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**HALF-YEAR FINANCIAL REPORT AS OF 2022-06-30**  
DEAG Deutsche Entertainment Aktiengesellschaft

# // DEAG OVERVIEW

## COMPANY PROFILE

DEAG Deutsche Entertainment Aktiengesellschaft (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 UK, Switzerland, Ireland and Denmark. As a live entertainment service provider with an integrated business model, DEAG has extensive expertise in the planning, organisation, marketing and promoting of 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.

Before the COVID-19 pandemic broke out, more than 5 million tickets were sold annually for over 4,000 events – a constantly growing share of which 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.

## DEAG'S CORE MARKETS



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## // LETTER TO THE INVESTORS

### DEAR LADIES AND GENTLEMEN, DEAR INVESTORS,

DEAG is back! Our business has developed extremely dynamically in the first half of financial year 2022 and we have set off the event fireworks that we announced. The situation has returned almost completely to the pre-corona level in all of our national markets. Our strong operational development is also reflected in the key figures for the first six months. Revenue and EBITDA, earnings before interest, taxes, depreciation and amortisation, were much higher than in the same period of last year and significantly higher than in the first quarters of 2018 and 2019, when corona was still unknown worldwide. Our revenue increased to EUR 133.4 million, from EUR 7.4 million in the same period of last year. EBITDA was EUR 10.1 million (previous year: EUR 9.0 million), significantly above our projections. By comparison, in the first half of financial year 2019 – i.e. before the start of the corona pandemic – revenue was EUR 63.9 million and EBITDA was EUR 3.1 million. In addition to the significant recovery in operating activities, the companies acquired as part of DEAG’s acquisition and integration strategy together with noticeable catch-up effects in the live entertainment industry after the COVID-19 pandemic subsided also contributed to the increase in key financial figures in the first half of 2022. We remain in acceleration mode and look forward to a very strong 2022.

We successfully held a large number of concerts and events in the first half of the year 2022. In Germany, KISS, Zucchero and Foreigner, among other artists, filled the concert halls. With the techno festival “Mayday” in the Westfalenhallen in Dortmund, we also organised the first major German event since the pandemic. In the UK, Ed Sheeran and Craig David created an exuberant atmosphere and concerts were held in Switzerland by Iron Maiden and Die Ärzte. In the area of “the Spoken Word,” which includes author readings, theatre performances and poetry slams, “phil.cologne”, Germany’s largest philosophy festival, attracted around 9,000 visitors to Cologne in June. Our dynamic operational development continued in the third quarter of 2022. Amongst other diverse live-event-formats, e.g. we celebrated a strong festival summer with our sold-out open air events “Nature One,” “Sion sous les étoiles” and “Belladrum.”

Prestigious events in the second half of the year include concerts by Andrea Bocelli, Limp Bizkit, Die Toten Hosen, Tom Jones and the Harlem Globetrotters basketball show team. Preparations for our successful “Christmas Garden” format are also in full swing: The number of locations will be expanded again in the upcoming 2022/2023 season. The Christmas Garden will now be represented at 10 locations in Germany and 10 places in other European countries. New Christmas Garden locations include places in the two new national markets of Italy (Rome) and Poland (Chorzów).

M&A remains an important component of our growth strategy. In the reporting period, we strengthened the “Spoken Word” segment by acquiring the English subscription service “LoveMyRead.” In addition, we acquired 100% of the A.C.T. Artist Agency GmbH. The concert promoter organises the “Bad Homburger Poesie- und Literaturfestival” (Bad Homburg Poetry and Literature Festival) and next year, 2023, the anniversary tour of “Riverdance,” the most successful dance show in the world, among other events. After the end of the reporting period, in July 2022, we also significantly expanded our business activities in the festivals sector by acquiring the electronic music festival “Airbeat One.” These acquisitions will result in synergy effects for DEAG in the areas of live entertainment and ticketing, among other benefits. In the future, we want to continue to play an active role in the consolidation of the European live entertainment industry and to drive our growth through M&A. This will include a focus on complementary ticketing acquisitions and expansion into new European country markets. We are involved in concrete discussions with potential acquisition targets.



# // 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.; 6.50% p.a. as of 1 November 2022
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 June 2022. The bond was quoted at a price of 101.00% at the end of the reporting period. 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%. Pursuant to the Terms and Conditions of the Bonds Clause 2.2, the interest rate will be increased by 0.50%-points to 6.50% p.a. because the equity ratio as of 30 June 2022 did not exceed the threshold value of 15%. The volume of the bond outstanding amounts to EUR 25.0 million.

### BOND PRICE FROM 02 January 2020 – 30 June 2022



## 1.2 INVESTOR RELATIONS

In the reporting period, DEAG carried out various IR activities in addition to its statutory obligations in order to report transparently on its business development and prospects:

- Numerous one-on-one meetings with investors in Germany and abroad
- Publication of corporate news in addition to ad hoc announcements
- Participation in a capital market conference
- Regular quarterly reporting

Detailed information in the Investor Relations section can be found at [www.deag.de/ir](http://www.deag.de/ir). DEAG Deutsche Entertainment AG provides continuous information on relevant business developments here. In addition, investors have access to a direct communication channel with the company at [deag@edicto.de](mailto:deag@edicto.de).

## 1.4 ANNUAL GENERAL MEETING

DEAG held its Annual General Meeting for financial year 2021 on 23 June 2022. Due to the COVID-19 pandemic, the Annual General Meeting was again held virtually, as in the previous year. DEAG's shareholders approved all agenda items by a large majority of more than 87% of the votes cast. Detailed information on the Annual General Meeting is available on the company's website in the Investor Relations section.

## FINANCIAL CALENDAR 2022

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NOV: 30.

QUARTERLY FINANCIAL STATEMENT (9M)

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# // INTERIM GROUP MANAGEMENT REPORT

## SIGNIFICANT OPERATIONAL DEVELOPMENTS

The climate has brightened further for DEAG and the entire event industry after more than two years of the corona pandemic. Most of the corona restrictions have now been lifted in all of DEAG's national markets. Nevertheless, new geopolitical and economic uncertainties such as the war in Ukraine and high inflation accompanied by rising prices are causing uncertainty. Material shortages and a shortage of skilled workers put additional strain on the live entertainment industry. Nevertheless, DEAG can report a very strong operating performance for the first half of the current financial year, with ticket sales at an extremely high level.

Revenue in the first half of 2022 increased significantly to EUR 133 million from EUR 7.4 million in the same period of the previous year. EBITDA, earnings before interest, taxes, depreciation and amortisation, was reported at EUR 10.1 million, after EUR 9.0 million last year. The increase in revenue and EBITDA is due in particular to the recovery of operating activities and catch-up effects in the live entertainment industry after the corona pandemic had subsided somewhat. While the Group's operating performance in the first quarter was still affected by the impact of the Corona pandemic, DEAG saw a complete normalisation of its business activities in the second quarter. DEAG generated revenue of EUR 102.4 million in the second quarter of 2022, thus accounting for the majority of total revenue in the first half of the year. In addition, the companies acquired by DEAG as part of the acquisition and integration strategy contributed significantly to the increase in the key financial figures. Revenue and earnings in the first half of 2022 were quite significantly higher than the opening quarters of 2018 and 2019, when no one had even heard of corona. In 2019, first-half EBITDA was EUR 3.1 million and revenue was EUR 63.9 million. Liquidity, including the lines available to the company, currently amounts to over EUR 100 million.

As part of the consistent implementation of its expansion strategy, DEAG made further acquisitions in 2022 and set the strategic course for its long-term growth. Among other transactions, DEAG acquired the electronic festival "Airbeat One" in July 2022 and further expanded its business activities in the area of open air events. With roughly 60,000 visitors per year, Airbeat One is the largest electronic festival in northern Germany and one of the largest in the entire country. For DEAG, these acquisitions will result in synergy effects in the ticketing and live entertainment business.

In the area of the "Spoken Word," DEAG very successfully organised the international literature festival "lit.COLOGNE" with around 71,000 visitors in the first half of the year, for example. "phil.cologne", Germany's largest philosophy festival, was also a huge success with around 9,000 visitors. In Germany, DEAG organised the electronic festival "Mayday" in Dortmund's Westfalenhallen, among other events. At the first major German event since the pandemic, more than 30 international DJs created an excellent atmosphere among the 15,000 visitors. The highlights in the first six months also included concerts by KISS and Zucchero in Germany as well as the stadium tour by Ed Sheeran and concerts by Craig David in the UK. In Switzerland, Iron Maiden, Die Ärzte and dancehall superstar "Burna Boy," among other artists, thrilled audiences with their hits. DEAG continues to experience very high demand for tickets for its events. Between June and August 2022 alone, over 3 million tickets were sold. This means that DEAG recorded the most successful summer in company history in terms of ticket sales.

For the full year 2022, DEAG expects to multiply its revenue to over EUR 300 million, accompanied by further improvements in EBITDA. Thanks to its diversified event portfolio, a very well-filled event pipeline and ticket sales at a high level, DEAG considers itself excellently positioned for further growth in 2023 and beyond.



## EARNINGS POSITION

Revenue of EUR 133.4 million was achieved in the first six months of the financial year. This represents a significant increase compared to the same period of the previous year of EUR 7.4 million. While the first half of the comparable period was still strongly affected by the pandemic, events could now be held again without restrictions in all of DEAG's national markets in the reporting period. Revenue also more than doubled compared to the first half of 2019, the last year before the pandemic. Revenue was generated mainly in the second quarter: here, they amounted to EUR 102.4 million. Compared to the second quarter in 2021, this is an increase of EUR 99.0 million, or EUR 63.9 million compared to the corresponding period in 2019. In addition to internal growth and catch-up effects from holding postponed events from previous periods, this increase is also due to the contributions of the Group companies acquired in previous years.

Gross profit thus amounted to EUR 20.8 million, compared to EUR 0.6 million in the same period last year and EUR 13.6 million in the same period in 2019.

EBITDA, earnings before interest, taxes, depreciation and amortisation, amounted to EUR 10.1 million (previous year: EUR 9.0 million) in the reporting period. While EBITDA in the same period of the previous year was still strongly influenced by the receipt of insurance refunds and subsidies, the operating business is having a stronger impact again for the first time this half-year. Compared to the first half of 2019, EBITDA also increased significantly by EUR 7.0 million.

Depreciation and amortisation of EUR 4.7 million (previous year: EUR 4.0 million) are mainly attributable to leasing rights of use in the amount of EUR 2.3 million (previous year: EUR 1.9 million), depreciation and amortisation from purchase price allocations in the amount of EUR 1.2 million (previous year: EUR 1.0 million), and to scheduled depreciation of property, plant and equipment in the amount of EUR 1.2 million (previous year: EUR 1.1 million).

Thus, EBIT in the reporting period amounted to EUR 5.4 million after EUR 5.0 million in the same period of the previous year.

The financial result amounted to EUR -2.7 million (previous year: EUR -2.4 million). It mainly includes the interest result of EUR -2.2 million (previous year: EUR -2.4 million). The application of IFRS 16 (lease accounting) accounted for EUR 0.9 million of this, unchanged from the same period in the previous year.

After taking the tax expense into account, consolidated net income after taxes amounted to EUR 1.4 million (previous year: EUR 1.3 million), or the consolidated net income attributable to DEAG shareholders EUR -1.0 million after EUR -0.3 million in the same period of the previous year.

## DEVELOPMENT OF THE SEGMENTS

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

The **Live Touring segment** ("traveling business") includes the tour business. This comprises the activities of the companies DEAG Classics (Berlin) including The Classical Company (Zurich, Switzerland), CSB Island Entertainment (Fanø, Denmark), lit.COLOGNE und 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) and Hans Boehlke Elektroinstallationen (Berlin), I-Motion GmbH Event & Communications (Mülheim-Kärlich), MEWES Entertainment Group (Hamburg), sub-group Myticket Services (London, UK) incl. Gigantic Holdings Ltd. and Gigantic Tickets Ltd. (both located in London, UK), the sub-group Kilimanjaro (London, UK) including Flying Music Group and Singular Artists Ltd. (Dublin, Ireland), sub-group JAS Theatricals (formerly Kilimanjaro Theatricals), UK Live and sub-group Fane Productions incl. LoveMyRead.

The **Entertainment Services segment** (“stationary business”) comprises the regional business and the entire service business. This includes the activities of the AIO-Group (Glattpark, Switzerland) including the subgroup Live Music Production SA (LMP)/Live Music Entertainment SA (LME), both located in Le Grand-Saconnex, Switzerland, Global Concerts (Munich), Concert Concept (Berlin), the subgroup 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) and Kultur im Park (Berlin).

The segments developed as follows in the first half of the year:

<b>Revenue</b> <i>in EUR million</i>	<b>01.01.2022- 30.06.2022</b>	<b>01.01.2021- 30.06.2021</b>	<b>Change from the previous year</b>
Live Touring	105.6	4.3	101.3
Entertainment Services	31.0	3.1	27.9

The segment revenue includes internal revenue of EUR 3.2 million, which is eliminated cross-segmentally.

<b>EBITDA</b> <i>in EUR million</i>	<b>01.01.2022- 30.06.2022</b>	<b>01.01.2021- 30.06.2021</b>	<b>Change from the previous year</b>
Live Touring	10.7	4.8	5.9
Entertainment Services	2.5	8.6	-6.1

The reporting period is clearly characterised by the sharp increase in operating activities. Compared to the first half of the pre-crisis year 2019, revenue also developed very positively: Revenue in the Live Touring segment increased by EUR 66.2 million and in the Entertainment Services segment by EUR 1.5 million. EBITDA also increased compared to 2019: the Live Touring segment recorded an increase in EBITDA of EUR 7.2 million and the Entertainment Services segment of EUR 0.7 million.

## **ASSET POSITION**

Compared to 31 December 2021, total assets decreased by EUR 19.5 million or 6.3% to EUR 289.3 million (31 December 2021: EUR 308.8 million).

Current assets declined by EUR 14.3 million to EUR 163.6 million compared to 31 December 2021. This is mainly due to the massive increase in operating activities and the associated decrease in Cash and cash equivalents by

EUR 31.3 million to EUR 87.4 million (31 December 2021: EUR 118.7 million). The increase in Trade receivables by EUR 6.9 million and down payments by EUR 11.3 million had the opposite effect.

Non-current assets also decreased compared to 31 December 2021 by EUR 5.2 million to EUR 125.6 million (31 December 2021: EUR 130.8 million). The change is mainly due to scheduled depreciation of Property, plant and equipment and intangible assets.

Compared to 31 December 2021, current liabilities declined by EUR 13.0 million to EUR 185.4 million (31 December 2021: EUR 198.4 million). This is mainly due to the sharp increase in operating activities and the associated decrease in contract liabilities by EUR 37.0 million to EUR 89.3 million. In contrast, trade payables increased by EUR 15.9 million from EUR 23.7 million on 31 December 2021 to EUR 39.7 million. Nevertheless, the contract liabilities as of 30 June 2022 are significantly higher than the balance as of 30 June 2019 at EUR 41.9 million.

Non-current liabilities amounted to EUR 73.2 million as of the reporting date and have thus declined by EUR 7.4 million compared to the previous year (31 December 2021: EUR 80.6 million). The change is mainly due to the scheduled repayment of long-term liabilities to banks.

Net debt, defined as the sum of gross financial liabilities (to banks and the bond) less cash and cash equivalents, amounted to EUR -40.3 million (31 December 2021: EUR -70.8 million). Thus, cash and cash equivalents continue to significantly exceed gross financial liabilities, which is essentially caused by the payments received from the advance payments for ticket pre-sales.

Equity increased by EUR 0.9 million to EUR 30.7 million (31 December 2021: EUR 29.8 million). The balance sheet equity ratio is therefore 10.6% after 9.7% on 31 December 2021. Despite the pandemic, equity was strengthened. Compared to 30 June 2019, it increased by EUR 10.5 million (30 June 2019: EUR 20.2 million).

**FINANCIAL POSITION**

Cash outflow from operating activities (total) amounted to EUR 26.2 million after cash inflow of EUR 22.7 million in the comparable period. The change is mainly due to the sharp increase in operating activities, especially in the second quarter: while the prepayment balance, defined as payments made less contract liabilities, decreased significantly by EUR 49.9 million in the reporting period, it still rose by EUR 6.6 million in the comparable period. The rapid increase in business activities is also very clear compared to 2019: in the same period of 2019, the prepayment balance decreased by only EUR 1.8 million.

Cash outflow from investing activities amounted to EUR 0.6 million after EUR 6.3 million in the comparable period. This change is mainly due to payments made in the context of two acquisitions in the previous period.

Cash outflow from financing activities amounted to EUR 5.2 million (30 June 2021: cash inflow of EUR 2.4 million). While the scheduled repayments of liabilities to banks had an effect in the reporting period, the previous period was influenced by the payment of the capital increase.

As a result, cash and cash equivalents increased significantly by EUR 23.2 million to EUR 87.4 million in the reporting period (30 June 2021: EUR 64.2 million).

As of 30 June 2022, the Group had a total financial framework of EUR 112 million (previous year: EUR 87 million). This consists of cash and cash equivalents plus available credit lines with banks.

## **OPPORTUNITY AND RISK REPORT**

The opportunities and risks associated with the Group's business activities are described in the Opportunity and Risk Report in the Combined Management and Group Management Report contained in the Financial Report as of 31 December 2021 (see page 32 et seq.).

The war in Ukraine has not directly affected DEAG's or the Group's business activities thus far, as neither Ukraine nor Russia are national markets for DEAG or the Group. The cost increases in energy prices caused by the reduced gas volumes and the prevailing inflation could affect the purchasing power of DEAG's or the Group's customers, which in turn could have an impact on the Group's business activities.

At the time of preparing the Half-Year Financial Report 2022, DEAG's Executive Board assumes that the aforementioned risks do not jeopardise the continued existence of the company or the Group. Nevertheless, it cannot be ruled out that further influencing factors, which are currently not yet known or are not yet classified as material, could affect the continued existence of the company or the Group in the future.

The statements contained in the Opportunity and Risk Report in the Annual Financial Report 2021 remain valid.

## **FORECAST REPORT**

On the basis of the current half-year financial statements and today's knowledge of the current macroeconomic and industry development, the Executive Board of DEAG is planning revenue of more than EUR 300 million for the full year 2022, accompanied by further improvements in EBITDA. This planning is based on the assumption that events can continue to be held without restrictions and that there will be no significant negative effects from the war in Ukraine with regard to the energy supply and inflation.

## **FORWARD-LOOKING STATEMENTS**

This report contains forward-looking statements based on current assumptions and forecasts made by DEAG's management. Such statements are subject to risks and uncertainties. These and other factors may cause the results, financial position, performance or achievements of the company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. The company assumes no obligation to update such forward-looking statements or to conform them to future events or developments.

## // INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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## // CONSOLIDATED BALANCE SHEET

### TOTAL ASSETS

	<b>2022</b>	<b>2021</b>	<b>2021</b>
	<b>30.06.2022</b>	<b>31.12.2021</b>	<b>30.06.2021</b>
	<u><b>in EUR '000</b></u>	<u><b>in EUR '000</b></u>	<u><b>in EUR '000</b></u>
Cash and cash equivalents	87,386	118,745	64,235
Trade receivables	20,233	13,294	2,964
Down payments	33,464	22,178	15,612
Income tax receivables	832	839	983
Inventories	1,193	1,045	552
Other current financial assets	11,370	9,797	11,044
Other current non-financial assets	9,169	12,060	2,644
<b>Current assets</b>	<u><b>163,647</b></u>	<u><b>177,958</b></u>	<u><b>98,034</b></u>
Goodwill	52,253	52,014	40,280
Other intangible assets	30,911	32,740	28,839
Tangible fixed assets	27,688	29,735	21,704
Investment properties	5,625	5,625	5,625
Investments	1,976	3,205	2,978
According to the equity method accounted			
financial assets	591	601	590
Down payments	789	818	1,709
Other long-term financial assets	3,791	3,863	3,817
Deferred tax assets	1,989	2,196	1,588
<b>Long-term assets</b>	<u><b>125,613</b></u>	<u><b>130,797</b></u>	<u><b>107,130</b></u>
<b>Total assets</b>	<u><u><b>289,260</b></u></u>	<u><u><b>308,755</b></u></u>	<u><u><b>205,164</b></u></u>

## TOTAL LIABILITIES AND EQUITY

	<b>2022</b>	<b>2021</b>	<b>2021</b>
	<b>30.06.2022</b>	<b>31.12.2021</b>	<b>30.06.2021</b>
	<b>in EUR '000</b>	<b>in EUR '000</b>	<b>in EUR '000</b>
Bank loans payable	7,871	5,318	4,696
Trade accounts payable	39,655	23,717	13,905
Accruals	22,939	20,695	2,862
Contract liabilities	89,310	126,303	69,248
Income tax liabilities	3,035	2,697	2,245
Other current financial liabilities	16,139	12,110	12,044
Other current non-financial liabilities	6,409	7,523	4,008
<b>Current liabilities</b>	<b>185,358</b>	<b>198,363</b>	<b>109,008</b>
Accruals	663	662	264
Bond	24,417	24,231	24,108
Bank loans payable	14,824	18,435	18,528
Contract liabilities	610	2,249	-
Other long-term financial liabilities	24,862	26,868	19,157
Deferred taxes	7,824	8,169	5,947
<b>Long-term liabilities</b>	<b>73,200</b>	<b>80,614</b>	<b>68,004</b>
Share capital	21,587	21,587	21,587
Capital reserve	32,520	32,520	32,563
Retained Earnings	-332	-332	-466
Accumulated deficit	-38,373	-37,343	-38,017
Accumulated other income / loss	2,161	2,382	1,714
<b>Equity attributable to DEAG shareholders</b>	<b>17,563</b>	<b>18,814</b>	<b>17,381</b>
Equity attributable to non-controlling shareholders	13,139	10,964	10,771
<b>Equity</b>	<b>30,702</b>	<b>29,778</b>	<b>28,152</b>
<b>Total liabilities and equity</b>	<b>289,260</b>	<b>308,755</b>	<b>205,164</b>

## // CONSOLIDATED STATEMENT OF INCOME

	01.04.2022 30.06.2022	01.04.2021 30.06.2021	01.01.2022 30.06.2022	01.01.2021 30.06.2021
	in EUR '000	in EUR '000	in EUR '000	in EUR '000
Revenue	102,389	3,423	133,406	7,409
Cost of sales	-87,787	-3,673	-112,651	-6,779
<b>Gross profit</b>	<b>14,602</b>	<b>-250</b>	<b>20,755</b>	<b>630</b>
Distribution costs	-6,617	-791	-8,174	-1,385
Administration costs	-6,137	-3,833	-12,083	-7,292
Other operating income / expenses	3,201	9,425	4,928	13,039
<b>Operating result (EBIT)</b>	<b>5,049</b>	<b>4,551</b>	<b>5,426</b>	<b>4,992</b>
Interest income and expenses	-1,129	-1,163	-2,213	-2,392
Result from investments and participations	-485	0	-453	0
Earnings from affiliated companies	-22	-19	-68	-36
<b>Financial result</b>	<b>-1,636</b>	<b>-1,182</b>	<b>-2,734</b>	<b>-2,428</b>
<b>Result before taxes</b>	<b>3,413</b>	<b>3,369</b>	<b>2,692</b>	<b>2,564</b>
Income taxes	-911	-758	-1,279	-1,305
<b>Group result from continued operations after taxes</b>	<b>2,502</b>	<b>2,611</b>	<b>1,413</b>	<b>1,259</b>
<b>Group result from discontinued operations after taxes</b>	<b>0</b>	<b>-1</b>	<b>0</b>	<b>-2</b>
<b>Group result after taxes</b>	<b>2,502</b>	<b>2,610</b>	<b>1,413</b>	<b>1,257</b>
thereof attributable to non-controlling interest	2,139	2,308	2,443	1,545
<b>thereof attributable to DEAG shareholders (Group result)</b>	<b>363</b>	<b>302</b>	<b>-1,030</b>	<b>-288</b>
Earnings per share in EUR (diluted/ undiluted)				
from continued operations	0.02	0.02	-0.05	-0.01
from continued and discontinued operations	0.02	0.02	-0.05	-0.01
Average no. of shares outstanding (diluted/ undiluted)	21,587,958	19,625,361	21,587,958	19,625,361



## // CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<b>from 01.01.2022 to 30.06.2022</b>	<b>II/2022</b> in EUR '000	<b>II/2021</b> in EUR '000	<b>01.01.-30.06.22</b> in EUR '000	<b>01.01.-30.06.21</b> in EUR '000
<b>Group result after taxes</b>	<u>2,502</u>	<u>2,610</u>	<u>1,413</u>	<u>1,257</u>
<b>Other result</b>				
(+/-) Differences from exchange rates (independent foreign units)	<u>331</u>	<u>71</u>	<u>-736</u>	<u>545</u>
<b>Total result</b>	<u>2,833</u>	<u>2,681</u>	<u>677</u>	<u>1,802</u>
<b>Thereof attributable to</b>				
Non-controlling interest	<u>2,182</u>	<u>-642</u>	<u>1,929</u>	<u>-554</u>
DEAG Shareholders	<u>651</u>	<u>-3,285</u>	<u>-1,252</u>	<u>-4,790</u>

## // CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	01.01.2022 -30.06.2022	01.01.2021 -30.06.2021
	<u>in EUR '000</u>	<u>in EUR '000</u>
<b>Result from continued operations</b>	<b>1,413</b>	<b>1,259</b>
Depreciation and amortisation	4,714	3,987
Change in accruals	2,175	-2,083
Changes not affecting payments	707	-
Deferred taxes (net)	-138	188
Result from valuation of affiliated companies	68	36
<b>Cash flow</b>	<b><u>8,939</u></b>	<b><u>3,387</u></b>
Net interest income	2,213	2,392
Change in working capital	-37,369	16,921
<b>Net cash from operating activities from continued operations</b>	<b><u>-26,217</u></b>	<b><u>22,700</u></b>
Net cash from operating activities from discontinued operations	-	-2
<b>Net cash from operating activities (total)</b>	<b><u>-26,217</u></b>	<b><u>22,698</u></b>
<b>Net cash from investment activities from continued operations</b>	<b><u>-548</u></b>	<b><u>-6,309</u></b>
<b>Net cash from financial activities (total)</b>	<b><u>-5,181</u></b>	<b><u>2,395</u></b>
<b>Change in liquidity</b>	<b><u>-31,946</u></b>	<b><u>18,784</u></b>
Effects of exchange rates	587	-552
<b>Cash and cash equivalents at beginning of Period</b>	<b><u>118,745</u></b>	<b><u>46,003</u></b>
<b>Cash and cash equivalents at end of period</b>	<b><u><u>87,386</u></u></b>	<b><u><u>64,235</u></u></b>

## // CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	<b>31.12.2020</b>	<b>01.01.2021- 30.06.2021</b>	<b>30.06.2021</b>
	<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	- 288	- 38,017
Accumulated other income / loss	1,954	- 240	1,714
<b>Equity attributable to DEAG shareholders</b>	<b>12,079</b>	<b>5,302</b>	<b>17,381</b>
Equity attributable to non- controlling interest	9,372	1,399	10,771
<b>Equity</b>	<b><u>21,451</u></b>	<b><u>6,701</u></b>	<b><u>28,152</u></b>
	<b>31.12.2021</b>	<b>01.01.2022- 30.06.2022</b>	<b>30.06.2022</b>
	<u>in EUR '000</u>	<u>in EUR '000</u>	<u>in EUR '000</u>
Share capital	21,587	-	21,587
Capital reserve	32,520	-	32,520
Retained earnings	- 332	-	- 332
Accumulated deficit	- 37,343	- 1,030	- 38,373
Accumulated other income / loss	2,382	- 221	2,161
<b>Equity attributable to DEAG shareholders</b>	<b>18,814</b>	<b>- 1,251</b>	<b>17,563</b>
Equity attributable to non- controlling interest	10,964	2,175	13,139
<b>Equity</b>	<b><u>29,778</u></b>	<b><u>924</u></b>	<b><u>30,702</u></b>

# // SELECTED EXPLANATORY NOTES

## **NOTES PURSUANT TO IAS 34**

These Interim Consolidated Financial Statements, comprising the Consolidated Balance Sheet, the Consolidated Income Statement, 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 June 2022 do not contain all the disclosures and information presented in the full Consolidated Financial Statements. It is recommended to read them together with the Consolidated Financial Statements as of 31 December 2021.

The accounting, consolidation, currency translation and recognition and measurement principles applied in the Consolidated Financial Statements as of 31 December 2021 were essentially retained.

For further information, please refer to the Notes to the Consolidated Financial Statements included in the 2021 Annual Financial Report (see pages 48-64).

The new and amended standards and interpretations did not have any effects on the asset, 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 Half-Year Financial Report.

The report has not been audited. An auditor’s review has also not taken place.

## **CHANGES IN THE SCOPE OF CONSOLIDATION**

In the Half-Year Financial Report, 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 until the date of sale.

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

By way of the purchase agreement dated 30 April 2022, DEAG acquired a 100% stake in LoveMyRead Ltd., London (UK), via its subsidiary Fane Productions Ltd., London (UK). The cooperation is expected to generate positive synergy effects, particularly in the Spoken Word segment. The purchase price was paid in cash. At the present time, the preparation of the final balance sheet is still outstanding, so that the complete information according to IFRS 3 cannot yet be provided.

In addition, the following transactions were concluded in the reporting period, which will not take economic effect until 1 January 2023 and will have a changing effect on the scope of consolidation from this date:

By way of the purchase agreement dated 25 April 2022, DEAG increased its current share in A.C.T Artist Agency GmbH, Berlin, from 50% to now 100% via its wholly owned subsidiary DEAG Concerts GmbH, Berlin. The purchase and assignment of the shares will take economic effect as of 1 January 2023 and the company, which until then had been managed as a joint venture, will be fully consolidated in the Consolidated Financial Statements as of this date. The purchase price was paid in cash. At the present time, the preparation of the closing balance sheet is still outstanding, so that the complete disclosures in accordance with IFRS 3 cannot yet be made.

The purchase price allocation for the shares in UK Live Ltd., London (UK) acquired in June 2021 was completed in the reporting period. There were no changes as of 31 December 2021. Please refer to the explanations in the Annual Financial Report 2021 (p. 71).

**EQUITY**

By resolution of the Annual General Meeting of 23 June 2022, the Executive Board is authorised to increase the share capital by up to EUR 10,794,286.00 by 22 June 2027 (Authorised Capital 2022/I). Authorised Capital 2021/I no longer exists.

**SUPPLEMENTARY REPORT**

As of 1 July 2022, DEAG acquired a 55% stake in the “Airbeat One” festival, an electronic music festival, through its subsidiary medi Produkt & Service GmbH, Berlin. The company was renamed into Airbeat One GmbH, Berlin.

At the beginning of the second half of the year, the responsibilities of Moritz Schwenkow were expanded to include strategic responsibility for digitalisation and technology. His tasks include, among other duties, the exploration and introduction of new systems and infrastructures as well as the further development of the company strategy regarding the use and modernisation of technological resources.

Beyond this, in the view of the Executive Board, no significant events have occurred after the end of the reporting period as of 30 June 2022 that could have a significant impact on DEAG’s earnings, asset and financial position.

**OTHER DISCLOSURES**

The Annual General Meeting of DEAG was held on 23 June 2022 as a virtual Annual General Meeting. The Executive Board and Supervisory Board were discharged for the past financial year and the shareholders passed resolutions regarding the election of the auditor for the current financial year, the cancellation of Authorised Capital 2021/I with the simultaneous creation of new Authorised Capital (2022/I). Furthermore, the Annual General Meeting elected the Supervisory Board, consisting of three members. The appointment of the Supervisory Board members is for the period until the end of the Annual General Meeting that resolves on the discharge for financial year 2025. The appointment of Michael Busch as a member of the Supervisory Board ended with the Annual General Meeting on 23 June 2022. At the Annual General Meeting, Vincent Wobbe was elected as a new member of the Supervisory Board.

All resolutions of the Annual General Meeting were passed by a large majority. Detailed information is available on the company website in the Investor Relations section.

Other explanatory notes required by IAS 34.15 ff. are not relevant or of only secondary importance. There have been no other significant changes since 31 December 2021.

Berlin, 31 August 2022

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 31 August 2022.

## // LEGAL NOTICE

### // CONTACT

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### // MORE INFORMATION

This Half-Year Financial Report and the latest information on DEAG are available on the company's website at: [www.deag.de/ir](http://www.deag.de/ir)


### // EDITING AND COORDINATION

DEAG Deutsche Entertainment Aktiengesellschaft

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