



**20
21**

QUARTERLY FINANCIAL STATEMENT AS OF 2021-09-30
DEAG Deutsche Entertainment Aktiengesellschaft

// DEAG OVERVIEW

COMPANY PROFILE

DEAG Deutsche Entertainment AG (DEAG) is a leading entertainment service company and provider of live entertainment in Europe. DEAG has been present with its Group companies at 15 locations in its core markets of Germany, the United Kingdom, Switzerland, Ireland and Denmark. As a live entertainment service provider with an integrated business model, DEAG has extensive expertise in the planning, organization, marketing and promoting events.

Founded in Berlin in 1978, DEAG's core businesses today include Rock/Pop, Classics & Jazz, Family Entertainment, Arts+Exhibitions and Ticketing. Family Entertainment and Arts+Exhibitions are the elementary building blocks for the further development of DEAG's own content.

In 2019 – before the start of the COVID-19 pandemic –, more than 5 million tickets were sold annually for over 4,000 events - a continuously growing share of these were sold via the Group's own e-commerce platforms "[MyTicket](#)" and "[Gigantic.com](#)" for its own and third-party content.

Through its strong partner network, DEAG is excellently positioned in the market as an internationally active Live Entertainment service provider.

DEAG'S CORE MARKETS



// CONTENTS

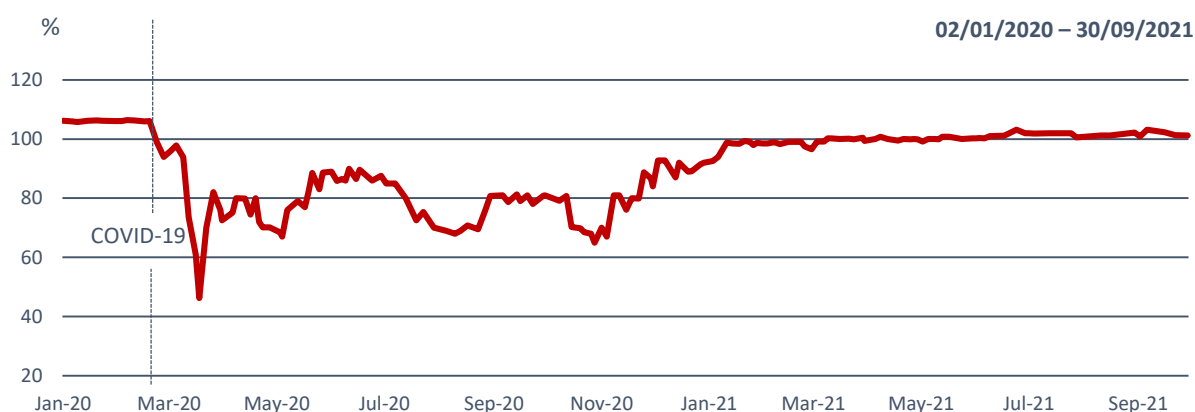
// DEAG ON THE CAPITAL MARKET	2
// INTERIM GROUP MANAGEMENT REPORT	4
// CONSOLIDATED BALANCE SHEET	10
// CONSOLIDATED STATEMENT OF INCOME	12
// CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	13
// CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS	14
// CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	15
// SELECTED EXPLANATORY NOTES	16
// LEGAL NOTICE	19

// DEAG ON THE CAPITAL MARKET

1.1 PERFORMANCE OF THE DEAG BOND 2018/2023

ISIN	DE000A2NBF25
WKN	A2NBF2
Market segment	Freiverkehr (Open Market, Segment Quotation Board)
Term	5 years up to and including 31 October 2023
Interest coupon	6.00 % p.a.
Denomination (nominal amount)	EUR 1,000.00 per bond
Outstanding volume	EUR 25.0 million
Early repayment	Issuer's call right after year 3 at 102.00% and after year 4 at 101.00% of the nominal amount

The DEAG Corporate Bond 2018/2023 (WKN: A2NBF2, ISIN: DE000A2NBF25) traded on the Open Market (Segment Quotation Board) of the Frankfurt Stock Exchange was quoted at prices of around 100% from the beginning of January to the end of September 2021. The bond was quoted at 101.25% at the end of September. The bearer bonds with a nominal amount of EUR 1,000 each have a term of 5 years and a fixed annual interest rate of 6.00%. The volume of the bond outstanding amounts to EUR 25.0 million. Mazars GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Hamburg, the auditor commissioned by DEAG for financial year 2021, has confirmed that the equity ratio determined in accordance with the bond terms and conditions was correctly calculated as of 30 June 2021 and exceeds 15%. Pursuant to § 8 of the Terms and Conditions of the Bond, this announcement was made on the same day as the 2021 Half-Year Financial Report.



1.2 SHARE

The delisting of the DEAG share became effective on 9 April 2021. Since then, the share has no longer been traded on the regulated market. The delisting of the DEAG share was accompanied by a conversion from bearer shares to registered shares. DEAG's registered shares have been traded on the Hamburg Stock Exchange under the new ISIN DE000A3E5DA0 or WKN A3E5DA since 29 July 2021.

// INTERIM GROUP MANAGEMENT REPORT

KEY OPERATIONAL DEVELOPMENTS

The situation brightened for DEAG and the entire live entertainment industry in the third quarter of financial year 2021 compared to the previous year. DEAG recorded a significant upturn in its operating business activities, particularly in the UK. Despite isolated rays of hope in DEAG’s other national markets, the months of July to September 2021, like the first six months of the year, continued to be characterised by concert postponements and cancellations caused by the pandemic. Nevertheless, DEAG was able to successfully continue its international expansion course and set the strategic course for the company’s long-term growth.

In the first nine months of the year, DEAG acquired the Danish promoter and international producer CSB Island Entertainment ApS and is now also present in Scandinavia. Furthermore, DEAG further strengthened its market position in the UK by acquiring the event promoter UK Live Ltd. Synergy effects result for DEAG especially in the ticketing sector. DEAG has also significantly expanded its business activities in the area of the “Spoken Word,” which includes readings by authors, theatre performances and poetry slams. In July 2021, DEAG acquired a majority stake in lit.COLOGNE GmbH, organiser of the international literature festival that goes by the same name. After the end of the reporting period, this segment was further strengthened through the acquisition of Fane Productions Ltd. (“Fane”) in October 2021. Fane is one of the leading producers and organisers of literary events in the UK. With the acquisition of the company, DEAG expects to achieve further growth in the UK as well as synergy effects in the development of new formats and in the opening up of new locations nationally and internationally. DEAG plans to continue to play an active role in the consolidation of the live entertainment industry in Europe and to drive its growth through M&A.

In the UK, where concerts are already being held at full capacity, DEAG staged two sold-out concerts with the cult band “Gorillaz” at the O2 Arena in London. Those who liked it a bit louder got their money’s worth at three concerts by the British rock band “The Sisters of Mercy” in London. In Switzerland, Campino, well-known lead vocalist of “Die Toten Hosen”, among others, presented his book “Hope Street: Wie ich einmal englischer Meister wurde” at author readings. In Denmark, too, the situation slowly returned to normal after “Freedom Day” in September. In Germany, DEAG organised, among other events, the “Open Air Schlagerparty am Meer” in Büsum with Schlager stars such as Jürgen Drews, Michelle and Anna-Maria Zimmermann. DEAG also organised the “Legends at the Sea” in Büsum. The party atmosphere at the North Sea was provided by none other than Eurodance legend DJ Bobo. Berlin’s Waldbühne hosted concerts by the Berlin Philharmonic Orchestra – albeit with a greatly reduced visitor capacity due to COVID-19 restrictions – with over 5,000 visitors each time. The Potsdamer Schlössernacht in the park of Sanssouci Palace thrilled more than 20,000 guests on what was probably the longest vaudeville mile ever. Furthermore, DEAG was active on the market with new COVID-19-compatible event formats. The livestreams of the electric music events “Mayday” and “NATURE ONE” were streamed by a total of over 3.5 million users. Sales in the third quarter rose by 126% to EUR 16.7 million from EUR 7.4 million in the previous year, primarily due to the significant upturn in the operating business in the UK and the positive development of the DEAG Group’s own ticketing platforms. EBITDA was EUR 4.3 million, compared to EUR 0.6 million previously.

DEAG made significant progress with the expansion of its successful Christmas Garden format throughout Germany and Europe. After the COVID-19-related cancellation of the Christmas Garden for the locations in Germany last year, DEAG was able to expand the number of locations from six in 2019 to 18 in the 2021/2022 season. In compliance with a comprehensive hygiene concept, visitors can now enjoy the anticipation of Christmas on creatively designed circular routes at the new locations in Cologne, Frankfurt/Main, Koblenz, Mainau Island and Hanover, among other locations. With the Paris location, DEAG is now also represented with a Christmas Garden in France for the first time. The locations Valencia, Barcelona and Málaga in Spain are being added in 2021. Furthermore, visitors to the Christmas Garden in London-Kenwood, London-Windsor and Newcastle in the UK will now also be able to get into the Christmas spirit. DEAG recorded strong demand and very good advance sales both in Germany and in other European countries. In total, DEAG expects over 1 million visitors for its Christmas Garden for all venues, as long as the current COVID-19 situation in Germany does not lead to further restrictions imposed by authorities.

Thanks to its strong financial resources and high event density for 2022, DEAG considers itself well positioned to achieve growth next year.

EARNINGS POSITION

In the reporting period, revenues amounted to EUR 24.1 million. In the nine-month period of the previous year, in which the first quarter was at least only slightly affected by the COVID 19 pandemic, revenues were EUR 39.1 million. In the third quarter of this year, revenues of EUR 16.7 million was clearly above the comparable period of EUR 7.4 million. The increase in the third quarter is largely due to the operating business in Great Britain. Concerts are already taking place there again with full capacity utilisation. The first events were also held in Germany and Switzerland.

Gross profit amounted to EUR 1.7 million after EUR 9.7 million in the same period of the previous year.

Earnings before interest, taxes, depreciation and amortisation (EBITDA) amounted to EUR 13.3 million for the past nine months of the year (previous year: EUR 0.3 million) and EUR 4.3 million in the third quarter (previous year: EUR 0.6 million). The Group's own ticketing platforms and the companies acquired in 2021 as part of DEAG's acquisition and integration strategy were the main contributors to this increase in earnings. Furthermore, the increase in earnings is due to the enormous cost-cutting programme in the Group as well as inflows from subsidy programmes, which DEAG has taken advantage of in all country markets, and DEAG's continued full insurance coverage.

EBIT in the reporting period amounted to EUR 7.3 million after EUR -5.5 million in the same period of the previous year. Depreciation, which is included here, remained nearly unchanged at EUR 6.0 million compared to EUR 5.8 million in the same period of the previous year. Depreciation essentially consists of depreciation on leasing rights of use amounting to EUR 3.0 million (previous year: EUR 2.8 million) and depreciation from purchase price allocations amounting to EUR 1.6 million (previous year: EUR 1.7 million).

The financial result is almost unchanged compared to previous year and amounted to EUR -3.5 million (previous year: EUR -3.2 million).

Group earnings after taxes were EUR 1.7 million (previous year: EUR - 8.5 million) and the consolidated result attributable to DEAG shareholders was EUR 1.0 million (previous year: EUR -7.0 million).

DEVELOPMENT OF THE SEGMENTS

DEAG reports in an unchanged segment structure. This reflects the activities of the Group accurately and clearly:

The **Live Touring segment** ("travelling business") reports the touring business. This includes the activities of DEAG Classics (Berlin) with The Classical Company (Zurich, Switzerland), CSB Island Entertainment (Fanø, Denmark) lit.COLOGNE and litissimo (both located in Cologne), DEAG Concerts (Berlin), KBK Konzert- u. Künstleragentur (Berlin), Wizard Promotions Konzertagentur (Frankfurt/Main), Grünland Family Entertainment (Berlin), Global Concerts Touring (Munich), Christmas Garden Deutschland (Berlin), I-Motion GmbH Event & Communication (Mülheim-Kärlich), MEWES Entertainment Group (Hamburg), the sub-group Gigantic Holdings incl. Myticket Services (London, UK), the sub-group Kilimanjaro (London, UK) including the Flying Music Group and UK Live.

The **Entertainment Services segment** ("stationary business") includes the regional business and the entire service business. This includes the activities of the AIO Group (Glattpark, Switzerland) including the sub-group Live Music Production (LMP)/ Live Music Entertainment (LME); both based in Le Grand-Saconnex, Switzerland, Global Concerts (Munich), Concert Concept (Berlin), the sub-group C2 Concerts (Stuttgart), Grandezza Entertainment (Berlin), River Concerts (Berlin) and Elbklassik (Hamburg), handwerker promotion (Unna), LiveGeist Entertainment (Frankfurt/Main), Kultur- und Kongresszentrum Jahrhunderthalle (Frankfurt/Main), FOH Rhein Main Concerts (Frankfurt/Main) as well as mytic myticket (Berlin), Kultur im Park (Berlin).

In the third quarter, revenue and EBITDA in the segments developed as follows:

Revenues <i>in EUR million</i>	01.01.-30.07. 2021	01.01.-30.07. 2020	Change from the previous year
Live Touring	7.8	3.6	4.2
Entertainment Services	9.0	3.8	5.2

EBITDA <i>in EUR million</i>	01.01.-30.07. 2021	01.01.-30.07. 2020	Change from the previous year
Live Touring	0.7	-0.4	1.1
Entertainment Services	3.5	1.7	1.8

In the Live Touring segment, revenues for the nine-month period was EUR 12.1 million (previous year: EUR 19.1 million) and EBITDA was EUR 5.5 million (previous year: EUR 0.7 million).

In the Entertainment Services segment, revenues for the nine-month period was EUR 12.1 million (previous year: EUR 22.8 million) and EBITDA was EUR 12.1 million (previous year: EUR 3.3 million).

ASSET POSITION

Total assets increased by EUR 50.9 million or 27% to EUR 237.4 million compared to 31 December 2020 (EUR 186.5 million).

Current assets increased by EUR 45.2 million to EUR 129.0 million compared to 31 December 2020 (EUR 83.8 million). This was mainly due to the increase in cash and cash equivalents by EUR 39.9 million to EUR 85.9 million (31 December 2020: EUR 46.0 million), in particular as a result of payments received from advance ticket sales for events scheduled for next year. Furthermore, the increase resulted from the inflow from the capital increase carried out, the borrowing of outside capital as well as from subsidies and insurance policies.

Non-current assets increased by EUR 5.8 million to EUR 108.4 million compared to 31 December 2020 (EUR 102.6 million). The increase in goodwill in particular is mainly due to the acquisitions made in the reporting period.

Current liabilities increased by EUR 36.6 million to EUR 142.1 million compared to 31 December 2020 (EUR 105.5 million), mainly due to the increase in contractual liabilities as a result of increased ticket sales for events to be held next year and trade payables.

The increase in non-current liabilities by EUR 7.8 million to EUR 67.4 million (31 December 2020: EUR 59.6 million) is mainly due to the utilisation of borrowed capital.

Net debt, defined as the sum of gross financial liabilities (to banks and the bond) less cash and cash equivalents, amounted to EUR -32.1 million as of 30 September 2021, compared to EUR 1.6 million as of 31 December 2020. Thus, cash and cash equivalents significantly exceeded gross financial liabilities, which is mainly due to the inflow of cash and cash equivalents from ticket sales, the capital increase, advance payments received as well as subsidies and insurance.

Equity increased by EUR 6.5 million to EUR 28.0 million (31 December 2020: EUR 21.5 million). The change is mainly due to the capital increase carried out in May 2021. The share capital increased by 1,962,597 new shares from authorised capital. Approximately EUR 6.1 million in funds were raised for this purpose with the support of the single largest shareholder. The balance sheet equity ratio is therefore 11.8% after 11.5% on 31 December 2020.

FINANCIAL POSITION

Cash inflow from operating activities (total) amounted to EUR 42.6 million after cash outflow of EUR 2.4 million in the same period of the previous year. This significant increase is mainly due to increased contractual liabilities in connection with ticket sales for future events.

Cash outflow from investing activities amounted to EUR 10.5 million after EUR 3.5 million in the comparable period of the previous year. While cash outflow in the reporting period is mainly due to the acquisitions made in 2021, the comparative period reflected a purchase price payment as well as a payment into the capital of an investment.

Cash inflow from financing activities amounted to EUR 8.0 million (30 September 2020: EUR 2.7 million). The change is mainly due to the inflow of gross issue proceeds from the capital increase in the amount of EUR 6.1 million as well as from the raising of debt capital. The change in the interest result had the opposite effect.

Cash and cash equivalents in the reporting period increased by more than 100% compared to the same period of the previous year and amounted to EUR 85.9 million (30 September 2020: EUR 41.6 million). The Group thus has a financial framework of around EUR 110 million (30 September 2020: around EUR 55 million).

OPPORTUNITY AND RISK REPORT

At the time of preparing this quarterly statement, DEAG's Executive Board assumes that the risks do not jeopardise the continued existence of the company or the Group. However, it cannot be ruled out that the COVID-19 pandemic or other influencing factors that are not yet known or are not currently classified as material could affect the continued existence of the company or the Group in the future.

For information on the risks and opportunities of the Group, please refer to the Opportunity and Risk Report in the Combined Management and Group Management Report contained in the financial report as of 31 December 2020 (p.32 et seq.).

The statements made in the Opportunity and Risk Report in the 2020 Annual Financial Report remain valid.

// CONSOLIDATED FINANCIAL STATEMENTS

// CONSOLIDATED BALANCE SHEET	10
// CONSOLIDATED STATEMENT OF INCOME	12
// CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	13
// CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS	14
// CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	15
// SELECTED EXPLANATORY NOTES	16

// CONSOLIDATED BALANCE SHEET

TOTAL ASSETS

	30.09.2021	31.12.2020	30.09.2020
	<u>in EUR '000</u>	<u>in EUR '000</u>	<u>in EUR '000</u>
Liquid funds	85,935	46,003	41,574
Trade receivables	5,161	2,329	3,415
Down payments	16,411	14,051	15,467
Income tax receivables	775	908	728
Inventories	544	665	1,275
Other current financial assets	10,722	11,775	5,100
Other current non-financial assets	9,443	8,107	2,844
Current assets	<u>128,991</u>	<u>83,838</u>	<u>70,403</u>
Goodwill	42,221	34,104	33,205
Other intangible assets	28,157	29,530	31,443
Tangible fixed assets	20,683	23,771	22,678
Investment properties	5,625	5,625	5,625
Investments	3,423	2,753	3,628
According to the equity method accounted financial asse	590	571	44
Down payments	1,940	460	500
Other long-term financial assets	3,874	3,865	3,319
Deferred tax assets	1,912	1,964	1,711
Long-term assets	<u>108,425</u>	<u>102,643</u>	<u>102,153</u>
Total assets	<u>237,416</u>	<u>186,481</u>	<u>172,556</u>

TOTAL LIABILITIES AND EQUITY

	30.09.2021	31.12.2020	30.09.2020
	in EUR '000	in EUR '000	in EUR '000
Bank loans payable	11,463	14,598	15,572
Trade accounts payable	19,165	10,024	9,733
Accruals	8,045	4,906	2,551
Contract liabilities	84,698	60,220	53,596
Income tax liabilities	2,859	1,337	1,995
Other current financial liabilities	11,589	9,738	15,792
Other current non-financial liabilities	4,261	4,634	2,287
Current liabilities	142,080	105,457	101,526
Accruals	265	265	281
Bond	24,194	24,261	24,204
Bank loans payable	18,183	8,697	6,273
Contract liabilities	-	26	-
Other long-term financial liabilities	18,159	20,189	18,154
Deferred taxes	6,578	6,135	6,303
Long-term liabilities	67,379	59,573	55,215
Share capital	21,587	19,625	19,625
Capital reserve	32,563	28,695	28,695
Retained earnings	-466	-466	-466
Accumulated deficit	-37,454	-37,729	-43,534
Accumulated other income / loss	1,795	1,954	2,004
Equity attributable to DEAG shareholders	18,025	12,079	6,324
Equity attributable to non-controlling interest	9,932	9,372	9,491
Equity	27,957	21,451	15,815
Total liabilities and equity	237,416	186,481	172,556

// CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	01.01.2021 -30.09.2021	01.01.2020 -30.09.2020
	<u>in EUR '000</u>	<u>in EUR '000</u>
Result from continued operations	1,725	-8,505
Depreciation and amortisation	6,001	5,795
Change in accruals	3,034	-4,940
Changes not affecting payments	-	-15
Deferred taxes (net)	495	-782
Result from valuation of affiliated companies	101	83
Cash flow	11,356	-8,364
Net interest income	3,375	3,139
Change in working capital	27,884	2,832
Net cash from operating activities from continued operations	42,615	-2,393
Net cash from operating activities from discontinued operations	-1	-
Net cash from operating activities (total)	42,614	-2,393
Net cash from investment activities from continued operations	-10,464	-3,485
Net cash from financial activities (total)	8,036	2,674
equivalents	40,186	-3,204
Effects of exchange rates	-254	-1,563
Cash and cash equivalents at beginning of Period	46,003	46,341
Cash and cash equivalents at end of period	85,935	41,574

// CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	31.12.2019	01.01.2020- 30.09.2020	30.09.2020
	<u>in EUR '000</u>	<u>in EUR '000</u>	<u>in EUR '000</u>
Share capital	19,625	-	19,625
Capital reserve	28,695	-	28,695
Retained Earnings	- 466	-	- 466
Accumulated deficit	- 36,495	- 7,039	- 43,534
Accumulated other income / loss	1,698	306	2,004
Equity attributable to DEAG shareholders	13,057	- 6,733	6,324
Equity attributable to non-controlling interest	12,099	- 2,608	9,491
Equity	<u>25,156</u>	- <u>9,341</u>	<u>15,815</u>
	31.12.2020	01.01.2021- 30.09.2021	30.09.2021
	<u>in EUR '000</u>	<u>in EUR '000</u>	<u>in EUR '000</u>
Share capital	19,625	1,962	21,587
Capital reserve	28,695	3,868	32,563
Retained Earnings	- 466	-	- 466
Accumulated deficit	- 37,729	275	- 37,454
Accumulated other income / loss	1,954	- 159	1,795
Equity attributable to DEAG shareholders	12,079	5,946	18,025
Equity attributable to non-controlling interest	9,372	560	9,932
Equity	<u>21,451</u>	<u>6,506</u>	<u>27,957</u>

// SELECTED EXPLANATORY NOTES

NOTES PURSUANT TO IAS 34

These Interim Consolidated Financial Statements, comprising the Consolidated Balance Sheet, the Consolidated Statement of Income, the Consolidated Statement of Comprehensive Income, the Condensed Consolidated Statement of Cash Flows, the Condensed Consolidated Statement of Changes in Equity and Selected Explanatory Notes, have been prepared in accordance with the IFRSs applicable to interim financial reporting issued by the IASB, as adopted by the European Union, and the Interpretations issued by the IFRS Interpretations Committee (IFRS IC), as endorsed by the IASB, and the applicable requirements of the WpHG.

The Interim Consolidated Financial Statements as of 30 September 2021 do not contain all the disclosures and information presented in the full Consolidated Financial Statements. It is recommended that they be read together with the Consolidated Financial Statements as of 31 December 2020.

The accounting, consolidation, currency translation and recognition and measurement principles applied in the Consolidated Financial Statements as of 31 December 2020 were essentially retained.

For further information, please refer to the Notes to the Consolidated Financial Statements included in the 2020 Annual Financial Report (see pages 52-67).

The new and amended standards and interpretations did not have any effects on the assets, financial and earnings positions.

For selected information on the segments (IAS 34.16A), we refer to the section “Development of the segments” of the Interim Group Management Report in this quarterly statement.

This report has neither been audited nor has an auditor’s review taken place.

CHANGES IN THE SCOPE OF CONSOLIDATION

In the quarterly financial statements for the third quarter, DEAG, as the parent company, includes those companies for which the control concept is fulfilled. Companies that were founded, acquired or sold during the reporting period are included from the date of foundation, the date of acquisition or up until the date of sale.

The following changes to the scope of consolidation occurred in the reporting period:

On 26 January 2021, DEAG acquired 75% of the shares in CSB Island Entertainment ApS (CSB for short), Fanø (Denmark), a Danish promoter and international producer, via its wholly owned subsidiary DEAG Classics AG, Berlin. The cooperation is expected to generate positive synergy effects in the live entertainment business as well as growth impulses in the ticketing business in Scandinavia. The fixed purchase price is EUR 1.25 million, payable in cash in two purchase price instalments. The first purchase price instalment of EUR 0.6 million has been paid in cash. The second purchase price instalment is to be paid by 31 December 2021 at the latest. In addition, a variable purchase price was agreed depending on the business development in financial year 2021/22. The prerequisite is that EBITDA reaches a minimum value in the financial year. At the present time, the preparation of the closing balance sheet is still pending, so that the complete disclosures in accordance with IFRS 3 cannot yet be made.

With the purchase agreement dated 14 June 2021, DEAG acquired a 90% stake in UK Live Ltd., a promoter and event organiser in the UK, through its subsidiary Kilimanjaro Holdings Ltd., London (UK). The cooperation is expected to generate positive synergy effects, in particular through the expansion of business activities in the British core market. The purchase price was paid in cash. In addition, a variable purchase price was agreed depending on how the business develops in financial years 2022 to 2025. At this point in time, the preparation of the closing balance sheet is still pending, therefore the complete disclosures in accordance with IFRS 3 cannot yet be made.

With the purchase agreement dated 6 July 2021, DEAG, through its wholly owned subsidiary DEAG Classics AG, Berlin, acquired a 66.6% stake in the two Cologne-based companies lit.COLOGNE GmbH and litissimo gGmbH for the promotion of literature and philosophy with retroactive effect from 1 January 2021. Positive synergy effects are expected from the cooperation, especially in the development of new formats as well as in the acquisition of new locations and in the ticketing business. The total purchase price was paid in cash. At the present time, the preparation of the closing balance sheet is still pending, therefore the complete disclosures in accordance with IFRS 3 cannot yet be made.

In addition, DEAG increased its existing share in handwerker promotion e. gmbh, Unna, from 51% to now 74.9% via its wholly owned subsidiary Concert Concept Veranstaltungen GmbH, Berlin, by way of the purchase agreement dated 5 July 2021. The purchase price was paid in cash.

EQUITY

Based on the authorisation granted by resolution of the Annual General Meeting on 27 June 2019, the share capital was increased by 1,962,597 new shares to 21,588,573 shares by resolutions of the Executive Board and the Supervisory Board on 28 April 2021. This corresponds to a share capital of EUR 21,588,573.00. In the capital increase, DEAG was able to draw on the support of its single largest shareholder, Apeiron Investment Group Ltd., and thus raise EUR 6.1 million.

By resolution of the Annual General Meeting on 10 June 2021, the Executive Board is authorised to increase the share capital by up to EUR 9,812,988.00 until 9 June 2026 (Authorised Capital 2021/I).

The conditional capital resolved on 27 June 2019 (Conditional Capital 2019/I) no longer exists.

SUPPLEMENTARY REPORT

With the purchase agreement dated 21 September 2021, DEAG increased its existing share in Grandezza Entertainment GmbH, Berlin, from 51% to now 90%. The purchase price is due in two instalments. The first purchase price instalment was paid in cash in October 2021. The second instalment is due by 31 December 2022. The entry in the commercial register was made in October 2021.

With the purchase agreement dated 19 October 2021, DEAG acquired a 74.9% stake in Fane Productions Ltd., London/UK, a producer and organiser of literary events in the UK, via its subsidiary Kilimanjaro Holdings Ltd., London/UK. This will expand DEAG's activities in the Spoken Word sector and strengthen the company's position in the British entertainment market. The cooperation is expected to generate positive synergy effects in the Spoken Word sector and for its position on the British market.

Beyond this, in the view of the Executive Board, no significant events have occurred after the end of the reporting period as of 30 September 2021 that could have a significant impact on DEAG's earnings, assets and financial positions.

OTHER DISCLOSURES

On 11 January 2021, DEAG announced that the company plans to delist from the stock exchange. For this purpose, the Executive Board had secured the support of DEAG’s single largest shareholder. In an agreement also concluded on 11 January 2021 with Apeiron Investment Group Ltd. (Apeiron) and its bidder company (Musai Capital Ltd., Bidder), the execution of a public delisting offer was agreed as a condition for the delisting. The delisting of the DEAG share became effective on 9 April 2021.


DEAG’s Annual General Meeting took place on 10 June 2021 as a virtual general meeting. The shareholders granted discharge to the Executive Board and the Supervisory Board for the past financial year and passed resolutions regarding the election of the auditor for the current financial year, the cancellation of the authorised capital and the creation of the possibility of new authorised capital with exclusion of subscription rights, as well as the cancellation of the Conditional Capital 2019/I. Furthermore, the shareholders resolved at the Annual General Meeting to convert from bearer shares to registered shares. All resolutions were passed by a large majority. The conversion to registered shares has since taken place and was entered in the commercial register on 16 July 2021. Detailed information on the Annual General Meeting is available on the company website in the Investor Relations section.


Other explanatory notes required by IAS 34.15ff are not relevant, of secondary importance or there have been no material changes since 31 December 2020.

Berlin, 22 November 2021

DEAG Deutsche Entertainment Aktiengesellschaft

The Executive Board


Prof. Peter L. H. Schwenkow


Christian Diekmann


Detlef Kornett


Roman Velke


Moritz Schwenkow

DATE AND APPROVAL OF PUBLICATION

The Executive Board of DEAG (registered office: Potsdamer Straße 58 in 10785 Berlin) approved these Interim Consolidated Financial Statements and the Interim Group Management Report on 22 November 2021.

// LEGAL NOTICE

// CONTACT

DEAG Deutsche Entertainment Aktiengesellschaft
Potsdamer Straße 58
10785 Berlin

Phone: +49 30 810 75-0

Fax: +49 30 810 75-519

e-mail: info@deag.de

Investor Relations: deag@edicto.de

// MORE INFORMATION

This quarterly statement and the latest information on DEAG is available on the company's website at: www.deag.de/ir.

// EDITING AND COORDINATION

DEAG Deutsche Entertainment Aktiengesellschaft
edicto GmbH – Agentur für Finanzkommunikation und Investor Relations

// PHOTO RIGHTS

DEAG Deutsche Entertainment Aktiengesellschaft



DEAG Deutsche Entertainment Aktiengesellschaft
Potsdamer Strasse 58
10785 Berlin, Germany
Tel: +49 30 810 75-0
Fax: +49 30 810 75-519
info@deag.de
www.deag.de