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Corporate News

DEAG announces its intention to Re-IPO on the Regulated Market (Prime Standard) of the Frankfurt Stock Exchange

- DEAG is one of Europe's leading live entertainment service providers with 45 years of experience in the live entertainment industry and operates 20 European locations within its core markets of Germany, the UK, Switzerland, Ireland, Denmark and Spain.
- DEAG plans a listing and Offering on the Regulated Market of the Frankfurt Stock Exchange (Prime Standard) consisting of a capital increase of approximately EUR 40 -50 million together with an additional offering of existing shares from the holdings of current shareholders.
- In 2022, DEAG achieved revenues of EUR 324.8 million and an EBITDA of EUR 30.9 million (9.5% EBITDA margin) with approximately 50% of the revenue generated in German speaking countries and 50% internationally, primarily from the UK.
- The proceeds from the Re-IPO will be primarily used to further accelerate DEAG's growth in line with its Buy & Build acquisition strategy with a focus on high margin ticketing businesses and other high margin opportunities in the Live Entertainment segment.
- DEAG intends to re-segment the business into new Live Entertainment and Ticketing and Services segments to reflect the growing importance and focus on ticketing, having almost tripled the revenue, with an achieved EBITDA margin of 40%.
- The Company has increased the share of its own event tickets sold via its own platforms from 1 million out of 5.3 million tickets (19%) in 2019 to a targeted 3 million out of 10 million in 2023 (30%) and targets a continued mid-term increase in this percentage.
- The Company targets a yearly organic revenue growth above market rates and continued unadjusted EBITDA margin expansion due to the highly profitable new Ticketing and Services segment.

Berlin, January [18], 2024 — DEAG Deutsche Entertainment Aktiengesellschaft (the "**Company**" and, together with its subsidiaries, "**DEAG**"), one of Europe's leading live entertainment service providers based on revenue, announces its intention to list its shares on the Regulated Market (Prime Standard) of the Frankfurt Stock Exchange in the first quarter of 2024, subject to market conditions.

The transaction ("**Re-IPO**") is expected to consist of an admission to the Prime Standard on the Regulated Market of Frankfurt Stock Exchange together with an offering of new shares and an

additional amount of existing shares from the holdings of current shareholders (the “**Offering**”). The Offering will consist of a private placement and a subsequent public subscription offer and is expected to complete in the first quarter of 2024.

The company first went public in 1998 and delisted in January 2021 in the wake of the coronavirus pandemic and the associated massive negative impact on the live entertainment industry. With the help of its major shareholders, DEAG used the time during the pandemic to make important strategic decisions and implement them. In addition to DEAG's strong event portfolio and a large number of successful proprietary formats, the core of the successful growth strategy is dynamically growing ticketing and a successful buy & build strategy.

“We believe that there is an enormous growth potential in our business. From driving ticket sales toward our own ticketing platforms to acquiring companies which increase synergies within our group and strengthen our strategy of expanded growth in both our Live Entertainment and Ticketing and Services businesses, the road ahead of us is paved with opportunity. The foundation of our business stands on our strong historical growth as shown by the ever increasing number of events we offer since 2019 – recurring revenues from over 30 festivals, intellectual property created from children’s musicals to lightrails and our hallmark New Years` Eve event at the Brandenburger Gate. We continue to expand our existing, and capitalize on new, business opportunities and develop strategies to complement this business growth in our existing and new markets. As we have shown in the past, we will look to the future with full confidence at the prospects for our business.” explains Detlef Kornett, Co-CEO.

DEAG had a strong fiscal year 2022 with significant increases in revenue and EBITDA compared to the previous year and the levels achieved in 2019. Revenues increased by 258.2% year-on-year to EUR 324.8 million and earnings before interest, taxes, depreciation and amortization (“**EBITDA**”) to EUR 30.9 million (+ 39.8% year-on-year). This corresponds to an EBITDA margin of 9.5%. Revenue and EBITDA were also significantly higher than pre COVID-19 levels in 2019, when DEAG generated revenue of EUR 185.2 million and EBITDA of EUR 14.1 million.

DEAG is one of Europe’s leading live entertainment service providers based on revenue with 45 years of experience in the live entertainment industry, currently promoting over 5,000 live events per annum from relationships with 1,200 well known artists and selling more than 10 million tickets with 3 million per annum through own online ticketing platforms in Germany, Austria and the UK: myticket.de, myticket.at, gigantic.com, myticket.co.uk and tickets.ie. DEAG has 20 European locations within its core markets of Germany, the UK, Switzerland, Ireland, Denmark and Spain. As a live entertainment service provider with an integrated business model, DEAG has extensive expertise in the conception, organization, promotion, marketing and execution of events as well as in ticket sales via DEAG’s own ticketing platforms. Through organic expansion and strategic acquisitions, DEAG has evolved into an independent powerhouse in the live entertainment industry.

Return to a Frankfurt Prime Listing

As a private Company DEAG has transformed into a larger group with revenues over EUR 325 million and EBITDA of over EUR 31 million in 2022 and now has over 600 employees in 20 different European

locations. In the years as a private company DEAG completed over 12 acquisitions, transforming its focus onto the highly profitable ticketing business and increasing EBITDA margin. As such the ticketing business has tripled in revenue terms and is already an important driver of overall EBITDA. As part of this transformation the Company will re-segment the business into two new segments "Live Entertainment" and "Ticketing and Services". DEAG's profitable Live Entertainment business will continue to be an important part of the new strategy, a key part of which will be driving more of DEAG's ticket sales through its own ticketing platforms. The Company intends to adhere to the key tenants of the German Corporate Governance code and therefore also intends to confirm the appointment of one additional independent supervisory board member within 6 months after the listing.

High margin ticketing business has achieved scale and is driving impressive growth trajectory

DEAG's ticketing operations are represented by five growing brands: myticket.de, myticket.at, gigantic.com, myticket.co.uk and tickets.ie, offering a 360-degree service, dynamic pricing and data utilization for our event partners selling tickets via the platform and being a trusted ticket source with diverse high-quality content for consumers. The Ticketing and Services business currently has over 1 million monthly users and over 820 content partners. In 2022 the revenue generated by the Ticketing and Services business almost tripled compared to the 2019 figure (pre COVID-19 pandemic). The Company has increased the share of its own event tickets sold via its own platforms from 1 million out of 5.3 million tickets (19%) in 2019 to a targeted 3 million out of 10 million in 2023 (30%) and targets a continued mid-term increase in this percentage. The Ticketing and Services business generates high EBITDA margins, in 2022, such EBITDA margin was 40%.

Strong M&A track record with substantial organic and inorganic growth opportunities fueling international expansion

DEAG has implemented a successful "Buy & Build" M&A strategy, successfully completing around 37 add on acquisitions since 1999. DEAG plans to continue playing an active role in the consolidation of the live entertainment industry in Europe and to drive its growth also through its "Buy & Build" strategy. The focus is on complementary acquisitions in ticketing as well as expanding into other European markets and into additional business segments. The strategic acquisitions give DEAG access to high-class event formats and venues as well as state-of-the-art technologies and it is intended to execute 5 to 8 acquisitions per year following the listing.

Attractive and diversified content portfolio across key genres and long-standing relationships with renowned artists

DEAG believes that it has a broad, highly diversified product portfolio across four key genres: Rock & Pop (e.g., Ed Sheeran, Iron Maiden, Foo Fighters), which includes Electronic Dance Music (Nature One festival, Mayday festival or Airbeat One), Classics & Jazz (e.g., Berlin Philharmonic Orchestra, Vienna Philharmonic Orchestra and Anna Netrebko), Family Entertainment (e.g., Riverdance, Disney on Ice) and Arts and Exhibitions (e.g. Christmas Gardens). DEAG's revenue is therefore also diversified with limited key performer risk and not overly dependent on any single artist, event (size) or geography. Further, DEAG believes that it has built up a strong collection of partner artists and family

entertainment events. DEAG has relationships with well-known artists and content producers and their management that have grown over decades. DEAG constantly aims to expand such network by leveraging the reputation as a trusted advisor and preferred promotor for many artists. These artist relationships in the areas of Rock/Pop and Classics & Jazz currently form the basis of DEAG's activities and have made DEAG a leading company in the live entertainment industry in its core markets.

DEAG Short and Medium-Term Targets

The Company targets a yearly organic revenue growth above market rates and continued unadjusted EBITDA margin expansion mainly driven by the highly profitable new Ticketing and Services segment. The Company plans to continue to target single- and double-digit million revenues acquisitions of between 5 and 8 per year, and to deploy the total proceeds within 12 to 18 months. The Company targets selling 3 million of its own event tickets via its own platforms out of a target 10 million tickets sold in 2023 (30%) and targets a continued mid-term increase in this percentage. In line with management's strategy to reduce minority holdings, DEAG has a clear target of 70-75% consolidated earnings attributable to DEAG in 2024 and over 90% by 2027.

Further details on the Re-IPO

The transaction ("**Re-IPO**") is expected to consist of an admission to the Prime Standard on the Regulated market of Frankfurt Stock Exchange plus an offering of new shares together with an amount of existing shares from the holdings of current shareholders (the "**Offering**"). The Offering will consist of a private placement and public Subscription Offer. The overall targeted free float is expected to create a liquid market for the shares.

The Company targets gross proceeds of approx. EUR 40 - 50 million from such capital increase which will be primarily used to further accelerate DEAG's growth path in line with its Buy & Build acquisition strategy with a focus on high margin ticketing businesses and other high margin opportunities. A smaller percentage of the proceeds will also be used to repay certain bank loans and for general corporate purposes.

Hauck Aufhäuser Lampe is acting as Sole Global Coordinator and Joint Bookrunner. Baader Bank is acting as Joint Bookrunner and Pareto Securities is acting as Co-Lead Manager in the transaction.

About DEAG

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

Over 10 million tickets are sold annually for around 5,000 events for proprietary and third-party content – a continuously growing share of these is sold via the Group's proprietary e-commerce platforms myticket.de, myticket.at, myticket.co.uk, gigantic.com and tickets.ie.

DEAG is thus excellently positioned for further growth.

Investor & Public Relations

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document will be realized. Any forward-looking statements are made of the date of this announcement.

Subject to compliance with applicable law and regulations, neither the Company, nor Hauck Aufhäuser Lampe Privatbank AG, Baader Bank Aktiengesellschaft, Pareto Securities AS (together, the "**Underwriters**") nor their respective affiliates intend to update, review, revise or conform any forward-looking statement contained in this announcement to actual events or developments whether as a result of new information, future developments or otherwise, and do not undertake any obligation to do so.

This announcement contains certain financial measures that are not recognized under International Financial Reporting Standards ("**IFRS**"). These non-IFRS measures are presented because the Company believes that they and similar measures are widely used in the markets in which it operates as a means of evaluating a company's operating performance and financing structure. They may not be comparable to other similarly titled measures of other companies and are not measurements under IFRS or other generally accepted accounting principles.

This announcement does not purport to contain all information required to evaluate the Company and/or its financial position. Financial information (including percentages) has been rounded according to established commercial standards. Certain market positioning data about the Company included in this announcement is sourced from third-party sources. Third-party industry publications, studies and surveys generally state that the data contained therein have been obtained from sources believed to be reliable, but that there is no guarantee of the fairness, quality, accuracy, relevance, completeness or sufficiency of such data. Such research and estimates, and their underlying methodology and assumptions, have not been verified by any independent source for accuracy or completeness and are subject to change without notice. Accordingly, the Company expressly disclaims any responsibility for, or liability in respect of, such information and undue reliance should not be placed on such data.

The Underwriters are acting exclusively for the Company and the Selling Shareholders and no one else in connection with the planned placement and offering of the shares of the Company (the "**Offering**"). They will not regard any other person as their respective clients in relation to the Offering and will not be responsible to anyone other than the Company and the Selling Shareholders for providing the protections afforded to its clients, nor for providing advice in relation to the Offering, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

In connection with the Offering, the Underwriters and their respective affiliates may take up a portion of the shares offered in the Offering as a principal position and in that capacity may retain, purchase, sell, offer to sell for their own accounts such shares and other securities of the Company or related investments in connection with the Offering or otherwise. Accordingly, references in the Prospectus, once published, to the shares being offered, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or acquisition, placing or dealing by, the Underwriters and their respective affiliates acting in such capacity.

In addition, the Underwriters and their respective affiliates may enter into financing arrangements (including swaps or contracts for differences) with investors in connection with which the Underwriters

and their respective affiliates may from time to time acquire, hold or dispose of shares of the Company. The Underwriters do not intend to disclose the extent of any such investment or transactions, other than in accordance with any legal or regulatory obligations to do so.

None of the Underwriters nor any of their respective affiliates nor any of the Underwriters' or such affiliates' directors, officers, employees, advisers or agents accepts any responsibility or liability whatsoever for or makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of the information in this release (or whether any information has been omitted from the release) or any other information relating to the Company, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available, or for any loss howsoever arising from any use of this release or its contents or otherwise arising in connection therewith.

The information contained in this release is for background purposes only and does not purport to be full or complete. No reliance may be placed by any person for any purpose on the information contained in this release or its accuracy, fairness or completeness.

The date of the admission to trading of shares of the Company on the Regulated Market segment (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) with simultaneous admission to the sub-segment of the Regulated Market with additional post-admission obligations (Prime Standard) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (together, the "**Listing**") may be influenced by things such as market conditions. There is no guarantee that Listing will occur and no financial decision should be based on the intentions of the Company in relation to Listing at this stage. Acquiring investments to which this release relates may expose an investor to a significant risk of losing all of the amount invested. Persons considering making such investments should consult an authorized person specializing in advising on such investments. This release does not constitute a recommendation concerning the Offering or the Listing. The value of shares can decrease as well as increase. Potential investors should consult a professional advisor as to the suitability of the Offering for the person concerned.