seen in mobile games and ads seen in virtual spaces among the top ways Romanians find new brands and products online.

CHART 03: HOW CONSUMERS FIND NEW BRANDS AND RESEARCH PRODUCTS? TOP 10 CHANNELS

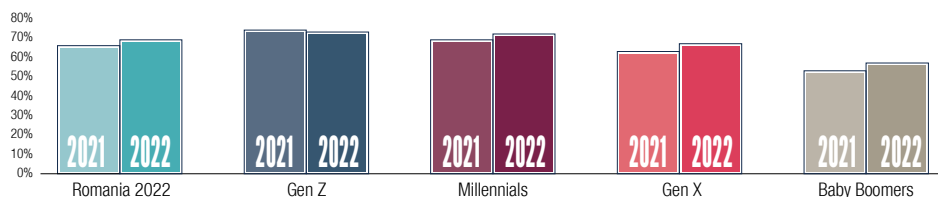


Source: GWI, Online population

This comes together with significant increases in internet usage for the 55 to 74 age segments, a 6% increase YoY, and a positive trend for digitalization for lower education with a 6% increase for internet usage. The post pandemic trend of small everyday digital new behaviours is helping all segments of the population.

The internet is a major source of information, entertainment and comfort for all generations and online video becomes the most impactful type of digital content, making a natural crossing from the classic TV to an always-on-the-go mindset. Baby boomers (+7% vs. last year) and Millennials (+4% vs. last year) marked up the increase in online video consumption in 2022.

CHART 04: DAILY VIDEO CONSUMPTION



Source: GWI, Online population

From a financial behaviour perspective 2022 brought an expansion of mobile payments (21% of respondents used their smartphone to pay in the last month vs. 17% in 2021), particularly Gen Z and a significant increase of those sending money to friends or family via mobile (28% vs. 25% in 2021), particularly Gen X.

According to the 2022 SNA Focus consumer study, what matters for Romanians when it comes to choosing the right website for online shopping are aspects related to price, special offers, easiness in placing the order, and delivery conditions. As a sign of maturity and experience we register an increase of importance for the website's reputation and ease of navigation.

The constant changes in policies, the economic insecurity and the short-term plans have impacted the level of trust Romanians have in local and European institutions. On all levels we see a decrease in trust on a higher level than the European average. This mindset crosses over also to media sources where, according to the winter 2022-2023 Eurobarometer, the consumer trust in media decreased by 3% in the last six months. More than half (61%) declare they know how to spot false news, a percentage significantly lower than the European average (81%).

It seems the Keep calm and Carry On attitude will help Romanians manage all the economic struggles that 2023 will bring and also will define a moment of returning to a more personal and short-term mentality necessary to face the troubled times ahead.

CHAPTER 2

MEDIA MARKET



MEDIA MARKET

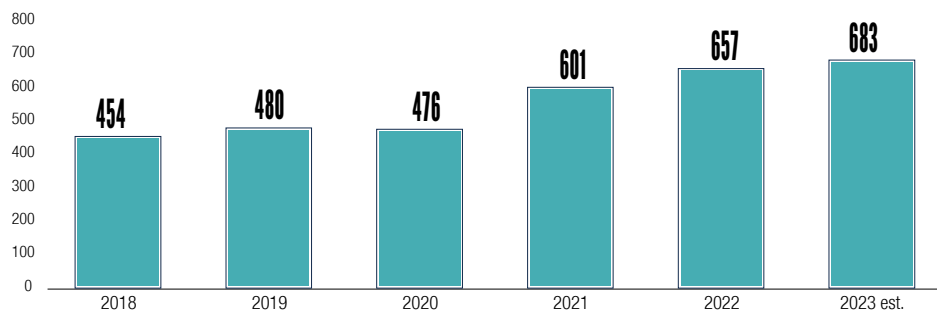


2022: MEDIA MARKET SUSTAINED A POSITIVE TREND DESPITE THE TENSIONS AT THE BORDER AND EU ENERGY CRISIS

In 2022, the first year after the pandemic, the Romanian economy increased by 4.7%, growth being triggered by a strong private consumption and robust investments. However, the media market response to this positive trend was moderately optimistic, as advertisers could not foresee the impact of the

war on our economy and preferred to manage their budgets cautiously. At the end of 2022, the media market reached an estimated total net of €657 Million (+9% vs. 2021), a lower dynamic evolution compared to 2021 (+26% vs. 2020).

CHART 01: 2018-2023 ESTIMATED TOTAL NET AD-SPEND BY MEDIA (MILLION EURO)



Source: Initiative estimates.

Digital continued to achieve a significant growth (+25% vs. 2021), although at a diminished pace compared to 2021 (+56% vs. 2020) as the digitalization process started in 2020 continued to build up driven especially by organic factors such as eCommerce & media consumption shifts. Digital reached at the end of 2022 an estimated 232.9M euro representing 35% of the total media market.

In 2022 the TV channels had to bear the brunt of a more abrupt TV audience erosion than in

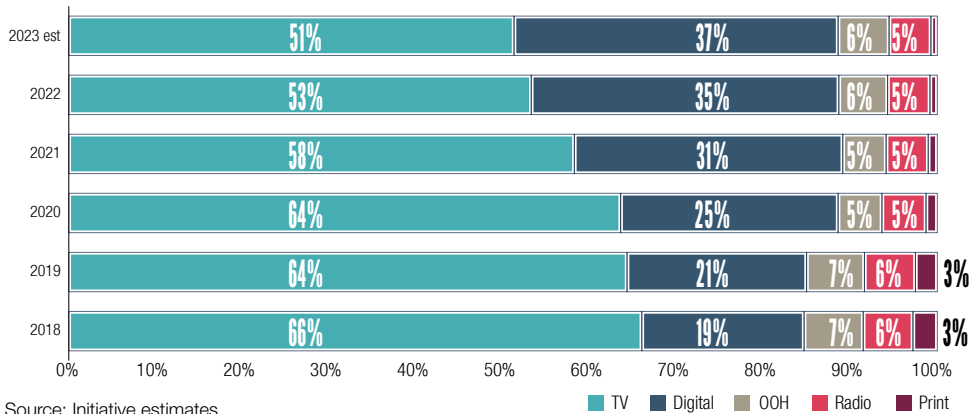
the previous year -10% vs. 2021 vs -8% in 2021 vs 2020 as population returned to a normal life, rejoicing their newfound mobility freedom with more frequent out-of-home socializing and travel occasions throughout the entire year. By the end of the year, the estimated net TV market stayed flat at 350M euro, representing 54% of the net media market.

Both OOH (+23%) and Radio (+10%) continued their 2021 process of consolidating their ad revenue recovery after being severely

affected by lockdown and the various mobility restrictions in place throughout 2020 and 2021. OOH gathered 37M euro and Radio 32M euro, each representing 6% and respectively 5% of the estimated net media

market. Print was the only media industry on negative trend, dropping by 10% vs 2021 at 5.6M euro and gathering slightly less than 1% media market share.

CHART 02: 2018-2023 MARKET MEDIA MIX (NET PAID AD-SPEND)



For 2023, European Commission revised its forecast for Romania, increasing the economic growth prognosis at (+3.2%) real GDP compared to first release of (+2.5%). This means that in 2023 our country will continue to grow at a slower pace vs. 2022, as persistent inflation, strict financing conditions imposed by the National Bank,

as well as a slow increase of our commercial partners will slow down the progress.

Our current estimation is that the total media market will reach 683M euro by the end of 2023, with a moderate growth for Digital (+9%) and OOH (+8%), marginal increase for Radio (+3%), a flat evolution for TV and 11% decrease for Print.

TOP 10 SECTORS: RETAIL CONSOLIDATED LEADERSHIP OVER HEALTHCARE, WON IN 2021

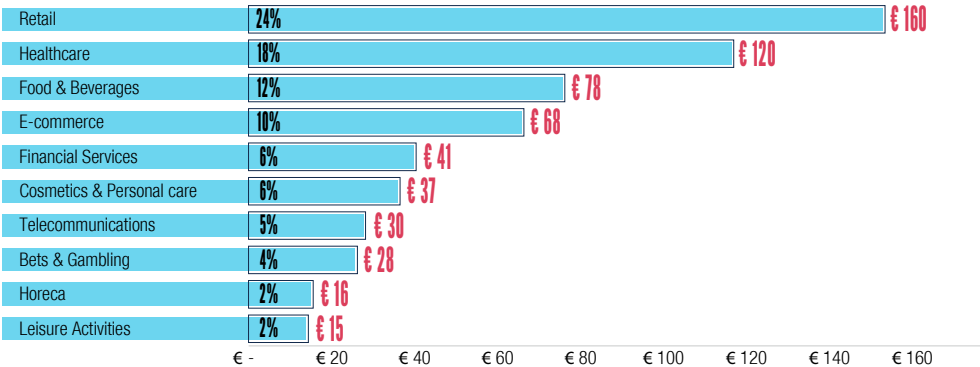
2022 was the first year after the pandemic which had the potential to bring the media market back to its natural evolution, driven by the economic progress and filtered by the demand vs. offer balance. Unfortunately, the Ukraine war burst early in the year and the continuous strain imposed by high prices inflation and EU energy crisis, determined most advertisers to be cautious regarding the media budget allocation, given the uncertain perspectives and lack of predictability.

The top 10 sectors were dominated by Retail (24% of total estimated net media market for all media), and Healthcare (18%), both with increasing budgets, followed by Food &

Beverages (12%) and eCommerce (10%), which kept their rank, despite decreasing investments.

This trend was influenced by the shifts in consumers' demand in the new context which made them more pragmatic with regards of their household expenses, as the cost of living increased exponentially in 2022. Notable positive dynamics were registered by Financial Services (6%) which pushed up three places due to NBFI and Insurance companies spendings, as well as HoReCa (2%) and Leisure Activities (2%), two sectors which boosted their media activity after the pandemic, to harness the recovery potential.

CHART 03: TOP 10 SECTORS - ESTIMATED NET EXPENDITURE BY SECTOR (ALL MEDIA)

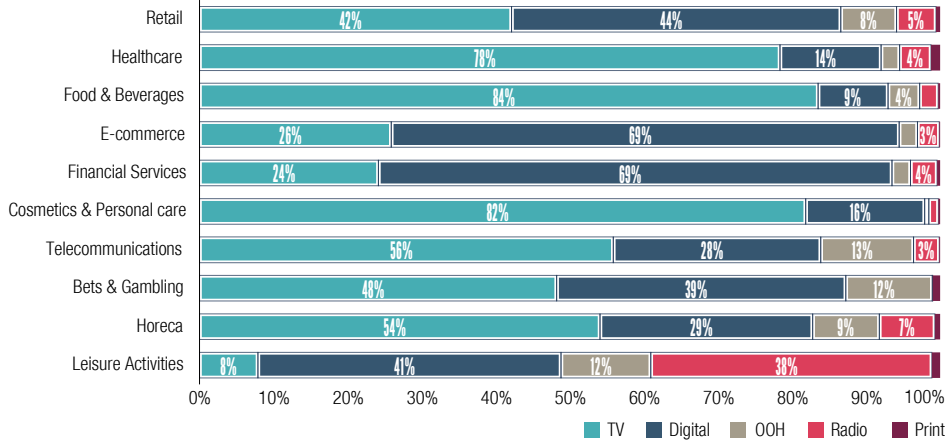


Source: Initiative estimates.

The media mix approach is specific by sectors based on purchase cycles and the way consumer segments use media touchpoints: from TV driven communication for Food & Beverages (TV 84%), Cosmetics & personal care

(TV 82%), Healthcare (TV 78%), which sell their products and services mostly in physical premises, to businesses with a highly digitalized consumer contact such as Financial Services and eCommerce both with Digital 69%.

CHART 04: 2022 TOP 10 SECTORS MEDIA MIX (% OF ESTIMATED NET SPENDING)



Source: Initiative estimates.

Between these two extremes are the sectors with a more balanced touchpoints allocation such as Retail, with comparable TV vs. Digital allocation, as well as Bets

& Gambling and HoReCa, with Leisure Activities reflecting the most peculiar mix (almost equal allocation to Digital and Radio, and lowest TV share).

2022 MEDIA MARKET SNAPSHOTS AND 2023 EXPECTATIONS

TV MARKET

DESPITE THE MORE ABRUPT TV PERFORMANCE EROSION TREND, TV CHANNELS CONTINUE TO BE LAUNCHED ON THE MARKET

In 2022 we fully recovered our normal lifestyle and the desire to regain the temporarily lost mobility as we resumed the more frequent out-of-home socializing events, putting the TV channels currency under significant strain by inflicting a 10% Rtg erosion vs. 2021, while the pressure on TV prices brought by the increased air-time demand triggered an average high double digit CPP buying inflation versus the previous year.

Despite the decreasing audience trend, TV audience profile is stable at both urban and national levels and yearly shifts are marginal, given the high scale of population involved in the measurement. Still, 2022 registered some changes triggered by events strong enough to impact the general profile: the war in Ukraine, the global economic crisis with its EU and local implications and the major sports events Beijing Winter Olympics 2022 in February and FIFA 2022 Football World Cup Qatar in November-December. Nationwide, audience is more stable, mostly due to a profile based on a stable 48.2% rural TV audience showed a slight affinity increase in small and medium urban areas (+0.6pp) vs. 2021, while audience in Bucharest and large cities continued the annual marginal erosion (-0.5pp vs. 2021). Interesting to notice that the penetration among high social status increased significantly (AB social grades +2.1pp vs. 2021) also at national level, given the high interest in breaking news and frequent updates regarding important geo-political and economic topics with high potential to impact our country.

Generalist channels are consolidating their penetration among medium and high social status by continuing to invest in local shows with high engagement potential.

In 2022 top three channels ranking was stable, with Pro TV (Rtg. 3.4% & SOA 22% vs.

Rtg. 3.7% & SOA 21.6% in 2021) decreasing marginally in rating but increasing in share, while Antena 1 (Rtg. 2.3% & SOA 15.2% vs. Rtg. 2.8% & SOA 16.2% in 2021) and Kanal D (Rtg. 1.2% & SOA 8.1% vs. 1.8% & SOA 10.5% in 2021) dropped in both rating and share. A cluster of three News stations follow, Romania TV (Rtg. 0.7%, SOA 4.4%), Antena 3 CNN (Rtg. 0.6%, SOA 3.9%) and Digi 24 (Rtg. 0.5%, SOA 3.2%). Next in line are Digi Sport 1 (Rtg. 0.4%, SOA 2.3%), the public television TVR 1 (Rtg. 0.3%, SOA 2%), and women thematic channels Happy Channel (Rtg. 0.3%, SOA 1.7%) and Antena Stars (Rtg. 0.3%, SOA 1.7%).

Talent shows and cooking programs remained in 2022, as in the previous years, the most watched TV broadcasts. Romanii au talent (Pro TV) is still the audience's first choice when relaxing in front of the TV, more than ten years after its launch; this year Survivor Romania (Pro TV) managed to be the public's second preference, pushing Chefi la cutite (Antena 1) on the third place. Vocea Romaniei (Pro TV), iUmor, (Antena 1). Masterchef (Pro TV) and Te cunosc de undeva were also popular in 2022. Pro TV launched new productions Survivor Romania, a new TV series Clanul and Batem palma? Antena 1 launched two new comedy productions, Romania are roast and Stand-up Revolution, as well as Dancing on ice.

News gained 2.2% ratings overall in 2022, prompted by the Ukraine war. Romania TV with the highest rating in this cluster, 0.7 Rtg vs 0.6 in 2021, followed closely by Antena 3 CNN (+3.2% Rtg), Digi 24 came third and lost 2.3% Rtg; Realitatea Plus achieved the highest increase in rating, +20%, while B1TV (-25% Rtg) and Aleph News (-24% Rtg) dropped in ratings and share.

Women channels lost 2.7% overall ratings in 2022. Happy Channel (+2% Rtg, 1st place), Antena Stars (+16% Rtg, 2nd place) and Acasa Gold (+39% Rtg, 4th place) increased, while Diva (-16% Rtg, 3rd place), Acasa (-43% Rtg), TLC (-17% Rtg) and E! Entertainment (-16% Rtg) dropped versus 2021.

Movies channels lost 4.6% ratings overall in 2022. Leading station Pro Cinema (0.25% vs. 0.26% in 2021), decreased only marginally, while Film Café increased from 0.16% to 0.18%, and AXN went from 0.17% to 0.15% in 2022. AMC (-1% Rtg), Comedy Central (-21% Rtg), TV1000 (-7% Rtg), Warner TV (-32% Rtg), AXN White (-43% Rtg), AXN Black (-49% Rtg) with YTY decrease, while Cinemaron, with an impressive dynamic (+107% Rtg), and Bollywood TV (+18% Rtg) are the only channels with yearly growth, besides Film Café.

Factual and Science channels gained 4.4% in overall ratings in 2022. History is still the most watched channel (+1% Rtg), followed by Discovery (-2% Rtg) and National Geographic (-7% Rtg). Viasat History was the only channel with year on year increase (+94% Rtg).

Family channels gained 17% in overall rating in 2022. Cartoonito (ex Boomerang) lost -19% Rtg and left the first place to Disney Junior (+13% Rtg). Third came Cartoon Network (+99% Rtg), followed by Disney (-3% Rtg) and Nick Jr (-7% Rtg). TeenNick with the highest yearly increase, from 0.01 Rtg to 0.04 Rtg (+192% Rtg).

After two years of pandemic that reshaped and influenced the consumer behavior according to different restriction levels, 2022 brought new circumstances generated by war at the border, energy crisis and inflation. Despite all these factors, economy was still able to grow, with private consumption being one of the main drivers.

The lower audience translated in less GRP30" as well. Overall, 2022 ended with almost 2.1M GRP30" on 18-54 urban target (-11% vs.

2021). As expected, most of them were sold by CME, 29%, followed by Intact with 26%, Thematic Channels with 13% and Dogan with 10%. While CME and Intact kept their SOV steady compared to 2021, Dogan lost approximately 2.3pp and Thematic Channels gained almost 1.5pp.

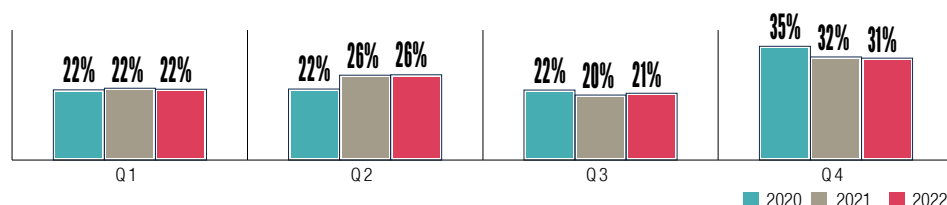
The sold inventory (ad break minutes) showed marginal changes, with an average loading of 95% in prime time, 83% in off prime time (-1.5pp vs. 2021) and 87% during all day monitoring (-1pp). Increases were only observed in Q1, +1.3pp in all day compared to same period in 2021, while Q2 registered -3pp, Q3 -2pp and Q4 -1.6pp. Major TV stations and programs were almost constantly sold out throughout the year, with over 100% during peak months. Kanal D registered the highest loading increase All Day (+2.9pp), followed by Antena 1 (+2.7pp), Pro TV (+1.1pp) and Antena 3 CNN (+0.7pp), while Romania TV decreased by 6.1pp.

TOP TV INVESTORS AND SEASONALITY

2021 and 2022 reflect similar investment patterns, showing that the TV market resumed its traditional investment pattern naturally, as people were finding their way towards normality: Q1 and Q3 kept received approx. 22% of revenues, while Q4 gathered 31% of the total TV budgets, balancing down compared to 2020.

Analyzing the 2022 monthly TV revenues distribution, one can notice lower budgets in February, usually boosted by promos for Valentine's Day and Women celebration at the beginning of March, followed by a stable net spending level for Easter campaigns (March-April). Summer was generally stable in terms of revenue share, despite the major

CHART 05: 2020 -2022 TV MARKET SPLIT BY QUARTER

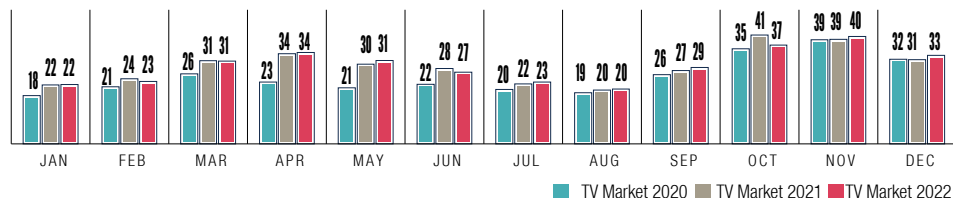


Source: Initiative estimates.

Rtg% drop. Autumn had a good start with September net budgets marginally above 2021 (+4%), while October, usually one of the most important months in terms of revenues, airtime demand and with high pricing, gathered revenue significantly below expectations and October 2021 (-9%),

as the unusually warm weather (the hottest October month in Europe, since 1979), triggered an almost 20% drop in average ratings vs. October 2021. November (+3%) and December (+5%) ended with marginal revenues above the respective 2021 months.

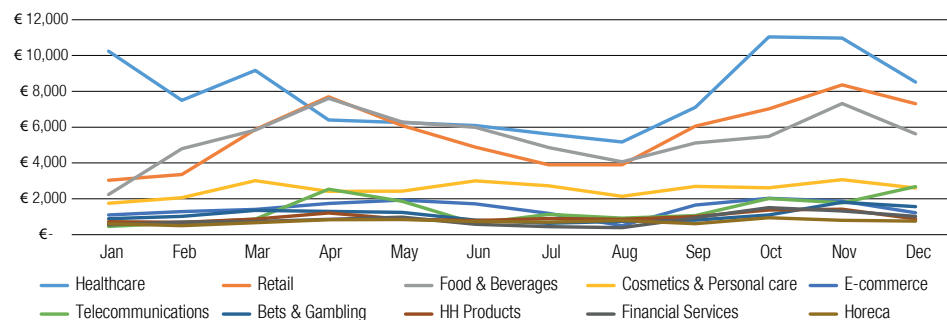
CHART 06: 2020-2022 TV REVENUES EVOLUTION BY MONTH (NET NET MILLION EURO)



The TV seasonality is driven by the Top 10 economic sectors activity as they gather almost 96% of the total TV market budgets: Healthcare (+11%) consolidated its #1 position, while Retail with an estimated +13% overtook Food & Beverages (-12%), gaining the second place. Cosmetics & personal care (-5%) and eCommerce

(-15%), Telecommunications (-11%), Bets & Gambling (+2%), Household Products (-6%), Financial Services (-4%) and HoReCa (+28%) preserved their places in top 10 sectors investing on TV, by displaying different dynamics generated by the pandemic impact on people's lifestyle and mindset.

CHART 07: 2022 TOP 10 ECONOMIC SECTORS TV INVESTMENT SEASONALITY (NET NET)



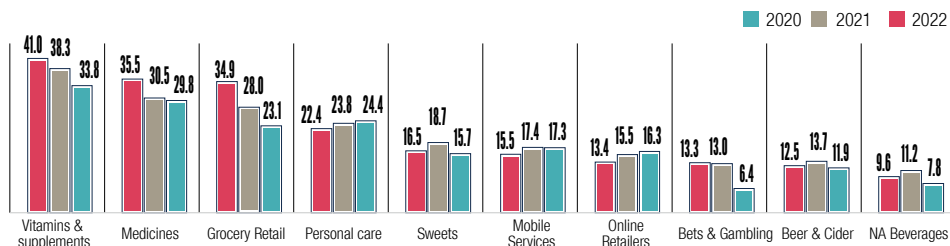
Top 10 Categories continued to reflect approx. 61% of the total net TV budgets in 2022, with Pharma segments Vitamins & supplements (+7%) and Medicines (+16%) gathering almost 22% of the TV budget invested on the Romanian market. Despite being the most dynamic category, Grocery Retail (+24%)

managed only to consolidate its #3 position, with LIDL, Kaufland and Profi leading the growth. The only other category from top 10 with a positive evolution, which also managed to go up a place in the rank was Bets & Gambling (+2% vs. 2021 and +107% vs 2020), continuing to sustain high investment

level after the demand was triggered by the mobility restrictions in 2020 and 2021. Personal Care products (-6%) continued to marginally reduce their TV spend, after being in focus in 2020, while Sweets (-12%) advertisers resumed to more cautious spending after the 2021 burst (+19%). Following the digitalization process on high speed in 2020 and 2021, Mobile Services

(-11% in 2022 vs. 2021) and Online Retailers (-13% in 2022 vs. 2021) reduced the TV spent, in sync with the new pace. Drinks segments such as Beer & Cider (-9%) and NA Beverages (-15%) also reduced their TV budgets, as the increased cost of living put a significant pressure on households' monthly expenses level.

CHART 08: 2020-2022 TOP 10 PRODUCT CATEGORIES TV INVESTMENT (NET NET MILLION EURO)



Source: Initiative estimates.

TV EXPECTATIONS FOR 2023:

The first months of 2023 showed ratings decrease in line with the last years trend (-10%) vs. Q1 2022, but a better-than-expected April and May performance as the drop of Total TV viewing (TTV) to -7% on 18-54 urban and national targets. On a market in decline that recently showed record drops, April was flat in terms of audience performance, the largest increases being drawn by Antena 1 and Kanal D. This year, top three generalist stations also regained their appeal in consumers' viewing habits, which was strongly focused on news channels in Q1 2022, due to the Ukraine war launch.

The TV audience drop had a direct impact on the sold GRP30". Compared to January - May 2022, the overall drop is around 12%, with -12% for Pro TV (steady sold GRPs share), -8% for Antena 1, and +20% for Kanal D. For News channels, in January - May 2023, the sold GRP30" downtrend was comparable to the audience drop. Romania TV had 31% less, Antena 3 CNN lost 28% and Digi 24 dropped by 40%. From all TV networks, Dogan is the only one with sold GRP30" growth. CME lost 12%, while Intact lost 13%. From the smaller groups, Thematic Channels

registered a 13% loss, Warner Discovery lost 19%, while the Digi group lost 23%.

In January-April 2023 the decrease in GRP30" is higher than the ratings downtrend, mostly generated by a change of the TV communication pattern shifts registered by some of the key categories: Healthcare (-16%), Food & Beverages (-16%), Cosmetics & Personal care (-18%), eCommerce (-18%), Household Products (-10%). The most dramatic exposure reduction was reflected by Bets & Gambling (-37%) and Financial Services (-26%). Retail and Telecommunications decreased marginally in terms of GRP30" by -2% and -5% respectively.

The beginning of 2023 was also marked by new sale policies changes, designed to offset the high production costs generated by the 2022 inflation, and also to relax the now usual airtime sell-out on major stations and shows. These new adjustments further increased the average buying CPP, with a sizeable impact descending from extended buying targets, shifting towards more mature and national groups. After CME and Dogan in previous years, this year Antena 1 group implemented new commercial targets that trigger cost inflation in both urban and national target

group definitions. Besides the new targets, the shift of CPP reference spot lengths calculation from 30 sec to 20 sec continued in 2023 by Kanal D. The public television, TVR stood out with the boldest target change (from Urban 18-55 to Urban 18+), which doubled the cost of airing ads on national TV channels. Additional inflation was generated by new seasonal indexes, daypart indexes, prime time slot, and premium taxes.

Looking ahead in 2023, the TV media market is expected to match the economic trend and is projected to remain flat at 350M EUR or register a marginal increase in terms of net revenues of 3%-4% at best, along with **an estimated double CPP buying inflation, around 15% market average.**

DIGITAL MARKET

eCommerce market in Romania reached a steady growth

According to GPeC, the Romanian eCommerce industry reached a new threshold of 6.3 billion euro at the end of 2022 (vs. 6.2 billion euro in 2021), which reflects a moment of consolidation and maturity for the eCommerce sector in Romania. The eCommerce industry is expected to reach a plateau as it gets to secure the significant gain in penetration and trust within the Romanian society.



6.3bn euro
Romanian eComm
market in 2022

Also, 80% of the traffic of Romanian online stores is generated by mobile devices (an increase from 75.5% in 2021).



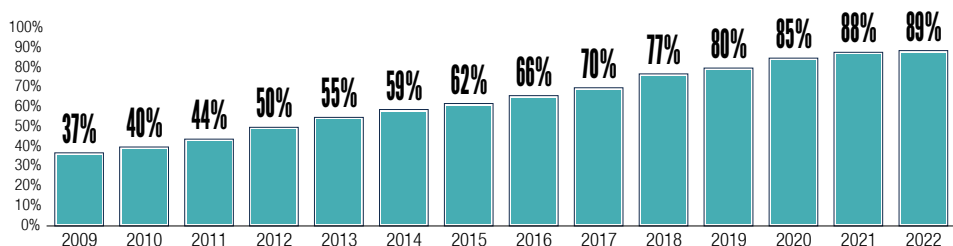
80%
of the traffic of RO online stores
in generated on mobile devices

Internet usage hit a plateau last year

As more people jumped into the digital world during the pandemic and internet reached a record number of Romanians in the last years, 2022 marked the smallest increase in internet penetration in the last decade.

We are getting close to a maximum of 89% of Romanians aged 16 to 74 having access and using the internet in the last year. The digitalization process is continuing but the just 1% increase compared to the previous year proves we are in a plateau and from now on we expect small, but constant growth in this area.

CHART 09: INTERNET PENETRATION IN ROMANIA



Looking at the main drivers for internet usage in Romania, the 55-74 y.o. age group shows the biggest YoY growth, maintaining the positive trend with 6% increase in 2022, after a remarkable 8% increase in 2021. Also, according to INSSE, in 2022 Romanians with low education entered the internet users category with a 6% increase YoY.

Smartphones are the absolute winners of the recent years

More than 90% of Romanian internet users access the internet via mobile phones – this helped by the internet speed, the growing number of affordable devices and the social platforms.

Smart TVs are becoming more popular for all generation, but mainly for Gen Z, where we register a 12% increase in usage in 2022.

Another hero device for last year are the smart home devices: 50% of the 16 to 74 y.o. Romanians who accessed the internet in the last 3 months have used smart home devices (gaming consoles 17%, smart TVs 93%, audio systems 31%).

Online video becomes the most impactful type of digital content

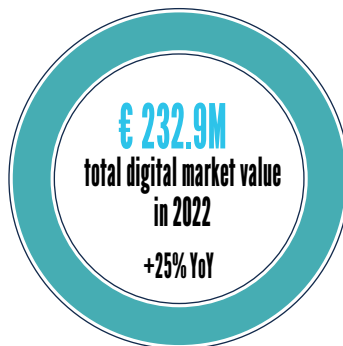
The internet is a major source of information, entertainment and comfort for all generations and it is undeniable that video is the most engaging type of content, making a natural crossing from the classic TV to an always-on-the-go mindset. Baby boomers (+7% vs. last year) and Millennials (+4% vs. last year) marked up the increase in online video consumption in 2022.

With a potential ad reach of 67% of the entire population, YouTube continues to be the preferred platform for watching online videos in Romania.

Interestingly, last year an important source of growth for YouTube came from the Boomers generation (+10% YoY) and Millennials. And in a surprising change, Gen Z and Gen X started to spend more time watching TV.

Romanian digital advertising market grew by 25% to reach a market value of 232.9M euro

Despite the economic headwinds, brands continued to shift part of their advertising budgets into digital. As a result, Romanian digital market increased by 25% in 2022, driven by various organic growth factors (eCommerce and other media consumption shifts).



Still, this is a slowdown from +56% in 2021, suggesting that the long-term transition to a digital-centric marketing landscape has lost velocity following the pandemic acceleration.

This year's growth is based on significant investments in Google Search, which accounts for 43% of total digital advertising sales. It is followed by Display & Social which together reach 50% of the total digital investments.

A closer look at the sectors puts a highlight on the following top 3 spenders: Retail, eCommerce and Finance. They together account for 65% of the total investments in the digital market, followed by Healthcare and Bets & Gambling.

Among these top sectors, strong YoY increases occurred for Healthcare (+157%), Finance (+70%) and Retail (+68%).

Digital advertising will continue to grow in 2023 (+9%) and is expected to reach 255M euro.

OOH MARKET

2022 REACHED PRE-PANDEMIC HIGH LEVELS AND IS PRONE TO FURTHER GROWTH.

Even though in 2022 the market had a high growth potential, inflation and the Ukraine war uncertainty slowed things down, as many advertisers were restrained in allocating high budgets to campaigns that might have been disrupted by unexpected events. Despite this premises, the estimated net OOH market reached by the end of 2022 an impressive 37M euro (+23% vs. 2021).

OOH advertising was impacted by a wide variety of factors that can influence that budgets allocation, such as inflation, which challenged advertisers to stretch their budgets to achieve the same coverage as in previous years. Secondly, increasing materials and production costs contributed to the overall prices surge, making it more challenging for advertisers to secure the impact of their OOH campaigns. In 2022 prices increased up to 7%, while production materials costs registered a maximum of +40% vs. 2021, and most suppliers could guarantee costs for maximum 3 months, based on their stocks.

In Bucharest, given some historic buildings' restoration projects opening, several locations from the public property were either dismantled or relocated. This process led to opportunities for new mesh locations, except for City District 1, where the City Hall

decided to promote its own contribution to the respective works.

Significant changes were also seen in suppliers' inventory in cities across the country, where both rental costs and local fees collected by city halls increased, all these changes being reflected in the final costs to clients. At regional level, new vendors emerged, and rental costs and fees changed, reflecting not only higher implementation costs, but also the expansion of networks and development of new inventory and placements.

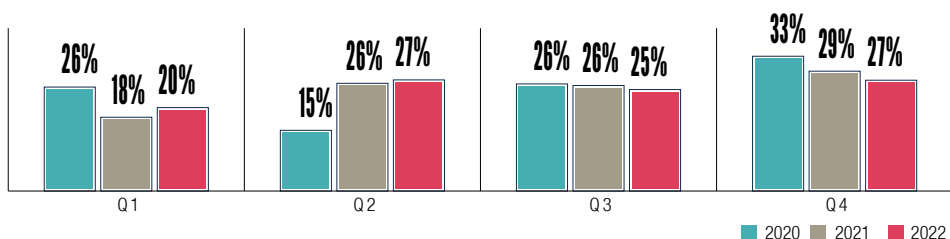
DIGITAL OUTDOOR: STEADY GROWTH IN 2022

Main Vendors kept a steady pace in developing their inventory with an estimate +30% of the DOOH locations. The total DOOH Market reached an estimated 7M EURO, driven by Phoenix Media which continues to lead the segment with a 64% market share in volumes and a 55% share in inventory. Euromedia and Universal follow, succeeding to keep up a high pace of their DOOH networks development.

OOH INVESTORS & BUDGETS SEASONALITY

Following the very disruptive 2020, when lockdown and mobility restrictions had massive impact on the OOH market, 2021 and 2022 proved to be recovery years. 2022 started with Q1 showing the lowest investments (Jan-Feb normally being low interest months as most economic sectors are slowing down after the end-year sales focus), while Q2, Q3 and Q4 were in the range of 25%-27% of the estimated net OOH market, each.

CHART 10: 2020-2022 OOH MARKET SPLIT BY QUARTER



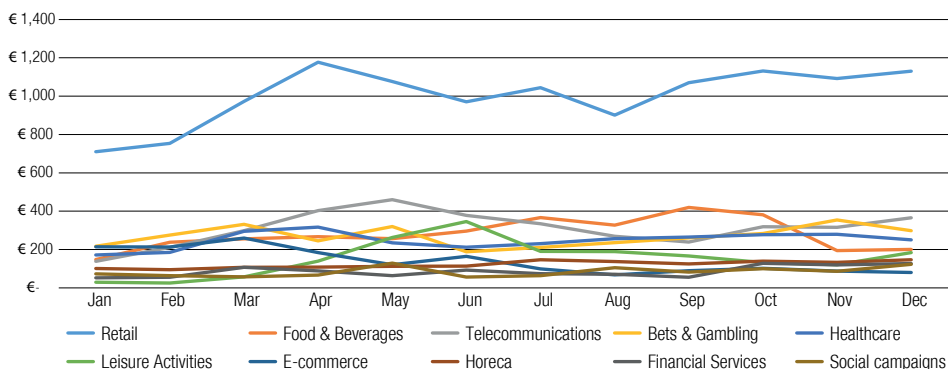
Source: Initiative estimates.

Compared to the high seasonal variation of the TV budgets, OOH ad revenues distribution is, generally, more balanced across the year, as most premium locations are part of already established networks and secured throughout the year. After a promising start in January-March with high budgets, starting April, the positive trend was put on a halt by the uncertain context triggered by war and the increasing cost of living.

Advertisers became more cautious with regards to allocating high production and rent budgets for campaigns that could potentially be impacted by negative factors. As the economy continued to grow and

stabilize, advertisers began to show increased interest in OOH campaigns, especially HH Products (+79%), Cosmetics & Personal Care (+58%), Healthcare (+61%) through its medical services & clinics players and also HoReCa (+41%) and Telecommunications (+33%). The most dynamic evolution was registered by Leisure Activities (+281% vs. 2021) driven by Events & festivals and Media (+74% vs. 2021) supported by the launch of major streaming networks such as Prime Video and Disney plus. Most notable lower dynamics compared to previous years has been reflected by eCommerce (+27% vs. 2021) which slowed the pace significantly.

CHART 11: 2022 TOP 10 ECONOMIC SECTORS OOH INVESTMENT SEASONALITY (NET NET)



Source: Initiative estimates.

OOH EXPECTATIONS FOR 2023

This year, prices have increased significantly (+15%) for all media-related costs compared to the previous year, inflation being a key contributor to the massive price growth. Production costs uptrend also continues, rising by approximately 25% vs. 2022, generating a major impact on the total advertising campaigns' costs.

The economic sectors with significant budgets so far in 2023 are Retail and Food & Beverages, followed closely by Telecommunications services and Healthcare. As expected, summer festivals and music events have already launched their campaigns, boosting the overall OOH spending as they compete for the most visible and spectacular location in Bucharest and large cities.

The 2023 OOH net market is expected to increase by 8% at an estimated total of 40M EUR.

RADIO MARKET

POSITIVE EVOLUTION DESPITE UNCERTAIN CONTEXT.

Radio advertising market 2022 was a year of positive evolution, with an estimated total net value of 31.9M euro (+10% vs. 2021), despite the strain generated by war and the increasing cost of living.

Radio programming strategies were more relaxed compared to the previous years, with focus on music, entertainment, and leisure activities, but keeping an eye on high interest topics such as sustainability, education, and finance. They continued to build broad audience interest in their pursuit to engage new listeners through special marketing actions such as:

Reshaping morning shows for better performance: In September, both Pro FM and Kiss FM refreshed their morning shows, in their attempt to continue building large audience interest and to strengthen loyalty for their main audience aggregator in prime time.

Focus on educational projects: Itsy Bitsy organized in June a summer school that provided kids 6-14 y.o. with free attendance to non-formal courses, called Radio Boot Camp. The learnings were about how to search for correct information on a given topic and how to elaborate coherent texts; ultimately, kids have been broadcasting live from the Itsy Bitsy Radiomobile. In November, as part of the Morning Glory with Razvan Exarhu "Investim în Juniori" campaign, Rock FM announced that children 3-6 y.o. from underprivileged backgrounds will be supported to continue their education. In the same period, several public personalities, joined the Kiss FM's initiative under Bursa de Merit Mai Mult campaign, to support young Romanians in pursuing their big dreams.

Financial education was another major topic of 2022. In October, Radio Romania Actualitati announced that Sergiu Voicu had started a financial education project on the public radio stations, while starting

the same month, the Digi24 educational fillers „Banii în mîscare” with Iancu Guda, were going to be aired also on Digi FM. Digital content integration process continued: In November Radio ZU launched ZUnivers, the first national podcasts network in the country, with the aim to continuously invest and build content, expanding the topics covered by the podcasts and forming a broad ZU community.

RADIO CONTINUED TO RELY SIGNIFICANTLY ON LINEAR LISTENING.

Although digitalization continued after the pandemic in 2021 and 2022, linear radio listening (radio receiver) continued to lead with a 61.5% daily reach during weekdays (vs. 61% in 2021), while digital devices penetration was stagnant at 2021 level, Mobile Phone had a 11.6% daily reach and PC/Laptop a 7.7% daily reach in weekdays, lower than expected.

RADIO CONSUMPTION DECREASED IN WEEKENDS AS PEOPLE RESUMED TRAVEL HABITS.

In 2022, lifestyle changes marked by more short / long distance travels resulted in a marginal urban audience decrease (-0.6pp) and a more abrupt one in Bucharest (-1.9pp) vs. 2021. Daily reach trend was also negative in weekends among urban listeners and more prominent in Bucharest (-1.2pp).

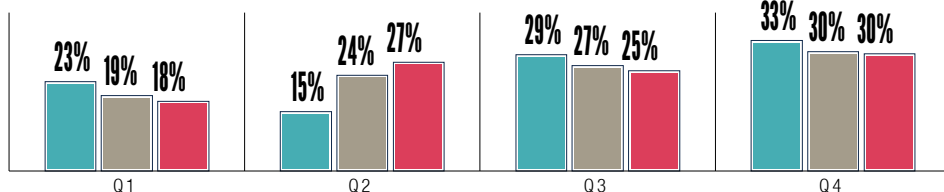
With no mobility restrictions and a high appetite to spend more time outdoor supported by warmer weather throughout the entire year, radio listeners spent more time driving or traveling in their cars, which resulted in a spectacular uplift (+2.3pp vs. 2021), of in-Car listening Daily reach among urban population (44.3%), overtaking at-home listening (38.5%) while at-work listening kept stable at 14%.

Urban online Radio listening continued to show low levels, with only 5.4% of 14-74 y.o. declaring they listen radio programs daily on digital devices, this type of listening being preferred mostly by urban 25-54 y.o.

RADIO AUDIENCE: STABLE EVOLUTION IN TERMS OF LEADERSHIP.

Radio ZU consolidated #1 position in Bucharest increasing by 1.1pp at 13.8% daily reach, while the public station Radio Romania Actualitati managed to keep second place with 13.3% daily reach despite the 0.6pp performance decrease, while Kiss FM ranked third with a 9% daily reach and -0.5pp vs. 2021. Europa FM (8.3%), Magic FM (8.3%) and Rock FM (8.2%) follow with a marginal gap to Kiss FM.

CHART 12: 2020-2022 RADIO MARKET SPLIT BY QUARTER



Source: Initiative estimates.

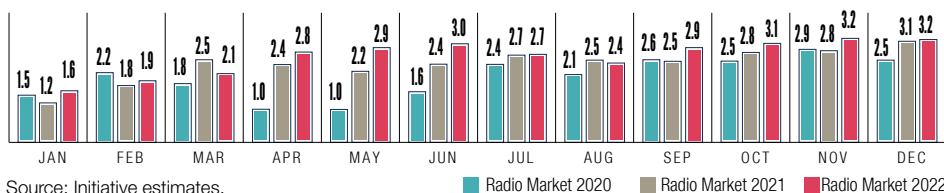
Compared to the high TV budgets seasonal variation, Radio pattern is different, as this medium is used mainly for product / services promotional support. Besides January and February which are usually the lowest season, March received lower than expected Radio investments, under the shock of Ukraine war

RADIO INVESTORS & BUDGETS SEASONALITY

The 2022 net net Radio budgets allocation pattern by quarters was marginally different from the previous year, showing a higher focus on Easter season (April) and lower than expected levels during summer (especially Q2), which is usually peak for FMCGs as well as music concerts and festivals promotional activity. Still, Q4 maintained the highest budget allocation, sustained mainly by Retail and eCommerce.

on the 24th of February and the imminent uncertainty triggered by it. The rest of the months kept a quite balanced allocation, showing slightly lower levels during July and August and a more robust presence from September to December.

CHART 13: 2020-2022 RADIO REVENUES EVOLUTION BY MONTH (EURO)



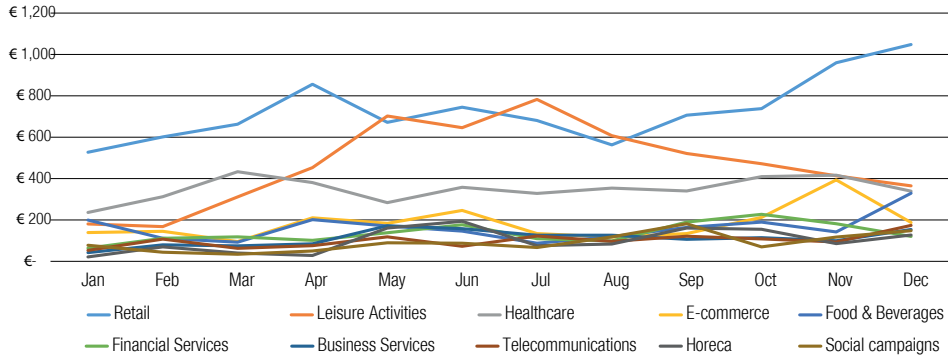
Source: Initiative estimates.

The sectors that use radio as strategic touchpoints are the ones which focus their media communication mostly on promotional offers. In 2022, the major players were Retail (+2% vs. 2021) strengthening its dominance at 27% of total net Radio ad revenues, followed by Leisure Activities (+130% vs. 2021) with the most dynamic growth, favored by travel freedom and very warm weather, and Healthcare (+4% vs. 2021) maintaining high investments to promote offers for Vitamins & supplements, as well as Medicines and Pharmacies. A sector with a major uptrend was the hospitality industry, HoReCa (+90% vs. 2021) supported by same

triggers as Leisure Activities. Still important, despite the decrease of Radio budgets, were eCommerce (-1% vs. 2021), Food & Beverages (-19% vs 2021), Telecommunications (-18% vs 2021), and Financial Services (-9%).

The complementary seasonality reflected by Retail and Leisure Activity communication, alongside the almost flat investment pattern sustained by Healthcare, offer the Radio industry a solid baseline of budgets throughout the year, making it possible for Radio stations to further develop their networks and technical infrastructure, as well as their digital properties.

CHART 14: 2022 TOP 10 ECONOMIC SECTORS RADIO INVESTMENT PATTERN (THOU NET NET EURO)

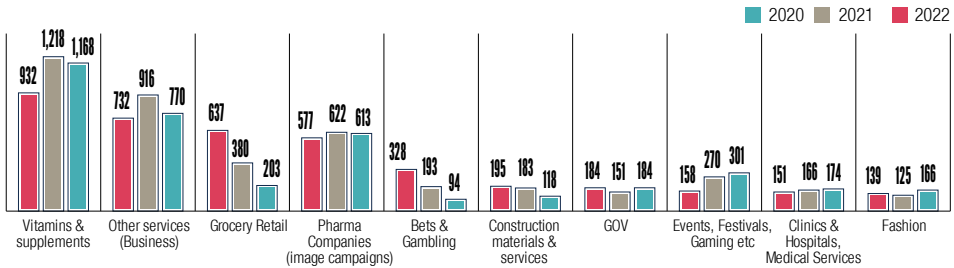


Source: Initiative estimates.

Inside sectors, product categories deployed very different trends, in line with consumers lifestyle shifts and new demand pattern. For example, the category with the most spectacular growth in 2022 was Events, Festivals and Gaming (+130%), becoming #1 by overtaking the traditional leader, Grocery Retail, which fell on the second place with a marginal budget increase of 8.1%. Vitamins & supplements (+5.2% vs. 2021) was stable on the third place. Other important categories that rely significantly on

Radio communication reduced their budget allocation, Online Retailers (-9.1%) and Fashion (-21.1%) being the most significant ones, as people became more pragmatic with their expenses, reducing unnecessary costs and prioritizing the vital components such as food, energy costs and family healthcare. Banks, Credits & Savings (-8.1%) and Mobile Services (-16.6%) also reduced their radio spend in 2022, as the players strengthened their focus on Digital and TV media channels.

CHART 15: 2022 TOP 10 PRODUCT CATEGORIES RADIO INVESTMENT YOY (NET NET THOU EURO)



Source: Initiative estimates.

WHAT TO EXPECT IN 2023?

Radio stations will continue to invest in creating integrated engaging and entertaining media content centered around their social media properties, to aggregate higher advertising budgets in an omnichannel media environment. Radio broadcasters are expected to try and increase the interaction

time on radio, online and social media, as radio listeners will give their loyalty to the media content platforms which will better match their lifestyle.

As the geo-political context is still sensitive, we estimate that in 2023 the net Radio market will increase moderately at around 32.9M euro.

PRINT MARKET

2022 TOUGH YEAR FOR PRINT PUBLISHERS DUE TO INCREASING PAPER COSTS.

The Ukrainian war that broke out in February 2022 landed hard on the Print advertising market, as the massive paper price increase hardened the pressure on publishers. As a result, in 2022 the Print market dropped by 10% at an estimated 5.6M euro net value.

On the positive side, City Publishing (ex. Burda) was purchased by ArtPrint and starting September 2022, international magazines such as BBC Good Food and BBC Top Gear were re-launched, alongside other established local titles such as Femeia, Casa si Gradina, Sanatatea de Azi and Practic in Bucatarie.

PRINT READERSHIP ON RISING TREND, EXCEPT FOR WEEKLIES.

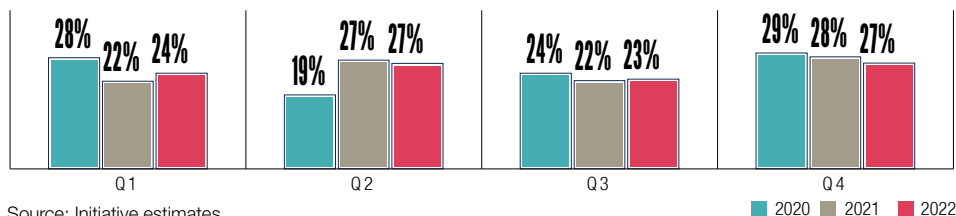
In 2022, print titles readership was on a surprising positive trend, as the FIFA 2022 Football World Cup Qatar triggered an 8% increase of daily newspapers coverage (+2.8pp) among urban 14-74 y.o. readers, and the relaunch of some established international and local magazines gained 10.4% higher audience (+1.1pp) among same broad audience. On the other hand, the cutback of most of the weekly magazines' circulation resulted in a drop of audience coverage of 2.4% (-0.2pp) for weeklies.

PRINT INVESTORS & BUDGETS SEASONALITY

Analyzing the print budgets allocation by quarters, one can notice that in 2022 the ad revenues pattern was in sync with the

previous year trend, with Q2 (Easter) and Q4 (Christmas) receiving the highest budget shares.

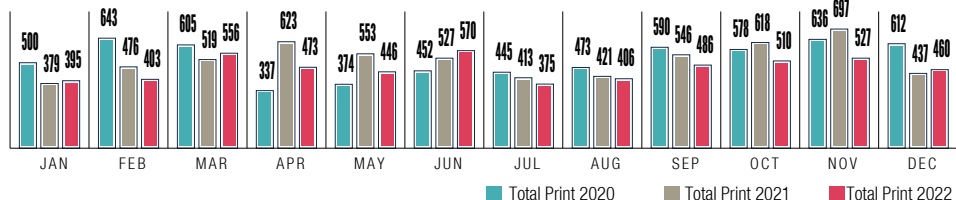
CHART 16: 2020-2022 PRINT MARKET SPLIT BY QUARTER



The monthly evolution is quite inconsistent, without a predictable pattern, being highly influenced ad-hoc by major advertising

projects. For example, the June peak was triggered by a project in the Grocery Retail category.

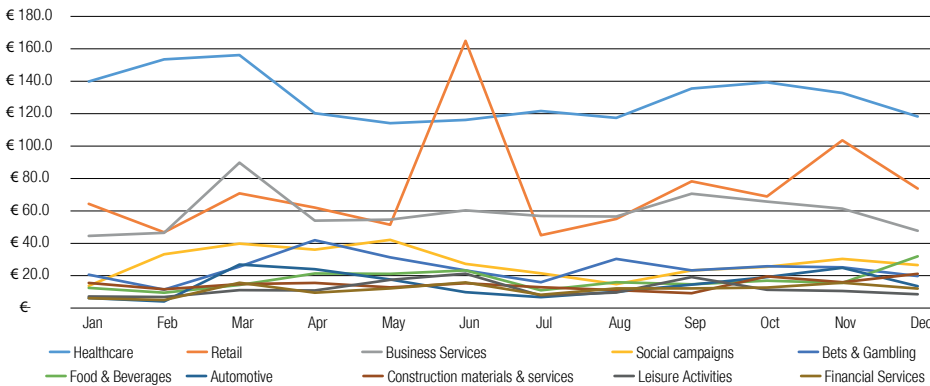
CHART 17: 2020-2022 PRINT REVENUES EVOLUTION BY MONTH (EURO)



The Print industry is supported mostly by Healthcare, Retail, Business Services and Bets & Gambling, given the need for a specific editorial content, as well as the right environment to offer more details about brands, to trigger equity and consideration.

Despite the high usage of Digital, Social campaigns (GOV) were also present in print throughout the year, with the aim of reaching a broad national audience, including segments that are less internet savvy.

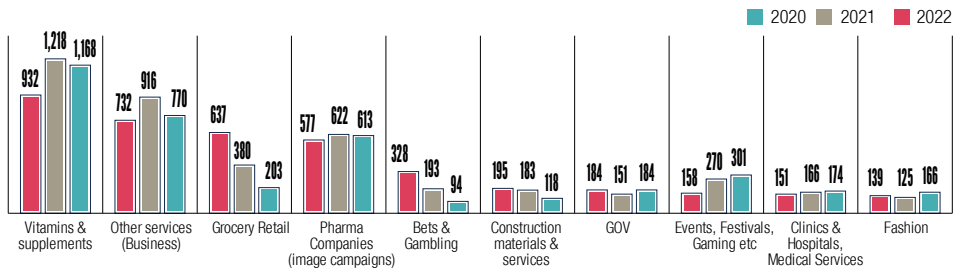
CHART 19: 2022 TOP 10 ECONOMIC SECTORS PRINT INVESTMENT PATTERN (NET NET EURO)



Despite its decline in the last years, generated mostly by limited distribution, increased digitalization and lately the significant increase of paper costs, Print continues to be used largely by Healthcare, despite the decreasing budgets, Vitamins & supplements (-23.5% vs 2021) and Pharma companies (-7.2%), as well as Clinics, Hospitals &

Medical services (-9.1%). Players from the Business Services category (-20%), Grocery Retail (+67.7% vs. 2021) seeking selective consumer groups, Fashion (+10.8% vs. 2021) aiming mainly women and Construction materials & services (+7% vs. 2021) in the search of male audience, are the few categories with higher ad budget allocation in 2022.

CHART 20: 2022 TOP 10 PRODUCT CATEGORIES PRINT INVESTMENT YOY (NET NET EURO)



WHAT TO EXPECT IN 2023?

Publishers will continue their ongoing focus on expanding their digital properties, in the attempt to better monetize their advertising revenues. They will continue developing and integrating more formats across several platforms to adapt to their readers' content consumption habits.

As an effect of the paper crisis and high production costs, print titles will become a

second priority in publishers' portfolios and will most probably continue to diminish in time. We are expecting to see more and more print brands consolidating their digital presence by developing online editorial content, social media engagement as well as video content to offer integrated media exposure to their advertising clients.

Print market is expected to face a negative trend of 11% in 2023, reaching an estimated 5M euro net value.

THE TELEVISION MARKET



THE TELEVISION MARKET IN 2022



STABLE TOTAL TV AUDIENCE PROFILE AT BOTH URBAN AND NATIONAL LEVEL

In 2022 we fully recovered our normal lifestyle and the desire to regain the temporarily lost mobility. The short and long-distance travels, as well as the more frequent out-of-home socializing apertures, were back in our routine, being strongly favored by an increasingly warmer weather throughout the entire year, putting the TV channels inventory under significant strain by inflicting a 10% Rtg. erosion vs. 2021. This trend determined more channels to switch to National commercial target audiences and most of them to increase the quality exposure surcharges on top of the expected TV cost inflation.

In general, the TV audience profile is stable at both urban and national levels and shifts from one year to another are marginal, given the high scale of population involved in the measurement. Nevertheless, 2022 registered some changes triggered by events strong enough to impact the general profile: the war in Ukraine, the global economic crisis with its EU and local implications and the major sports events: Beijing Winter Olympics 2022 in February and FIFA 2022 Football World Cup Qatar in November-December.

CHART 01: 2022 VS. 2021 TTV URBAN PROFILE

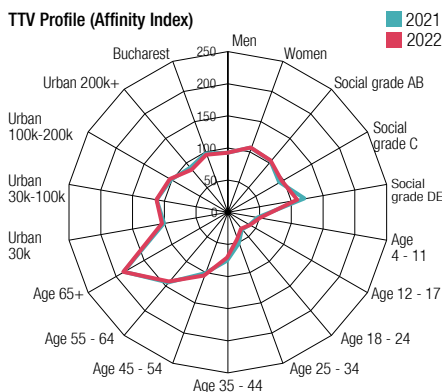
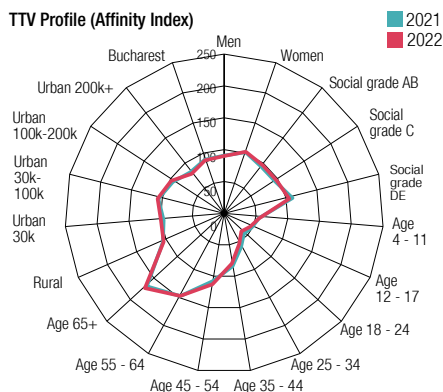


CHART 02: 2022 VS. 2021 TTV NATIONAL PROFILE



Source: KANTAR MEDIA / ARMADATA database

Nationwide, audience is more stable, mainly due to a profile based on a steady 48.2% rural and a slight affinity increase in small and medium urban areas (+0.6pp) vs. 2021, while audience in Bucharest and large cities continues the annual marginal erosion (-0.5pp vs. 2021). Interesting to notice that the penetration among high social status increased significantly (AB social grades +2.1pp vs. 2021) also at national level, given the high interest in breaking news and frequent updates regarding important geo-political and economic topics with high potential to impact our country.

Generalist channels consolidated their penetration among medium and high social status by continuing to invest in local shows with high engagement potential. Nevertheless, it is time for the TV audience measurement system to bring the household equipment list and income levels respective to social grades to more actual times.

Pro TV, the market leader, preserved its traditional gender balance profile, slightly increasing female audience (+1.6pp) in the quest of building and consolidating a national audience relevance and support its current sales policy. The channel gained significantly in AB social grades both at urban (+1.4pp) and national level (+1.6pp) proving its perseverance in delivering a diverse range of quality programs.

Antena 1 proved consistent with its long-term strategy by increasing its female audience skew but at the same time increasing the male audience penetration in urban (+1.6pp) as well as at national level (+1.3pp) vs. 2021. **Kanal D** continued to be a channel with prominent female audience, with broad national coverage, achieving the highest preference among lower social grades (DE), despite the significant improvement in AB social grades (+5.1% in urban and (+3.5pp) nationwide. From top 3 channels, Kanal D continues to reflect the highest penetration among TV viewers 65+ y.o (42.7%) in urban and (36.9%) across the country.

Prima TV continued to be the only other generalist station with a stable and balanced gender profile after Pro TV, making its content suitable for a broader spectrum of

target audiences and brands. Its notable performance improvement on medium and high urban social status by reaching 72.3% in ABC social grades (higher than Pro TV and Antena 1) proves the urban programming focus of this channel. **TVR 1** was the generalist station with the most dynamic shift in audience profile in 2022, change being shaped by high magnitude sports events such as the Beijing Winter Olympics 2022 and FIFA 2022 Football World Cup Qatar. As a result, TVR 1 increased penetration on urban male viewers by 6pp, gained an impressive 7.8pp on upper social status viewers (AB social grades) and managed to win 4pp among urban 18-54 y.o. Finally, it achieved a significant uplift in Bucharest (+2.8pp) vs. 2021. **National TV** maintained the highest preference among 55+ y.o. and managed to consolidate an urban audience profile vs. rural (-4.7pp), with an important focus on large cities.

News channels gained momentum with the Ukraine war that started on the 24th of February

Following 2021, when News channels lost the interest of young urban upscale viewers generated by the pandemic fright, 2022 start was marked by the dramatic breaking-news of war at our borders. Despite a diminished interest after the initial impact of this event, News channels maintained their relevance during the year by covering extensively global and local political trends and the potential impact of a global crisis on the local economy and population's lifestyle. Stations' profiles evolved differently though: **Romania TV** and **Antena 3** reflected a balanced gender profile of their audience, expanding their penetration among middle class (C1C2 social grades) and improving performance in rural and small urban areas. While **Antena 3** managed to improve its relevance in front of the younger news broadcasts viewers (<64 y.o.) through the partnership with CNN, **Romania TV** maintained the 65+ core audience.

Realitatea TV kept the dominant male profile despite the marginal increase in women (+0.6pp). Besides the high affinity among medium and high social groups (65.8% in ABC social grades) it increased in penetration among DE social grades

(+1.5pp), as serious day to day topics gained the interest of extended audience groups, leading to an important shift from high affinity in Bucharest and large urban cities towards higher preference in medium urban (+2.3pp).

Digi 24 broadcast structure and topics coverage led to a stronger skew towards male audience (+2.3pp) both in urban and national, a strengthening of urban AB social grades and preference increase among CDE viewers at national level. Finally, **B1TV** audience profile became more focused on male, 55+ y.o., with high Bucharest and large cities preference. **Prima News** launched in 2023 with a debut profile of mostly mature urban ABC viewers and we are looking forward to observing the channel's audience profile evolution on its road towards establishment.

Women's thematic channels reflected very different profile evolutions

Antena Stars maintained the high skew towards female audience (73.6% in urban and 67% at national level) despite the increase in male preference, also achieving a performance consolidation in rural and small urban areas at 80.2% of its total audience. **Happy Channel** managed to expand towards a national coverage by increasing penetration in rural at 46.3% (+5.1pp) and to consolidate the women-oriented profile (+2pp) through a programming structure relying almost exclusively on Turkish and Latin American romance drama productions. As an established women thematic channel, **Diva** reflects a generally stable audience profile year on year offering a valuable predictability for TV planning. It counts massively on urban audience (70.6%), with the highest affinity in Bucharest and large cities. **Acasa** and **Acasa Gold** had a complementary audience structure trend in 2022, while

Acasa expanded rural penetration by 6.4pp, reaching 57.5% of its total audience, **Acasa Gold** improved performance at all urban levels. **TLC** continued to develop a strong urban profile, growing in small and medium urban areas, evolution resulting in a major penetration increase (+7pp) of urban 45-54 y.o. viewers.

Most movie channels expanded their rural penetration and gained a more mature audience profile

Pro Cinema, **Film Café**, **Comedy Central**, **AMC** and **Warner TV** maintained their skew towards a more male audience, **AXN** being the only one with a dominant urban female feature (63.2%). **Film Café** also increased female audience penetration (+4.4pp), aiming towards a more balanced gender profile. In terms of coverage, except for **Comedy Central** which continues to display a low penetration in rural (14.9%), all others gather around 50% or more of their audience basis from rural households.

Pro Cinema consolidated its preference among medium and high social status viewers (+11.6pp in ABC social grades) and gained 2pp nationwide, keeping at the same time the core audience in 35-64 y.o. **Film Café** consolidated its 45-64 y.o. slot and increased preference among low social status audience (DE social grades +2.5pp). **Comedy Central** managed to build a stronger performance in Bucharest (+6pp), also gaining preference among young viewers urban 25-34 y.o. (+4.7pp) and preserved 25-54 y.o. as its core audience.

For detailed data regarding the evolution of audience profiles during 2021, please see **In-Depth Data** section at the end of the **Television** chapter.

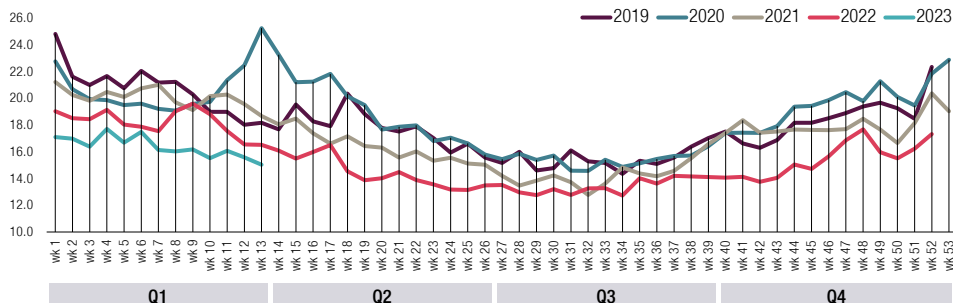
TV MARKET OVERVIEW

The general TV audience continued to drop even more abruptly in 2022, losing 10% versus 2021 on the 18-54 Urban commercial target.

Apart from one week in the beginning of March, a few days after Ukraine invasion,

when people turned on their TV sets on news channels to get updates regarding the war unfolding, and another week in August, the TV market performed below the 2021 level continuously in 2022.

CHART 03: 2019 – Q1 2023 TOTAL TV RATING WEEKLY DYNAMICS (RTG%, ALL 18-54 URBAN)



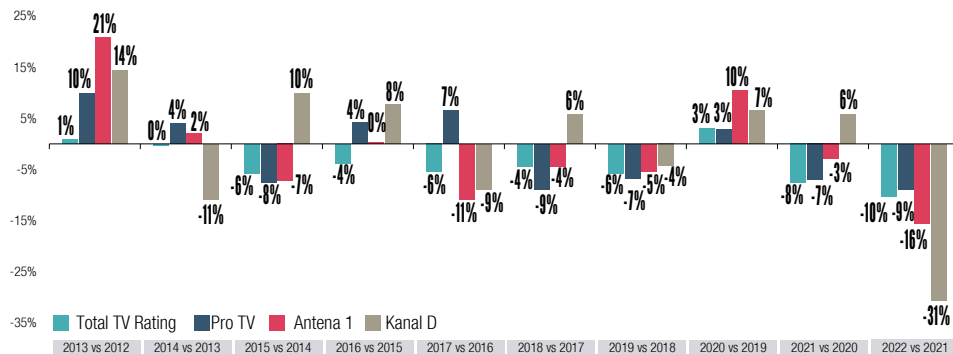
Source: KANTAR MEDIA / ARMADATA database

The number of monitored TV channels grew from 76 to 83 in 2021, as TV viewing continued to keep high levels despite the year on year erosion. Accessing a TV license is also quite facile in Romania. Some notable changes: CBS Reality, Viasat Explore, TraLaLa TV, NCN, TVR Info, AXN Spin & EuroNews entered the monitoring system and Antena 3 was rebranded as Antena 3 CNN. In 2023, so far, as Kanal D2 was launched and Boomerang rebranded into Cartoonito. Bucuresti TV, Party Mix, TVR

Cultural, Prima News and Prima Sport 3 started to be monitored, while NCN left the monitoring system.

In 2022 top three ranking was stable, with Pro TV (Rtg. 3.4% & SOA 22% vs. Rtg. 3.7% & SOA 21.6% in 2021) decreasing marginally in rating but increasing in share, while Antena 1 (Rtg. 2.3% & SOA 15.2% vs. Rtg. 2.8% & SOA 16.2% in 2021) and Kanal D (Rtg. 1.2% & SOA 8.1% vs. 1.8% & SOA 10.5% in 2021) dropped in both rating and share.

CHART 04: 2012-2022 TOP 3 TV CHANNELS YOY PERFORMANCE DYNAMICS (RTG%, ALL 18-54 URBAN, ALL DAY)

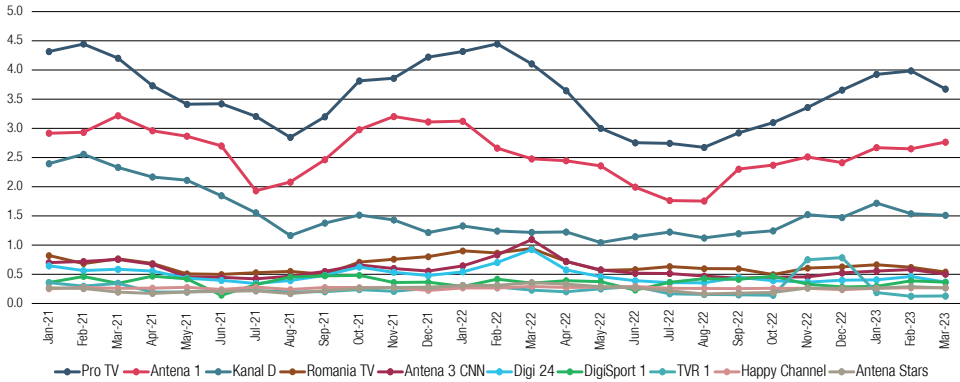


Source: KANTAR MEDIA / ARMADATA database

Top three Generalist channels are followed by a cluster of three News stations, Romania TV (Rtg. 0.7%, SOA 4.4%), Antena 3 CNN (Rtg. 0.6%, SOA 3.9%) and Digi 24 (Rtg. 0.5%, SOA 3.2%). Next in line are Digi Sport 1 (Rtg.

0.4%, SOA 2.3%), the public television TVR 1 (Rtg. 0.3%, SOA 2%), and women thematic channels Happy Channel (Rtg. 0.3%, SOA 1.7%) and Antena Stars (Rtg. 0.3%, SOA 1.7%).

CHART 05: 2021 – Q1 2023 TOP 10 TV CHANNELS MONTHLY DYNAMICS (RTG%, ALL 18-54 URBAN, 06:00-26:00)

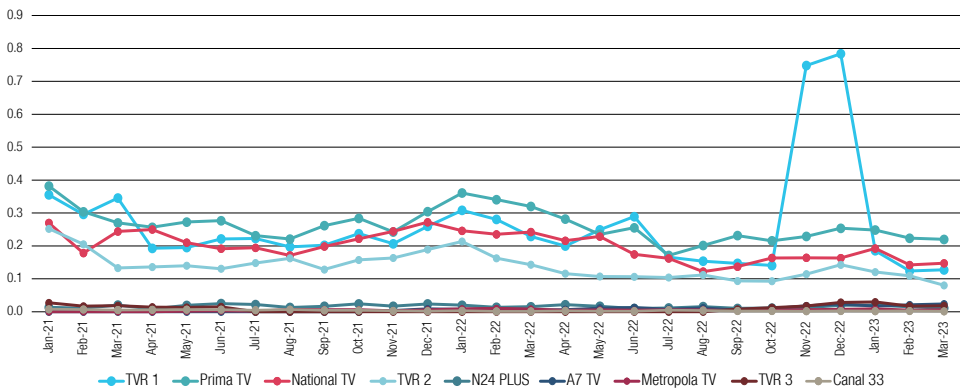


Source: KANTAR MEDIA / ARMADATA database

Second tier generalist channels lost 2.2% in ratings. TVR 1 is the leader of the second tier (+26% Rtg, +0.58pp SOA) due to the 2022 World Cup broadcast in November-December. Prima TV follows (-7% Rtg,

+0.07pp SOA) and National TV is third (-15% Rtg, -0.07pp SOA); TVR 2 (-23% Rtg, -0.13pp SOA) and N24 Plus (-17% Rtg, -0.01pp SOA) complete the first 5 places.

CHART 06: 2021 – Q1 2023 GENERALIST CHANNELS MONTHLY DYNAMICS (RTG%, ALL 18-54 URBAN, 06:00-26:00)

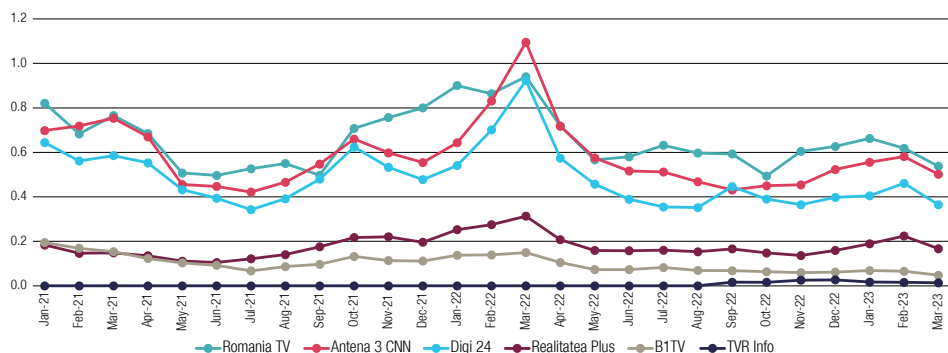


Source: KANTAR MEDIA / ARMADATA database

News gained 2.2% ratings overall in 2022, prompted by the Ukraine war. Romania TV with the highest rating in this cluster, 0.7 Rtg. vs 0.6 in 2021 (+3.9% Rtg, +0.6pp SOA), followed closely by Antena 3 CNN (+3.2% Rtg, +0.5pp SOA); Digi 24 came third

and lost 2.3% Rtg. but gained 0.26pp SOA; Realitatea Plus achieved the highest increase in rating, +20%, and +0.3pp SOA, while B1TV (-25% Rtg, -0.1pp SOA) and Aleph News (-24% Rtg, -0.01pp SOA) dropped in ratings and share.

CHART 07: 2021 - Q1 2023 NEWS CHANNELS MONTHLY DYNAMICS (RTG%, ALL 18-54 URBAN, 06:00-26:00)

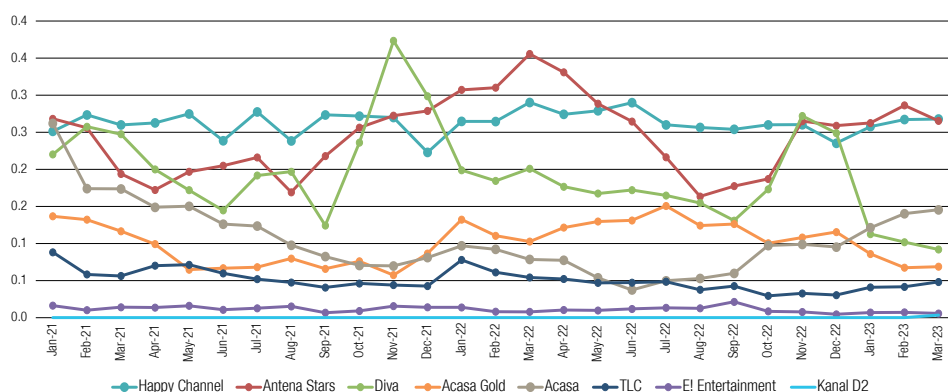


Source: KANTAR MEDIA / ARMADATA database

Women channels lost 2.7% overall ratings in 2022. Happy Channel (+2% Rtg, +0.21pp SOA, 1st place), Antena Stars (+16% Rtg, +0.38pp SOA, 2nd place) and Acasa Gold (+39% Rtg, +0.28pp SOA, 4th place)

increased, while Diva (-16% Rtg, -0.08pp SOA, 3rd place), Acasa (-43% Rtg, -0.27pp SOA), TLC (-17% Rtg, -0.03pp SOA) and E! Entertainment (-16% Rtg, -0.005pp SOA) dropped versus 2021.

CHART 08: 2021 - Q1 2023 WOMEN CHANNELS MONTHLY DYNAMICS (RTG%, ALL 18-54 URBAN, 06:00-26:00)

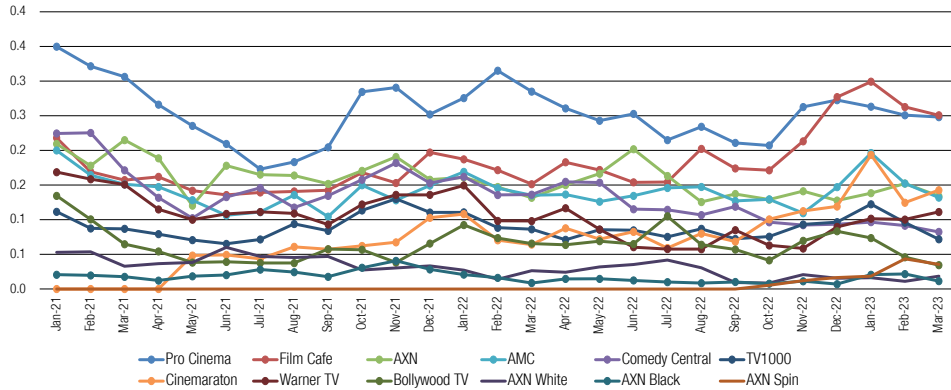


Source: KANTAR MEDIA / ARMADATA database

Movies channels lost 4.6% ratings overall in 2022. Leading station Pro Cinema (0.25% vs. 0.26% in 2021), decreased only marginally, while Film Café increased from 0.16% to 0.18%, and AXN went from 0.17% to 0.15% in 2022. AMC (-1% Rtg, +0.08pp SOA), Comedy Central (-21% Rtg, -0.11pp SOA), TV1000 (-7% Rtg, +0.02pp SOA), Warner

TV (-32% Rtg, -0.18pp SOA), AXN White (-43% Rtg, -0.09pp SOA), AXN Black (-49% Rtg, -0.06pp SOA) with YOY decrease, while Cinemaraton, with an impressive dynamic (+107% Rtg, +0.31pp SOA), and Bollywood TV (+18% Rtg, +0.11pp SOA) are the only channels with year on year growth, besides Film Café.

CHART 09: 2021 – Q1 2023 MOVIE CHANNELS MONTHLY DYNAMICS (RTG%, ALL 18-54 URBAN, 06:00-26:00)

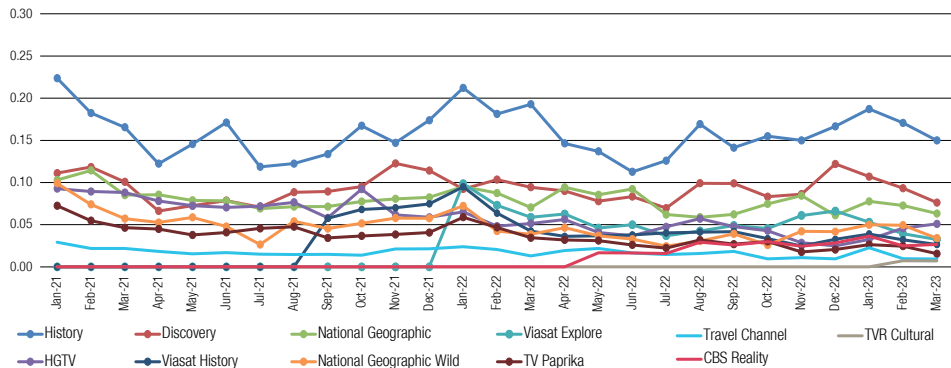


Source: KANTAR MEDIA / ARMADATA database

Factual and Science channels gained 4.4% in overall ratings in 2022. History is still the most watched channel (+1% Rtg, +0.11pp SOA), followed by Discovery (-2%

Rtg, +0.05pp SOA) and National Geographic (-7% Rtg, +0.02pp SOA). Viasat History was the only channel with year on year increase (+94% Rtg, +0.15pp SOA).

CHART 10: 2021 – Q1 2023 FACTUAL & SCIENCE CHANNELS MONTHLY DYNAMICS (RTG%, ALL 18-54 URBAN, 06:00-26:00)

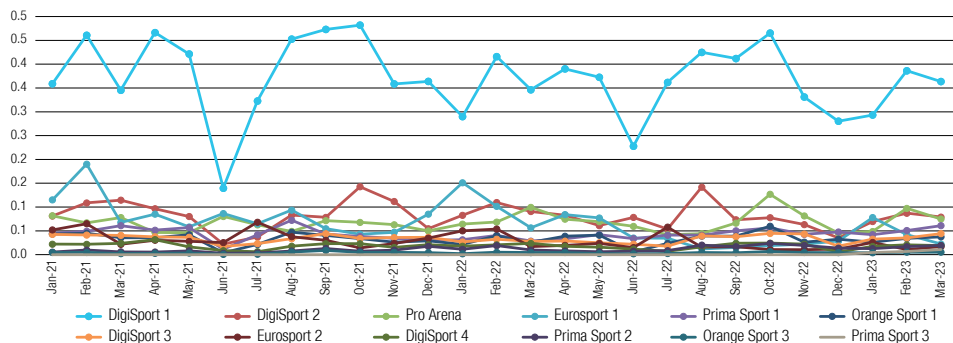


Source: KANTAR MEDIA / ARMADATA database

Sports and Male Lifestyle channels cluster lost 9% in ratings in 2022. Digi Sport 1 still prevails here, with 0.4% Rtg. (-7% Rtg, +0.08pp SOA); Digi Sport 2 is on the second place at a significant distance with 0.1 Rtg (-6% Rtg, +0.02pp SOA), followed by Pro Arena (+10% Rtg, +0.09pp SOA) and

Eurosport 1 (-35% Rtg, -0.13pp SOA). Prima Sport 1 (-9% Rtg, +0.004pp SOA), Orange Sport 1 (-2% Rtg, +0.02pp SOA), Digi Sport 3 (-14% Rtg, -0.01pp SOA), Eurosport 2 (-30% Rtg, -0.05pp SOA) follow, but with bellow 0.04% Rtg. and 0.2% share.

CHART 11: 2021 – Q1 2023 SPORTS/ MEN LIFESTYLE CHANNELS MONTHLY DYNAMICS (RTG%, ALL 18-54 URBAN, 06:00-26:00)

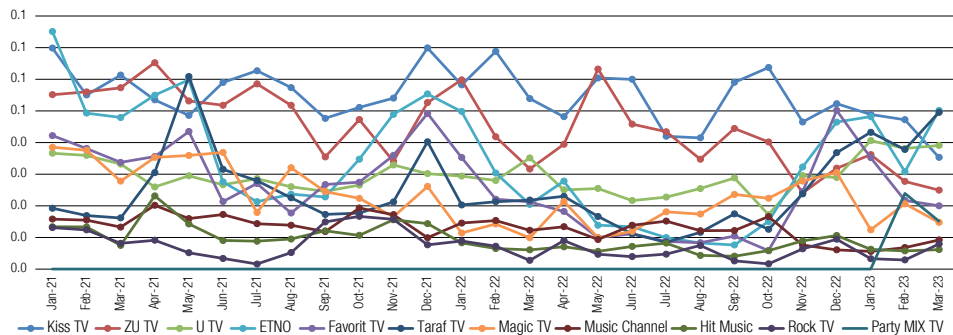


Source: KANTAR MEDIA / ARMADATA database

Music channels lost 27% in ratings overall. Kiss TV continued to lead despite losing -5% Rtg. and -0.02pp SOA; Zu TV is second (-19% Rtg, -0.03pp SOA) and U TV third (-11% Rtg, -0.001pp SOA). All channels lost

audience versus 2021, Etno (-47%, -0.10pp SOA), Favorit TV (-43% Rtg, -0.07pp SOA) and Hit Music (-45% Rtg, -0.03pp SOA) with the biggest decreases.

CHART 12: 2021 – Q1 2023 MUSIC CHANNELS MONTHLY DYNAMICS (RTG%, ALL 18-54 URBAN, 06:00-26:00)

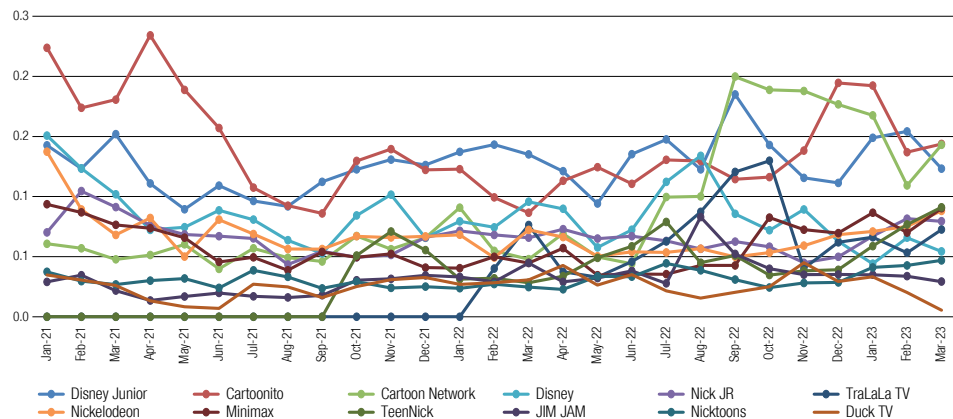


Source: KANTAR MEDIA / ARMADATA database

Family channels gained 17% in overall rating in 2022. Cartoonito (ex Boomerang) lost -19% Rtg. (-0.09pp SOA) and left the first place to Disney Junior (+13% Rtg, +0.18pp SOA). Third was Cartoon Network (+99%

Rtg, +0.39pp SOA), followed by Disney (-3% Rtg, +0.04pp SOA) and Nick Jr (-7% Rtg, +0.01pp SOA). TeenNick with the highest YTY increase, from 0.01 Rtg. to 0.04 Rtg. (+192% Rtg, +0.19pp SOA).

CHART 13: 2021 – Q1 2023 FAMILY CHANNELS MONTHLY DYNAMICS (RTG%, ALL 18-54 URBAN, 06:00-26:00)



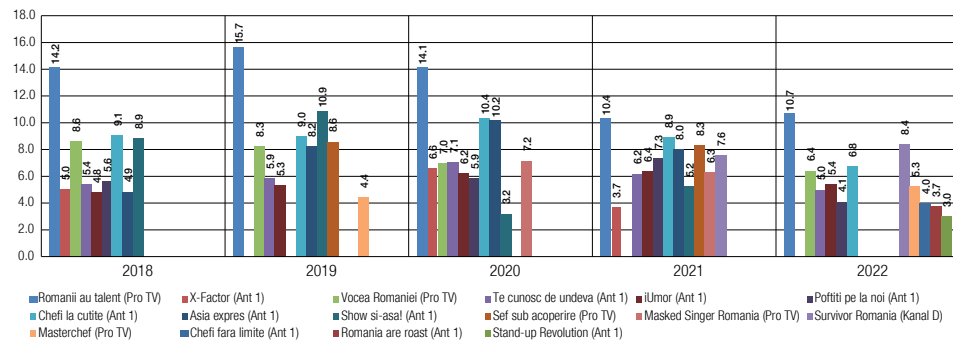
Source: KANTAR MEDIA / ARMADATA database

TV programming: locally produced talent shows kept the highest interest.

In 2022 the most watched productions remain the talent shows and cooking programs. Romanii au talent (Pro TV) is still the audience's first choice when relaxing in

front of the TV, more than ten years after its launch; this year Survivor Romania (Pro TV) managed to be the public's second preference, pushing Chefi la cutite (Antena 1) on the third place. Vocea Romaniei (Pro TV), iUmor (Antena 1), Masterchef (Pro TV) and Te cunosc de undeva were also popular in 2022.

CHART 14: 2018-2022 TALENTS SHOW PERFORMANCE EVOLUTION (RTG%, ALL 18-54, URBAN)



Source: KANTAR MEDIA / ARMADATA database

Locally produced entertainment shows are still in top preferences and continue to engage strongly broad TV audiences:

Pro TV kept leadership with already famous shows like *Romanii au talent* (Rtg. 10.7% vs. 10.4% in 2021), *Las Fierbinti* (avg. Rtg. 9.1% for both seasons), *Vocea Romaniei* (Rtg. 6.4%), *Imperiul leilor* (Rtg. 6.3%), *Visuri la cheie* (Rtg. 5.5% vs. 7.5% in 2021), *Masterchef* (Rtg. 5.3%), *Ce spun romanii* (Rtg. 3.7%) and with new productions *Survivor Romania* (Rtg. 8.4%), a new TV series *Clanul* (Rtg. 6.9%) and *Batem palma?* (Rtg. 4.2%). Antena 1 most watched program was the new *Chefi la*

cutite season (Rtg. 6.8%), followed by *iUmor* (avg Rtg. 5.4%), *Adela* (Rtg. 5.2%), *Te cunosc de undeva* (avg Rtg. 5%), *Poftiti pe la noi* (Rtg. 4.1%) and *Chefi fara limite* (Rtg. 4%); in 2022 Antena 1 launched two new comedy productions, *Romania are roast* (Rtg. 3.7%) and *Stand-up Revolution* (avg Rtg. 3.5%), as well as *Dancing on ice* (Rtg. 3.1%). Kanal D continued to gain audience by airing Turkish soap operas such as *Ma numesc Zuleyha* (Rtg. 4.2%), *Totul pentru familia mea* (Rtg. 3.4%), *Aripi frante* (Rtg. 3.3%), *Fiica Ambasadorului* (Rtg. 3.2%) and *Infidelul* (Rtg. 3.2%), but also with local productions like the new show *Tu urmezi* (Rtg. 3%).

TV ADVERTISING DEMAND: SOLD TV INVENTORY REMAINED STEADY IN 2022

TV sold inventory increase was tempered by the total TV rating drop (-10%) vs. 2021.

After two years of pandemic that reshaped and influenced the consumer behavior according to the different levels of restrictions, 2022 came with new unforeseen circumstances caused by the war at the border, energy crisis and inflation. Despite all these, the economy was still able to grow, with private consumption being one of the main drivers. The growth was explained however by higher prices and not necessarily volumes, which remained flat, a trend also reflected in the media market that turned out to be stable and predictable both in terms of demand and revenues. The yearly variations observed in media categories were balanced, which helped the TV market reach 350M for a second year.

2022 was also characterized by a return to the previous known trends of TV audience erosion (-10% vs. 2021), while the pressure on TV prices brought by the increased air-time demand meant an average high double digit CPP buying inflation versus the previous year.

When it comes to the average CPT, the increase was of 13%, respectively 3.35 EUR on 18-54 urban target vs. 2.96 EUR in 2021. On urban target the CPT was 1.35 EUR (up

from 1.22 EUR in 2021), while on national target the CPT was 0.69 EUR (up from 0.62 EUR in the previous year).

CHART 15: TV SOLD INVENTORY TREND

Year	2020	2021	2022
All 18-54, urban target sold GRP30" (000)	2,233	2,250	2,092
Sold Inventory % minutes (All Day)	81%	88%	87%

Source: KANTAR MEDIA / ARMADATA database
Note: Only Paid advertising included

The sold inventory (ad break minutes) showed marginal changes, with an average loading of 95% in prime time, 83% in off prime time (-1.5pp vs. 2021) and 87% during all day monitoring (-1pp). Increases were only observed in Q1, +1.3pp in all day against the same period of 2021, while Q2 registered -3pp, Q3 -2pp and Q4 -1.6pp. Major TV stations and programs were almost constantly sold out throughout the year, with over 100% during busy months. Kanal D registered the highest loading increase All Day (+2.9pp), followed by Antena 1 (+2.7pp), Pro TV (+1.1pp) and Antena 3 CNN (+0.7pp), while Romania TV decreased by 6.1pp.

CHART 16: 2020 – Q1 2023 AVERAGE SOLD INVENTORY BY MONTH (% MIN) VS. LEGAL LIMIT

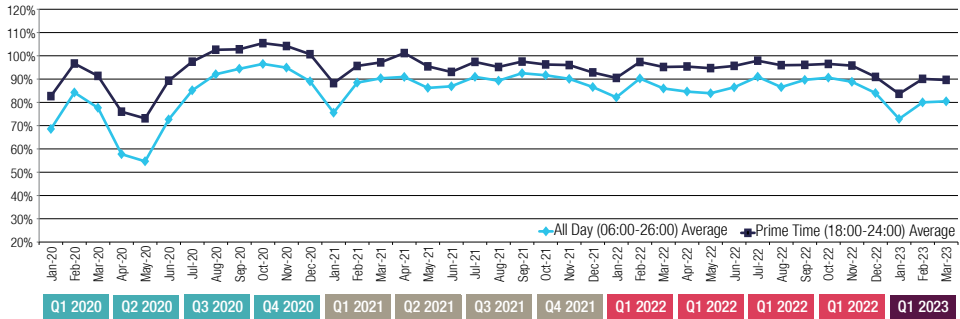
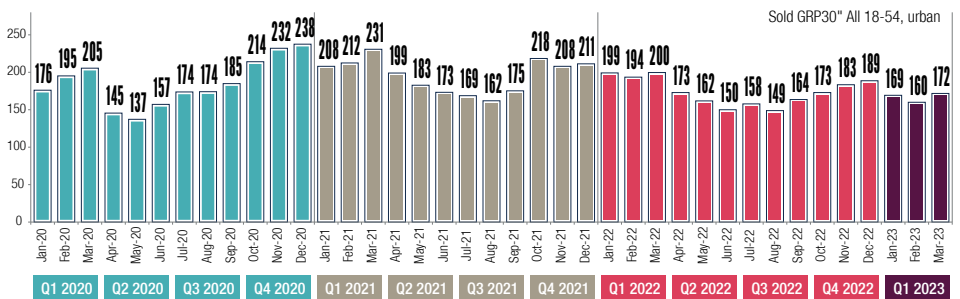


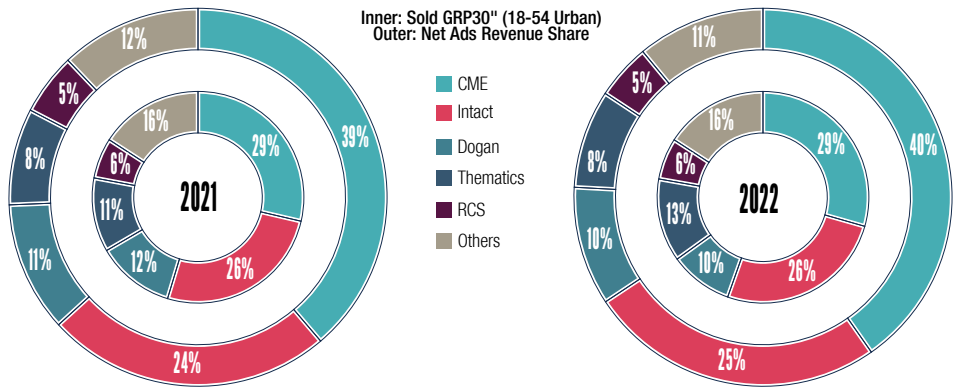
CHART 17: 2020 – Q1 2023 SOLD GRP30" ('000) BY MONTH



The lower audience was translated in less GRP30" as well. Overall, 2022 ended with almost 2.1M GRP30" on 18-54 urban target, 11% less than in the previous year. As expected, most of them were sold by CME, 29%, followed by Intact with 26%,

Thematic Channels with 13% and Dogan with 10%. While CME and Intact kept their SOV steady compared with 2021, Dogan lost approximately 2.3pp and Thematic Channels gained almost 1.5pp.

CHART 18: 2021-2022 TV TRUSTS: ADS REVENUES SHARE VS. SOLD GRP30" SHARE



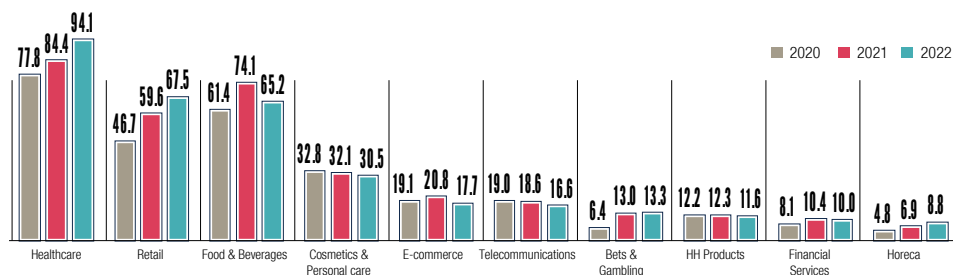
Source: KANTAR MEDIA / ARMADATA database & Initiative's estimates

TOP TV INVESTORS IN 2022

As TV is still the most effective communication touchpoint to convey brand awareness and offer consideration with significant impact across a wide range of commercial products and services, top 10 economic sectors gather a staggering 96% of the total annual net net TV budgets in the market, with Healthcare (26.9%), Retail (19.3%) and Food & Beverages (18.6%) being the major industries. The sectors dynamics was different though: Healthcare (+11% vs. 2021) maintained leadership at a comfortable gap ahead following sectors, while Retail (+13% vs. 2021) overtook Food & Beverages (-12%). While HoReCa had the most dynamic spend

growth (+28%) after being brutally affected by pandemic lockdown in 2020 and extended mobility restrictions which continued in 2021, Bets & Gambling (+2%) increased only marginally after doubling its TV budgets in 2021. Other top sectors decreased their TV allocations, embracing a cautious approach to the potential economic and regional potential threats: Cosmetics & Personal Care (-5%), Household Products (-6%), Financial Services (-4%). The most unexpected drops were reflected by eCommerce (-15%) and Telecommunications (-11%), as the digitalization process consolidation was expected to be keeping a high pace after the pandemic.

CHART 19: 2020-2022 TOP 10 SECTORS INVESTMENTS IN TV (NET NET MILLION EURO)



Source: KANTAR MEDIA / ARMADATA database & Initiative's estimates

WHAT TO EXPECT IN 2023?

With a final decline of 10% in Total TV viewing and GRP30", the 2022 stagnant TV advertising revenue was also marked by the imbalance between airtime demand and supply, and by the increase in production costs. All these laid the foundations of a double-digit inflation in 2023 that was announced by the TV networks in their new sale policies.

The first months of 2023 brought a rating decrease like the one observed historically in the last years, around 10% compared with

Q1 2022, but a better-than-expected April and May reduced the drop of TTV viewing to -7%, on 18-54 urban and national targets. On a market in decline that recently showed record drops, Q2 is still going strong in terms of rating, with the largest increases in audiences being drawn by Antena 1 and Kanal D. The top three generalist stations also regained this year their appealing in consumers' viewing pattern that was focused mainly on news stations in Q1 2022, at the beginning of the war in Ukraine.

Pro TV remains the audience leader but lost -8% in urban and -6% on the national target during January – May 2023, while its share was steady during this time, with a marginal drop amongst the urban public and increase on the national target. Antena 1 had a strong start of the year with major gains especially in Prime time and urban public thanks to America Express, followed by Chefi la cutite. The station registered over 20% monthly increases during Prime time in the past two months on the 18-54 urban target and ends the January – May period with a 3% gain in rating versus spring 2022, when the two shows were not included in the grid. At the same time, on the national target the results show a steady outcome. Their share also improved with almost 2 points in urban and 1pp on national. Kanal D, which had a radical drop last year against 2021, upgraded its results so far and shows +26% in urban and +9% on national. The share also rose with 2.6, respectively 1.6 points.

In the second generalist tier, Prima TV lost 33% on 18-54 urban and 29% on 18-54 national compared with January – May 2022 when an improved programming strategy was reflected in better ratings. National TV ratings dropped 30% in the same time frame, while TVR 1 is down by 40% in urban and 45% on national.

In the news cluster, ratings were expectedly lower considering the higher audience registered last spring when the invasion of Ukraine took place. But without other topics to engage the public, the current predictable political and economic themes are bringing the news stations down by 30% to 40% this year, to pre-pandemic levels in some cases. Romania TV lost over 30% on both urban and national targets, Antena 3 CNN ratings are 30% lower in urban and 33% on national, while Digi 24 is down 40% in urban and 33% in national. Realitatea Plus lost 30% in urban and 21% on national, while B1TV dropped by 50%, respectively 57%, being the only news station whose audience also decreased in the analyzed period of 2022.

The top programs are still dominated by Pro TV with Românii au talent with an average rating of 10.6% (38.6% share) on 18-54 urban or 12.4% (40% share) on 18-54 national. Compared with the edition last spring, Românii au talent is down 7% on 18-54 urban, but gained 1% on 18-54 national. In terms of share, it has +2pp in urban, respectively +4.7pp on national. Las Fierbinti follows with 8.8% rating, respectively 10.2%, but is slightly down since spring 2022 when it reached an average rating of 9.5% in urban and 10.8 in national target. The share is also marginally lower on both targets. Survivor also has a weaker season in 2023, with 9.2% rating in urban and 10.2% in national, down by 32%, respectively 25%. The show has also lost share, -7pp, respectively -5pp.

Antena 1 had a surprisingly strong first quarter thanks to America Express with high and steady ratings for four days every week. It had an average rating of 8.6% and 7.7% on the mentioned targets, and share of 28%, respectively 23%. After the reality show came to an end in late March, Chefi la cutite continued with similar results and secured the high Prime time ratings of Antena 1 and the positive outcome of 2023 YTD. At the same time, the comedy show iUmor lost 27% on 18-54 urban and 19% on national, with -3 points of share, respectively -2 points on national.

The third major generalist station Kanal D kept its constant public drawn by Turkish soap operas. Totul pentru familia mea/Kardeslerim achieved an average rating of 3.6% in urban and 5.4% in national, with a share of up to 14% points.

The drop in TV audience was also reflected in the balance of GRP30” sold by the stations. Compared with Jan-May 2022, the overall decrease is around 12%, with -12% for Pro TV (steady share of sold GRPs), -8% for Antena 1 (+1pp SOV), and +20% for Kanal D (+3pp SOV). The audience decrease seen for the news stations is similar in terms of the GRP30s they sold during the first five months of 2023. Romania TV had 31% less (-1pp in

SOV), Antena 3 CNN lost 28% (-1pp in SOV) and Digi 24 dropped by 40% (-1.3 points in SOV). Of all the TV networks, Dogan is the only one that managed to gain during this time, both in sold GRP30s and SOV. CME lost 12%, while Intact lost 13%, but both remained flat in SOV. Thematic Channels registered a 13% loss, Warner Discovery lost 19%, while the Digi group lost 23%.

The decrease in GRP30" is stronger than the one in ratings especially because of changing in advertisers' consumption pattern in the first months of 2023. Looking at each sector, Healthcare was down by 16% compared with Jan-Apr 2022, Food & Beverages also lost 16%, Cosmetics & Personal care -18%, eCommerce -18%, HH Products -10%, Bets & Gambling decreased by 37%, while Financial Services and HoReCa lost 26%, respectively 19%. On the other hand, Retail decreased marginally by only 2% versus last year in terms of GRP30" while Telecommunications by 5%.

When it comes to the advertising breaks, the 12-minute loading of paid commercials in January-May 2023 shows variations compared to the same period last year. Prime time shows a decrease of 8%, while the off prime time loading has a 10% decline, reaching an average drop of 9% in all day. January had 84% loading in prime time, 68% in off prime time and 73% during all day (down from 90%, 79% and 82%), February had 90%, 76% and 80% (down from 97%, 87% and 90%), same as March (down from 95%, 82% and 86%). The numbers in April show 89% in prime time, 74% in off prime time and 78% in all day (down from 95%, 80% and 85%), while May saw 85% in prime time, 76% in off prime time and 78% for all day (down from 95%, 79% and 84% the year before).

The beginning of 2023 was also marked by new sale policies changes designed to offset the spike in production costs caused by the inflation in 2022, as well as the usual sold-out airtime of major stations and shows. These new adjustments further increased the average buying CPP, with a sizeable impact

descending from extended buying targets that are continuously moving towards more mature and national groups. After CME and Dogan stations in previous years, this year Antena 1 and its niche channels announced new targets that generate inflations in both urban and national targets. Besides the new targets, the shift of CPP spot lengths reference calculation from 30 sec to 20 sec was continued in 2023 by Kanal D. This is also the reference length on Kanal D2, the new TV station from Dogan that was launched in early April. The national TV network stood out with the boldest target change (from Urban 18-55 to Urban 18+) that doubled the cost of running ads on the national TV channels. Additional inflation was generated by new seasonal indexes, daypart indexes, Prime time intervals and premium taxes.

Although dense, the changes in sales policies were predictable because the shift in sales paradigm has been already produced in the last two years by the market leader Pro TV, which introduced the national buying target and 20 second reference length, inspiring the same movement in other media groups approach in the years to come. At the same time, driving up the costs will remain an adjustment mechanism for the airtime demand and supply, but also a way to secure high quality and costly productions that can keep the public interest and slow down the TV decline.

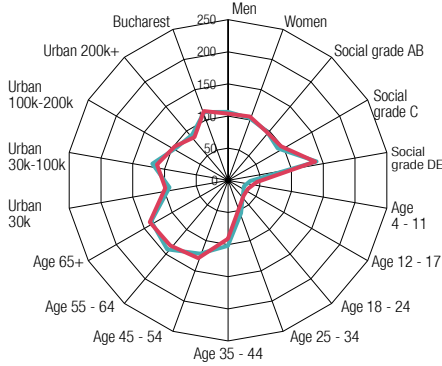
Looking at the whole context of 2023, private consumption and investments are set to be the main growth drivers, but the high inflation that is reducing the purchasing power, tighter financial conditions and the war in Ukraine will slow-down the economy. **The TV media market is expected to match the economic trend and is projected to remain flat at 350M EUR or register a marginal increase in terms of net revenues of 3%-4% at best, along with an estimated double CPP buying inflation, around 15% market average.**

IN-DEPTH DATA: TV CHANNELS AUDIENCE PROFILES URBAN VS. NATIONAL

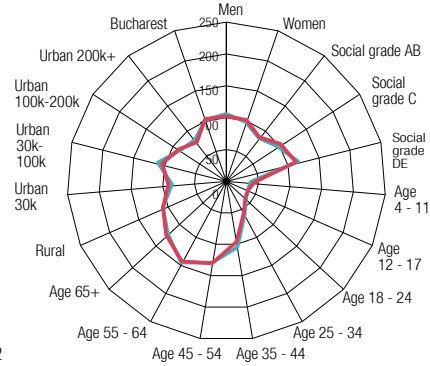
Source: KANTAR MEDIA / ARMADATA database

GENERALIST CHANNELS

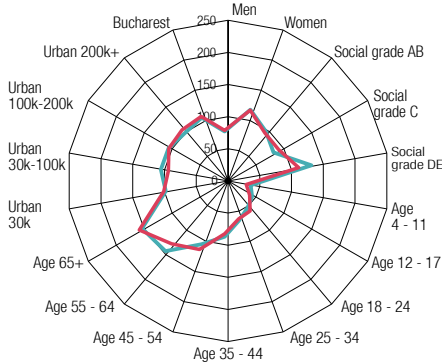
Pro TV Profile (Urban Affinity Index)



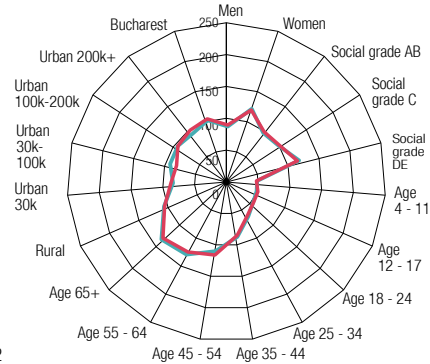
Pro TV Profile (National Affinity Index)



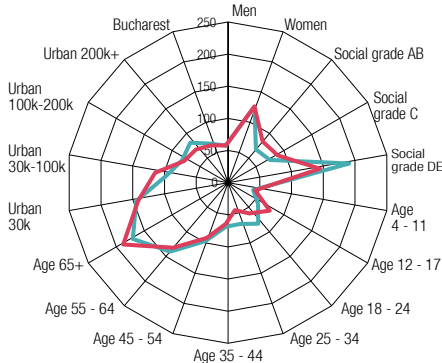
Antena 1 Profile (Urban Affinity Index)



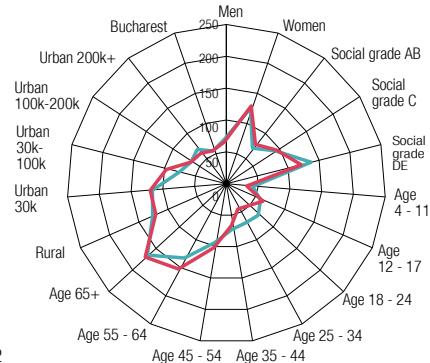
Antena 1 Profile (National Affinity Index)



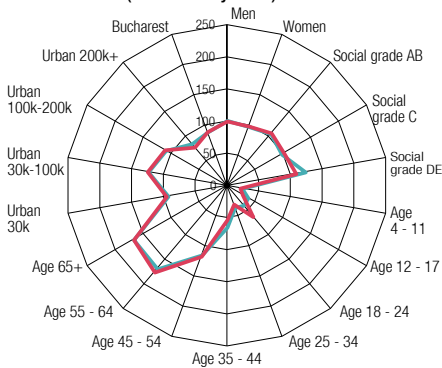
Kanal D Profile (Urban Affinity Index)



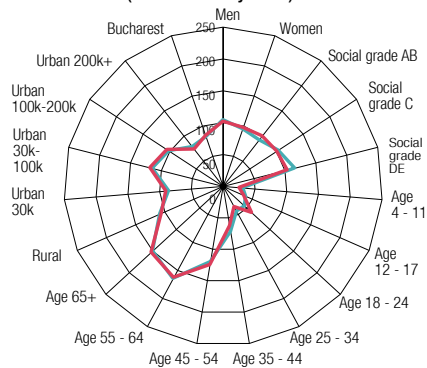
Kanal D Profile (National Affinity Index)



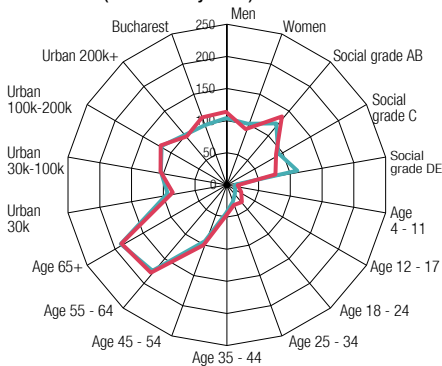
Prima TV Profile (Urban Affinity Index)



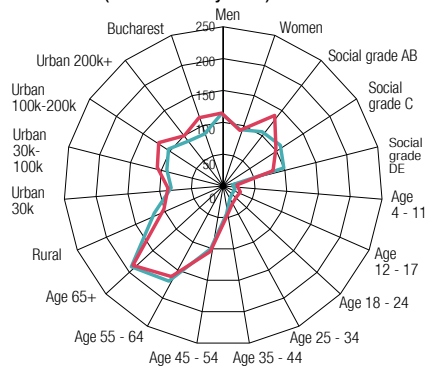
Prima TV Profile (National Affinity Index)



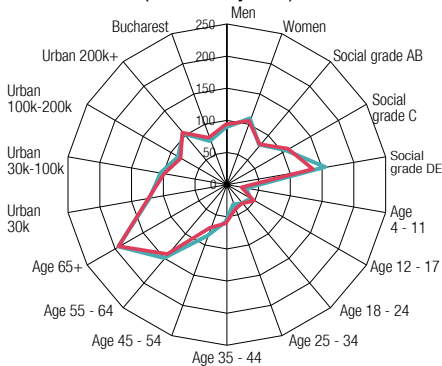
TVR 1 Profile (Urban Affinity Index)



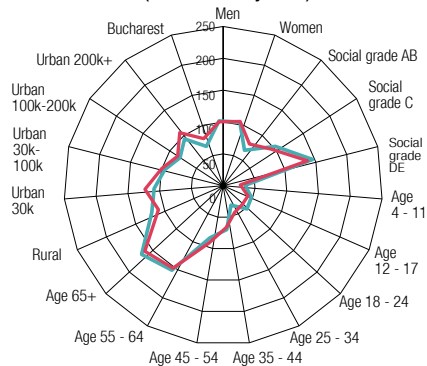
TVR 1 Profile (National Affinity Index)



National TV Profile (Urban Affinity Index)

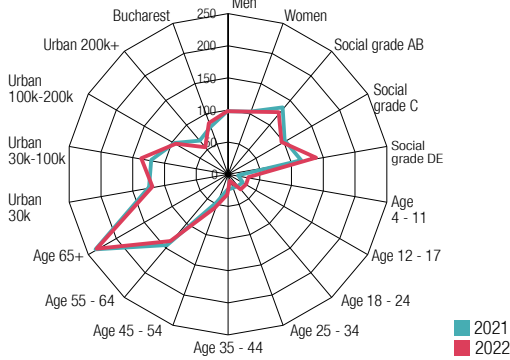


National TV Profile (National Affinity Index)

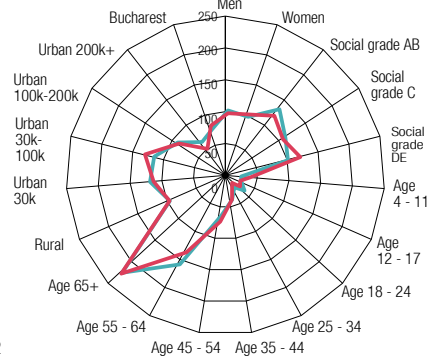


NEWS CHANNELS

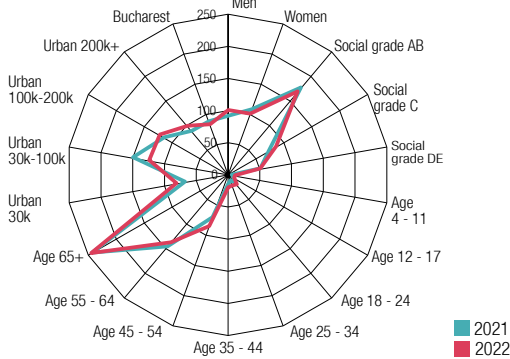
Romania TV Profile (Urban Affinity Index)



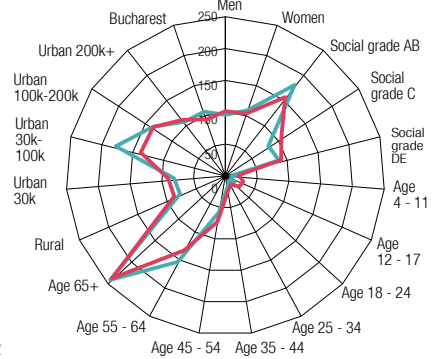
Romania TV Profile (National Affinity Index)



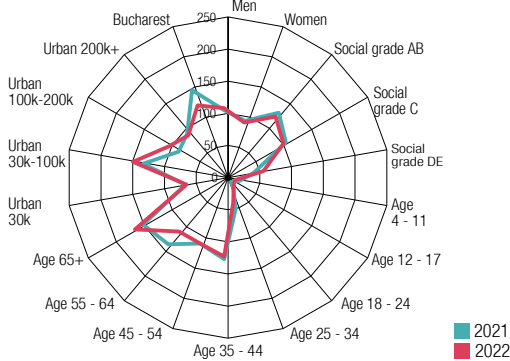
Antena 3 CNN Profile (Urban Affinity Index)



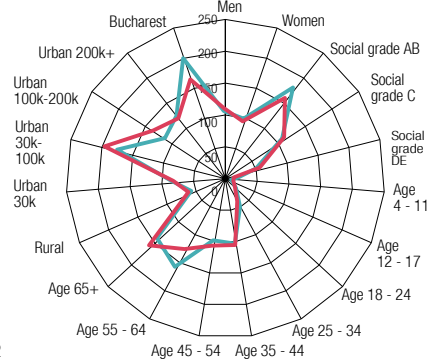
Antena 3 CNN Profile (National Affinity Index)



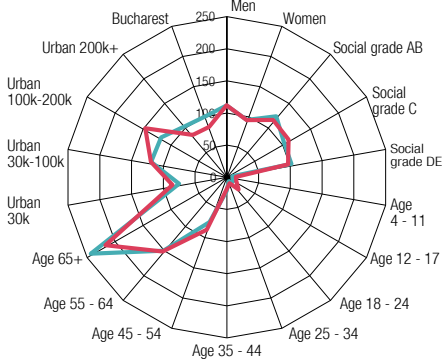
Digi 24 Profile (Urban Affinity Index)



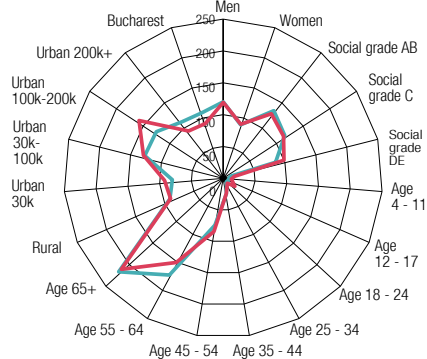
Digi 24 Profile (National Affinity Index)



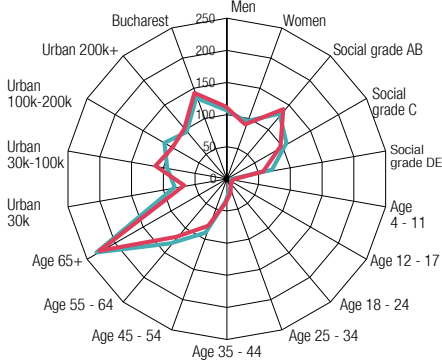
Realitatea Plus Profile (Urban Affinity Index)



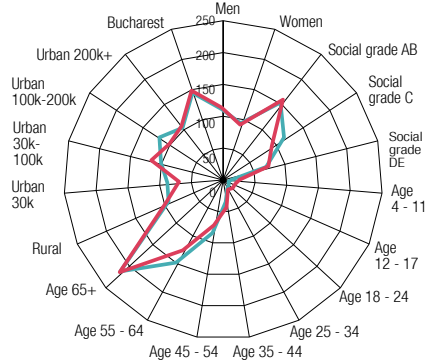
Realitatea Plus Profile (National Affinity Index)



B1 TV Profile (Urban Affinity Index)

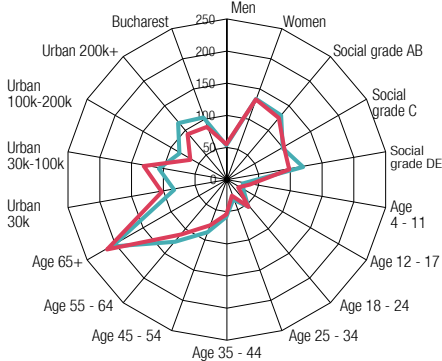


B1 TV Profile (National Affinity Index)

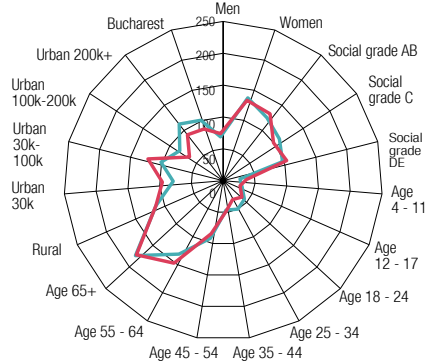


WOMEN THEMATIC CHANNELS

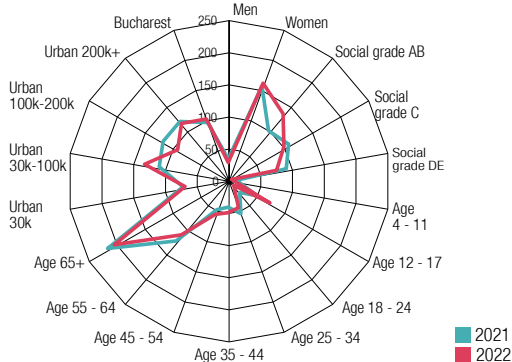
Antena Stars Profile (Urban Affinity Index)



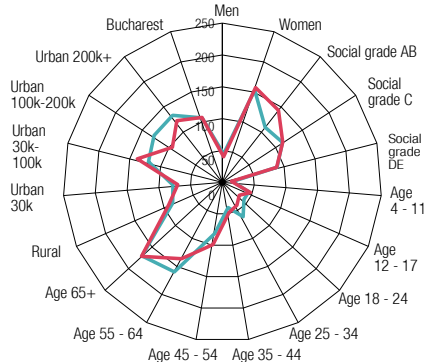
Antena Stars Profile (National Affinity Index)



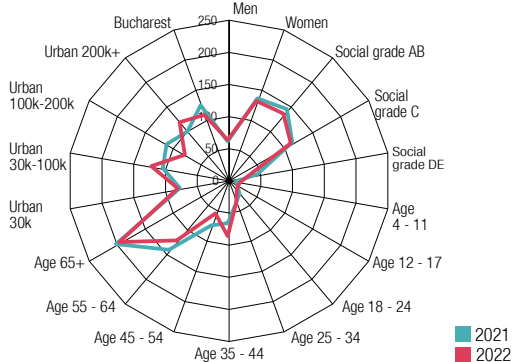
Happy Channel Profile (Urban Affinity Index)



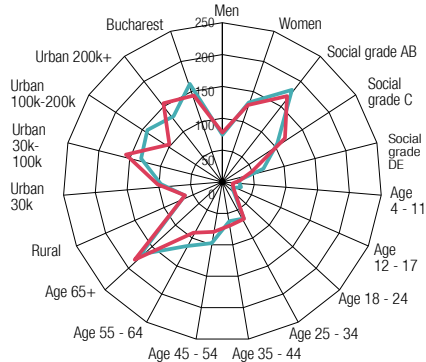
Happy Channel Profile (National Affinity Index)



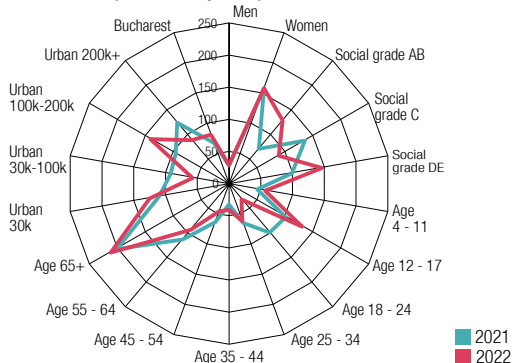
DIVA Profile (Urban Affinity Index)



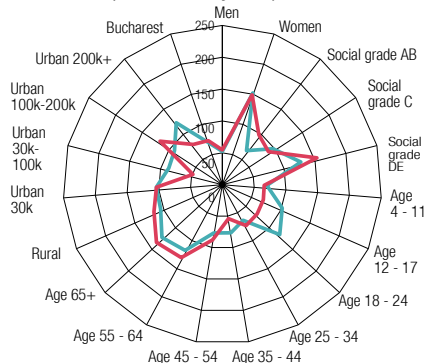
DIVA Profile (National Affinity Index)



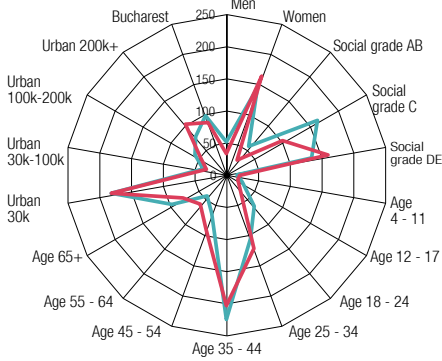
ACASA Profile (Urban Affinity Index)



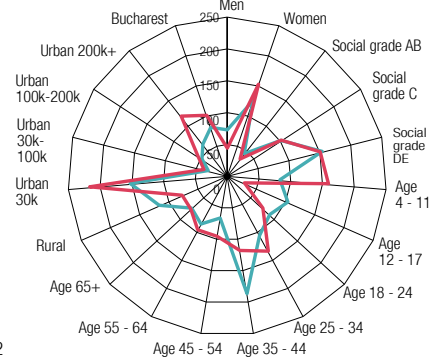
ACASA Profile (National Affinity Index)



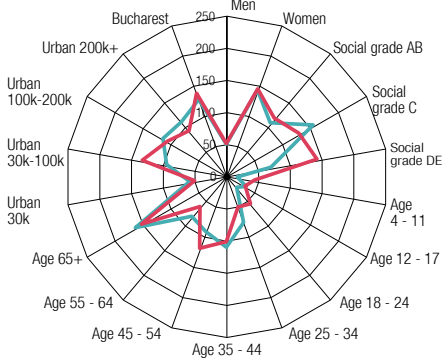
ACASA GOLD Profile (Urban Affinity Index)



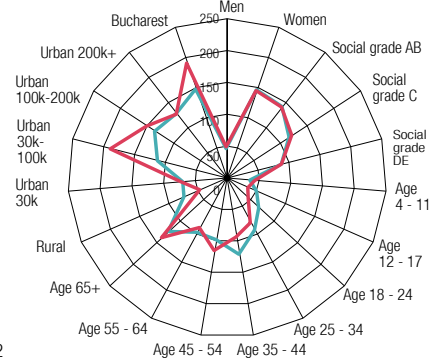
ACASA GOLD Profile (National Affinity Index)



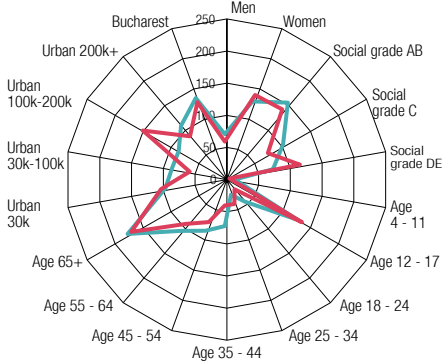
TLC Profile (Urban Affinity Index)



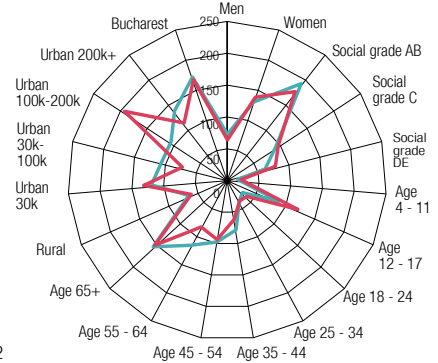
TLC Profile (National Affinity Index)



TV Paprika Profile (Urban Affinity Index)

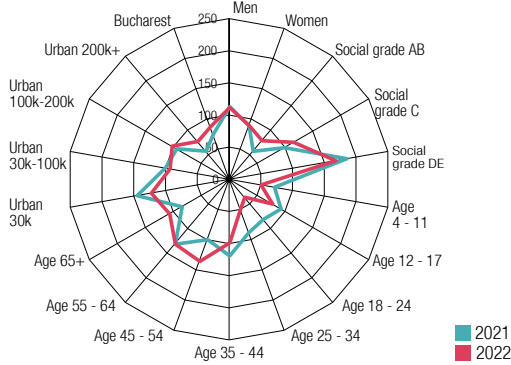


TV Paprika Profile (National Affinity Index)

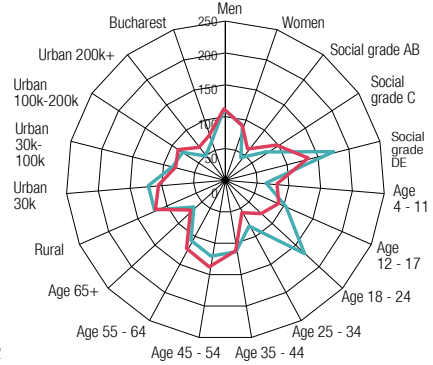


MOVIES CHANNELS

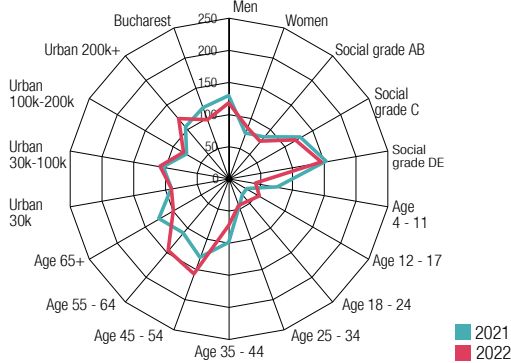
Pro Cinema Profile (Urban Affinity Index)



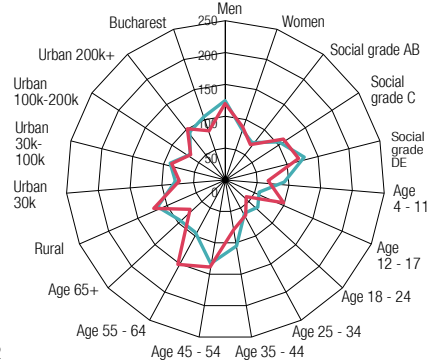
Pro Cinema Profile (National Affinity Index)



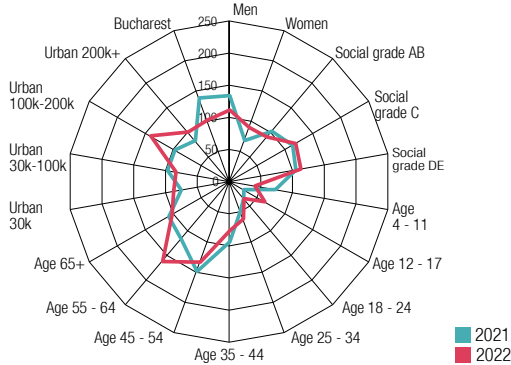
Film Café Profile (Urban Affinity Index)



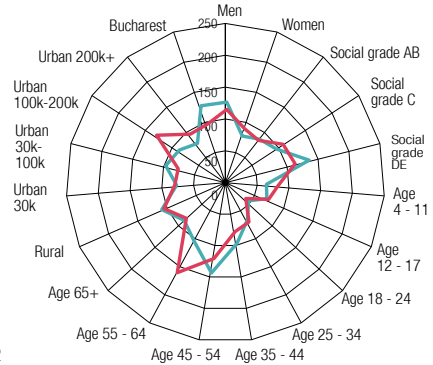
Film Café Profile (National Affinity Index)



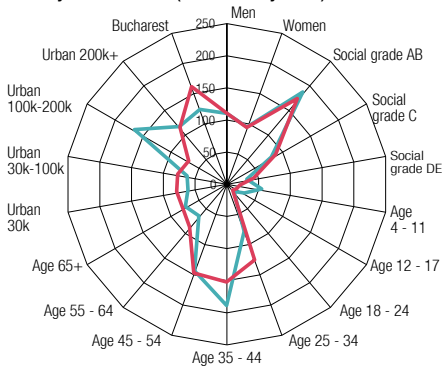
AMC Profile (Urban Affinity Index)



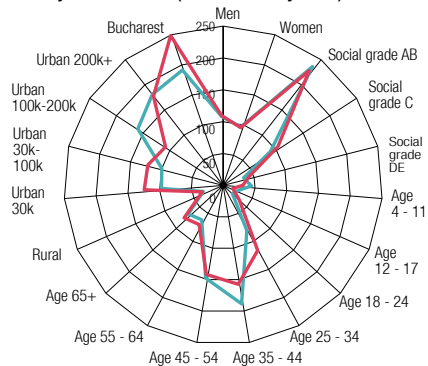
AMC Profile (National Affinity Index)



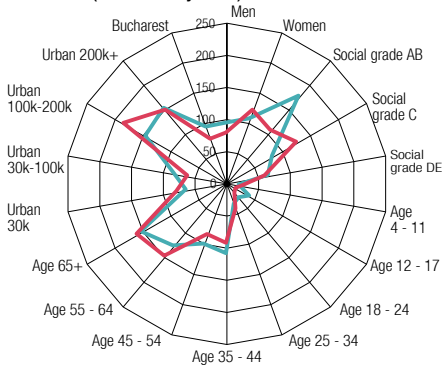
Comedy Central Profile (Urban Affinity Index)



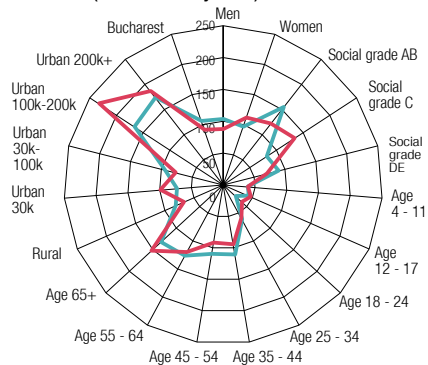
Comedy Central Profile (National Affinity Index)



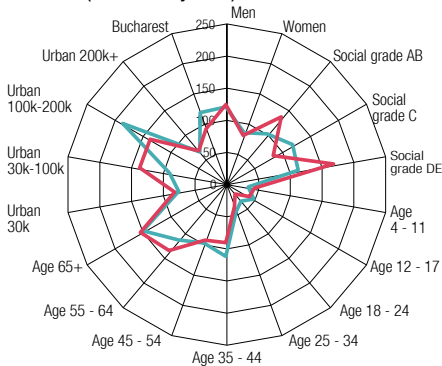
AXN Profile (Urban Affinity Index)



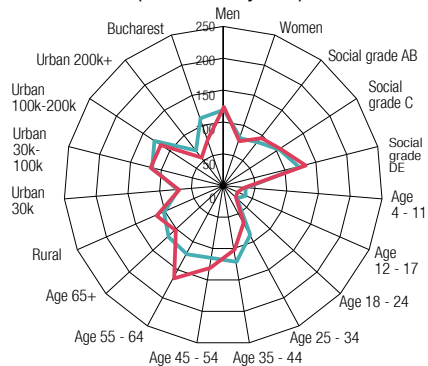
AXN Profile (National Affinity Index)



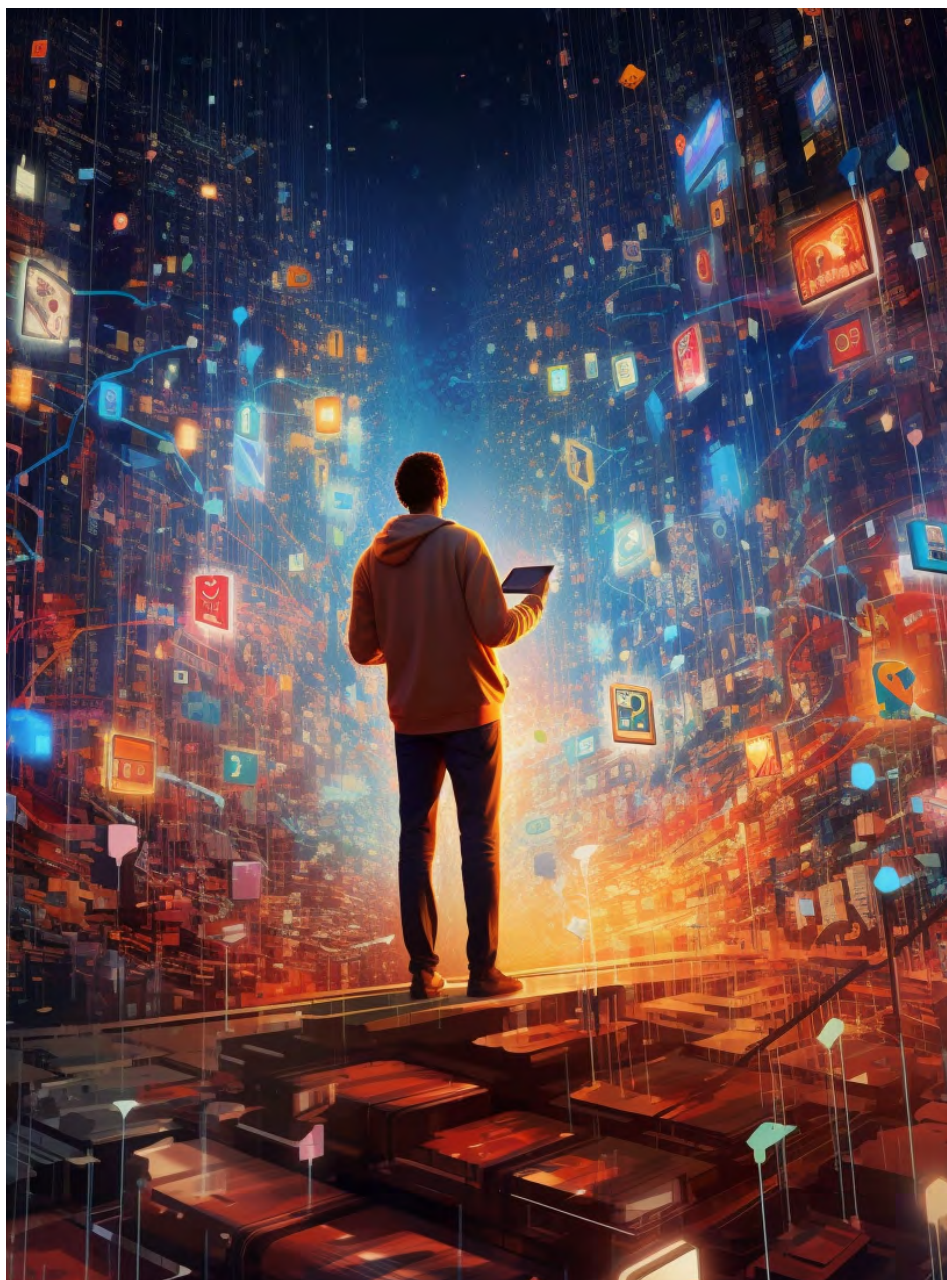
Warner TV (Urban Affinity Index)



Warner TV Profile (National Affinity Index)



DIGITAL MARKET



DIGITAL MARKET

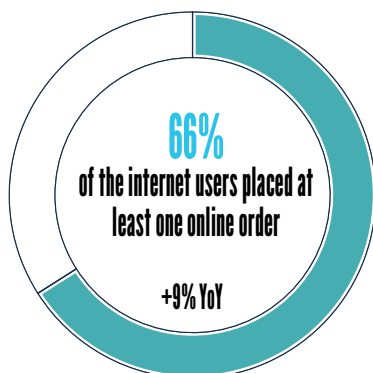


E-COMMERCE

After a series of years of constant and impressive growth, 2022 reflected a moment of consolidation and maturity for the eCommerce sector in Romania.

With a slight increase to a new threshold of 6.3 billion euros at the end of 2022, versus 6.2 billion euros in 2021, according to estimates made by GPeC, the eCommerce industry is reaching a plateau and gets to secure the significant gain in penetration and trust within the Romanian society.

The good news and the sign that the perspectives for eCommerce in Romania are positive come from the higher number of online transactions and especially from the number of new buyers, this helping the industry both in terms of diversification and in establishing a solid ground for future expansion.



Other good signs are coming from the numbers published by the National Institute of Statistics that show a percentage of 66% of the internet users that placed at least one online order in 2022. A significant increase of 8.7% versus 2021, a proof of the level of trust Romanians have in eCommerce as a reliable alternative to traditional offline retail. According to Eurostat data, this percentage is placing us above countries like Italy (49%) and Bulgaria (41%).

An interesting observation comes from the statistics published by 2Performant where we register an increase in value for purchases made from desktop compared with last year (70.75 euros versus 66.67 euros), but when it comes to mobile, the average amount spent in a transaction remains almost identical (46.47 euros).

While more than 80% of the traffic Romanian eCommerce platforms receive is generated via mobile, a new record percentage, we also see a significant increase in the number of transactions made by mobile connection. 76.7% of the transactions were made from mobile phones, up from 69.8% in 2021, according to GPeC eCommerce report.



more than **75%**
of the total online transactions
were made on mobile

Romanians prefer to shop online in the evening using the mobile phone, and between 11:00 and 15:00 they prefer to do it from the desktop.

We registered some significant changes in what are the key drivers when placing an online order. According to Global Web Index study on the online population, we see a 2 pp increase in importance for alternative delivery options like click & collect, this being a valuable option especially for the active population. Another significant new perspective comes from the decrease in importance for easy return, the almost 3pp difference comes mostly from the younger audiences that are becoming more relaxed regarding this possible outcome of an online order.

The possibility to enter competitions is also becoming less relevant, this marketing strategy seems to have reached a limit in its capacity to influence the purchasing decision for all generations.

Social platforms and their powerful presence in everyday life are becoming more impactful for the overall eCommerce industry because the younger generation is expecting and prefers to start the purchasing process direct via a buy now button in social apps. This comes as more e-shops have integrated buying directly via social platforms and making the entire process significantly faster and smoother for the consumer.

According to eCommerceDB by Statista, the biggest player in the Romanian eCommerce market is emag.ro. The store had a revenue of 927.6 million US dollars in 2022. emag.ro is followed by altex.ro and fashiondays.ro as the second and third-largest stores. Altogether, the top three stores account for 40.4% of the top 100 online stores' revenue generated in Romania.

Fashion is the largest market and accounts for 46.0% of the Romanian eCommerce revenue. It is followed by Food & Personal Care with 18.9%, Electronics & Media with 15.2%, Toys,

Hobby & DIY with 10.2%, and Furniture & Appliances with the remaining 9.8%.

With sales in the Romanian Fashion market, fashiondays.ro generated a revenue of 136.6 million dollars in 2022, which means it is the leading online store in this market. In second place is aboutyou.ro with a revenue of over 91.3 million dollars, followed by epantofi.ro with a revenue of 78.9 million dollars. Altogether, the top three online stores account for a market share of about 33.7% within the top 100 stores of the given market.

In the second category based on net sales, Food & Personal Care market, eMag.ro is the leader having generated a revenue of 120.6 million dollars in 2022. In second place is drmax.ro with a revenue of over 72.6 million dollars, followed by notino.ro. Altogether, the top three online stores account for a market share of about 49.4% within the top 100 stores of the given market.

In Electronics & Media market, emag.ro remains the leading brand with generated revenue of 579.7 million dollars in 2022. In a very far second place is pcgarage.ro with a revenue of over 69.2 million dollars, followed by altex.ro with a revenue of 51.3 million dollars.

While the average order remained to a very similar value to the one from last year, when we take into consideration the inflation, we see a consumer inclined to buy less or to choose cheaper products. Based on the average transaction value, both for mobile and desktop, the ranking for eCommerce categories remains the same: Auto & Moto comes first, followed by Electro-IT&C, Home & Garden, Sport & Leisure, Toys & Children products, and Fashion.

According to 2Performant reports, in 2022 the top three categories which registered gains were Pharma with an impressive growth of 186% YoY, Health & Personal Care with +59.2% YoY and Fashion with 43.8% growth Year on Year.

It's important to highlight what are the main retail websites in terms of average visits at the end of 2022 because this gives us an overview of how the eCommerce industry is split and what are the main competitors.

According to Semrush, the most valuable Romanian brand, eMag is also the leader in terms of monthly visits with 44 million in December 2022. Functioning as a seller and as a marketplace, eMag is the trendsetter in local eCommerce and is shaping the industry by investing extensively in alternative delivery via lockers. The entire Dante International group is managing the top eCommerce platforms in different categories, and sometimes even overlapping in terms of offer. eMag, Fashion Days, Freshful and Tazz by eMag all combined showcase a true dominance in all aspects of local eCommerce.

In the second place in terms of monthly visits comes OLX.ro (23.75 million visits), a marketplace platform open to all categories

of sellers. The third place is taken by Altex (12.27 million visits) and its focus on Electro-IT&C category.

Some of the main trends identified by GPec for Romanian online commerce in 2023 and the next years come from a more brand focused approach:

Building a community via loyalty programs and focusing more on recurrence than acquiring new traffic.

Increase the diversification in supply, eCommerce should be a true mirror of everything available in offline retail, with the main advantage of European open markets.

Selling outside Romania via marketplace platforms or directly to a more educated and relaxed audience.

Implement buy now, pay later offers that deliver results especially in a difficult economic context.

INTERNATIONAL STATS

The accelerated digitalization process is continuing in 2022 and early 2023 driven by mobile connections. With the global population reaching and passing 8 billion at the end of the last year, we now register 5.44 billion people using a mobile phone, representing 68% of the total population.

According to Data Reportal by Kepios global report there are now 4.76 billion social media users around the world, equating to just under 60 percent of the total global population. Social media user growth has slowed over recent months though, with this year's net addition of 137 million new users equating to annual growth of just 3 percent.

In a post pandemic world and in a global economic crisis, the connection to information, infrastructure and community building is vital and is being considered a right by many societies.

When looking at overall statistics with impressive numbers for internet access it

is ideal to also identify the extremes and discover that now only nine countries in the world have less than 20% of the population with access to digital. North Korea, large parts of Africa and Afghanistan are the places where due to infrastructure or political decision people don't have access to internet, and on the opposite spectrum there are countries with 99% connectivity, like Ireland, Norway, or UAE.

LESS TIME SPENT ONLINE, BUT MORE ON MOBILE

For the first time we see an important change in online behaviour: people choose to spend less time online. According to Global Web Index, we are talking about an average of 20 minutes per day less time, it doesn't seem much, but it's the first time this happens since pre pandemic statistics. This almost 5% decrease YoY is explained partly by the complete freedom of movement, but also can be generated by a screen fatigue and a

need to spend more time in offline human connections.

But also surprisingly we have reached a peak of time spend daily using a mobile phone with an average of 5 hours. This paints the picture of a nonstop connectivity and of a very strong relationship people worldwide have with their phones.

The internet is considered the best and first place where you can find information, Global Web Index latest wave of research shows that almost 6 in 10 working age internet users go online to find information. They use it to stay in touch with family and friends (53.7%), stay updated with news (50.9%) and watch videos (49.7%).

PANDEMIC CHANGES THAT ARE HERE TO STAY

Online shopping is consolidating, and even if there is a decline in global retail spend in the last year, eCommerce globally claimed a greater share of spend in 2022 versus the previous year.

Video Streaming is continuing to grow, according to the latest data from Global Web Index. Services like Netflix and Disney+ now account for more than 45 percent of the time that working-age internet users spend watching television.

The biggest beneficiary of the pandemic shifts is the digital advertising industry. Data from Statista reveal that digital's share of total global ad spend has increased by a relative 27.7% since 2019, up from 57.4% in 2019 to 73.3% in 2022.

SOCIAL MEDIA USERS CONTINUE TO GROW

In the last three years more than 1 billion new users have been added to all the social media platforms combined, according to reporting by Kepios. A growth accelerated by the pandemic that kept its direction with double digit increase between 2021 to 2022. Without doubt this rhythm is not sustainable and we registered lower rates of adoption in the last year.

Global Web Index's data also show that people are spending more time than ever

on social media, with an average of over two hours daily.

Facebook continues to be the largest social media platform with 2.95 billion monthly users, almost 37% of the total world population. Second platform that can be assimilated to social media is YouTube that self-declared more than 2 billion logged in users.

Another brand from the Meta portfolio, Instagram ranks third with 2 billion monthly active users. A similar report comes from WhatsApp, also part of Meta, but with an impressive 2 billion active users per day.

TikTok had the most spectacular growth and now has the highest average monthly usage per user in 2022. Even if many critics consider TikTok more of an entertainment and short-video platform, than social, it managed to surpass YouTube at the average number of hours spent monthly by an Android user.

The "For You" algorithm manages to keep users connected for a lot longer than another platform. Many of its features can be found month later in other digital products as a proof of their efficiency.

Even so, according to the data collected by Global Web Index, Instagram remains the preferred social media platform by internet users in the 16 to 24 age group. It's interesting to mention the relevance Facebook continues to have for men especially, even for the young generation.

When analyzing all social media platforms, we see a high degree of overlapping for the audiences of each platform. We don't see a massive shift from the older platforms to all the new options, not even for the young people.

Amongst worldwide social media users aged 16 to 64, 82.5% of TikTok users continue to use Facebook every month and 84.3% of Telegram users also use WhatsApp every month.

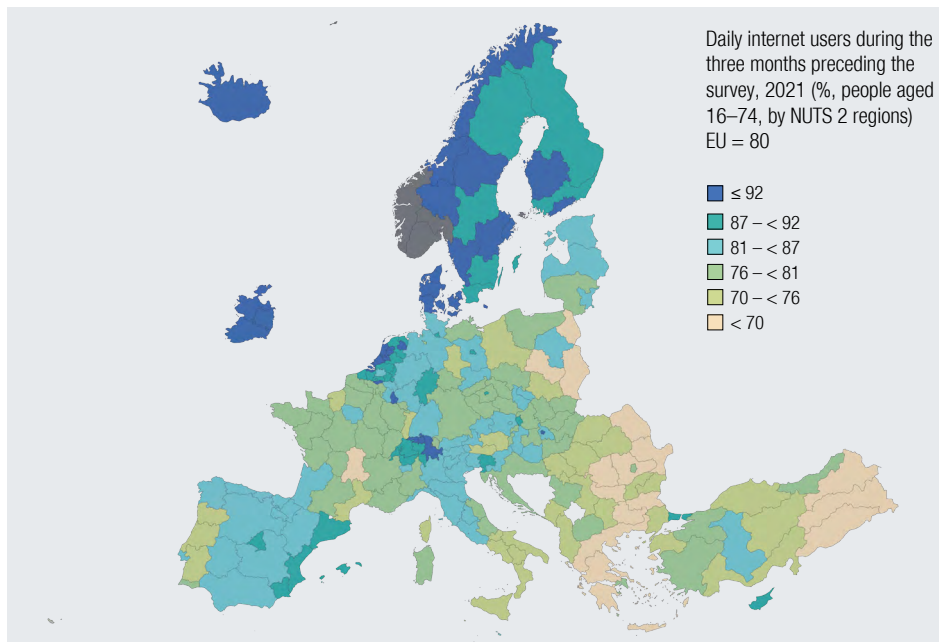
From a marketer's perspective, a strategy that tries to be on all social platforms in the search for a bigger reach is not always the most efficient taking into consideration the significant overlap between audiences.

EVOLUTION OF DIGITAL IN ROMANIA

INTERNET PENETRATION

As more people jumped into the digital world during the pandemic and internet reached a record number of Romanians in the last

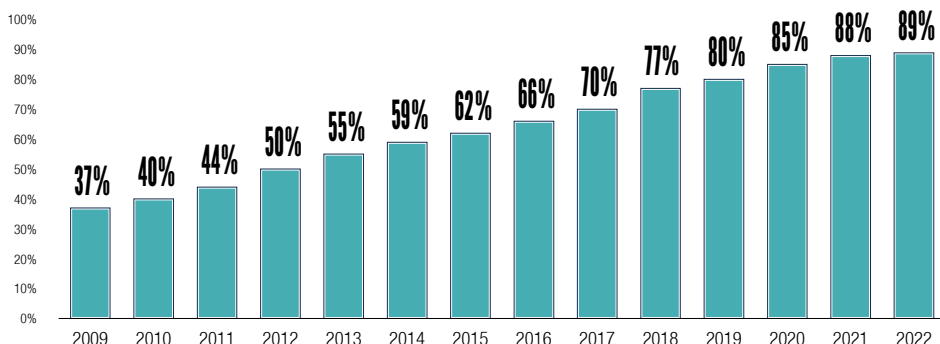
years, 2022 marked the smallest increase in internet penetration in the last decade.



We are getting close to a maximum with 89% of Romanians aged 16 to 74 having access and using the internet in the last 12 months. The just 1% increase compared to the previous

year, according to the Eurostat data, proves we are in a plateau and from now on we expect small, but constant growth in this area.

CHART 01: INTERNET PENETRATION IN ROMANIA

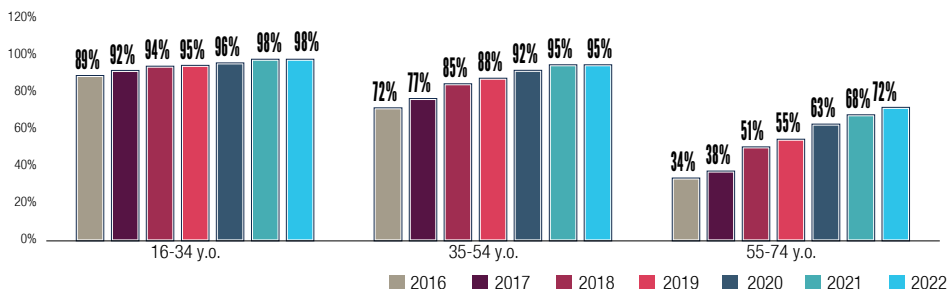


Source: Eurostat | Internet use by individuals aged 16 to 74 in the last 12 months - whether at home, at work or from anywhere else and whether for private or work/business related purposes

When we have a deep dive in data to find out who are the main drivers for internet usage in Romania, we discover surprising and positive answers. The biggest YoY growth comes from the 55-74 y.o. age group, maintaining the positive trend with 6% increase in 2022, after a remarkable 8% increase in 2021. This shows

a consistent change in behavior for older Romanians and a great sign for the bigger process of digitalization for the entire society. Also, according to the National Institute of Statistics, in 2022, Romanians with low education entered the internet users category with a 6% increase YoY.

CHART 02: INTERNET USAGE BY AGE GROUPS

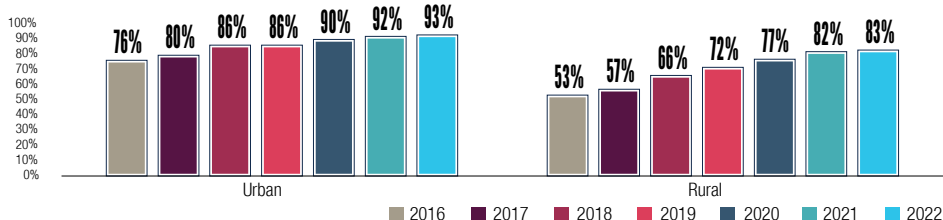


Source: INS | All 16-74 National, last 12 months

The split between urban areas and rural ones remains constant, with just 1% increase YoY for internet penetration for each category. The 10% gap in internet penetration between

urban and rural areas remains in place, according to National Institute of Statistics' study on all population between 17-74 y.o.

CHART 03: INTERNET USAGE IN URBAN VS. RURAL



Source: INS | All 16-74 National, last 12 months

The only remarkable increase in digitalization on the geographical criteria can be seen in the

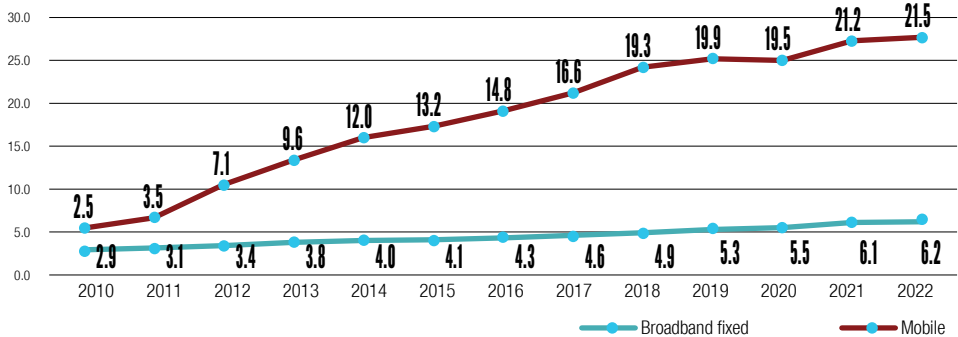
Southwest region where we have a 5% growth YoY.

INTERNET CONNECTIONS

The trend is positive, but the growth is slowing down with a 1% increase in total fixed broadband connections YoY, the pace of growth is in line with the internet penetration. According to ANCOM, we see a significant 74% of these connections allow 4G or 5G speeds.

In terms of mobile connections, we have a massive increase for 5G connections, with a growth of almost eight times in comparison to the same period in 2021. Now we have over 400.000 5G mobile connections.

CHART 04: INTERNET CONNECTIONS BY TYPE (MILLION)



Rural areas are registering a higher growth rate for fixed broadband connections: 3% YoY in comparison with urban areas where we see a very slim margin of just 1% growth

compared to last year. 81% of households in urban areas have access to fixed broadband connections while in rural ones the percentage is significantly lower with a 66% penetration.

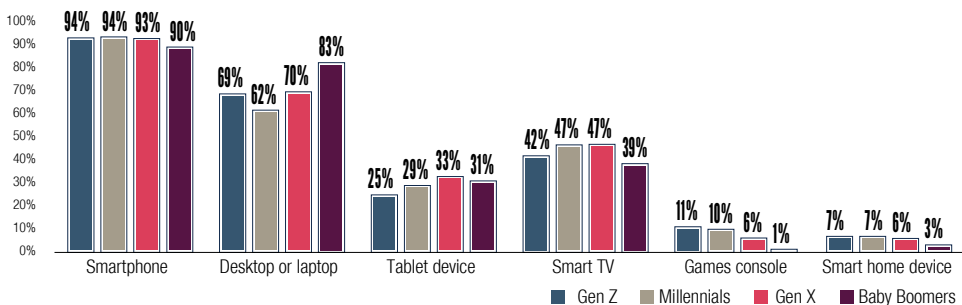
DEVICES USED TO ACCESS THE INTERNET

Smartphones are the absolute winners of the last years, this helped by the internet speed, the growing number of affordable devices and the social platforms.

desktops, this especially for the younger generations. The tablet is losing its appeal to Gen X and Boomers by 12% YoY according to the Global Web Index, but surprisingly is gaining popularity for Gen Z with an 11% increase in usage in the last year.

Where we register a significant double digit decrease in usage are the laptops and

CHART 05: DEVICES USED TO ACCESS THE INTERNET



Smart TVs are becoming more popular for all generations, but mainly for Gen Z, where we register a 12% increase in usage in 2022. The mix of video on demand platforms with online videos and the raising of gaming

streaming are driving the growth for this device category. According to the National Institute of Statistics, in the last 12 months, Smart TVs are more likely to be used by women: 3.1% more than by men.

Another hero device for last year are the smart home devices. 50% of the 16 to 74 y.o. Romanians who accessed the internet in the

last 3 months have used smart home devices (gaming consoles 17%, smart TVs 93%, audio systems 31%).

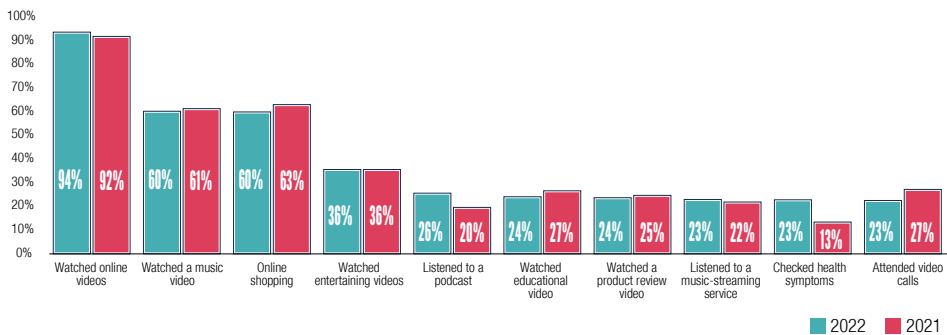
ADOPTION OF DIGITAL INNOVATIONS

The significantly more active lifestyle of the post pandemic world comes with new behaviours and new ways of using technology and connectivity to make every day simpler and better.

Spending time online in video calls continues to decrease with 17% YoY, this being a direct

consequence of a slow and steady return to the office world. This is followed by a 9% decrease YoY for time spent watching educational online videos and a smaller, but still relevant 5% YoY decrease for online shopping, according to the Global Web Index study on the online population in 2022.

CHART 06: TOP WEEKLY ONLINE ACTIVITIES



Source: GWI, Online Population, 2022

This happens at the same time with a major positive evolution for health checks and information gathering online 70% YoY and a newly developed appetite for podcasts with a 31% increase in comparison with 2021.

QR codes are here to stay as they help things move faster and they are easy to use. According to the Global Web Index study, 38% of the Romanian online population declare they use smartphones to scan QR codes. Also, a new practice acquisition comes from the benefits technology brings to simple

everyday interactions. Using the smartphone to translate text in real time via apps like Google Lens or to search for information online based on an image are new ways in which Romanians are integrating digital tools in their lifestyle.

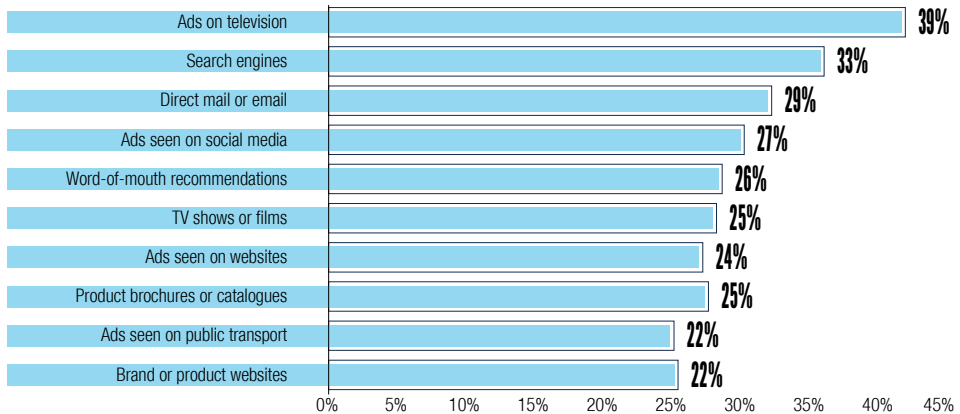
2022 brought an expansion of mobile payments particularly for the Gen Z generation where we could also see an increase in money sent to friends or family via mobile, 28% vs. 25% in 2021.

BRAND DISCOVERY

The major sources for brand discovery mentioned by Romanians in 2022 are quite similar with the ones from the previous year. According to the Global Web Index study,

TV remains on top with 39% of the online population declaring ads seen on TV as the first source for finding out information about brands.

CHART 07: TOP 10 BRAND DISCOVERY TOUCHPOINTS



Source: GWI, Online Population, 2022

Search engines are placed second (33%), also followed by ads in social media (27%) and word of mouth (26%), showing a balanced mix of online with offline placements. It is interesting to mention how Romanians discover brands in comparison with the European average. We see a switch between the first two sources with search engines on top with 37%, followed by TV (34%), word of mouth (32%) and social media ads (25%).

Worth mentioning is the increase in relevance for ads showed before TV shows or online videos, mostly among Baby boomers, here we point out the 12% growth YoY. Social media ads register a 4% increase YoY and direct mail is gaining 2% YoY.

Gen Z is bringing new challenges for brands to stay relevant and declare ads seen in video/

ONLINE PRIVACY

A significant sign of a population that is more comfortable with being online comes from the relationship it has with privacy protection tools. In 2022 Romanians remained as vigilant as the year before, with a percentage of 8.3% of the online population declaring the frequent usage of a VPN when browsing. As expected, Gen Z is the most active in securing personal information and in keeping brands as far away from their digital feeds as possible.

An interesting observation comes from a small but relevant decrease in the usage of ad

mobile games and ads seen in virtual spaces as relevant for brand and product discovery in 2022.

At the same time print ads are continuing to lose impact, expert bloggers are with 10% less relevant for brand discovery and ads seen on public transportation lose 9%.

The Global Web Index study gives us an interesting insight into the relationship Romanians have with brands and what makes us open to promote a brand online. High quality is the major reason for 64% of the online population, the potential reward, or a reward centred policy (43%) and a great customer service (37%) are what drives the public support for a brand in online.

blockers. All the main reasons for doing this in the past were considered less important in 2022. From stress inducing ads, both in volume and in style of display, to data collection from brands, Romanians are more relaxed in their digital journey.

Worth mentioning are the significant differences between generations, with Gen Z being the most careful and open to privacy tools, while Boomers and Gen X are not even considering the risks associated with internet usage.

ONLINE CONSUMERS

CONSUMER INTEREST TRENDS

With health scares being put to sleep and a strong desire to get back to a normal life, Romanians were caught in between other major stressful themes like the war so close to us, an economy going through major difficulties, the biggest cost of living crisis in the last decade, all these things in the background of some major historic events.

As we can see from the local ranking of Google searches, 2022 was a year of living in two worlds. One with a strong focus on the local events, tastes, and entertainment and the other on global subjects, curiosities and exotism. Looking across search categories the focus is more inward and all that is closer to home ranks in importance.

TOP GOOGLE SEARCH QUERIES								
MOVIES			RECIPES			SEARCHES		
1	Team building		1	Negresa		1	Ucraina	
2	Capra cu trei iezi		2	Ciorba de miel traditionala		2	Recensamant	
3	Black Adam		3	Zacusca		3	Regina Elisabeta	
4	Thor love and thunder		4	Pasca fara aluat		4	Rusia	
5	Morbius		5	Cozonac cu nuca reteta bunicii		5	Nosfe	
6	365 days: This day		6	Tempura		6	Florin Salam	
7	Encanto		7	Clatite pufoase		7	iPhone 14	
8	Top Gun		8	Balmos		8	Putin	
9	Uncharted		9	Ciorba a la grec		9	Eurovision	
10	Spider man: No way home		10	Macarons		10	Schimbari climatice	

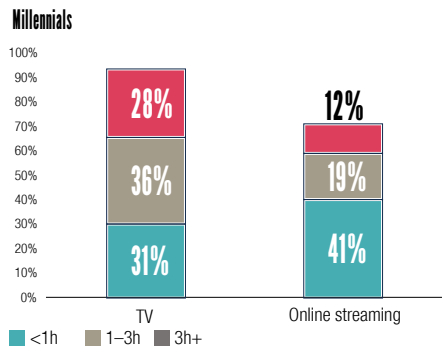
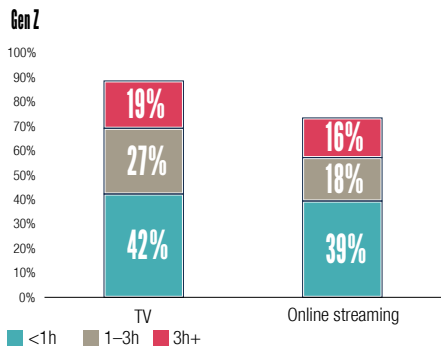
Source: Google Trends, 2022

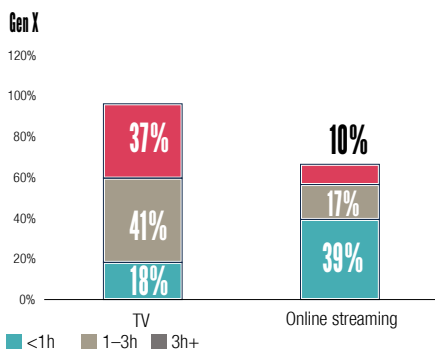
VIDEO CONSUMPTION

With a potential ad reach of 67.3% of the entire population, YouTube continues to be the preferred platform for watching online videos in Romania. Updates from Google’s advertising resources indicate that YouTube had 13.5M users in Romania, at the beginning

of 2023. This translates into a 1.5% increase in audience compared to the previous year.

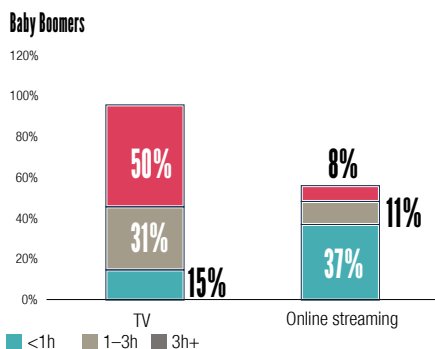
Interestingly, last year an important source of growth for YouTube came from the Boomers generation (+10% YoY) and Millennials. And in a surprising change, Gen Z and Gen X started to spend more time watching TV.





2022 and the first part of 2023 could be named the Boom of Video on Demand platforms. With a highly fragmented market, a serious competition for the best prices for subscription and creativity combined with impactful media strategies, Romanians were overwhelmed with the rich offer for local and international video content.

According to JustWatch, at the end of 2022 the local market was dominated by Netflix with 39% market share, followed by the newly entered Prime Video 23%, HBO Max



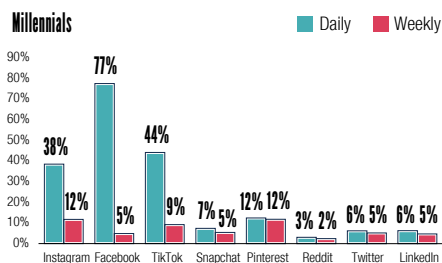
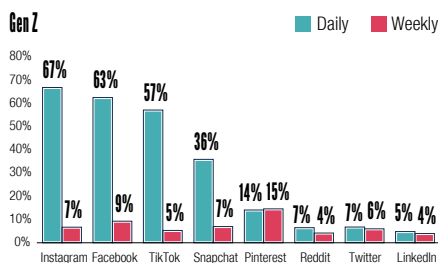
11%, and Disney+ 8%. Even if none of the VOD platforms publish their subscription numbers we can see a very dynamic category, which still has significant growth potential. According to the Global Web Index study, Netflix gained new users from Gen X and Millennials, while losing audience from Gen Z.

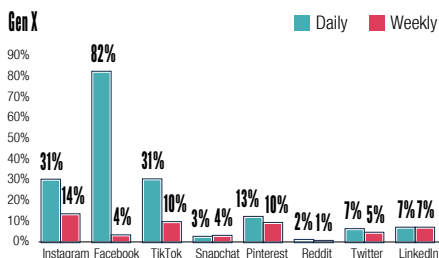
Analysing the local VOD platforms, we see no change in user numbers for Digi Online and a sharp decrease of 19% YoY for Antena Play, according to Global Web Index.

SOCIAL MEDIA

From news, to entertainment, keeping up with family and friends and even making money, social media platforms are a significant part of our life. Along the digitalization process, Romanians of all ages access and use daily a large selection of social platforms. According to Global Web Index, at the end of 2022, 13.5M Romanians used at least one social media platform. 67.3% of all Romanians use social media, with an average daily time spent of 2.5 hours.

Meta's platforms occupy top 4, with Facebook being the leader, followed by WhatsApp, Facebook Messenger and Instagram. This ranking reflects the reasons Romanians use social media: maintaining communication with friends and family is mentioned by more than half of the online population, followed by Fear Of Missing Out on information and events in real time.





Facebook is showing signs of losing relevance and usage from Gen Z and a 3.5% YoY decrease in reported ad reach. Instagram has an even sharper decrease in potential ad reach with a 9.3% YoY decline.

The star of the last two years is TikTok with a spectacular growth of almost 26% YoY, in 2022 the main drivers coming surprisingly from the 45-54 age group. With a potential ad reach of 7.58M users, TikTok is occupying a special place between social platform and entertainment space. As a trend builder and a cultural and controversial phenomenon, TikTok is changing the way content is being created and consumed in the entire world.

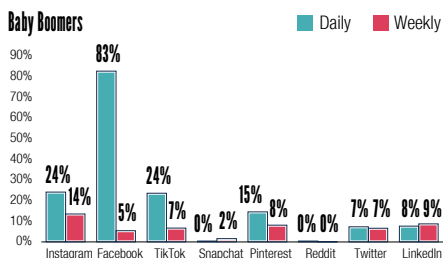
COMMUNICATION APPS

While offline life has gained back its pace and people enjoy spending time face to face, we register a slight decrease in usage for all communication apps.

WhatsApp continues to dominate being used daily by 71% of the online population with ages between 16 to 64, according to Global Web Index. Facebook Messenger 53% and in a very distant third place we find Telegram with only 10%, complete the local ranking.

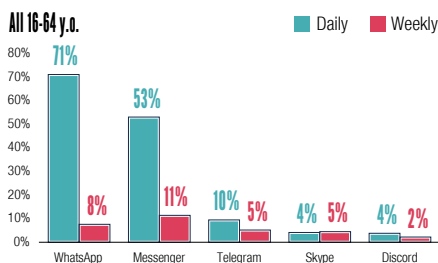
It's interesting to mention one of the more surprising drivers for growth for WhatsApp and Telegram coming from the Boomers generation.

Somehow the more niche communication apps are linked with bigger social trends and events, Telegram knew an increase in



As we see Gen Z building its place in the corporate world, LinkedIn is the first beneficiary of a new way of working, networking, and building professional success stories. The 12.5% YoY growth in reported ad reach shows great potential for both people and brands to thrive in a premium social digital space.

Being constantly in the global headlines helped Twitter grow its presence in Romania in 2022. With a 74.2% YoY increase in reported ad reach, the platforms lead by the controversial Elon Musk shows a significant appetite for global affairs by the Romanian audience.



the context of the war in Ukraine becoming a main source of information, while Discord is an app strongly connected to the gaming communities. This makes them have a greater appeal to more mature or very young generations.

THE MOST VISITED WEBSITES

The appetite Romanians have for news and the constant Fear Of Missing Out is driving traffic for top 20 websites to new records. Becoming more digitalized and being bombarded with information permanently lead to a 9% YoY increase of average unique users on the main websites.

While the top 5 websites remained unchanged, the ranking between them places olx.ro on top, followed by digi24.ro and libertatea.ro. We see a ranking made almost exclusively from news websites and tabloid digital publications.

In terms of new entry, we have a strong 8th place for romaniatv.ro, a direct entry in top 10, considering last year it wasn't even in top 20. In the same content profile, we see strong results for dcnews.ro and spynews.ro.

Despite the consistent number of people visiting websites, the way they browse and read them is pretty much changing. It is very interesting to see how this happens, especially that we seemingly have endless array of options and the average time spent on a page website is limited: according to Zippia, an average session duration is around 53 seconds.

News analysis & General news are easily the most visited categories for an obvious reason: in a watershed year, people wanted to stay informed of current events.

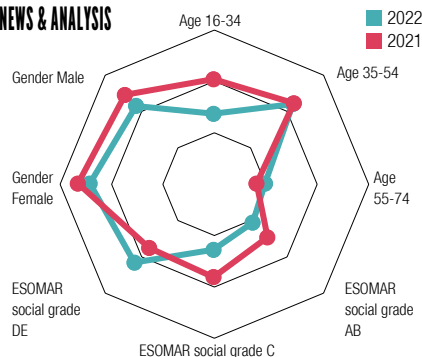
Still, News & Sports are the categories that remained stagnant if we look at the YoY evolution.

Moreover, Auto, Finance and Entertainment have experienced some declines in the total number of users, while a mix of information and entertainment brought the highest YoY increases for categories like Celebrity, Health & Personal care and Women lifestyle.

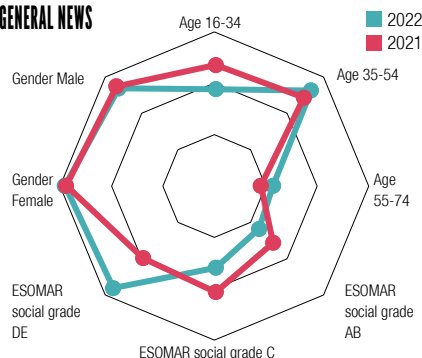
The 35-54 age group remains the most active category among all website visitors. Data shows a decrease in accessing websites of any kind among younger age groups (16-34 y.o.), although most of them remain quite active on news sites. This reflects the changing content

consumption of younger audiences: they are turning away from traditional media outlets and getting more frequently their news and dose of fun from social media and other digital platforms.

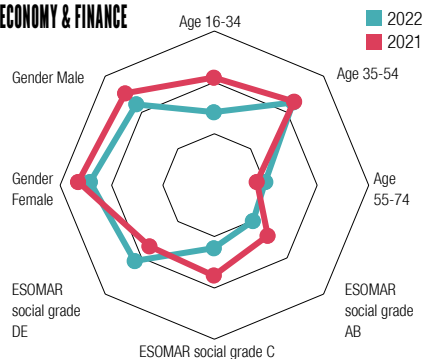
NEWS & ANALYSIS



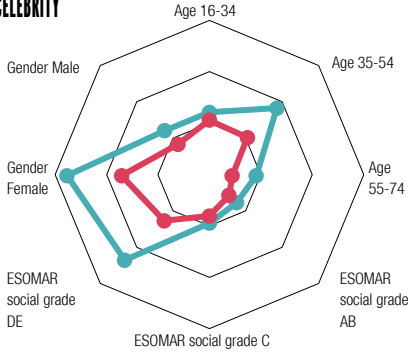
GENERAL NEWS



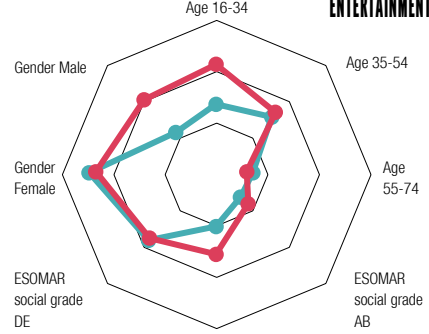
ECONOMY & FINANCE



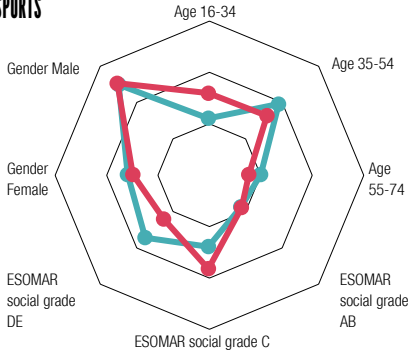
CELEBRITY



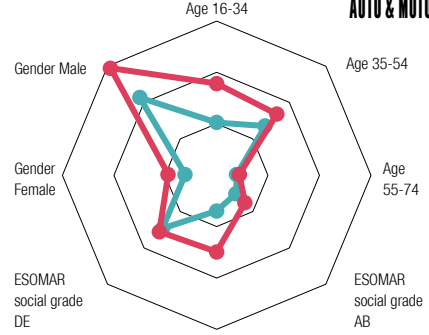
ENTERTAINMENT



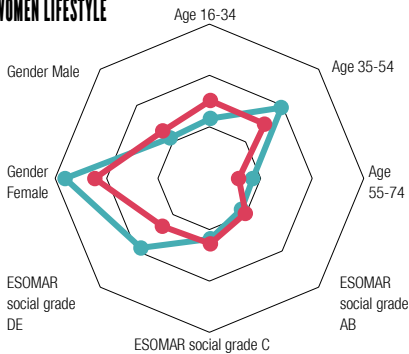
SPORTS



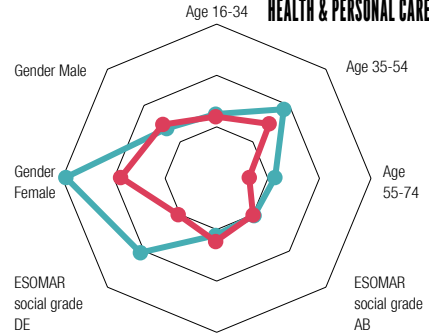
AUTO & MOTO



WOMEN LIFESTYLE



HEALTH & PERSONAL CARE



MAIN DIGITAL PLATFORM UPDATES

Google

2022 came with a forward-thinking array of updates and changes in Google Ads that leverage AI and machine learning while taking away control from advertisers. This significantly impacted both accounts focused on lead generation, which primarily relied on Search campaigns, as well as eCommerce businesses.

Search was a focal point for Google to improve since it underwent various transformations. The first and most important was the sunset of Expanded Text Ads in July, leaving advertisers with Responsive Text Ads only, which promise higher CTRs and enhanced relevance for users.

Taking another step forward towards more relevant and engaging ads, image and logo extensions for search were made available. For images, marketers can opt for both static and dynamic extensions. With this update, Google aims to redesign the SERP by converting it into a more visual and user-friendly interface.

Artificial intelligence and smart algorithms are also being pushed forward for online retailers, not just for lead generation accounts. That is why 2022 has been the last year for Smart Shopping, with Performance Max replacing it. Similar to the trend of Responsive Search Ads (RSAs), this campaign type empowers marketers to advertise across YouTube, Display, Gmail, and Maps. It also provides less control for advertisers since bidding and ad placements are automated.

The compelling rise of machine learning has led to increasing concerns about data privacy among customers. That's why another game-changing update is the shift from third-party data to first-party data. By launching the customer acquisition feature, Google allows advertisers to use customer lists to define their audiences and bid differently for new versus existing clients.

Looking forward, the major event in 2023 is expected to be the deprecation of Universal

Analytics and the rise of Google Analytics 4, which shifts from a session-based data model to an event-based model, bringing together website and app tracking.

Facebook/Meta

Meta Platforms also remain committed to the automation and machine learning trend, providing even more effective tools for marketers to achieve their advertising goals.

Brands can now run clicks to Messenger and clicks to WhatsApp campaigns to reach users who are more likely to convert using these channels. According to Meta, eCommerce ads with this optimization goal should reach customers likely to make a purchase in a communication thread.

Call ads have never been more efficient, allowing marketers to optimize their campaigns to reach people who are most likely to engage in a sixty-second or longer phone call to get more qualified leads. Furthermore, they are now optional format for sales and traffic objectives.

Going even further, Meta has done admirable work by integrating AI into lead generation funnel creation and releasing a new ad formats that directs customers to either Messenger or a form, depending on what the user is most likely to interact with.

For eCommerce brands, the major update was Advantage+ Shopping Campaigns, which eliminate the manual ad creation process and use AI to test up to 150 creative variations at once, in order to shorten the testing process and provide enhanced performance.

With a focus on reinforcing ad relevance for users and improving advertising flexibility for brands, new ad creative optimization features have emerged, and new ad placements have been released, such as Instagram Profile Feed or Instagram Explore.

Looking towards the future, Meta is currently testing new ad formats and placements, including Augmented Reality ads, but they have not announced a rollout date yet.

LOCAL DISPLAY & PROGRAMMATIC

Digi (RCS-RDS, local publisher with + 1 bil. impressions in 2022) launched in 2022 new formats and ways of serving digital ads such as Dynamic Ad Insertion on digi24.ro (a format that “replaces” the advertising brake on TV in livestreams with video ads implemented by the online team), audio ads or DIGI context (audio podcast). From devices perspective, mobile represented 80% of total served ads.

Internet Corp (IC) developed their portfolio with local websites from Observatorul Prahovean grup (observatorulph.ro, icars.ro, vacanta-ta.ro, recomandpe.ro and observatorulbv.ro) and Health & Medical portal Romedic.ro. Most used formats were mobile interscroller, mobile cube and desktop & mobile inread, with mobile gaining more than 86% of total ads. IC developed their portfolio also in their in-game advertising area (by partnering with Buff Games) and announced a new special format “Live Shopping” in partnership with Streams Live. Live Shopping represents a combination of traditional sales, video streaming, influencer marketing and social media, in which people, from the comfort of their homes, can discuss and interact with experts and purchase informed products on offer directly from the live broadcast, which can also be watched on the merchant’s website, through the embed function.

OLX (1st classifieds portal in RO), launched a new section in Autovit.ro, dedicated to new cars. With 40% desktop share of total inventory, they noticed in 2022 a high increase from advertisers on special projects, exclusivities & takeovers and contextualization (which are possible due to very extended OLX targeting options).

Ringier developed on programmatic tools, optimised video ad network and Social Display Project: a unique product that combines influencer marketing and targeted display ads. Also, they continued the development of Ringier ID, enabling clients to navigate the evolving landscape of third-party cookie restrictions.

Ringier reports that Social Display campaigns are the ones with the highest performance due to the way the ads are build and delivered (authentic creatives based on social media content targeted on lookalike audiences that are similar to the follower bases campaign influencers have), with measured viewability of over 70% and a CTR close to 5% (which are significantly higher than industry benchmarks). Since Q2 2022, Ringier incorporates Live Shopping Experiences, with influencers as part of the campaign to enhance results and help showcase products or services and boost engagement with chosen audiences.

Regarding buying models, Ringier launched for video (pre-roll & inread) CPCV model (cost per completed view), while they report that Cortina (desktop format) remains the best performing format with +98% viewability and avg. CTR of 5%.

In 2022, **Teads** continued the organic growth of its Traffic Acquisition solutions, which accounted for aprox 35% of its revenue. Social Image and Native Single Image were the most used formats for Traffic objectives.

For campaigns with Branding objectives, Teads clients leveraged its local creative support team, focusing on developing custom creatives. One outstanding example is the Voice activation format, which delivered Viewability and InView time above benchmarks.

Keeping its focus on offering advertisers a safe and qualitative environment for their campaigns, Teads consolidated its brand suitability and contextual advertising offer through partnerships with global leaders in digital media quality: Integral Ad Science, Double Verify, Grapeshot.

On a global level, Teads launched a complex Attention Program to advance omnichannel attention measurement.

Together with industry-leading attention measurement partners (Lumen, Adelaide), Teads aims to accelerate the understanding

of attention for media buyers and media owners, allowing them to plan, buy, optimize and report on attention to ultimately drive a better return on media investment for brands.

THD (**Thematic Digital**) is the youngest sales house present in Romania, with over 25 websites (which places them as size among largest sales houses in country). With an extensive network of premium websites like g4media, economedia.ro, ziare.com, bucataras.ro, economica.net and many more, they cover a wide array of industries, including news, entertainment, lifestyle, technology, and more.

THD promise is to leverage cutting-edge technology and data-driven platforms to

optimise ad placements, targeting, and performance, ensuring their clients receive the highest return on their advertising investment.

In 2022, **ZYX Publishing Group** strengthened its position on the market by attracting three new sites to its portfolio, taking over 51% of the shares of the company that operates the b365.ro (benchmark publication about the urban culture of Bucharest and about life in the Capital), while in September 2022 made a major acquisition by buying Hotnews.ro (one of the top premium news portal in Romania). In a particular way, HotNews.ro site registers the highest traffic in desktop and homepage in .ro domain, with +30% desktop traffic.

WHAT TO EXPECT IN 2023?

Looking forward, the major event in 2023 is expected to be the deprecation of Universal Analytics (on July 1, 2023, standard Universal Analytics properties will stop processing data) and the rise of Google Analytics 4. GA4 offers more features and capabilities, such as collecting both website and app data to better understand the customer journey, using event-based data instead of session-based data, including privacy controls such as cookieless measurement, and behavioral and conversion modeling, predictive capabilities that offer guidance without complex models and direct integrations to media platforms that help drive actions on your website or app.

Facebook has removed a lot of targeting options from its ads platform, such as employer, job title, school, field of study, and more as part of Facebook's efforts to improve privacy and comply with regulations. For 2023, advertisers will need to rely more on broad audiences, lookalike audiences, and interest-based targeting. In terms of formats, to compete with TikTok, they will continue to invest in Reels through Reels Ads Network (which allows advertisers to extend their reach across Facebook's family of apps) and Reels Playable Ads (which let users interact with the ad before watching the full video).

TikTok will continue to develop on different perspectives, such as various ad formats (e.g is set to launch a Gaming tab on its home screen, which will feature in-app games that users can play and share with their friends, with the games accompanied by ads), tools to help advertisers (e.g Keyword Insights tool to help advertisers uncover top-performing keywords and phrases in TikTok ads), eCommerce (as is launching in US TikTok Shop feature in the United States, which allows users to shop directly from the app).

Main local players are expected to maintain their portfolio stable, while they will continue to develop their offers especially by launching new formats or improved monitoring, with own solutions or centralized via BRAT (whose latest important launch was the tool for monitoring investments in advertising for influencer marketing).

Romanian digital market increased by 25% in 2022 to reach a market value of 232.9M euro and **is expected to grow in 2023 by 9% (up to 255M euro)**, with Search, Meta and TikTok as main platforms. eCommerce, Retail, Financial and Bets & Gambling should remain top industries spenders.

OOH MARKET



THE OUT OF HOME MARKET IN 2022



2022 REACHED PRE-PANDEMIC HIGH-VALUES AND IS STEADILY GROWING REACHING AN IMPRESSIVE 37M EUR IN ESTIMATED NET SPENDING.

Even though the market had the potential for more substantial budgets, investments were carefully measured. Inflation and the Ukraine war uncertainty slowed things down. With tensions running high and the situation on the ground constantly shifting, many advertisers being reluctant to allocate high budgets to advertising campaigns that might have been disrupted by geopolitical events. This led to an even more cautious approach to OOH investment, many advertisers going for the wait-and-see approach and making sure they were getting the best possible return on their advertising spend.

The OOH advertising market is a complex and dynamic system, being impacted by a wide variety of factors that can influence that level of investment. One of the key factors in recent years was inflation, which made it more difficult for advertisers to stretch their budgets and achieve the same visibility as before. The rising cost of materials and production also contributed to the overall increase in prices, making it more challenging for advertisers to secure the same level of exposure for their campaigns.

outdoor presence remained a significant part of many economic sectors' marketing strategies. As the economy continued to grow and stabilize, advertisers began to show increased interest in OOH campaigns, especially HH Products (+79%), Cosmetics & Personal Care (+58%), Healthcare (+61%) through its medical services & clinics players and also HoReCa (+41%). The most dynamic evolution was registered by Leisure Activities (+281% vs. 2021) driven by Events & festivals and Media (+74% vs. 2021) supported by the launch of major streaming networks such as Prime Video and Disney+. The most notable lower dynamics compared to previous years has been reflected by eCommerce (+27% vs. 2021) which slowed the pace significantly.

Although the cost-related premises were quite bleak, prices increased by no more than 7%, except for production materials which registered a maximum of (+40% vs. 2021). This percentage can only be guaranteed by producers who have stocked enough materials to sustain current prices by the end of the year, most suppliers can guarantee costs for

maximum 3 months, after which they might announce higher production costs.

In Bucharest, following some buildings restoration works, several locations from the public property were either dismantled or relocated. A particular situation emerged related to the flagpole supports on Calea Victoriei, the iconic historical street downtown the city, which were banned because of a massive campaign implemented by a Betting & Gambling advertiser, considered to be too aggressive. The rehabilitation of historic buildings has led to opportunities for new mesh locations, except for City District 1, where the City Hall decided to promote its own contribution to the respective works.

Significant changes were also registered in suppliers' inventory in cities across the country, where both rental costs and local fees collected by city halls increased, all these changes being reflected in the final costs to clients.

OUTDOOR ADS: VERY FRAGMENTED MARKET DOMINATED BY TWO TRADITIONAL LEADERS.

Although 2022 was all about developing inventory, services continued to be improved and suppliers tried to meet clients' growing demands for placements in data backed media spaces.

The outdoor advertising industry has long been known for its fragmentation, with many vendors competing for market share. However, in recent years, the market has become even more competitive due to the emergence of new providers managing a portfolio of both traditional locations and non-traditional placements such as subways and malls. This trend has been driven by the increasing demand for new inventory in remote areas and the appetite for unique, innovative advertising solutions. This extended fragmentation makes agencies' work more complex in the attempt to permanently navigate the cluttered landscape, evaluate providers' capabilities, and track record before deciding the solutions that

The regional outdoor advertising market has seen significant changes in recent years, with the emergence of new suppliers as well as rental costs and fees changes, which reflect the evolving landscape of outdoor advertising in the territory, and advertisers need to understand that investing in high-quality ad placements can yield significant returns in terms of brand awareness and customer engagement. The changes resulted not only in higher implementation costs, but also in the expansion of networks and development of new inventory and placements.

As these recent changes are shaping a new OOH advertising market The changes in the inventory of suppliers in cities across several regions of the country, clients have now the opportunity to embrace the changes and carefully consider the evolving landscape when planning their future campaigns. By working with experienced suppliers who understand the local market and can offer high-quality placements at competitive prices, advertisers can maximize the impact of their campaigns and connect with audiences in meaningful ways.

has the potential to meet the needs of each advertising campaign.

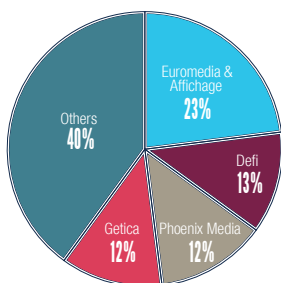
As STB (Bucharest public transportation company) still didn't organize an auction for its advertising spaces, and the respective locations and supports can be sold by any vendor applying for a contract, Euromedia continues to keep its competitive advantage with regards of available transit media sales packages in Bucharest. Although subway traffic resumed gradually after the pandemic, it is important to acknowledge that travel habits have changed significantly in the last couple of years and traffic is still (-19%) vs. 2019. No investments were made to improve the media supports but prices remained flexible, which triggered a high interest for advertisers and implicitly a high demand for media exposure, opportunity which generated the appearance new specialized media vendors.

OUTDOOR VENDORS: MAIN PLAYERS SECURED THEIR MARKET SHARES IN AN INCREASINGLY FRAGMENTED MARKET

The 2022 estimated market shares for the main vendors remained relatively unchanged: Euromedia & Affichage Romania are still on the first place (23%), followed by Defi Romania (13%), Phoenix Media (12%) and Getica (12%) shared the third place while medium and small providers gather 40%.

Vendors succeeded in maintaining their overall inventory and improving their

CHART 01: 2022 MARKET SHARES BY VENDOR

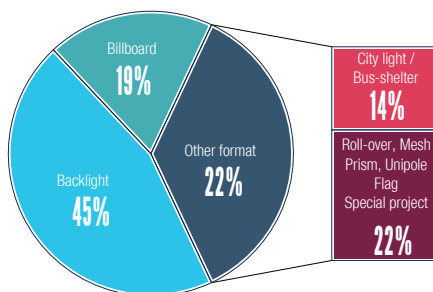


Source: Initiative's estimate.

networks quality by making new investments, especially in DOOH locations, with Phoenix Media, Euromedia, Universal Solution and New Age Advertising being the most important inventors.

In terms of format types, networks still rely on backlit, the dominant format in the local outdoor industry, with an estimated 45% of the locations, followed by billboards with 19% and city lights / bus-shelters with 14%. The rest of 22% mostly consist in roll-overs, meshes, prisms, unipoles, flags and DOOH.

CHART 02: 2022 MARKET SHARES BY FORMAT TYPE



Source: market intelligence.

INDOOR ADS: SEGMENT STILL IN RECOVERY MODE, ESPECIALLY IN OFFICE BUILDINGS.

Brad Management kept leadership in the indoor and in-store categories, while Elevate and Invent Media continue to be the top players in Indoor ads in office buildings, although the segment is being affected by corporate employees switching to a permanent hybrid work schedule after the pandemic.

Info Sanatate remains the only niche player providing Digital Signage TV Analytics, the first frequency study for indoor advertising implemented in our country. The study was conducted by GBD Research and is endorsed by organizations such as ARMA & ARIA.

DIGITAL OUTDOOR: WAS UNDER CONSTANT DEVELOPMENT IN 2022.

As expected, the main Vendors kept a steady pace in developing their inventory with an estimate (+30%) of the DOOH locations. The total DOOH Market reached an estimated 7M EURO, driven by Phoenix Media which continues to lead the segment with a 64% market share in volumes and a 55% share in

inventory. Euromedia and Universal follow, succeeding to keep up a strong scalability pace of their DOOH networks. All three companies are committed to invest massively in their DOOH assets, building large-scale formats in Bucharest and most important cities.

Phoenix Media focused also on developing new software capabilities and re-inventing their most valuable products and technologies: they have developed HTML 5 to take OOH from awareness to impulse; any client who has data can now use digital outdoor just as they use online. It will replicate the consumer experience from online and TV in digital offline, but without ad-blockers. They improved speed through automation (uploading content, programming reporting from server to server) and customization (allowing an ad, regardless of content type, to be displayed on certain panels at a certain time of day). Knowing that marketing is reaction and impulse, they also created the

possibility of displaying HTML5 content, as HTML5 allows advertisers to manage ads on video panels in a similar way to online campaigns, and users will be exposed with a familiar content about products and services in the proximity of their physical shops.

Phoenix Media also kept developing the e-backlit segment as one of the simplest advertising supports, which has a high level of autonomy.

DIGITAL INDOOR: REPRESENT PLASMA DISPLAYS NETWORKS IN CROWDED PLACES

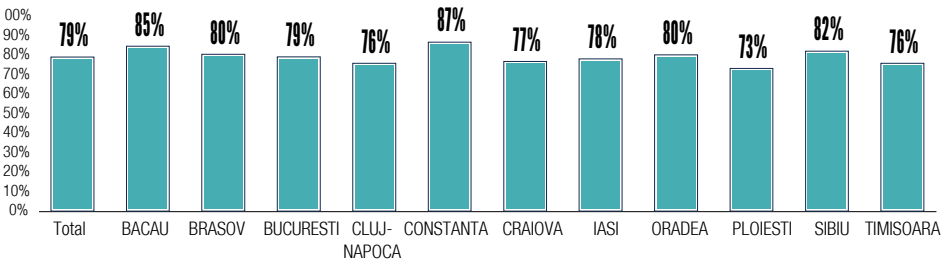
Blitz tv maintained its contract with Metrorex for the Bucharest subway LCD network.

OUTDOOR AUDIENCE MEASUREMENT DATA AND CONSUMERS MOBILITY INSIGHTS.

The Outdoor audience measurement survey (SAO) developed by BRAT continues its mission of offering insights of the urban OOH market in Romania: the study currently covers 8,156 advertising frames in Bucharest and top 10 cities. Bucharest subway traffic is not included, as this would have required a full separate implementation to the main research. The study measures the number of people and the profile of those who see an OOH support on a weekly average.

The research covers 79% of the total urban population as a weekly average, with different penetration levels observed by city according to local specifics in terms of city geography, available locations, and support types as well as applicable local regulations. Except of Bacau (80%), Constanta (87%), Oradea (80%) and Sibiu (82%), all other cities including Bucharest are covered at least 70% in terms of available locations, offering a very good representation of the available supports networks.

CHART 03: SAO STUDY COVERAGE IN TOTAL AND BY CITY (REACH %)



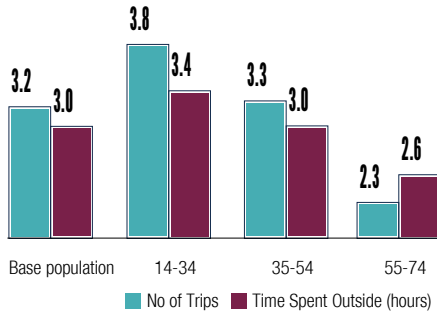
Source: Quantum 2021 database; Population 14-74 (3.5M urban individuals), sample of 13,252.

Mobility data offer valuable insights for the implementation of exposure and cost optimization of OOH campaigns. On average, in 2022, urban population made 3.2 trips / day and spend 3.0 hours / day outside, with

variations between the most active group 14-34 with an average of 3.8 trips per day & 3.4 hours / day outside, and the 55-74 having the lowest mobility with an average of 2.3 trips / day & 2.6 hours / day outside.

Data show a significant decrease of the 35-54 age group mobility vs 2021 (3.6 trips/day & 3.1 h outside) as most of the active population resumed partially or even fully the work from office schedule, being tied to strict working hours.

CHART 04: TRIPS NUMBER & TIME SPENT OUTSIDE (AGE GROUPS) DAILY AVERAGE

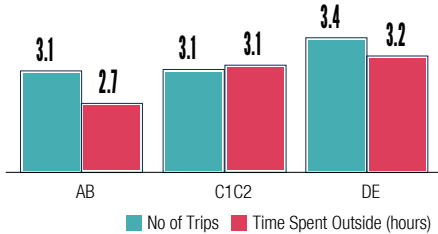


Source: SNA FOCUS, 14-74 ani, National | Period 3-5 (01/02/2022 - 31/12/2022 3 of 3)
 NOTE: Population 14-74 (8.1 mio urban individuals), sample of 8,119

Overall, 85% of the analysed population travelled at least 3 times per week as a monthly average, with 35-54 having the highest trip frequency (92.2% travelled more

This fact also reflects more daily trips (+3.3%) and less time spent outside (-6.8%) by the white collars (AB social grades), who switched from a mostly remote work in 2021 to a more active daily travel dynamics in 2022, while medium and low social status population (CDE social grades) reduced their number of daily trips (-6%) but kept the average hours spent outside daily.

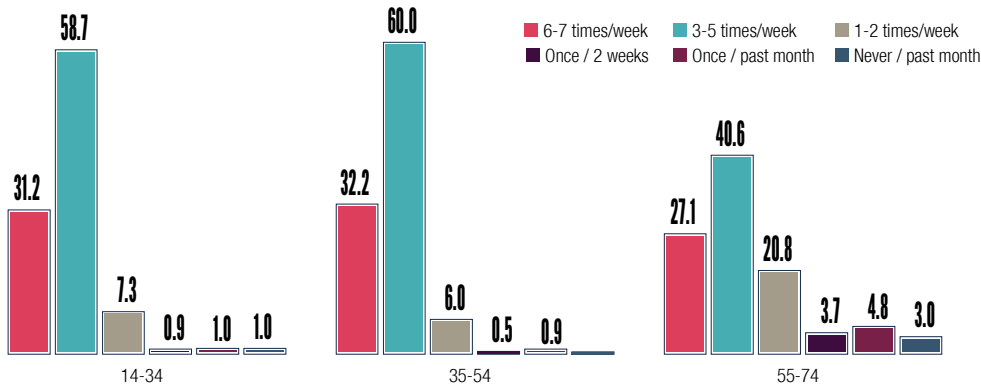
CHART 05: TRIPS NUMBER & TIME SPENT OUTSIDE (SOCIAL GRADES) DAILY AVERAGE



Source: SNA FOCUS, 14-74 ani, National | Period 3-5 (01/02/2022 - 31/12/2022 3 of 3)
 NOTE: Population 14-74 (8.1 mio urban individuals), sample of 8,119

than 3 times per week as a monthly average) and 55-74 being less active as only 67.7% of them travelled more than 3 times per week as a monthly average.

CHART 06: TRIPS FREQUENCY BY AGE GROUPS (%) MONTHLY AVERAGE

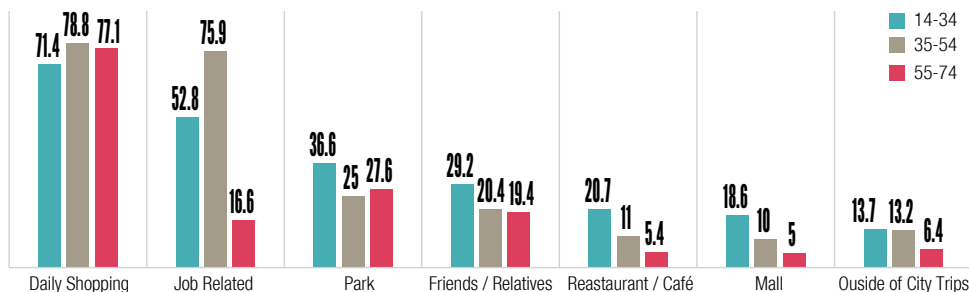


Source: SNA FOCUS, 14-74 ani, National | Period 3-5 (01/02/2022 - 31/12/2022 3 of 3).
 NOTE: Population 14-74 (8.1 mio urban individuals), sample of 8,119NOTE: Population 14-74 (8.1 mio urban individuals), sample of 8,119

The data available for the purpose of the trips as a weekly average generate the necessary input for campaigns development, as based

on preferred activities, proximity locations can be selected, and available locations accessed.

CHART 07: TOP 10 TRIP SCOPE BY AGE GROUP (REACH %) WEEKLY AVERAGE



Source: SNA FOCUS, 14-74 ani, National | Period 3-5 (01/02/2022 - 31/12/2022 3 of 3)

NOTE: Population 14-74 (8.1 mio urban individuals), sample of 8,119

On a weekly average, in 2022, Daily shopping was the main trip purpose for all age segments despite the lower penetration levels compared to 2021 when pandemic mobility limitations were partially in place: 78.5% (vs. 82% in 2021) of the 35-54 old undertaking this activity, while 77.1% of 55-74 (vs. 80% in 2021) and 71.34% of 14-34 (vs. 73.1% in 2021) continue to reflect high levels.

Young urban adults 14-34 continue to reflect the highest mobility features, and implicitly high propensity to be reached by OOH advertising, as 71.4% of them shop daily, 52.8% of them undertake job related trips,

36.6% go to the park on weekly basis, 29.2% tend to meet with friends regularly and 20.7% go out to dine or have a coffee, compared to 11% of 35-54 and 5.4% of the 55-74. Significant changes were noticed among 35-54 (75.9% vs. 72.9% in 2021) travelled for job related purposes, 25% (vs. 28.9% in 2021) kept their park walk habit, while 20.4% (vs. 21.9% in 2021) of them continued to socialize with friends and family on regular basis. Elders focused their interest mainly on household supply trips and their regular walk in the park as they are naturally prone to a more passive lifestyle compared to younger age segments.

WHAT TO EXPECT IN 2023?

This year, prices have been subject to a significant increase (+15%) for all media-related costs compared to the previous year, inflation being a key contributor to the massive price growth. Production costs also continued the uptrend, rising by approximately 25% compared to 2022, generating an overall significant impact on advertising campaigns' total costs.

With new regulations being brought for the Betting Industry, the leading OOH investing economic sectors in 2023 are Retail and Food & Beverages, followed closely by Telecommunications services and Healthcare. As expected, summer festivals and music events have already launched their campaigns, boosting the overall OOH

spending as they compete for the most visible and spectacular location in Bucharest and large cities.

In terms of locations for advertising supports, no public auction has yet been announced for Bucharest, neither for street panels, nor by Metrorex (subway) or STB (public transport). Following a long period off market, STB has resumed selling their bus-shelters, but did not choose a specific vendor, all vendors can access their inventory.

As for the DOOH networks expansion, Phoenix Media, Euromedia, New Age and Universal reaffirmed their commitment to further invest in the development of this medium.

The 2023 OOH net market is expected to increase by 8% at an estimated total of 40M EUR.

THE RADIO MARKET IN 2022



THE RADIO MARKET IN 2022



Despite the uncertainty and strain generated by the war and the increasing cost of living, for the Radio advertising market 2022 was a year of positive evolution, with an estimated total net value of 31.9M euro (+10% above 2021).

Radio stations approached listeners with a relaxed programming strategy, with high focus on music, entertainment, and leisure activities, also keeping a close eye on topics that continued to raise high interest among listeners, such as sustainability, education, and finance. They continued to build broad audience interest in their pursuit to engage new listeners through special marketing strategies and projects. Most notable 2022 actions were:

Reshaping morning shows for better performance. In September, **Pro FM**, the radio of many generations, re-launched their morning broadcast “What The Fun” presented by Bogdan Dracea, Raluca Cojocaru and Bogdan Ciudoiu, providing a boost of energy for the whole day. In the same month, **Kiss FM** refreshed its morning program, having Catalin Oprisan, former Antena 1, as permanent guest along Ciprian Dinu during DesKiss Dimineata live broadcast.

Focus on educational projects. In June, Itsy Bitsy opened a Radio summer school for children called Radio Boot Camp (25th of June and 27th of August), which provided kids 6-14 y.o. free attendance to non-formal courses about how to search for correct information on a given topic, how to elaborate coherent texts and finally how to identify the most useful information. Ultimately, kids have been broadcasting live from the

Itsy Bitsy Radiomobile. The program was supported with local funds and took place in Alexandru Ioan Cuza park in Bucharest every Saturday from 5:00 PM to 8:00 PM. With the same educational purpose, in November, Rock FM announced that children 3-6 y.o. from underprivileged backgrounds will be supported to continue their education, as part of the campaign of Morning Glory with Razvan Exarhu “Investim in Juniori”. In the same period, several public personalities including Oana Pellea, Feli, Ana Maria Popescu (Branza), Calin Goia, Chef Florin Dumitrescu and Andi Vasluiuanu joined the Kiss FM’s initiative under Bursa de Merit Mai Mult campaign, thus supporting young Romanians in pursuing their big dreams.

Financial education was another major topic embraced by Radio stations in 2022. In October was announced that Sergiu Voicu had started a financial education project on Radio Romania Actualitati, while starting the same month, „Banii în mîscare” the educational fillers with Iancu Guda from Digi 24, were going to be aired also on Digi FM.

Firsts. In November Radio ZU launched ZUnivers, the first national podcasts network in Romania, offering a wide range of creative projects presented by Radio ZU anchors and guests. The project’s objective is to continuously invest and build content, expanding the covered topics and forming a broad ZU community.

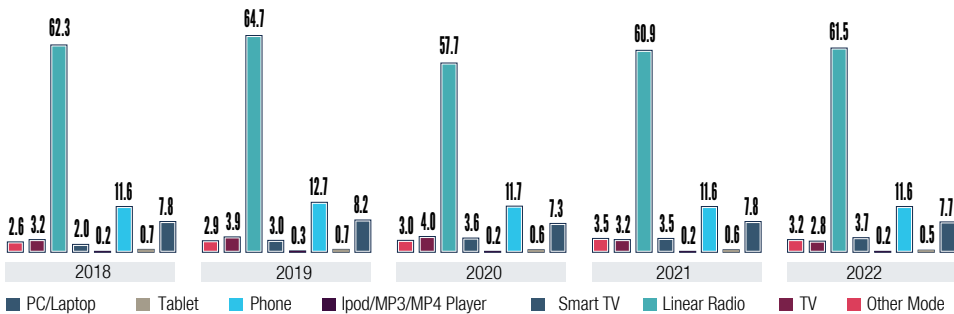
Expansion: Radio Impuls continued its strategy to become a Radio network with national coverage by extending its portfolio with 19 more frequencies.

RADIO CONTINUED TO RELY SIGNIFICANTLY ON LINEAR LISTENING.

Although digitalization continued after the pandemic in 2021 and 2022, linear radio listening (radio receiver) continued to lead with a 61.5% daily reach during weekdays (vs. 61% in 2021), while digital devices

penetration was stagnant at 2021 level, while mobile phone had a 11.6% daily reach and PC/Laptop a 7.7% daily reach in weekdays, lower than expected.

CHART 01: RADIO LISTENING DEVICES - DAILY REACH (%) TREND (URBAN 11+ MON - FRI)



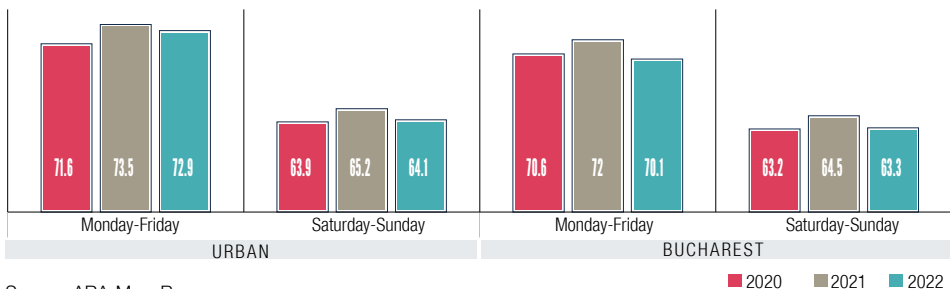
Source: ARA-MasoR

RADIO CONSUMPTION TRENDS: DECREASE DURING WEEKENDS AS PEOPLE RESUMED THEIR OUT OF HOME ENTERTAINMENT ACTIVITIES. IN THE CAR LISTENING UPLIFT.

Compared to 2021, in 2022 one could not see the audience recovery trend during weekends, on the contrary, the lifestyle changes marked by more short / long distance travels resulted in a marginal urban audience decrease (-0.6

pp) and a more abrupt one in Bucharest (-1.9 pp) vs. 2021. The daily reach trend was also negative during weekends among urban listeners and more prominent in Bucharest (-1.2pp).

CHART 02: DAILY REACH (%) EVOLUTION YOY

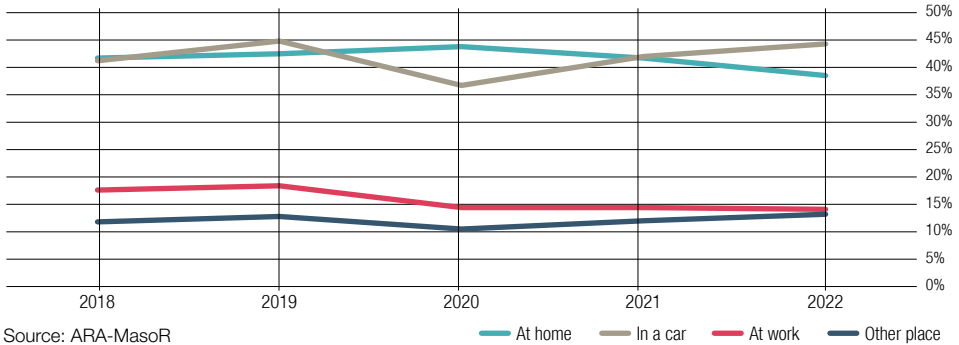


Source: ARA-MasoR

With no mobility restrictions and a high appetite to spend more time outdoor supported by warmer weather throughout the entire year, radio listeners spent more time driving or traveling in their cars,

which resulted in a spectacular uplift (+2.3 pp vs. 2021), of in-Car listening Daily reach among urban population (44.3%), overtaking at-home listening (38.5%) while at-work listening kept stable at 14%.

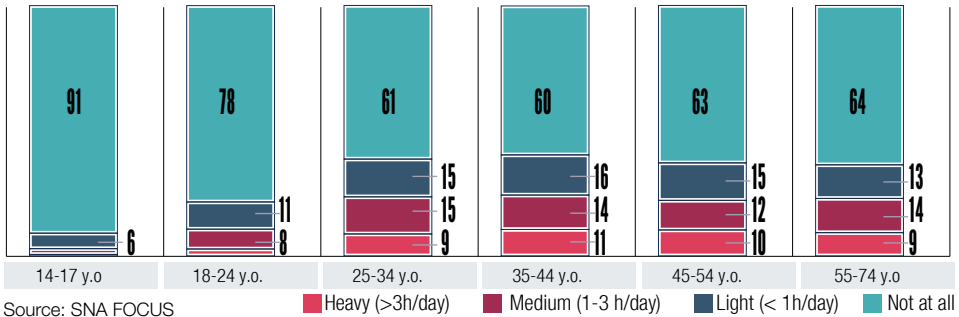
CHART 03: PLACE OF RADIO LISTENING DAILY REACH (%) TREND (URBAN 11+ MON - FRI)



The daily consumption frequency of linear Radio (radio receivers) continued to be different by age groups: the youngsters (14-17 y.o.) are the lighter listeners, medium to heavy consumption grows during 25-34

y.o. with 23.6% listening more than 1 hour/day on average, while stabilizing at 35+ and confirming radio as an effective media touchpoint for adult population.

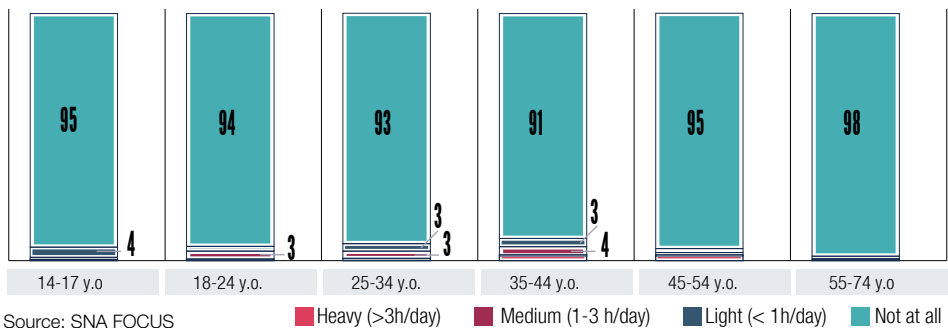
CHART 04: DAILY LINEAR RADIO LISTENING BY URBAN AGE GROUP (%)



Urban online Radio listening continued to show low levels, with only 5.4% of 14-74 y.o. declaring they listen radio programs daily on

digital devices, this type of listening being mostly preferred by heavy socializing urban adults 25-54 y.o.

CHART 05: DAILY ONLINE RADIO LISTENING BY URBAN AGE GROUP (%)



According to SNA FOCUS study, almost 37% of urban population enjoy listening radio programs during their daily activities.

Top preferred genres are Music (24.5%), Morning programs (20.8%), Weather reports (20.4%) and News broadcasts (20.1%).

RADIO MARKET OVERVIEW: STABLE VENDORS RANKING IN TERMS OF AD REVENUES

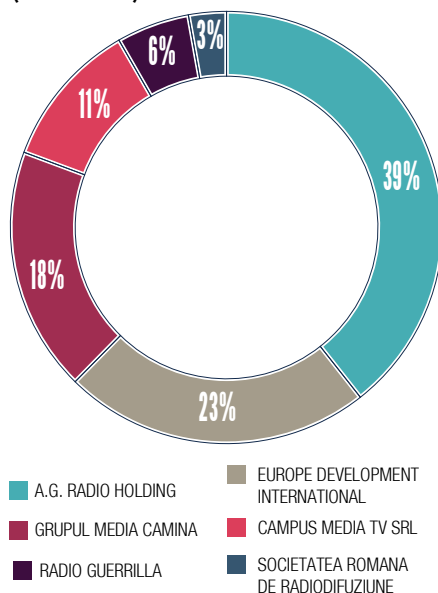
The Radio media houses ranking in terms of estimated net revenues shares was stable in 2022 compared to 2021, with marginal variations by player, being the result of long-term business consolidations.

MGSI (Kiss FM, Magic FM, and Rock FM) continued to lead with 39% of the estimated total net radio market, being followed by RRM (Europa FM and Virgin Radio) with 23% and Grupul Media Camina (Radio ZU) with 18% while Campus Media TV (Pro FM and Digi FM) kept the fourth position with 11% share of estimated net Radio revenue in 2022.

Overall, 2022 proved to be a successful year for the Radio market as ad revenues increased by 10% vs. 2021 reaching an estimated net value of 31.9M euro.

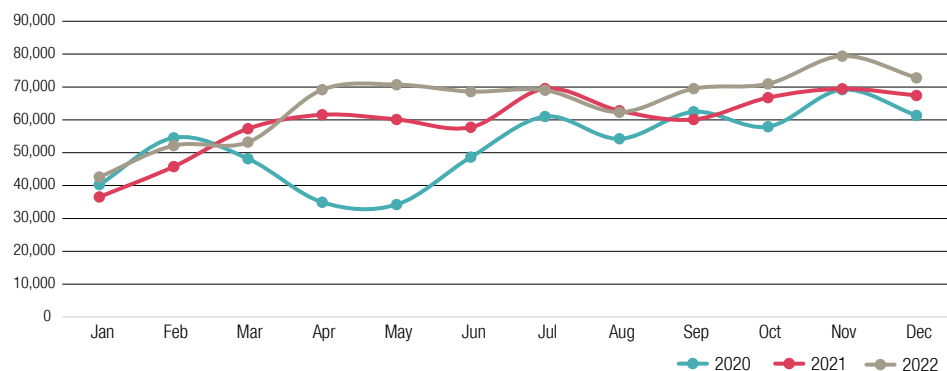
The dynamic recovery of radio activity in 2022 is illustrated by the evolution of radio spots delivered monthly throughout the year: strong start in January (+17%) and February (+14%), followed by a small decline in March (-7%) to recover strongly in April (+12%) for the seasonal Easter communication and keeping the high level by the end of December.

CHART 06: RADIO REVENUE SHARE BY MEDIA TRUST (ESTIMATED NET)



Source: Initiative's estimates for (paid) net net investments.

CHART 07: RADIO INSERTIONS EVOLUTION 2020 - 2022



Source: ARA-MasoR

TOP RADIO INVESTORS IN 2022.

The economic sectors with significant radio activity were Retail (+2% vs. 2021) strengthening its dominance at 27% of the estimated total net Radio market ad revenues, followed by Leisure Activities (+130% vs. 2021), the sector with the most dynamic growth, favoured by the mobility freedom and very warm weather and Healthcare (+4% vs. 2021) maintaining high investments to promote offers for vitamins & supplements,

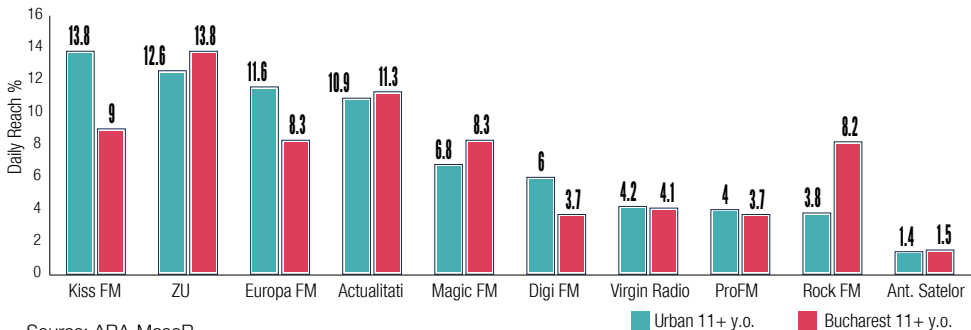
as well as medicines and pharmacies. Another sector with a major uptrend was the hospitality industry, HoReCa (+90% vs. 2021) supported by the same triggers as the Leisure Activities. Still important, despite the decrease of Radio budgets were eCommerce (-1% vs. 2021), Food & Beverages (-19% vs 2021), Telecommunications (-18% vs 2021), as in 2022 players increased focused on image comms, and Financial Services (-9%).

RADIO AUDIENCE PERFORMANCE: STABLE EVOLUTION IN TERMS OF LEADERSHIP. TIGHT RANKING PERFORMANCE.

Radio ZU consolidated #1 position in Bucharest increasing by 1.1pp at 13.8% daily reach, while the public station Radio Romania Actualitati managed to keep second place with 13.3% daily reach despite the 0.6pp

performance decrease, while Kiss FM ranks third with a 9% daily reach and (-0.5pp) vs. 2021. Europa FM (8.3%), Magic FM (8.3%) and Rock FM (8.2%) all follow with a marginal gap to Kiss FM.

CHART 08: TOP 10 RADIO STATIONS PERFORMANCE (URBAN VS. BUCHAREST)



Source: ARA-MasoR

At urban level, Kiss FM preserved its dominance with 13.8% daily reach despite the 0.8pp decrease, followed by Radio ZU with an almost stable performance of 12.6% daily reach. Radio Romania Actualitati lost 0.7pp in performance achieving 10.9% daily reach,

also losing third place in favour of Europa FM (+0.2pp) at 11.6%. Other stations which performed better on urban listeners were Magic FM, Digi FM, and Virgin Radio, each of them gaining 0.2pp compared to their 2021 performance.

LOCAL RADIO: ARBOMEDIA REMAINS THE LARGEST SALES HOUSE FOR LOCAL RADIO STATIONS ACROSS THE COUNTRY, REPRESENTING OVER 90 STATIONS IN THE ADVERTISING MARKET.

The local Radio stations continue to be part of local communities across the nation and have a key role in local targeting for brands with regional business strategies. In 2022, local radios continued to grow their presence

in social media and to support live streamed broadcasts. Still, the most important barrier for local Radio stations is the lack of audience data measurement.

WHAT TO EXPECT IN 2023?

Radio stations will continue to invest in creating integrated engaging and entertaining media content centred around their social media properties, to aggregate higher advertising budgets in an omnichannel media environment. Radio broadcasters are expected to try and increase the interaction time on radio, online and social media, as radio listeners will give their loyalty to the

media content platforms which will better match their lifestyle and entertainment habits.

As the geo-political context is still sensitive, we estimate that in 2023 the net Radio market will increase moderately at around 32.9M euro.

THE PRINT MARKET IN 2022



THE PRINT MARKET IN 2022



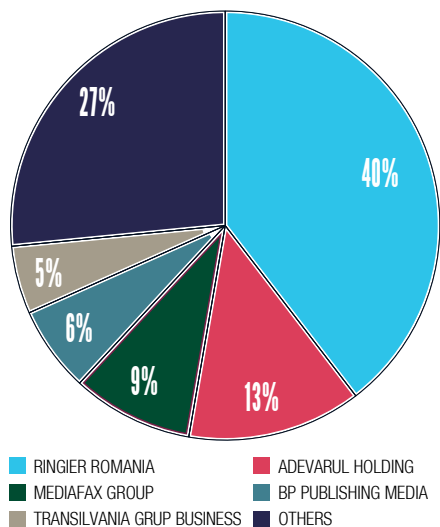
The Russian-Ukrainian conflict that broke out in 2022 represented a tough test for the Print advertising market in Romania as the massive paper price increase had a direct negative impact on the publishers. In 2022 the Print market dropped by 10% at an estimated 5.6M euro net value.

On the positive side, City Publishing (ex. Burda) was purchased by ArtPrint and starting September 2022, internationally licensed magazines BBC Good Food and BBC Top Gear were re-launched, alongside other established local titles such as Femeia, Casa si Gradina, Sanatatea de Azi and Practic in Bucatarie.

Main publishers ranking stayed unchanged in terms of estimated net revenues shares, being dominated by Ringier (40%) with a very large portfolio (Elle, Viva, Avantaje, TV Mania, Libertatea pentru femei, Libertatea, Gazeta Sporturilor being some of them) and Adevarul Holding (13%) with Adevarul, Click, Click pentru femei, Click Pofta Buna, Click Sanatate, OK Magazin and Historia. Mediafax Group (9%) ranked third with good performance for its titles Ziarul Financiar, Business Magazin and Dupa Afaceri Premium, while BP Publishing

(Forbes, Forbes Life) with 6% of total net revenues came on fourth, achieving an excellent performance with its premium niche products.

CHART 01: 2022 PRINT AD REVENUES BY MEDIA GROUP (ESTIMATED)



Source: Initiative estimates, excluding barbers

Despite being ongoing for several years now, the print market digitalization process is quite slow, as only few publishers seem to have in place strong integration strategies besides the regular media packages with print and online content. Ringier is the most notable in this respect, with fully integrated commercial offers built around print, online and social

media content, permanently investing in the development of its social media properties. Some advertisers are offering QR codes embedded in their print and digital editions, linking readers directly to brand content, and quite often media packages are completed with video content and podcasts which generate additional engagement triggers.

TOP PRINT INVESTORS IN 2022

Despite its decline in the last years, generated mostly by limited distribution, increased digitalization and lately the significant increase of paper costs, Print continues to be used largely by Healthcare, especially Clinics, Hospitals & Medical services, Retail and Business services, which gather 63% of the

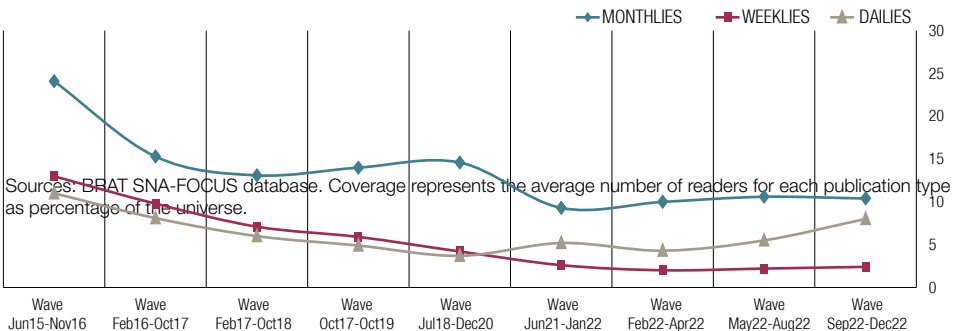
total estimated net revenue of the monitored Print market. While several industries reduced the Print budget allocation in 2022, some sectors invested more in print publications, most notable ones being Retail (+20%), Bets & Gambling (+70%) and Social campaigns (+46%).

PRINT READERSHIP ON RISING TREND, EXCEPT FOR WEEKLIES

In a year marked by uncertainty and increasing production costs, print titles readership was on a surprising positive trend, as the FIFA 2022 Football World Cup Qatar triggered an 8% increase of daily newspapers coverage (+2.8pp) among urban 14-74 y.o. readers, and the relaunch of some established

international and local magazines gained 10.4% higher audience (+1.1pp) among same broad audience. On the other hand, the cutback of most of the weekly magazines' circulation resulted in a drop of audience coverage of 2.4% (-0.2pp).

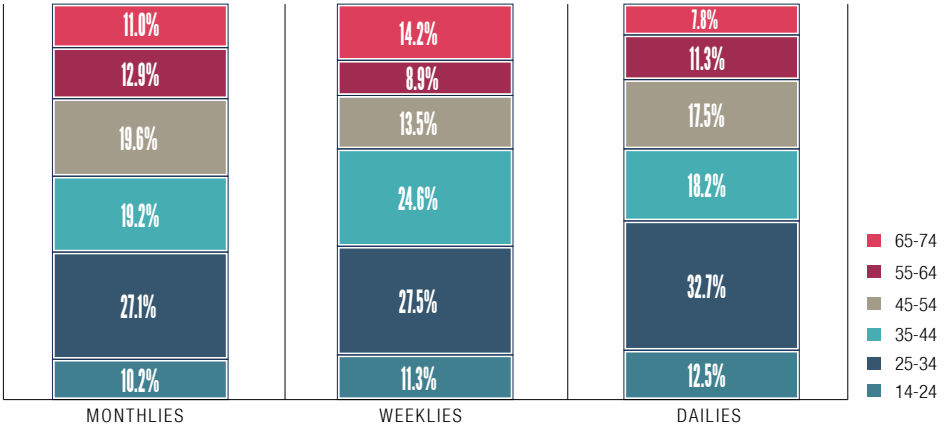
CHART 02: PRINT COVERAGE TREND AT URBAN LEVEL



The audience profile analysis shows different structure by publication type, as the covered

topics and editorial approach varies widely across print types:

CHART 03: PRINT TYPE PREFERENCE BY AGE GROUP



Sources: BRAT SNA-FOCUS database

Daily newspapers reader profile is the broadest, with 25-54 y.o. representing 68.4% of the urban readers and reflecting a higher preference among medium educated readers interested in daily updates on general interest topics, as well as sports events and tabloid news.

Weeklies are more appealing to 25-44 y.o. readers with medium and high education, being more focused on practical topics such

as wellbeing, health and cooking as well as house and garden maintenance.

Monthlies (most of them glossy women and lifestyle magazines) are preferred by high income 25-34 y.o. which are seeking a more profound and exclusive editorial content which is made available for them and are enjoying the self-indulging leisure moments of reading a printed glossy magazine.

WHAT TO EXPECT IN 2023?

Publishers will continue their ongoing focus on their digital properties in the attempt to better monetize their advertising revenues. They will continue developing and integrating more formats across several platforms to adapt to their readers' content consumption habits.

As an effect of the paper crisis and high production costs, print titles will become a second priority, and will most probably

continue to diminish in time. We are expecting to see more and more print brands consolidating their digital presence by developing online editorial content, social media engagement as well as video content to offer integrated media exposure to their advertising clients.

Print market is expected to face a negative trend of 11% in 2023, reaching an estimated 5M euro net value.



LIST OF ABBREVIATIONS

ABCDE	ESOMAR Social Grades – a classification system based on socio-economic status, often used to describe a profile of users or target customers	FMCG	Fast-Moving Consumer Goods – a category of products with low profit margins and with a short shelf life because of high consumer demand
ARIA	Romanian Association for Indoor Advertising	GA4	Google Analytics 4
ARMA	Romanian Association for Audience Measurement	GBD	Go Beyond Data Research Center
AVG	Average	GDP	Gross Domestic Product
B/BN	Billion	Gen X	The demographic cohort following the Baby boomers and preceding the Millennials (they were born between 1965 and 1980)
BRAT	Romanian Joint Industry Committee for Print and Internet	Gen Y	Also known as Millennials are the demographic cohort following Generation X and preceding Generation Z (they were born between 1981 and 1996)
CAPI	Computer-Assisted Personal Interviewing	Gen Z	Colloquially also known as Zoomers, is the demographic cohort succeeding Millennials and preceding Generation Alpha (they were born between 1997 and 2015)
CEE	Central and Eastern Europe	GPeC	eCommerce Awards Gala – the most important eCommerce and digital marketing event in Romania
CPM	Cost Per Mille – also known as Cost Per Thousand	GRP	Gross Rating Point
CPP	Cost per Point	H1/H2	Half of a calendar year
CPT	Cost per Thousand	HH	Household
CTR	Click-Through Rate		
DIY	Do it Yourself		
DOOH	Digital Out-Of-Home		
EST	Estimated		
EU	The European Union		

HoReCa	The abbreviation used for the food service industry (Hotel, Restaurant, Café)	SAO	The Outdoor Audience Measurement Survey
INS	National Institute of Statistics	SATI	Internet Audience and Traffic Measurement – a measurement system developed by the Internet Department of BRAT
K	Thousand	SERP	Search Engine Results Page
KPI	Key Performance Indicator	SHR	Share
M	Million	SNA FOCUS	National Readership Survey (SNA) and Consumption – Target Group Survey (FOCUS)
NA	Non-Alcoholic	SOA	Share of Audience
NBFI	Nonbanking Financial Institution	SOV	Share of Voice
NBR	The National Bank of Romania	STB	Bucharest Transit Corporation (one of the main public transit operators)
OOH	Out-Of-Home Advertising	TTV	Total TV
OPT	Off Prime Time	VOD	Video on Demand
OTC	Over-the-Counter	VPN	Virtual Private Network
PNRR	National Recovery and Resilience Program	VS	Versus
PP	Percentage Point	W.O.	Without
PT	Prime Time	Y.O.	Years Old
Q1 Q2	Quarters of a calendar year	YOY	Year over Year – method of measuring statistical changes against the same time period last year
QR	Abbreviated from Quick Response code, a type of matrix barcode	YTD	Year to Date
RSA	Responsive Search Ads	YTY	Year-to-Year
RTG	Rating		

Initiative