

## // DEAG OVERVIEW

### **COMPANY PROFILE**

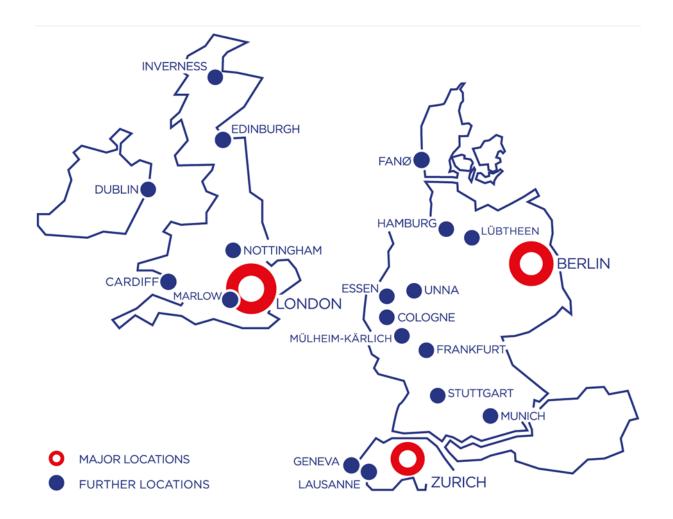
DEAG Deutsche Entertainment Aktiengesellschaft (DEAG), a leading entertainment service company and live entertainment provider, produces and promotes live events of all genres and sizes in Europe. With its Group companies, DEAG has been present at 21 locations in its core markets of Germany, Great Britain, Switzerland, Ireland and Denmark. As a live entertainment service provider with an integrated business model, DEAG has extensive expertise in the conception, organisation, promotion and production of events.

Founded in Berlin in 1978, DEAG's core business areas today include Rock/Pop, Classics & Jazz, Family Entertainment, Spoken Word & Literary Events, Arts+Exhibitions and Ticketing. Live Entertainment for all generations including Arts+Exhibitions are important building blocks for the further development of DEAG's own content.

For more than 6,000 events, over 10 million tickets are sold annually for own and third-party content – a continuously growing share of these is sold via the Group's own e-commerce platforms <a href="myticket.de">myticket.de</a>, <a href="myticket.de">

DEAG is thus excellently positioned for further growth.

## **DEAG'S CORE MARKETS**



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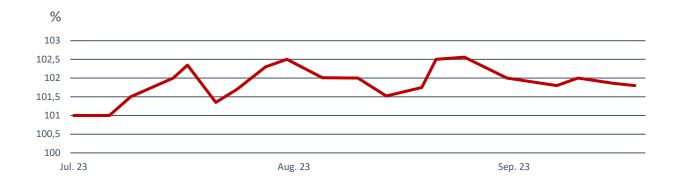
## // DEAG ON THE CAPITAL MARKET

## 1.1 DEAG CORPORATE BOND 2023/2026

ISIN	NO0012487596
WKN	A351VB
Market segment	Freiverkehr (Open Market, Segment: Quotation Board)
Term	3 years up to and including 12 July 2026
Interest coupon	8.00 % p.a.
Denomination (nominal amount)	EUR 1,000.00 per bond
Outstanding volume	EUR 50.0 million
Early repayment	Repayment at nominal amount plus interest accrued up to that date and a call premium depending on the timing of the call

The DEAG Bond 2023/2026 (WKN: A351VB, ISIN: NO0012487596) is listed on the Open Market (segment: Quotation Board) of the Frankfurt Stock Exchange. Since its inclusion in stock exchange trading on 12 July 2023, the DEAG Bond has performed very positively and was always traded at prices above 100% through the end of the reporting period in September 2023. The price of the DEAG Bond was 101.8% on 29 September 2023, the last day of trading on the Frankfurt Stock Exchange in September. The DEAG Bond is structured as a Nordic bond and is subject to Norwegian law. The bearer bonds with a nominal value of EUR 1,000 each have a term of three years and a fixed annual interest rate of 8.00%. The outstanding volume of the DEAG Bond amounts to EUR 50.0 million. The DEAG Bond 2023/2026 has completely replaced the DEAG Bond 2018/2023. The last day of trading for this bond was 28 July 2023. Inclusion in the Nordic ABM, a self-regulated marketplace organised and operated by the Oslo Stock Exchange, must be obtained within six months of the issue of the Bond 2023/2026.

### BOND PRICE FROM 12.07.2023 - 30.09.2023



## **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
- Regular quarterly reporting

Detailed information in the Investor Relations section can be found at <a href="www.deag.de/ir">www.deag.de/ir</a>. 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 <a href="deag@edicto.de">deag@edicto.de</a>.

## 1.3 ANNUAL GENERAL MEETING

The Annual General Meeting for the financial year 2022 took place on 4 July 2023 in the "Meistersaal" in Berlin. DEAG's shareholders approved all agenda items with a large majority of more than 98%. Further information on the Annual General Meeting and the detailed voting results are available in the Investor Relations section of DEAG's corporate website.

## // INTERIM GROUP MANAGEMENT REPORT

### **MAJOR OPERATIONAL DEVELOPMENTS**

DEAG exceeded its expectations for operating business development in the first nine months of the 2023 financial year. Ticketing showed significantly above-average growth. DEAG now sells most of its tickets for concerts and events via the Group's own ticketing platforms myticket.de, myticket.at, myticket.co.uk, gigantic.com and tickets.ie. Between the end of June and the beginning of September alone, over 400,000 tickets were sold for festivals in the areas of EDM (Electronic Dance Music), Rock/Pop and Classics & Jazz. The service business also developed strongly. By providing services in connection with events, DEAG complements its core business of live entertainment and covers an even larger part of the value chain.

In the reporting period, DEAG successfully organised many concerts and events of all genres and sizes in its national markets. These included tours by Kiss and Iron Maiden as well as concerts by Die Ärzte in Switzerland and Muse in the UK. At the Potsdamer Schlössernacht in August, around 35,000 visitors escaped everyday life in Sanssouci Park and immersed themselves in a journey through time with a varied programme of music, readings, variety shows, theatre, dance, guided tours and light and sound installations. DEAG also recorded a strong festival summer with more than 800,000 visitors at open-air festivals such as "MAYDAY," "NATURE ONE," "SYNDICATE" and "AIRBEAT ONE."

Revenue of EUR 213.3 million was reported for the first three quarters (previous year: EUR 235.1 million). EUR 90.7 million of this amount was generated in the third quarter (previous year: EUR 101.7 million). Earnings before interest, taxes, depreciation and amortisation (EBITDA) amounted to EUR 13.8 million after nine months, compared to EUR 20.3 million in the same period of the previous year. EBITDA in the third quarter of 2023 totalled EUR 8.7 million (previous year: EUR 10.2 million). The previous year's key financial figures were more strongly influenced by catch-up effects following the coronavirus pandemic and funds from European funding programmes. Compared to 2019, the last year before the coronavirus pandemic, revenue and EBITDA improved significantly by 73.3% and 72.5% respectively. At that time, revenue and EBITDA stood at EUR 123.1 million and EUR 8.0 million respectively. Since 2019, DEAG has significantly expanded its event portfolio and the scope of its business through targeted acquisitions of companies and event formats as well as in the area of ticketing. The companies acquired since 2019 have made a significant contribution to the good performance to date in financial year 2023.

DEAG expects a very good fourth quarter, which will be characterised in particular by strong Christmas business. The successful "Christmas Garden" format has been expanded to a total of 21 locations, eleven of which are in Germany, and will also take place for the first time in Hamburg, Augsburg, Leipzig and Austria (Grafenegg Castle near Krems) in the 2023/2024 season. Advance sales have already started and DEAG is experiencing high demand for tickets. For the 2023/2024 season, which runs through January 2024, DEAG is expecting a total of around 2 million visitors to its 21 venues. Demand for tickets to the Christmas Circuses produced by DEAG itself in Hanover and Regensburg is also at a record level. In addition to the strong Christmas business expected, other event formats developed and produced by DEAG will also provide growth impetus in the final quarter of 2023. These include the children's and family musical "The Jungle Book" in Hanover, for example, where Baloo, Bagheera and Mowgli have been taking visitors on an adventurous journey into the jungle since the beginning of November, and the big New Year's Eve party "Celebrate at the Gate" produced by DEAG for the first time on 31 December 2023 at the Brandenburg Gate with around twenty different live music acts, a big light show and mega fireworks, which will be broadcast live on ZDF. At the end of December, street art from the Ruhr region meets world-class artistry at "Urbanatix" in Essen's Grugahalle. The crossover of video performance, dance, parkour, free running, tricking and biking brings the energy of the street to the stage and has been attracting tens of thousands of visitors to the Ruhr region every year for over 10 years with its elaborate show productions. In October, DEAG opened its new exhibition and show space "The Arches at London Bridge" in London (UK). The Arches at London Bridge has over 1,000 square metres of event space with state-of-the-art technology for up to 400,000 visitors per year. The Arches at London Bridge celebrated its premiere with the exhibition "Direct from Graceland: Elvis," a unique retrospective with over 400 mostly unpublished artefacts from Graceland. Tickets for the exhibition about the King of Rock 'n' Roll Elvis Presley will be sold exclusively via DEAG's own ticketing platform gigantic.com. Many concerts and tours will also take place in the fourth quarter, such as the sold-out European tour through 13 countries with Rammstein frontman Till Lindemann and the first major solo tour by pop rapper Tream, who will entertain audiences in 17 cities in Germany, Austria and Switzerland in the fall of 2023. In the UK, tours by the Italian classical music star Ludovico Einaudi, tours and concerts by The Pretenders, Ed Sheeran, Babymetal and Donny Osmond, among other acts, ensured packed halls. The DEAG ticketing platform myticket achieved great sales success for the concerts of the cult rock band Böhse Onkelz in third quarter 2024 in Berlin, Dresden and Bremen, among others. Over 230,000 tickets were sold exclusively via myticket only a few hours after pre-sales began. The concerts were completely sold out within a few hours of going on sale.

One focus of business activities is on the further expansion of the company's own brand and high-margin event formats. A large share of the ticket sales for these events is handled exclusively via DEAG's ticketing platforms, which is also reflected in rising ticket sales via the company's own ticketing platforms. Around half of Group revenue is now generated with DEAG's own event formats. This is accompanied by a high degree of predictability in business development and a high share of recurring revenue.

The event pipeline is also full to bursting for 2024: DEAG will organise concerts and tours in Germany by the cult rock band Toto, Italian rock star Zucchero, jazz-rock/pop icon Jamie Callum and the outstanding classical music events with the Vienna Philharmonic Orchestra and the traditional end-of-season concert by the Berlin Philharmonic Orchestra – both at the Waldbühne in Berlin. There will also be events for the whole family such as the successful dance show "Riverdance" in Germany and Switzerland, the "Disney on Ice" tour, events with the basketball artists of the "Harlem Globetrotters," who will be touring 10 cities each in Germany and Poland, and the anniversary edition of the Potsdamer Schlössernacht, which will take place for the 25th time in 2024. In Switzerland, Judas Priest and Slash, among others, will also ensure packed halls. In the UK, visitors will get their money's worth at concerts by James Blunt in Scotland, the arena tours by UB40 and Texas, and in Australia they can look forward to exciting literature evenings at the "An Evening with" event format with Fran Lebowitz, Elizabeth Day and many other participants.

DEAG believes it is excellently positioned to achieve further growth thanks to its diversified event portfolio, strong proprietary ticketing platforms and a robust financial structure. M&A is an elementary component of DEAG's long-term growth strategy. After the end of the reporting period, in October 2023, DEAG increased its stake in I-Motion GmbH Events & Communication from 50.1% to 100%. DEAG is thus further expanding its business activities in the area of open-air events and the share of its own high-margin event formats as planned. By acquiring I-Motion, DEAG is successfully continuing its buy & build strategy. The company initially acquires majority stakes in companies and systematically reduces the shares of other shareholders when the business develops successfully. In addition, DEAG continued its dynamic expansion in Europe and further expanded its good market position in the UK by opening a location in Wales.

DEAG plans to continue to play an active role in the consolidation of the live entertainment industry in Europe and to drive its growth both organically and through M&A. As part of this strategy, DEAG will continue to explore all equity financing options, including a possible listing on the stock exchange, in order to further accelerate the company's growth.

### **EARNINGS POSITION**

Revenue of EUR 213.3 million was generated in the past nine months (previous year: EUR 235.1 million); comparative period in 2019: EUR 123.1 million). The prior-year period was still characterised by the catch-up effects of postponed events. The increase in revenue compared to the corresponding period in 2019, the last year before the pandemic, was due in particular to internal growth and the companies acquired in previous years. Revenue in the third quarter totalled EUR 90.7 million after EUR 101.7 million in the previous year and EUR 59.2 million in the third quarter of 2019.

The gross profit on revenue thus totalled EUR 33.4 million after EUR 40.5 million in the same period of the previous year and EUR 24.2 million in the same period of 2019. The gross margin remained virtually constant at 16% in the reporting period (previous year: 17%).

Earnings before interest, taxes, depreciation and amortisation (EBITDA) in the reporting period amounted to EUR 13.8 million (previous year: EUR 20.3 million). EBITDA in the same period of the previous year was characterised even more significantly by the receipt of subsidies. Compared to 2019, EBITDA increased significantly by EUR 5.8 million. Besides the organic increase in value, the synergetic contributions of the companies acquired in previous years had a particular impact.

Depreciation and amortisation totalling EUR 8.6 million (previous year: EUR 7.3 million) is mainly attributable to right-of-use assets under leases of EUR 3.9 million (previous year: EUR 3.4 million), amortisation from purchase price allocations of EUR 2.0 million (previous year: EUR 1.8 million) and depreciation of property, plant and equipment of EUR 2.7 million (previous year: EUR 2.1 million).

EBIT thus totalled EUR 5.2 million in the reporting period after EUR 13.0 million in the same period of the previous year.

The financial result totalled EUR -4.3 million (previous year: EUR -3.9 million). It mainly includes the interest result in the amount of EUR -4.7 million (previous year: EUR -3.5 million). Of this figure, EUR -1.3 million (previous year: EUR - 1.4 million) is attributable to the application of IFRS 16 (Lease Accounting).

After taking tax expenses into account, the consolidated net result after taxes totalled EUR -3.1 million (previous year: EUR 6.0 million) and the consolidated net result attributable to DEAG shareholders amounted to EUR -4.6 million after EUR 0.5 million in the same period of the previous year.

### **DEVELOPMENT OF THE SEGMENTS**

DEAG reports in an unchanged segment structure.

The **Live Touring segment** includes the touring business and the **Entertainment Services segment** includes the regional business and the entire service business. Please refer to the Annual Financial Report as of 31 December 2022, the Notes to the Consolidated Financial Statements, Notes 4 and 7, p. 56ff. and p. 69ff. respectively for the allocation of the companies to the segments. In addition, A.C.T. Artist Agency GmbH, Media On-Line Management GmbH & Co. Classics Open Air KG and Media On-Line Management GmbH, all based in Berlin, have been fully consolidated in the Live Touring segment since 1 January 2023.

## Nine months at a glance:

Revenues	01 Jan 2023-	01 Jan 2022-	Change to
in Euro million	30 Sep 2023	30 Sep 2022	previous year
Live Touring			
	128.0	175.0	-47.0
Entertainment Services			
	102.5	80.3	22.2

Segment sales revenue includes internal sales totalling EUR 17.2 million (previous year: EUR 20.3 million), which are eliminated on a cross-segment basis.

EBITDA	01 Jan 2023-	01 Jan 2022-	Change to
in Euro million	30 Sep 2023	30 Sep 2022	previous year
Live Touring			
	9.9	18.0	-8.1
Entertainment Services			
	8.3	7.5	0.8

The Live Touring segment in particular was more strongly characterised in the prior-year period by the receipt of funding and catch-up effects from the staging of postponed events.

In addition to the successful Christmas Garden season 2022/23, which ended in January 2023, the increase in revenue and EBITDA in the Entertainment Services segment is mainly due to events such as "Riverdance" and "Disney on Ice."

### **ASSET POSITION**

Total assets declined by EUR 30.7 million or 11.5% to EUR 235.8 million compared to the previous reporting date (31 December 2022: EUR 266.4 million).

This change is mainly due to the decrease in current assets to EUR 97.2 million (31 December 2022: EUR 126.1 million). Similarly, current liabilities likewise declined and amounted to EUR 113.4 million (31 December 2022: EUR 180.5 million). This is primarily due to the placement of the Bond 2023/2026 with a nominal value of EUR 50.0 million and the resulting redemption of the old Bond 2018/2023 with a nominal value of EUR 25 million. In addition, current liabilities to banks decreased significantly by EUR 9.1 million to EUR 13.1 million and provisions by EUR 7.5 million to EUR 14.6 million.

As expected, contract liabilities dropped by EUR 21.0 million to EUR 41.7 million (31 December 2022: EUR 62.6 million) and are therefore at a comparable level as on 30 September 2022 of EUR 45.8 million. Payments made for future events increased by EUR 3.5 million compared to 31 December 2022 and are also at a comparable level as in the same quarter of the previous year. As expected, the prepayment balance, defined as payments made less contract liabilities, therefore amounted to EUR -21.9 million (31 December 2022: EUR -46.2 million; 30 September 2022: EUR 25.5 million).

Non-current assets declined slightly by EUR 1.8 million or 1.3% compared to 31 December 2022 at EUR 140.4 million. Additions, in particular goodwill from the initial consolidation of companies, are offset by depreciation and amortisation of property, plant and equipment and intangible assets.

Non-current liabilities increased by EUR 44.7 million to reach EUR 92.2 million (31 December 2022: EUR 47.5 million). The increase is mainly due to the placement of the DEAG Bond 2023/2026 in the third quarter.

Equity declined by EUR 8.7 million to EUR 29.8 million due to the consolidated result and dividends to other shareholders. The equity ratio was therefore 12.7% after 14.4% on 31 December 2022.

## **FINANCIAL POSITION**

The cash outflow from operating activities (total) amounted to EUR 20.7 million, compared to EUR 64.1 million in the same period of the previous year. The change is mainly due to the catch-up effects from holding postponed events in the comparative period: the prepayment balance, defined as payments made less contract liabilities, fell by EUR 24.3 million in the 9-month reporting period. By comparison: in the 9-month period of the previous year, this figure fell significantly by EUR 80.0 million.

The cash outflow from investing activities totalled EUR 3.1 million compared to EUR 1.1 million in the same period of the previous year. The change is mainly due to payments for intangible assets and property, plant and equipment.

The cash inflow from financing activities amounted to EUR 1.9 million (30 September 2022: EUR 2.2 million). The cash inflow from the issue of the Bond 2023/2026 is largely offset by the redemption of the Bond 2018/2023. Net interest income and scheduled repayments of liabilities to banks and dividends to minority shareholders also had an impact.

As a result, cash and cash equivalents as of 30 September 2023 declined by EUR 4.0 million to EUR 51.5 million compared to 30 September 2022 (30 September 2022: EUR 55.5 million).

As of 30 September 2023, the Group had a financial framework consisting of cash and cash equivalents plus available lines of credit with banks of around EUR 78 million (30 September 2022: around EUR 68 million).

## **OPPORTUNITY AND RISK REPORT**

At the time of preparing this Quarterly Financial Statement, DEAG's Executive Board assumes that there are no risks that could jeopardise the continued existence of the company or the Group. However, it cannot be ruled out that 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 on page 32 et seq. of the Combined Management and Group Management Report contained in the Annual Financial Report as of 31 December 2022.

The statements made in the Opportunity and Risk Report in the 2022 Annual Financial Report continue to be considered accurate.

## **FORECAST REPORT**

The company is aiming to achieve revenue of over EUR 300 million and remains committed to its goal of high operating profitability in the current financial year.

## **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.

## **// CONSOLIDATED FINANCIAL STATEMENTS**

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## **// CONSOLIDATED BALANCE SHEET**

## **TOTAL ASSETS**

	30 Sep 2023	31 Dec 2022	30 Sep 2022
	<u>keur</u>	<u>keur</u>	<u>kEUR</u>
Cash and cash equivalents	51,472	74,780	55,542
Trade receiveables	11,369	17,806	19,409
Down payments	19,704	16,214	19,983
Income tax claims	2,465	1,754	821
Inventories	1,003	1,530	1,705
Other current financial assets	5,664	7,586	11,543
Other current non-financial assets	5,502	6,399	11,486
Current assets	97,179	126,069	120,489
Goodwill	56,827	53,777	52,213
Other intangible assets	33,986	36,213	29,411
Property, plant and equipment	29,055	32,728	26,878
Property held as an investment	5,625	5,625	5,625
Investments	3,043	2,114	2,509
Financial assets accounted for using the equity method	610	590	576
Down payments	180	525	809
Other non-current financial assets	8,378	7,858	4,689
Deferred tax assets	897	950	1,610
Non-current assets	138,601	140,380	124,320
Total assets	235,780	266,449	244,809

## **TOTAL EQUITY AND LIABILITIES**

	30 Sep 2023	31 Dec 2022	30 Sep 2022
	<u>keur</u>	<u>keur</u>	<u>keur</u>
Bank loans payable	13,134	22,214	18,886
Trade accounts payable	20,782	24,552	22,804
Provisions	14,565	22,112	23,930
Bond	=	24,602	-
Contractual liabilities	41,682	62,633	45,752
Income tax liabilities	5,760	4,485	4,967
Other current financial liabilities	11,769	11,805	14,196
Other current non-financial liabilities	5,700	8,084	9,254
Current liabilities	113,392	180,487	139,789
Provisions	449	722	665
Bond	45,495	0	24,509
Bank loans payable	12,460	11,466	13,649
Contractual liabilities	104	292	595
Other non-current financial liabilities	23,688	26,294	23,747
Deferred tax liabilities	9,975	8,703	7,558
Non-current liabilities	92,171	47,477	70,723
Subscribed capital	21,587	21,587	21,587
Capital reserve	32,520	32,520	32,520
Retained earnings	-332	-332	-332
Accumulated deficit	-37,116	-32,481	-36,880
Accumulated other comprehensive income	2,017	1,890	1,829
Equity attributable to DEAG shareholders	18,676	23,184	18,724
Share of other shareholders	11,541	15,301	15,573
Equity	30,217	38,485	34,297
Total equity and liabilities	235,780	266,449	244,809

## // CONSOLIDATED STATEMENT OF INCOME

	1 Jul 2023	1 Jul 2022	1 Jan 2023	1 Jan 2022
	- 30 Sep 2023	- 30 Sep 2022	- 30 Sep 2023	- 30 Sep 2022
	<u>kEUR</u>	<u>keur</u>	<u>keur</u>	<u>keur</u>
Revenues	90,658	101,680	213,331	235,086
Cost of sales	-76,272	-81,886	-179,882	-194,537
Gross profit	14,386	19,794	33,449	40,549
Distribution costs	-5,425	-8,869	-17,450	-17,043
Administrative costs	-8,211	-5,081	-20,772	-17,164
Other operating income / expenses	4,911	1,767	9,941	6,695
Operating profit (EBIT)	5,661	7,611	5,168	13,037
Financing income and expenses	-2,105	-1,284	-4,710	-3,497
Income from investments	547	121	466	-332
Shares in profit and losses in companies accounted for using				
the equity method	0	-20	5	-88
Foreign exchange loss or gain	-256	<u> </u>	-17	-
Financial result	-1,814	-1,183	-4,256	-3,917
Earnings before taxes	3,847	6,428	912	9,120
Income tax	-3,054	-1,840	-4,050	-3,119
Consolidated earnings after taxes	793	4,588	-3,138	6,001
of which attributable to other shareholders	860	3,095	1,497	5,538
of which attributable to DEAG shareholders (Group result)	-67	1,493	-4,635	463
Earnings per share in EUR (diluted/undiluted)				
from continued and discontinued operations	0.00	0.07	-0.21	0.02
Average no. of shares outstanding (diluted/undiluted)	21,587,958	21,587,958	21,587,958	21,587,958

# // CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Consolidated statement of comprenehsive income	Q3 2023 (3M)	Q3 2022 (3M)	Q3 2023 (9M)	Q3 2022 (9M)
for the period 1 Jan to 30 Sep	- in kEUR -			
Consolidated earnings after taxes	793	4,588	-3,138	6,001
Other result				
(+/-) currency conversion differences				
(independent foreign units)	162	-974	82	-1,710
Total comprehensive income	955	3,614	-3,056	4,291
of which attributable to			· ·	
shares of other shareholders	874	2,453	1,451	4,382
DEAG shareholders	81	1,161	-4,507	-91

# // CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	1 Jan 2023	1 Jan 2022
	-30 Sep 2023	-30 Sep 2022
	<u>kEUR</u>	<u>kEUR</u>
Result from continued operations after taxes	-3,138	6,001
Depreciation and amortisation	8,603	7,302
Change in provisions	-7,820	3,149
Changes not affecting payments	-2,815	669
Deferred taxes (net)	1,325	-25
Result from valuation of affiliated companies	-5	88
Cash flow before changes in net assets	-3,850	17,184
Net financial income/expenses	4,710	3,497
Change in working capital	-21,566	-84,763
Net cashflow from operating activities (total)	-20,706	-64,082
Net cashflow from investing		
activities from continued operations	-3,097	-1,111
Net cash from financial		
activities (total)	1,930	2,246
Changes in chas and cahs equivalents	-21,873	-62,947
Currency adjustments	-1,435	-256
Cash and cash equivalents as of 1 Jan	74,780	118,745
Cach and each aguivalents as of		
Cash and cash equivalents as of 30 Sep	51,472	55,542

# // CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Balance as at	Changes 1 Jan 2022	Balance as at
	31 Dec 2021	- 30 Sep 2022	30 Sep 2022
	<u>keur</u>	<u>keur</u>	<u>kEUR</u>
Share capital	21,587	-	21,587
Capital reserve	32,520	-	32,520
Retained earnings	- 332	-	- 332
Accumulated deficit	- 37,343	463	- 36,880
Accumulated other income / loss	2,382	- 553	1,829
Equity attributable to DEAG shareholders	18,814	- 90	18,724
Shares of other shareholders	10,964	4,609	15,573
Equity	29,778	4,519	34,297

	Balance as at		Changes 1 Jan 2023		Balance as at
	31 Dec 2022 <u>kEUR</u>		- 30 Sep 2023 <u>kEUR</u>		30 Sep 2023 <u>kEUR</u>
Share capital	21,587		-		21,587
Capital reserve	32,520		-		32,520
Retained earnings	- 332		-	-	332
Accumulated deficit	- 32,481	-	4,635	-	37,116
Accumulated other income / loss	1,890		127		2,017
Equity attributable to DEAG shareholders	23,184	-	4,508		18,676
Shares of other shareholders	15,301	-	3,760		11,541
Equity	38,485	_	8,268	_	30,217

## // SELECTED EXPLANATORY NOTES

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 September 2023 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 2022.

The accounting, consolidation, currency translation and recognition and measurement principles applied in the Consolidated Financial Statements as of 31 December 2022 were essentially retained.

For further information, please refer to the Notes to the Consolidated Financial Statements included in the 2022 Annual Financial Report (see pages 52-69).

The new and amended standards and interpretations did not have any effects on the asset, financial and earning 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 Financial Statement.

This report has not been audited and has not been reviewed by an auditor.

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

In the Interim Financial Statements for the third quarter of 2023, DEAG as the parent company includes those companies that fulfil the control concept. Companies that were founded, acquired or sold in the reporting period are included from the date they were founded on, acquired or sold.

The tour and concert organiser A.C.T. Artist Agency GmbH, Berlin, and the shares acquired in the previous year in the organiser of the Classic Open Air am Gendarmenmarkt, Media On-Line Management GmbH & Co. Classic Open Air KG and Media On-Line Management GmbH, both based in Berlin, were fully consolidated in the Consolidated Financial Statements for the first time in the reporting period.

There were no other changes to the scope of consolidation in the reporting period.

The preliminary purchase price allocation for the shares in Airbeat One GmbH, Berlin, acquired in financial year 2022 (see Annual Financial Report, Notes to the Consolidated Financial Statements, p. 83f) was finalised as of the quarterly reporting date. The final purchase price allocation corresponds to the preliminary purchase price allocation in the 2022 Annual Financial Report.

All other provisional purchase price allocations listed in the 2022 Annual Financial Report for the shares in companies acquired in the financial year had not yet been completed as of the quarterly reporting date and were therefore included at provisional values in the Consolidated Financial Statements as of 31 December 2022.

## **NORDIC BOND 2023/2026**

DEAG successfully placed its Corporate Bond 2023/2026 (ISIN NO0012487596) with a volume of EUR 50.0 million in July 2023. The bearer bonds with a nominal value of EUR 1,000 each have a term of three years. The annual fixed interest rate is 8.00%. The issue proceeds will be used to continue DEAG's growth trajectory and refinance the Corporate Bond 2018/2023. Holders of the Corporate Bond 2018/2023 (ISIN DE000A2NBF25) have received a corresponding exchange offer with a multiple purchase option. Further information on the Bond 2023/2026 is available on the company's website at <a href="https://www.deag.de/ir/corporate bond">www.deag.de/ir/corporate bond</a>.

### **SUPPLEMENTARY REPORT**

Since 1 October 2023, David Reinecke has assumed the position of Chief Financial Officer (CFO). He succeeded Roman Velke, who left the company at his own request and by mutual agreement on this date after five successful years as CFO and will continue to support DEAG in an advisory capacity.

By way of the purchase agreement dated 9 October 2023, DEAG acquired 100% of the shares in aptus 2183. GmbH, Berlin, via its wholly owned subsidiary Concert Concept Veranstaltungs GmbH Berlin, Berlin. The company was renamed Berlin feiert Silvester GmbH, Berlin.

In a purchase agreement dated 10 October 2023, DEAG increased its stake in I-Motion GmbH Events & Communication, Mülheim-Kärlich, from 50.1% to 100% via its wholly owned subsidiary DEAG Concerts GmbH, Berlin.

Beyond this, in the view of the Executive Board, no significant events have occurred since the end of the reporting period as of 30 September 2023 that could have a significant impact on DEAG's earnings, asset or financial position.

DEAG held its Annual General Meeting on 4 July 2023 in the Meistersaal in Berlin. 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 as well as various amendments to the Articles of Association (including the future holding of virtual Annual General Meetings, the virtual participation of members of the Supervisory Board and the composition of the Supervisory Board). Furthermore, the Annual General Meeting voted on the conclusion of a profit and loss transfer agreement between mytic Myticket AG, Berlin, and the parent company.

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.

Company founder and CEO Prof. Peter L.H. Schwenkow and Detlef Kornett manage the company together as Co-CEOs. Detlef Kornett will continue to head DEAG's International Business Affairs and Marketing departments. Together with Prof. Schwenkow, he will be responsible for corporate strategy and for driving DEAG's continued growth.

Other explanatory notes required by IAS 34.15 ff. are not relevant or of only secondary importance. There have been no material changes since 31 December 2022.

Berlin, 30 November 2023

DEAG Deutsche Entertainment Aktiengesellschaft

The Executive Board

Prof Peter L. H. Schwenkow

**Detlef Kornett** 

Christian Diekmann

David Reinecke

Moritz Schwenkow

## **DATE AND APPROVAL OF PUBLICATION**

The Executive Board of DEAG (registered office: Potsdamer Straße 58 in 10785 Berlin, Germany) approved these Interim Consolidated Financial Statements and the Interim Group Management Report on 30 November 2023.

## // CONTACT

DEAG Deutsche Entertainment Aktiengesellschaft Potsdamer Straße 58 10785 Berlin Germany

T: +49 30 810 75-0 F: +49 30 810 75-519 <u>E</u>: info@deag.de

Investor Relations: deag@edicto.de

## // MORE INFORMATION

This Quarterly Financial Statement and the latest information on DEAG are available on the company's website under: <a href="www.deag.de/ir">www.deag.de/ir</a>

## // EDITING AND COORDINATION

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