REPORT OF THE ADMINISTRATIVE BOARD
OF
SPARK NETWORKS SE

Dear Shareholders,

the financial year 2018 was once again of highest strategic relevance for Spark Networks SE (the “Company”). Following the closing of the cross-border merger of Affinitas GmbH and Spark Networks, Inc. under Spark Networks SE as parent company on 2nd November 2017, in 2018 the foundation was laid for the merger with Zoosk, Inc., the second-largest dating company in North America. Thus, Spark Networks SE is consolidating its position as a leader in the dating industry with even greater significance and a portfolio of well-known brands.

Spark Networks SE was formed on 29th March, 2017 under the company name “Blitz- 17-655 SE” as shelf company and was acquired by Affinitas GmbH on 12th April, 2017 for the purpose of becoming the ultimate holding company of the business combination of Spark Networks Inc. in the US and Affinitas GmbH in Germany following the completion of the cross-border merger. In the course of the transaction of the cross-border merger on 24th August 2017, the company’s name, Blitz- 17-655 SE was changed to Spark Networks SE. Before the merger, Spark Networks SE did not conduct any activities other than those incidental to its formation and the implementation of the business combination under the cross-border merger.

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.

At the Company’s extraordinary general meeting on October 25th, 2017, the number of members of the Administrative Board was set at seven members.

In the course of the business year 2018, the members of the Administrative Board were in permanent close contact with the managing directors of Spark Networks SE in order to analyze and assess the Company’s situation on a regular basis and to discuss material issues in connection with the Company’s business strategy, the integration process following the merger of Affinitas GmbH and Spark Networks, Inc., the merger with Zoosk, Inc. and the planning for the financial year 2019.

Monitoring and Advising the Management Board

In the business year 2018, the Administrative Board of Spark Networks SE performed its tasks
provided by law, the Articles of Association of the Company, the Rules of Procedure of the Administrative Board, the Charters of the Committees of the Administrative Board, the 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 business operations of the Company, including but not limited to the planning and implementation of the new business combination and the short-term and long-term financial and strategic planning. The Administrative Board also reviewed the risk management and compliance.

In 2018, the Administrative Board and the managing directors consulted each other with regard to the proposed cross-border merger with Zoosk, Inc. and Spark Networks SE’s business strategy and regularly discussed the status of the implementation of the business strategy. The Administrative Board was directly involved in all decisions important to Spark Networks SE already at an early stage and in accordance with law and the Company’s Articles of Association and Rules of Procedure of the Administrative Board. The managing directors regularly, in due time and extensively informed the Administrative Board in writing and orally about the completion of the merger transaction between Affinitas GmbH and Spark Networks, Inc. into Spark Networks SE and on the status of the negotiations regarding a possible merger with Zoosk, Inc., the business planning, the course of business, the development strategy as well as the Company’s current situation. The managing directors also addressed any and all deviations in the course of business from the plans, in due time and explained the deviations as well as the required corrective measures. The subject and scope of the managing directors’ reports met the requirements defined by law and the Administrative Board. In addition to the reports, the Administrative Board frequently requested supplementary information from the managing directors. The managing directors attended the Administrative Board meetings in order to provide direct reports and in-person assistance to the Administrative Board when discussing and answering the members’ questions. Any strategic or financial transactions of importance in the course of 2018 that required the Administrative Board’s approval were discussed with the managing directors and reviewed in detail, whereby the focus was on the benefits, disadvantages and further consequences of the respective transaction.

The entire Administrative Board was extensively informed during the periods between the meetings of the Administrative Board and its committees. In this way the strategy, the current business development, the status of the Company, material issues and decisions were regularly discussed by the managing directors and the Administrative Board. The Chairman of the Administrative Board was further notified by the managing directors without undue delay of all material events relevant for the Company’s status and management. The Audit Committee and the Administrative Board reviewed and discussed the quarterly figures and reports of the Company during the financial year 2018. All members of the Administrative Board attended all meetings.

**Topics in Administrative Board Meetings**

The Administrative Board held six meetings in 2018 – one meeting by telephone on 28th August, 2018, one video conference on 18th October, 2018, one in-person meeting in New York on 28th March, 2018, and further in-person meetings in Berlin on 24th April, 18th July and 29th November, 2018. In addition to that, the Administrative Board passed various resolutions by
way of circular voting.

Main points of discussion of the respective meetings were:

On 28th March, 2018, the diversity concept, the objectives for the participation of women in management committees, the declaration of conformity pursuant to Section 161 of the German Stock Corporation Act (Aktiengesetz, AktG) and amendments of the service contracts of the managing directors were discussed and adopted.

On 24th April, 2018, an adjustment of the declaration of conformity as well as the resolutions proposed to the Annual General Meeting were adopted. In addition, the annual financial statements and the F-20 consolidated financial statements were approved.

On 18th July, 2018, the Administrative Board discussed the status of the operating business and Human Resources and held the elections to the Audit Committee and the Presiding and Nominating Committee.

On 28th August, 2018, the half-year financial statements were discussed.

On 18th October, 2018, the current performance of the business and the future strategy were discussed.

On 29th November, 2018, the budget for 2019 and the status of negotiations regarding a possible merger with Zoosk, Inc. were the main topics of the consultations.

**Corporate Governance**

In 2018, the Administrative Board discussed and monitored the process and implementation of compliance with the recommendations of the German Corporate Governance Code (Deutscher Corporate Governance Kodex, "DCGK") taking into consideration the particulars of the Company’s single-tier system. The Administrative Board addressed and reviewed exceptions to be disclosed in the Company’s declaration of conformity according to Section 161 German Stock Corporation Act (Aktiengesetz, AktG).

As a general rule, due to the Company’s single-tier board system, 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 the NYSE American LLC, the Company has
adopted corporate governance policies implementing the corporate governance standards set by the New York Stock Exchange Rules. These rules do not completely correspond to the recommendations of the DCGK. As the shares of the Company are not listed on a German stock exchange in the regulated market, a separate German Corporate Governance Report will not be released.

The Managing Directors and the Administrative Board approved their declaration of conformity regarding the recommendations of the Government Commission of the DCGK pursuant to Section 161 German Stock Corporation Act (Aktiengesetz, AktG) in May, 2019 and will make it permanently available to the shareholders on the Company's website at www.spark.net upon publication of the 2018 financial statements and the invitation to the 2019 ordinary annual general meeting.

Conflict of Interest

The members of the Administrative Board are required to disclose any potential conflict of interest immediately in accordance with Section 5.5 of the DCGK and according to securities laws of the United States. In 2018, no such disclosures were made.

Committees
The Administrative Board set up two committees in accordance with the Company's Articles of Associations: 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 consideration the rules of the NYSE American LLC regarding independence of the board members. The Audit Committee is chaired by Colleen Birdnow Brown and the Presiding and Nominating Committee is chaired by Bradley J. Goldberg.

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

The audit committee's activity in the reporting year 2018 focused on monitoring of the accounting process, the financial performance of the combined business, the pre-audit of the annual financial statements of 2018 (Jahresabschluss) according to the German Commercial Code (Handelsgesetzbuch, HGB) and IFRS, and the preparation of the Administrative Board resolutions on these topics.

In 2018, the audit committee held four meetings on 10th April, 24th April, 4th June and 28th August.

Presiding and Nominating Committee
The Presiding and Nominating Committee is responsible for proposing suitable candidates for managing directors and board members, overseeing the evaluation of the Board and
management, including appointment and dismissal and remuneration of the managing
directors, reviewing the overall corporate governance of the Company.

In 2018, the Presiding and Nominating Committee met on 17th July.

Annual Financial Statements/ Consolidated Annual Financial Statements

KPMG AG, Wirtschaftsprüfungsgesellschaft, Münzgasse 2, 04107 Leipzig, was appointed the
Company's financial auditor of the annual financial statements (Jahresabschluss) and the
consolidated annual financial statements by the annual general meeting on 5th June, 2018. The
auditor audited the Company's statutory annual financial statements prepared in
accordance with the German Commercial Code (Handelsgesetzbuch, HGB) and the
consolidated annual financial statements prepared in accordance with International Financial
Reporting Standards ("IFRS") as issued by the International Accounting Standards Board
("IASB"), including the bookkeeping, and issued unqualified audit certificates.

The Audit Committee was closely involved in the audit process and informed on the current
state of the audit process and its findings. In its meeting on 26th April, 2019, the Audit Committee
intensively discussed the annual financial statements according to German GAAP
and the consolidated annual financial statements according to IFRS, each prepared by the
managing directors, as well as the reports of KPMG AG on the audit of the annual financial
statements according to German GAAP and the consolidated annual financial statements
according to IFRS IASB. The auditor reported in detail to any and all findings and
comprehensively answered questions of the audit committee.

The Administrative Board was kept informed regularly by way of telephone conferences and
by e-mails on the process of the preparation of the annual financial statements according to
German GAAP and the consolidated annual financial statements according to IFRS, each for
the financial year 2018, and on the audit. The Administrative Board reviewed in detail the
annual financial statements according to German GAAP and the consolidated annual financial
statements according to IFRS, as well as, the audit reports and no objections have been made.
The Administrative Board approved the consolidated annual financial statements according to
IFRS on 26th April, 2019, in accordance with Section 47(5) SEAG. The Company's annual
financial statements according to German GAAP were approved by the Administrative Board
on 13th May, 2019.

Personnel changes on the Administrative Board

At the General Meeting of 25th October, 2017 David Khalil was re-elected as Administrative
Board member and six new members of the Administrative Board were elected: Bradley J.
Goldberg, Jeronimo Folgueira, Colleen Birdnow Brown, Clare Johnston, Joshua Keller and
Axel Hefer. Joshua Keller resigned from his position in the Administrative Board with effect as
of the end of the general meeting 2018 to avoid conflict of interest. At the Annual General
Meeting of 5th June, 2018, Cheryl Law and Hermione McKee were elected as additional
members of the Administrative Board until the end of the Annual General Meeting that resolves
on discharge for the 2018 financial year, but for no longer than six years after their appointment. At the same time, Laura Lee was elected a substitute member for Cheryl Law and Christian Vollmann was elected a substitute member for Hermione McKee.

The Administrative Board thanks the Managing Directors and all employees of the Group worldwide for all their efforts and achievements in 2018.

Berlin, 20th May, 2019

For the Administrative Board

David Khalil
Chairman of the Administrative Board