

**REPORT OF THE ADMINISTRATIVE
BOARD OF
SPARK NETWORKS SE**

Dear shareholders,

The 2019 financial year was again of the highest strategic importance for Spark Networks SE (the "**Company**"). After the foundation was laid for the merger with Zoosk, Inc, the second largest dating company in North America, in the financial year 2018, the acquisition of Zoosk, Inc. (the "Company Acquisition") was completed on July 2, 2019 and a loan agreement for 120 million dollars to finance the Company Acquisition was closed. Spark Networks SE has thus further consolidated its position as a leading company in the dating industry with an even greater influence and a portfolio of renowned brands. With Eric Eichmann, a new CEO for the expanded company, was found.

Spark Networks SE was formed on March 29, 2017 under the company name "Blitz- 17-655 SE" as a shelf company and was acquired on April 12, 2017 by Affinitas GmbH with the purpose of becoming the ultimate parent company upon completion of the cross-border merger between Spark Networks Inc. in the United States and Affinitas GmbH in Germany. As part of the merger transaction on August 24, 2017, Blitz-17-655 SE was renamed Spark Networks SE. Spark Networks SE had not performed any activities prior to the merger, except those concerning the creation and implementation of the merger.

Since the formation of Spark Networks SE on 29th March, 2017, the management of the SE is the responsibility of a single company organ, the Administrative Board according to the single-tier system pursuant to Art. 43 - 45 SE Regulation, in conjunction with Sections 20 et seq. of the German SE Implementation Act (*SE-Ausführungsgesetz*, "**SEAG**"). The Administrative Board manages the Company, determines the Company's basic business strategies and monitors the implementation of said strategies carried out by the managing directors. The managing directors manage the Company's business, represent the Company in and out of court and are bound by instructions from the Administrative Board.

On June 3, 2019, the Extraordinary General Meeting determined the number of members of the Administrative Board to be eight effective from appointments made at the Annual General Meeting on June 26, 2019.

In 2019, the members of the Administrative Board were constantly in close contact with the managing directors of Spark Networks SE in order to analyze, evaluate, and discuss the

situation of the Company and the important aspects of the Company's business strategy, the Company Acquisition, and the subsequent integration process, as well as the changes to Company management and the planning for the 2020 financial year.

Management supervision and advice

In 2019, the Administrative Board performed its tasks provided by law, the Articles of Association, the Rules of Procedure of the Administrative Board, the Charters of the Committees of the Administrative Board, Corporate Governance Guidelines of the Administrative Board and Code of Ethics of the Company with utmost diligence. The Administrative Board regularly advised and monitored the managing directors of Spark Networks SE with regard to the Company's business operations, including but not limited to the planning and implementation of the Company Acquisition and the short-term and long-term financial and strategic planning. The Administrative Board also reviewed in detail the management of compliance and other risks.

In 2019, the Administrative Board and the managing directors exchanged views on the cross-boarder Company Acquisition and the business strategy of Spark Networks SE and regularly discussed the status of its implementation. The Administrative Board was directly involved in all important decisions for Spark Networks SE at an early stage in accordance with the law and company's Articles of Association as well as the rules of procedure for the Administrative Board. The managing directors informed the Administrative Board, in a timely manner and in detail, both verbally and in writing, concerning the completion of the Company Acquisition, changes to management, business planning, business development, development strategy, and the current situation of the Company. The managing directors also addressed and dealt with all deviations from the initial planning which occurred in the course of business in due time and explained to the Administrative Board any deviations and the necessary corrective measures. The subject and scope of the reports of the managing directors thus met the requirements defined by law and by the Administrative Board. In addition to the reports, the Administrative Board has frequently requested additional information from the managing directors. The managing directors attended the meetings of the Administrative Board to report directly and provide in person support by discussing and answering questions from its members. Strategic or financial transactions of significance in 2019 that required approval by the Administrative Board were discussed with the managing directors and reviewed in detail. The focus was on the advantages and disadvantages as well as the further consequences of the respective transaction, with specific focus on the Company Acquisition.

The entire Administrative Board was kept well informed in the periods between its meetings and those of its committees. This way, the strategy, the current business development, the situation of the Company, as well as key aspects and decisions were regularly discussed by the managing directors and the Administrative Board. The Chairman of the Administrative Board was also immediately informed by the managing directors of all material events relevant for the situation of the Company and its management. The Audit Committee and the Administrative Board reviewed and discussed the Company's quarterly figures and reports

during the 2019 financial year. All members of the Administrative attended all meetings or appointed a representative to exercise their voting rights in accordance with the Company's Articles of Association.

Topics of Administrative Board Meetings in 2019

The Administrative Board held 19 meetings in 2019: meetings by phone on January 16, 2019, January 24, 2019, February 15, 2019, February 24, 2019, March 9, 2019, March 14, 2019, March 15, 2019, March 16, 2019, March 18, 2019, April 26, 2019, May 13, 2019, June 3, 2019, July 29, 2019, November 15, 2019, one in person meeting in Berlin on April 8, 2019 (with the participation of some directors by video or phone), another in person meeting on August 28 and 29, 2019 in San Francisco, an in - person meeting on October 17, 2019 in London and another in person meeting on December 18, 2019. In addition, the Administrative Board has passed several resolutions by way of circular voting.

The individual meetings had the following content:

On January 16, January 24, February 15 and February 24, 2019, the Administrative Board discussed the progress of the Company Acquisition. On February 15, 2019, the issuance of virtual share options for the benefit of certain members of senior management was addressed

On March 9, 2019, the Administrative Board resolved, that the conditions of the Company Acquisition and the respective share purchase agreement were reasonable and reflected the best interest of the Company and its shareholders. The Administrative Board further resolved on the issuance of new shares required for the Company Acquisition and authorized and instructed management to execute respective resolutions. The Administrative Board resolved to expand the company's Board of Directors to eight directors. The Board of Directors authorized and directed management to close the loan agreement as part of financing the Company Acquisition. The Administrative Board resolved to adjust the company's Virtual Share Option Plan for 2017 and 2018 in order to counter possible adverse tax consequences resulting from the Company Acquisition.

During the meetings between March 14 and March 18, 2019, the status of negotiations with the lenders to finance part of the Company Acquisition was explained and discussed.

On April 8, 2019, the Administrative Board discussed the current performance of the business, important strategic initiatives and the progress in implementing the resolutions taken in the Administrative Board's meeting on March 9, 2019.

The consolidated financial statements (Form 20F) were approved on April 26, 2019. The statutory annual financials in accordance with German Commercial Code ("*HGB*"), the consolidated financials in accordance with the International Financial Reporting Standards ("*IFRS*") and the agenda of the Annual General Meeting were approved by way of circular motion on May 14, 2019. By way of circular voting the Administrative Board approved the

compliance declaration and the report of the Administrative Board for 2018 on May 16, 2019.

On June 3, 2019, the Administrative Board elected its Chairperson, his deputy, and the members of the Audit and Presiding and Nominating Committee.

On August 28 and 29, 2019, the status of business operations and the progress of the integration of Zoosk, Inc. were discussed. The half-yearly financial statements were discussed and approved. In addition, the Administrative Board passed various resolutions to dismiss and appoint directors and officers for various subsidiaries of the Company.

On October 17, 2019, the performance of the Company and future strategy were discussed.

On November 15, 2019, the appointment of Eric Eichmann as the new managing director of the Company and the dismissal of Jeronimo Folgueira were discussed and resolved.

On December 18, 2019, the Administrative Board focused on the status of the operating business and the budget for 2020.

Corporate Governance

In 2019, the Administrative Board discussed and monitored the process and implementation of compliance with the recommendations of the German Corporate Governance Code (“**DCGK**”), taking into account the Company's single-tier system. The Board of Directors addressed and reviewed exceptions to be disclosed in the declaration of conformity according to Section 161 of the *German Stock Corporation Act (AktG)*.

As a general rule, due to the single-tier system of the Company, Spark Networks SE (i) applies those provisions of the DCGK to its Administrative Board which, in the two-tier system of a German stock corporation (*Aktiengesellschaft*), would apply to the Supervisory Board (*Aufsichtsrat*) and (ii) applies those provisions of the DCGK to its managing directors which, in the two-tier system of a German stock corporation (*Aktiengesellschaft*), would apply to the Management Board (*Vorstand*), in each case of (i) and (ii) if and to the extent such provisions are applicable against the background of the statutory provisions applicable to Spark Networks SE as an SE with a single-tier governance system pursuant to Art. 43 - 45 SE-VO, in conjunction with Sections 20 et seq. SEAG.

As the shares of the Company are listed on NYSE American LLC, the Company has adopted the corporate governance policies implementing the corporate governance standards set by the New York Stock Exchange Rules. These regulations do not completely correspond with the recommendations of the DCGK.

On June 11 2020, the managing directors and the Board of Directors approved their declaration of conformity regarding the recommendations of the Government Commission on the German Corporate Governance Code pursuant to Section 161 of the *German Stock Corporation Act (AktG)* and will make it permanently available to its shareholders on the Company's website at www.spark.net together the publication of the 2019 financial statements and the invitation to the 2020 annual general meeting.

Conflict of interest

Members of the Administrative Board are required to disclose potential conflicts of interest immediately in accordance with E.1 DCGK 2019 and United States securities laws. In 2019 no such disclosures were made.

Committees

The Administrative Board has established two committees in accordance with the Company's Articles of Association: the Audit Committee and the Presiding and Nominating Committee. Both committees shall consist of at least three members in accordance with the Articles of Association of the Company and the Rules of procedure of the Administrative Board, taking into account the NYSE American LLC rules regarding the independence of board members. Ms. Colleen Birdnow Brown chairs the Audit Committee and Mr. Bradley J. Goldberg chairs the Presiding and Nominating Committee.

Audit Committee

The Audit Committee is responsible for the accounting issues and for monitoring the accounting process, internal control system, risk management, compliance, and the statutory audit procedure for the annual financial statements, as well as issuing the audit mandate to the statutory auditors.

In 2019, the Audit Committee focused on monitoring the accounting process, the financial performance of the combined business, the pre-audit of the 2018 annual financial statements in accordance with the German Commercial Code (*HGB*) and IFRS, as well as the preparation of the respective resolutions by the Administrative Board.

In 2019, the Audit Committee held five meetings: on April 11, April 23, April 26, July 26, October 14, and December 17.

Presiding and Nominating Committee

The Presiding and Nominating Committee is responsible for proposing suitable candidates for the position of managing directors and board members. It oversees the evaluation of members of the Administrative Board and management, including appointment and dismissal as well as the remuneration of the managing directors and it reviews the overall corporate governance

of the Company.

In 2019, the Presiding and Nominating Committee met on February 14, February 20, February 25, August 20, September 19, October 23, August 29, December 9 and December 17, 2019.

Annual financial statements and consolidated annual financial statements

KPMG AG, Wirtschaftsprüfungsgesellschaft, Ludwig-Erhard-Strasse 11-17, 20459 Hamburg was appointed as the Company's auditor for the annual financial statements and the consolidated annual financial statements at the annual general meeting on June 26, 2019. The auditor has audited the Company's statutory annual financial statements, which were prepared in accordance with the German Commercial Code ("HGB") and the consolidated financial statements which were prepared in accordance with "IFRS", as issued by the International Accounting Standards Board ("IASB"), including bookkeeping. The auditor's report is unrestricted.

The Audit Committee was closely involved in the review process and informed on the current status of the review process and its results. At the meeting on April 26, 2019, the Audit Committee intensely discussed the annual financial statements in accordance with the German Commercial Code ("HGB") and the consolidated annual financial statements (in accordance with IFRS) as prepared by the managing directors, as well as the reports by KPMG AG regarding the audit of the German annual financial statements ("HGB") and the consolidated annual financial statements in accordance with IFRS. The auditor reported and all findings in detail and comprehensively answered questions from the Audit Committee.

The Administrative Board was regularly informed by phone and by e-mail about the audit, the preparation of the annual financial statements in accordance with German Commercial Code ("HGB"), and the consolidated annual financial statements in accordance with IFRS for the 2018 financial year. The Administrative Board examined the annual financial statements in accordance with the German Commercial Code ("HGB"), the consolidated annual financial statements in accordance with IFRS, as well as the audit reports in detail and no objections were raised. The Administrative Board approved the consolidated financial statements in accordance with IFRS annual financial statements in accordance with German Commercial Code ("HGB") on May, XX 2019 in accordance with Section 47 (5) SEAG.

Personnel changes on the Administrative Board

Prior to the extraordinary general meeting on June 3, 2019, Mr David Khalil, Mr. Bradley J. Goldberg, Mr. Jeronimo Folgueira, Ms. Colleen Birdnow Brown, Mr. Axel Hefer, Ms. Cheryl Law, and Ms. Hermione McKee resigned as members of the Administrative Board with effect from the extraordinary general meeting on June 3, 2019. Ms. Laura Lee also resigned as a replacement for Ms. Cheryl Law and Mr. Christian Vollmann resigned as a replacement for Ms. Hermione McKee. Mr. David Khalil, Mr. Bradley J. Goldberg, Mr. Jeronimo Folgueira, Ms. Colleen Birdnow Brown, Mr. Axel Hefer, and Ms. Cheryl Law all accepted acceptance of a re-election at the extraordinary general meeting.

At the extraordinary general meeting on June 3, 2019, Mr. David Khalil, Mr. Bradley J. Goldberg, Mr. Jeronimo Folgueira, Ms. Colleen Birdnow Brown, Mr. Axel Hefer, and Ms. Cheryl Law were appointed as members of the Administrative Board until the annual general meeting deciding on the discharge for the 2019 financial year, but no longer than for six years after the effective appointment of the respective member to the Administrative Board. Furthermore, Mr. Steven B. McArthur and Mr. Deepak Kamra were elected as members of the Administrative Board effective from the date of entry of the capital increase related to the Company Acquisition, in the commercial register of the Company. The appointment of Mr. Steven B. McArthur and Mr. Deepak Kamra being effective until the end of the Annual General Meeting, which shall decide on the discharge for the financial year 2019, but no longer than for six years after the appointment effective appointment of the respective member to the Administrative Board. The capital increase was entered into the Company's commercial register on July 2, 2019.

Mr. Steven B. McArthur resigned from the Administrative Board of Spark Networks SE effective December 31, 2019.

The Administrative Board would like to thank the managing directors and all of the Spark group's staff worldwide for their dedication and success in 2019.

Berlin, 15. June 2020

For the Administrative Board

David Khalil

Chairman of the Board of Directors