

# Group interim report as at 30 June 2022

eventim 

## KEY GROUP FIGURES

CTS GROUP	1 Jan 2022 - 30 Jun 2022	1 Jan 2021 - 30 Jun 2021	Change	
	[EUR'000]	[EUR'000]	[EUR'000]	[in %]
Revenue	734,359	65,306	669,053	>100.0
EBITDA	127,052	76,976	50,077	65.1
<i>EBITDA margin</i>	<i>17.3%</i>	<i>117.9%</i>		<i>-100.6 pp</i>
Normalised EBITDA	129,093	79,436	49,657	62.5
<i>Normalised EBITDA margin</i>	<i>17.6%</i>	<i>121.6%</i>		<i>-104.1 pp</i>
Depreciation, amortisation and impairment	-29,666	-26,292	-3,375	-12.8
EBIT	97,386	50,684	46,702	92.1
<i>EBIT margin</i>	<i>13.3%</i>	<i>77.6%</i>		<i>-64.3 pp</i>
Normalised EBIT before amortisation and impairment from purchase price allocation	106,891	58,411	48,479	83.0
<i>Normalised EBIT margin</i>	<i>14.6%</i>	<i>89.4%</i>		<i>-74.9 pp</i>
Financial result	9,110	-5,440	14,550	>100.0
Earnings before taxes (EBT)	106,497	45,244	61,253	>100.0
Net result for the period attributable to shareholders of CTS KGaA	66,188	26,972	39,216	>100.0
	[EUR]	[EUR]	[EUR]	
Earnings per share <sup>1</sup> , undiluted (= diluted)	0.69	0.28	0.41	>100.0
	[Qty]	[Qty]	[Qty]	
Internet ticket volume (in million)	27.9	7.5	20.4	>100.0
Employees <sup>2</sup>	3,190	2,352	838	35.6

<sup>1</sup> Number of shares: 96 million

<sup>2</sup> Number of employees at end of year (active workforce)

TICKETING	1 Jan 2022 - 30 Jun 2022	1 Jan 2021 - 30 Jun 2021	Change	
	[EUR'000]	[EUR'000]	[EUR'000]	[in %]
Revenue	201,515	49,583	151,932	>100.0
EBITDA	88,554	64,036	24,518	38.3
<i>EBITDA margin</i>	43.9%	129.1%		-85.2 pp
Normalised EBITDA	88,622	64,220	24,402	38.0
<i>Normalised EBITDA margin</i>	44.0%	129.5%		-85.5 pp
EBIT	72,205	48,732	23,474	48.2
<i>EBIT margin</i>	35.8%	98.3%		-62.5 pp
Normalised EBIT before amortisation and impairment from purchase price allocation	74,714	51,139	23,575	46.1
<i>Normalised EBIT margin</i>	37.1%	103.1%		-66.1 pp

LIVE ENTERTAINMENT	1 Jan 2022 - 30 Jun 2022	1 Jan 2021 - 30 Jun 2021	Change	
	[EUR'000]	[EUR'000]	[EUR'000]	[in %]
Revenue	541,452	18,342	523,110	>100.0
EBITDA	38,498	12,940	25,558	>100.0
<i>EBITDA margin</i>	7.1%	70.5%		-63.4 pp
Normalised EBITDA	40,471	15,215	25,255	>100.0
<i>Normalised EBITDA margin</i>	7.5%	83.0%		-75.5 pp
EBIT	25,181	1,952	23,229	>100.0
<i>EBIT margin</i>	4.7%	10.6%		-6.0 pp
Normalised EBIT before amortisation and impairment from purchase price allocation	32,177	7,272	24,905	>100.0
<i>Normalised EBIT margin</i>	5.9%	39.6%		-33.7 pp

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## 1. CTS EVENTIM SHARES

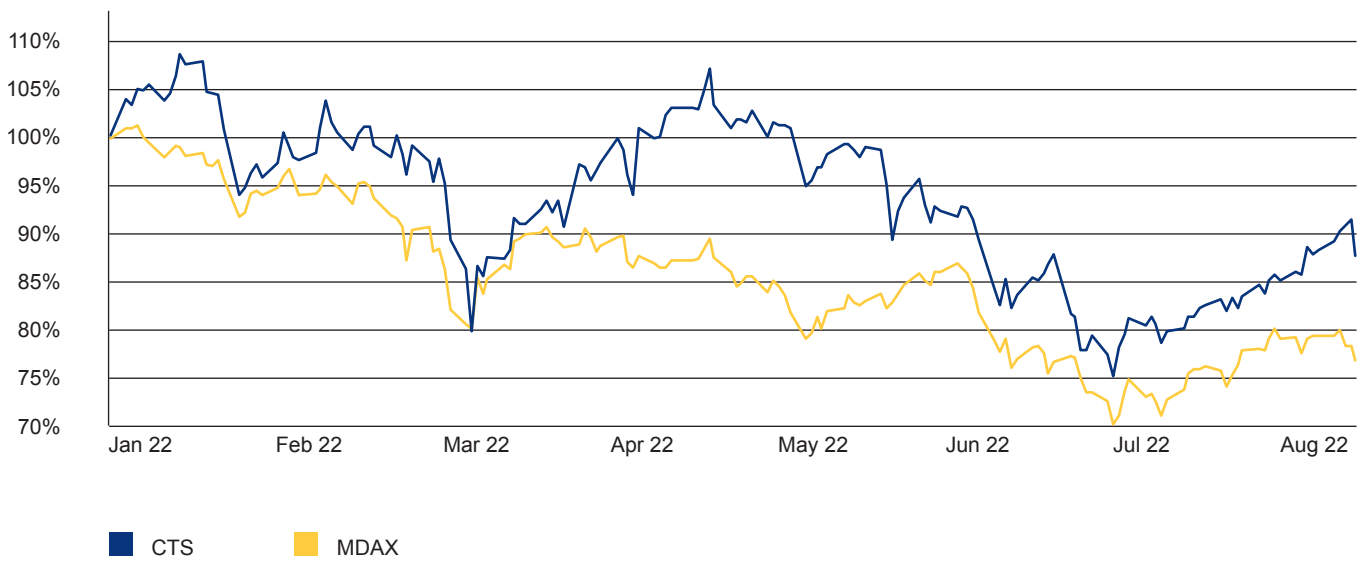
Uncertainty prevailed in the first half of 2022, as could be seen from rising volatility in the global stock markets. This was mainly driven by the conflict between Ukraine and Russia, developments in the energy and commodity markets and the general increase in consumer prices that first emerged at the end of 2021. Primarily due to rising inflation rates, central banks have faced mounting pressure in recent months to move away from their expansionary monetary policy and gradually raise key interest rates. Moreover, there are now certain expectations in the capital markets regarding the general interest-rate environment, and this has also influenced the stock markets.

In these market conditions, CTS EVENTIM shares were unable to match their performance in 2021. The shares were down by 22% as at 30 June 2022 compared with their price at the start of the year. However, they outperformed their benchmark, the MDAX, which fell by 26% in the same period. By the time of preparation of this report, CTS EVENTIM shares had bounced back thanks to reports on the success of this year's festival season and they were thus still comfortably beating the MDAX.

CTS EVENTIM shares continue to attract strong interest from investment banks. Baader Helvea, Bank of America, Berenberg, BNP Paribas Exane, DZ Bank, Jefferies, Kepler Cheuvreux, Oddo BHF and SRH Alster Research analyse CTS EVENTIM on an ongoing basis and issue recommendations regarding investment. Of the nine investment banks, seven recommend buying or holding CTS EVENTIM shares.

As the pandemic-related travel restrictions were gradually lifted in the first half of 2022, CTS KGaA was increasingly able to showcase itself again at investor conferences, where it talked to investors and answered their questions. Alongside virtual events, CTS KGaA will attend further investor conferences as the year goes on, enabling it to maintain relationships with existing investors and present itself to new investors. The CTS investor relations strategy continues to focus on transparent and direct communication with the capital markets and a steady increase in the level of awareness of CTS EVENTIM in the global capital markets.

**CTS EVENTIM SHARE PRICE (01.01.2022 – 19.08.2022, INDEXED)**



## 2. INTERIM GROUP MANAGEMENT REPORT

### 1. GROUP OVERVIEW

The CTS Group one of the leading international providers of ticketing services and live entertainment, maintained its strong recovery in the second quarter of 2022 and even exceeded its results for the corresponding period of 2019, which had been a record year. The lifting of coronavirus restrictions meant that a huge number of concerts and events took place in all core markets. They were extremely well attended, as illustrated by the legendary Rock am Ring and Rock im Park festivals. “Live entertainment, which many people really missed during the pandemic, is making an impressive comeback this summer, and this is directly reflected in our business performance,” said the CEO of CTS EVENTIM, Klaus-Peter Schulenberg, when the results for the first six months of 2022 were presented.

These results show that the **Group’s** revenue improved to EUR 734.4 million in the period January to June 2022, compared with EUR 65.3 million in the prior-year period. Consolidated revenue was also higher than in the first half of 2019 (EUR 696.6 million). This trend was even more pronounced in the second quarter of this year, when revenue increased to EUR 595.1 million, compared with EUR 45.7 million in the second quarter of 2021 and EUR 413.9 million in the second quarter of 2019. While the first quarter was still well behind 2019 due to the omicron wave, the strong second quarter meant that the first half of 2022 cumulatively exceeded 2019. The Group’s normalised EBITDA amounted to EUR 129.1 million in the first six months of 2022, following EUR 79.4 million in the prior-year period and EUR 111.8 million in the first half of 2019. As a result of revenue and margin growth in the ticketing business, normalised EBITDA stood at EUR 105.4 million in the second quarter of 2022, compared with EUR 99.1 million in the second quarter of 2021 and EUR 54.7 million in the second quarter of 2019.

In the **Ticketing segment**, revenue rose to EUR 201.5 million in the first half of 2022 (previous year: EUR 49.6 million), which was slightly higher than in the corresponding period of 2019. In the second quarter of this year, revenue came to EUR 125.0 million (previous year: EUR 36.1 million), which was up sharply compared with the pre-pandemic level in the second quarter of 2019. Normalised EBITDA for the six-month period totalled EUR 88.6 million (previous year: EUR 64.2 million), which was also higher than three years earlier. The figure for the period April to June 2022 was EUR 61.4 million (previous year: EUR 77.6 million), representing a sharp rise compared with the second quarter of 2019.

In the **Live Entertainment segment**, revenue improved to EUR 541.5 million in the first six months of 2022 (previous year: EUR 18.3 million), which was substantially higher than in the corresponding period of 2019. In the second quarter of this year, revenue climbed to EUR 476.4 million (previous year: EUR 11.5 million), up sharply compared with the figure three years ago. Normalised EBITDA amounted to EUR 40.5 million in the first half of 2022 (previous year: EUR 15.2 million), which was slightly higher than in the first six months of 2019. In the second quarter of this year, normalised EBITDA was EUR 44.0 million (previous year: EUR 21.4 million) and thus roughly double the figure for the same period of 2019.

The volume of tickets sold worldwide also bounced back strongly in the first half of 2022, slightly exceeding the level in the first half of 2019. CTS EVENTIM's best-performing core markets in this regard were Italy and Switzerland, which recorded significant increases. At 38.0%, the increase in worldwide ticket sales in the second quarter of 2022 compared with the same quarter of 2019 was particularly remarkable. The optimisation of costs in the past two years led to a significant rise in profitability in the second quarter of 2022, with the Ticketing segment's normalised EBITDA margin improving to 49.2%, compared with 33.9% in the second quarter of 2019.

"Given the robust relaunch of cultural activities and live events, we are very optimistic that our industry has now finally turned the corner after two very difficult years," continued Schulenberg. "However, the jump in costs, a lack of staff, the threat of an energy shortage and uncertainty about how the pandemic will unfold remind us that the long-suffering events sector has not yet emerged from the crisis. Nevertheless, we believe that CTS EVENTIM is ideally placed to continue seizing opportunities in order to maintain its growth trajectory."



## 2. EARNINGS PERFORMANCE, FINANCIAL POSITION AND CASH FLOW

### EARNINGS PERFORMANCE

	1 Jan 2022 - 30 Jun 2022	1 Jan 2021 - 30 Jun 2021	Change	
	[EUR'000]	[EUR'000]	[EUR'000]	[in %]
Revenue	734,359	65,306	669,053	>100.0
Gross profit	141,554	-5,603	147,157	>100.0
EBITDA	127,052	76,976	50,077	65.1
Depreciation, amortisation and impairment	-29,666	-26,292	-3,375	-12.8
EBIT	97,386	50,684	46,702	92.1
Financial result	9,110	-5,440	14,550	>100.0
Earnings before taxes (EBT)	106,497	45,244	61,253	>100.0
Taxes	-26,321	-18,303	-8,018	-43.8
<b>Net result for the period attributable to shareholders of CTS KGaA</b>	<b>66,188</b>	<b>26,972</b>	<b>39,216</b>	<b>&gt;100.0</b>
Net result for the period attributable to non-controlling interests	13,988	-31	14,019	>100.0

The Coronavirus brought live entertainment to an almost complete standstill for two years but, unlike in the prior-year period, the first six months of 2022 saw the return of live events and festivals. The Ticketing segment also delivered a very strong business performance because presales for many events began in the first half of 2022 and customers were very keen to purchase event tickets.

## REVENUE PERFORMANCE

Revenue in the **Ticketing segment** increased by EUR 151,932 thousand from EUR 49,583 thousand to EUR 201,515 thousand. This was primarily driven by a jump of 20.4 million in the numbers of tickets sold online to 27.9 million (previous year: 7.5 million). In the second quarter, the numbers of ticket sold online increased by 10.9 million from 5.6 million to 16.5 million compared to the same period last year.

In the **Live Entertainment segment**, revenue rose by EUR 523,110 thousand from EUR 18,342 thousand to EUR 541,452 thousand. This revenue growth resulted from an increase in the number of events due to the return to unrestricted business operations from spring 2022 and the first-time holding of festivals after two years of cancellation due to the pandemic.

In the **CTS Group**, this resulted in an increase in revenue in both segments by EUR 669,053 thousand to EUR 734,359 thousand (previous year: EUR 65,306 thousand).

## NON-RECURRING ITEMS

In the period under review CTS Group earnings were negatively impacted due to non-recurring items in the Ticketing segment amounting to EUR 68 thousand (previous year: EUR 185 thousand) primarily from legal and consulting fees, including due diligence reviews, and in the Live Entertainment segment amounting to EUR 1,972 thousand (previous year: EUR 2,275 thousand) mainly due to expenses arising from allocations of purchase prices which are not classified as business combinations within the definition of IFRS 3 as well as expenses for implemented and planned acquisitions (primarily legal and consulting fees for the performance of due diligence reviews).

## NORMALISED EBITDA / EBITDA

	1 Jan 2022 - 30 Jun 2022	1 Jan 2021 - 30 Jun 2021	Change	
	[EUR'000]	[EUR'000]	[EUR'000]	[in %]
<b>EBITDA</b>	<b>127,052</b>	<b>76,976</b>	<b>50,077</b>	<b>65.1</b>
Non-recurring items	2,040	2,460	-420	-17.1
<b>Normalised EBITDA</b>	<b>129,093</b>	<b>79,436</b>	<b>49,657</b>	<b>62.5</b>
Depreciation, amortisation and impairment	-29,666	-26,292	-3,375	-12.8
<i>thereof amortisation and impairment from purchase price allocation</i>	<i>-7,464</i>	<i>-5,267</i>	<i>-2,197</i>	<i>-41.7</i>
<b>Normalised EBIT before amortisation and impairment from purchase price allocation</b>	<b>106,891</b>	<b>58,411</b>	<b>48,479</b>	<b>83.0</b>

In the **Ticketing segment**, normalised EBITDA increased by EUR 24,402 thousand to EUR 88,622 thousand. The main reason for the year-on-year improvement in earnings was the growth in the number of tickets sold online, both in Germany and abroad. Furthermore, higher income from currency conversions compared to the same period in the previous year of EUR 6,874 thousand was recorded. This was offset by lower income for Corona economic aid programmes in Germany and abroad of EUR 73,767 thousand. Normalised EBITDA margin was 44.0% (previous year: 129.5%). EBITDA increased from EUR 64,036 thousand by EUR 24,518 thousand to EUR 88,554 thousand. The EBITDA margin was 43.9% (previous year: 129.1%).

Normalised EBITDA in the **Live Entertainment segment** rose by EUR 25,255 thousand to EUR 40,471 thousand. The increase is mainly due to earnings contributions from a large number of events and festivals that were able to be held again after two years of being cancelled due to the pandemic. Income from Corona economic aid programmes in Germany and abroad amounting to EUR 38,567 thousand (previous year: EUR 35,927 thousand) and income from currency conversions of EUR 2,750 thousand were also recorded. The normalised EBITDA margin was 7.5% (previous year: 83.0%). EBITDA increased from EUR 12,940 thousand by EUR 25,558 thousand to EUR 38,498 thousand. EBITDA margin was 7.1% (previous year: 70.5%).

Normalised **CTS Group** EBITDA increased by EUR 49,657 thousand to EUR 129,093 thousand. The increase is mainly due to the earnings contributions from presales and the staging of events and higher income from currency conversions of EUR 8,437 thousand. In contrast, the income from Corona economic aid programmes in Germany and abroad fell by EUR 71,127 thousand from EUR 111,758 thousand to EUR 40,631 thousand. The normalised EBITDA margin was 17.6% (previous year: 121.6%). EBITDA rose by EUR 50,077 thousand from EUR 76,976 thousand to EUR 127,052 thousand. The EBITDA margin was 17.3% (previous year: 117.9%).

## FINANCIAL RESULT

The financial result changed by EUR 14,550 thousand, from EUR -5,440 thousand to EUR 9,110 thousand. The increase was largely due to financial income of EUR 6,373 thousand generated from the sale of shares in Eventum Entertainment Properties AB, Stockholm, Sweden, in January 2022. In addition, income from investments in associated companies of EUR 5,878 thousand (previous year: EUR -3,437 thousand) was recorded.

## **EARNINGS BEFORE TAXES (EBT) / NET RESULT ATTRIBUTABLE TO SHAREHOLDERS OF CTS KGaA / EARNINGS PER SHARE (EPS)**

In the reporting period, EBT increased from EUR 45,244 thousand by EUR 61,253 thousand to EUR 106,497 thousand. After taxes on income and non-controlling interests, net result attributable to the shareholders of CTS KGaA amounted to EUR 66,188 thousand (previous year: EUR 26,972 thousand). EPS was above previous year's level at EUR 0.69 (previous year: EUR 0.28).

## **PERSONNEL**

Compared to the previous year, personnel expenses in the CTS Group increased by EUR 36,229 thousand from EUR 57,973 thousand to EUR 94,203 thousand. The increase in personnel expenses relates to the Live Entertainment segment with EUR 17,900 thousand and the Ticketing segment with EUR 18,329 thousand. In the same period of the previous year, personnel costs were still reduced by government grants in connection with the COVID-19 pandemic.

On average in the first half of 2022, the companies in the CTS Group had a total of 2,976 employees including part-time workers on their payroll (previous year: 2,327). Of that total, 1,733 are employed in the Ticketing segment (previous year: 1,438) and 1,243 in the Live Entertainment segment (previous year: 889). The increase in employees in the Ticketing segment was primarily due to the expanded scope of consolidation and the recovery of business activity following the two-year interruption caused by the pandemic. In the Live Entertainment segment, the higher number of employees primarily related to temporary staff due to the staging of events.

## FINANCIAL POSITION

### CHANGES IN ASSETS

**Cash and cash equivalents** increased by EUR 20,960 thousand compared to the balance sheet date as of 31 December 2021. The increase in cash and cash equivalents is mainly due to the increase in liabilities from ticket monies received that have not yet been settled with promoters in the Ticketing segment and trade payables. This is offset by the increase in trade receivables, the reduction in advance payments received in the Live Entertainment segment and reclassification to marketable securities and other investments.

Cash and cash equivalents include ticket monies from presales for events in subsequent quarters (ticket monies received that have not yet been settled with promoters, particularly in the Ticketing segment), which are reported under other financial liabilities (EUR 489,607 thousand; 31 December 2021: EUR 468,243 thousand). Other financial assets also include receivables relating to ticket monies from presales mainly in the Ticketing segment (EUR 61,481 thousand; 31 December 2021: EUR 61,525 thousand) and factoring receivables from ticket monies (EUR 2,808 thousand; 31 December 2021: EUR 3,613 thousand).

The increase in current **advances paid** (EUR +60,303 thousand) is attributable to the increase in business activities and relates to already paid production costs (e.g. artist fees) for future events in the Live Entertainment segment.

The decrease in current **other non-financial assets** (EUR -12,873 thousand) is mainly due to lower receivables for Corona economic aid programmes.

**Investments in associates accounted for at equity** increased by EUR 13,987 thousand primarily due to investments in shares by EMC Presents LLC, Wilmington, USA. The associates accounted for at equity organise tours in the USA and are producing a major entertainment exhibition.

The non-current **advances paid** decreased by EUR 19,628 thousand, mainly due to reclassifications to short-term advances paid.

## CHANGES IN EQUITY AND LIABILITIES

**Trade payables** increased by EUR 142,294 thousand, primarily due to the growth in the CTS Group's operating activities.

The current **advance payments received** (EUR -47,785 thousand) mainly decreased due to events held in the Live Entertainment segment.

The increase in current **other financial liabilities** (EUR +38,540 thousand) is mainly attributable to the increase of liabilities from ticket monies received in the Ticketing segment that have not yet been settled with promoters.

The decline in non-current **advance payments received** (EUR -28,343 thousand) is mainly due to the reclassification to current advance payments received.

The non-current **other financial liabilities** (EUR -14,913 thousand) decreased mainly due to ticket monies received in the Ticketing segment that have not yet been settled with promoters (EUR -14,901 thousand), which were reclassified to current financial liabilities.

The increase in **equity** by EUR 83,529 thousand to EUR 669,328 thousand is due to the positive net result for the period and higher non-controlling interests. The equity ratio (equity divided by the balance sheet total) rose to 27.2% (31 December 2021: 25.6%).

## CASH FLOW

The amount of cash and cash equivalents shown in the cash flow statement corresponds to the cash and cash equivalents stated in the balance sheet. Compared to the closing date of 31 December 2021, cash and cash equivalents increased by EUR 20,960 thousand to EUR 986,150 thousand.

In comparison to the closing date at 30 June 2021 cash and cash equivalents increased from EUR 625,624 thousand by EUR 360,527 thousand to EUR 986,150 thousand.

**Cash flow from operating activities** amounted to a net cash inflow of EUR 42,210 thousand, an improvement of EUR 29,361 thousand from EUR 12,849 thousand mainly because of the higher net result for the period and the increase in trade liabilities. The decrease of advance payments received paid for future events in the Live Entertainment segment as well as higher marketable securities and other investments had a negative effect on cash flow.

**Cash flow from investing activities** amounted to a net cash outflow of EUR 15,253 thousand, which was EUR 3,841 thousand lower than the net cash outflow of EUR 19,095 thousand in the prior-year period. The decrease is mainly the result of the cash inflow from the sale of shares in Eventum Entertainment Properties AB, Stockholm, Sweden, in the amount of EUR 9,790 thousand as well as the cash and cash equivalents taken over as part of an acquisition. On the other hand, there were higher payments for investments in property, plant and equipment (mainly advance payments made for the MSG Arena in Milan) and in shares in associates accounted for at equity in the USA.

**Cash flow from financing activities** amounted to a net cash outflow of EUR 11,827 thousand, a decrease of EUR 97,078 thousand compared with the net cash outflow EUR 108,904 thousand in the prior-year period. In the same period of the previous year, the repayment of the syndicated credit line in April 2021 in the amount of EUR 100,000 thousand led to a negative cash flow effect.

With its current financial resources, the CTS Group is able to meet its financial commitments and to finance its planned investments and ongoing operations.

### 3. RISK AND OPPORTUNITIES REPORT

The CTS Group is exposed to various risks and opportunities in connection with its business activities, as presented in detail in the 2021 combined management report. With regard to the risks identified, the CTS Group's risk and opportunity position at the end of the second quarter of 2022 was essentially unchanged compared with the description in that report.

So far, the war between Russia and Ukraine has not had any significant impact on the CTS Group's supply chains. Risks may arise in connection with further increases in energy prices and the availability of energy in the fourth quarter of 2022 which could also have an impact on the activities of the CTS Group. Furthermore, inflation and the resulting impact on consumers' purchasing power may lead to customers being more hesitant to make purchases.

At the time of preparation of the Group interim report, the Management Board assumes that the risks will not jeopardise the continued existence of CTS KGaA or the Group as a going concern. However, it cannot be ruled out that additional factors, which are not yet known or are currently rated as immaterial and which could jeopardise the continued existence of the CTS Group as a going concern, will emerge in the future.

Beyond that, the statements made in the risk and opportunity report of the Annual Report 2021 remain valid.



#### 4. OUTLOOK

In its latest World Economic Outlook, dated July 2022, the International Monetary Fund (IMF) anticipates significantly weaker growth of global gross domestic product (GDP) this year and next year compared with its forecast from the spring. The reasons cited by the IMF were high inflation in the USA and Europe, the downturn in the Chinese economy on the back of Beijing's strict coronavirus policy and ongoing problems caused by the war in Ukraine. For 2022, the IMF has lowered its forecast for global economic growth by 0.4 percentage points to 3.2%; the downward adjustment for 2023 is even bigger, with the forecast lowered by 0.7 percentage points to just 2.9%.

In the eurozone, the IMF anticipates growth of 2.6% this year and only 1.2% in 2023. Of the IMF's forecasts for the eurozone's major economies, the forecast for Germany in 2022 has been lowered the most, by 0.9 percentage points, to 1.2%. And for 2023, the IMF now only predicts growth of 0.8%.

However, the Kiel Institute for the World Economy (IfW) is much more optimistic about the German economy. In its economic report from June, the IfW's experts anticipate growth of 2.1% this year and a plus of 3.3% in 2023. However, the IfW does not expect the recovery to gather pace until the second half of the year, when prices will no longer be rising as rapidly and the supply bottlenecks that have recently worsened due to the war in Ukraine will have eased.

With COVID-19 restrictions on the staging of events, a degree of normality has been returning since the end of the first quarter of 2022. Nonetheless, it is not currently clear how the COVID-19 pandemic will unfold in the period from the autumn until the end of 2022 or whether restrictions on business operations or rules with an impact on business operations will be reintroduced. The summer wave of COVID-19 was much bigger than expected. This shows that, even in the third year of the pandemic, it remains difficult to predict how it will develop. And since the outbreak of the war between Russia and Ukraine at the end of February 2022, there has again been growing uncertainty about the European economy and about the CTS Group's core German market. It is not currently clear whether certain economic sectors in core countries will face restrictions due to shortages of energy resources. Moreover, it is already evident that consumers and companies will incur significant additional costs as a result of the surge in energy prices.

The Management Board therefore continues to believe that it is not possible to provide a precise forecast for 2022.

The CTS Group will provide specific figures for the revenue and earnings outlook as soon as a precise forecast is possible.

The start of the second quarter brought confirmation that events could once again take place without significant restrictions on usable capacity from spring 2022 onwards. Nonetheless, there is still uncertainty about how the COVID-19 pandemic will unfold and whether the events sector will face renewed restrictions later in the year. Assuming that neither a renewed outbreak of the pandemic in autumn and winter 2022 nor the war between Russia and Ukraine, and its impact on inflation and the energy supply, result in substantial difficulties, the Management Board anticipates considerably higher revenue and a significantly higher level of earnings for the **Ticketing segment**. This marks a change compared with the outlook in the 2021 annual report. For the **Live Entertainment segment** and **CTS KGaA**, the Management Board does not expect any changes compared with the outlook for revenue and earnings in the 2021 annual report. Applying the same assumptions as above, the **CTS Group** is likely, contrary to the outlook in the 2021 annual report, to generate a significant increase in earnings.

### 3. INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 JUNE 2022

#### CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2022

ASSETS	30 Jun 2022	31 Dec 2021
	[EUR'000]	[EUR'000]
<b>Current assets</b>		
Cash and cash equivalents	986,150	965,190
Marketable securities and other investments	61,635	30,834
Trade receivables	122,699	54,483
Receivables from related parties	1,547	1,971
Inventories	4,954	4,738
Advances paid	203,305	143,002
Receivables from income taxes	6,097	5,951
Other financial assets	98,537	86,489
Other non-financial assets	92,591	105,464
Non-current assets held for sale	471	847
<b>Total current assets</b>	<b>1,577,986</b>	<b>1,398,970</b>
<b>Non-current assets</b>		
Goodwill	364,354	362,640
Other intangible assets	148,541	153,834
Property, plant and equipment	50,843	42,036
Right-of-use assets from leases	125,025	127,730
Investments	2,806	1,701
Investments in associates accounted for at equity	127,782	113,795
Trade receivables	1,603	17
Advances paid	7,288	26,916
Other financial assets	13,875	19,211
Other non-financial assets	8,563	10,269
Deferred tax assets	30,345	30,717
<b>Total non-current assets</b>	<b>881,023</b>	<b>888,866</b>
<b>Total assets</b>	<b>2,459,009</b>	<b>2,287,836</b>

EQUITY AND LIABILITIES	30 Jun 2022	31 Dec 2021
	[EUR'000]	[EUR'000]
<b>Current liabilities</b>		
Financial liabilities	9,723	9,813
Trade payables	262,017	119,723
Liabilities to related parties	7,569	6,420
Advance payments received	586,701	634,486
Other provisions	38,127	37,030
Tax debts	50,092	52,704
Other financial liabilities	552,071	513,532
Lease liabilities	18,049	17,973
Other non-financial liabilities	93,171	84,643
Non-current liabilities held for sale	1,096	371
<b>Total current liabilities</b>	<b>1,618,616</b>	<b>1,476,695</b>
<b>Non-current liabilities</b>		
Financial liabilities	18,143	18,976
Advance payments received	6,374	34,717
Other provisions	4,557	4,557
Other financial liabilities	5,664	20,577
Lease liabilities	110,510	113,020
Pension provisions	5,271	13,201
Deferred tax liabilities	20,547	20,294
<b>Total non-current liabilities</b>	<b>171,065</b>	<b>225,342</b>
<b>Equity</b>		
Share capital	96,000	96,000
Capital reserve	1,890	1,890
Statutory reserve	7,200	7,200
Retained earnings	490,744	424,609
Other reserves	-1,436	305
Treasury shares	-52	-52
<b>Total equity attributable to shareholders of CTS KGaA</b>	<b>594,345</b>	<b>529,952</b>
Non-controlling interests	74,983	55,847
<b>Total equity</b>	<b>669,328</b>	<b>585,799</b>
<b>Total equity and liabilities</b>	<b>2,459,009</b>	<b>2,287,836</b>

CONSOLIDATED INCOME STATEMENT FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2022

	1 Jan 2022 - 30 Jun 2022	1 Jan 2021 - 30 Jun 2021
	[EUR'000]	[EUR'000]
Revenue	734,359	65,306
Cost of sales	-592,805	-70,909
<b>Gross profit</b>	<b>141,554</b>	<b>-5,603</b>
Selling expenses	-56,162	-34,006
General administrative expenses	-40,725	-25,726
Other operating income	63,966	121,919
Other operating expenses	-11,246	-5,900
<b>Earnings before interest and taxes (EBIT)</b>	<b>97,386</b>	<b>50,684</b>
Income / expenses from participations	215	0
Income / expenses from investments in associates accounted for at equity	5,878	-3,437
Financial income	10,552	672
Financial expenses	-7,535	-2,675
<b>Earnings before taxes (EBT)</b>	<b>106,497</b>	<b>45,244</b>
Taxes	-26,321	-18,303
<b>Net result for the period</b>	<b>80,176</b>	<b>26,941</b>
<b>Net result for the period attributable to</b>		
<b>Shareholders of CTS KGaA</b>	<b>66,188</b>	<b>26,972</b>
Non-controlling interests	13,988	-31
Earnings per share (in EUR), undiluted (= diluted)	0.69	0.28
Average number of shares in circulation, undiluted (= diluted)	96 million	96 million

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2022**

	1 Jan 2022 - 30 Jun 2022	1 Jan 2021 - 30 Jun 2021
	[EUR'000]	[EUR'000]
Net result for the period	80,176	26,941
Remeasurement of the net defined benefit obligation for pension plans after taxes	6,707	1,700
<b>Items that will not be reclassified subsequently to profit or loss</b>	<b>6,707</b>	<b>1,700</b>
Exchange differences on translating foreign subsidiaries	-1,089	-331
Share of other comprehensive income/loss (exchange differences) of associates accounted for at equity	-374	774
<b>Items that will be reclassified subsequently to profit or loss</b>	<b>-1,463</b>	<b>443</b>
<b>Other comprehensive income/loss (net)</b>	<b>5,245</b>	<b>2,143</b>
<b>Total comprehensive income/loss</b>	<b>85,420</b>	<b>29,084</b>
<b>Total comprehensive income/loss attributable to</b>		
Shareholders of CTS KGaA	64,447	28,745
Non-controlling interests	20,973	340

## CONSOLIDATED INCOME STATEMENT FOR THE PERIOD FROM 1 APRIL TO 30 JUNE 2022

	1 Apr 2022 - 30 Jun 2022	1 Apr 2021 - 30 Jun 2021
	[EUR'000]	[EUR'000]
Revenue	595,135	45,681
Cost of sales	-486,260	-41,135
<b>Gross profit</b>	<b>108,875</b>	<b>4,546</b>
Selling expenses	-29,035	-18,107
General administrative expenses	-21,919	-13,650
Other operating income	41,268	114,014
Other operating expenses	-8,427	-2,058
<b>Earnings before interest and taxes (EBIT)</b>	<b>90,762</b>	<b>84,745</b>
Income / expenses from participations	215	0
Income / expenses from investments in associates accounted for at equity	3,841	-919
Financial income	748	505
Financial expenses	-1,523	-1,133
<b>Earnings before taxes (EBT)</b>	<b>94,043</b>	<b>83,199</b>
Taxes	-22,823	-27,463
<b>Net result for the period</b>	<b>71,220</b>	<b>55,736</b>
<b>Net result for the period attributable to</b>		
<b>Shareholders of CTS KGaA</b>	<b>55,219</b>	<b>52,130</b>
Non-controlling interests	16,000	3,606
Earnings per share (in EUR), undiluted (= diluted)	0.58	0.54
Average number of shares in circulation, undiluted (= diluted)	96 million	96 million

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD FROM 1 APRIL TO 30 JUNE 2022**

	1 Apr 2022 - 30 Jun 2022	1 Apr 2021 - 30 Jun 2021
	[EUR'000]	[EUR'000]
Net result for the period	71,220	55,736
Remeasurement of the net defined benefit obligation for pension plans after taxes	5,739	647
<b>Items that will not be reclassified subsequently to profit or loss</b>	<b>5,739</b>	<b>647</b>
Exchange differences on translating foreign subsidiaries	-1,465	201
Share of other comprehensive income/loss (exchange differences) of associates accounted for at equity	-252	-114
<b>Items that will be reclassified subsequently to profit or loss</b>	<b>-1,717</b>	<b>87</b>
<b>Other comprehensive income/loss (net)</b>	<b>4,022</b>	<b>734</b>
<b>Total comprehensive income/loss</b>	<b>75,242</b>	<b>56,470</b>
<b>Total comprehensive income/loss attributable to</b>		
Shareholders of CTS KGaA	52,286	52,707
Non-controlling interests	22,956	3,763

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

### Equity attributable to shareholders of CTS KGaA

	Equity attributable to shareholders of CTS KGaA										
											Other reserves
	Share capital	Capital reserve	Statutory reserve	Retained earnings	Currency translation	Associated companies accounted for at equity	Remeasurement of the net defined benefit obligation for pension plans	Treasury shares	Total equity attributable to shareholders of CTS KGaA	Non-controlling interests	Total equity
	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]
<b>Balance as at 1 Jan 2021</b>	<b>96,000</b>	<b>1,890</b>	<b>7,200</b>	<b>336,558</b>	<b>1,955</b>	<b>-2,007</b>	<b>-2,701</b>	<b>-52</b>	<b>438,844</b>	<b>47,139</b>	<b>485,982</b>
Net result for the period	0	0	0	26,972	0	0	0	0	26,972	-31	26,941
Other results	0	0	0	0	97	774	902	0	1,772	371	2,143
<b>Total comprehensive income/loss</b>									<b>28,745</b>	<b>340</b>	<b>29,084</b>
Dividends	0	0	0	0	0	0	0	0	0	-1,049	-1,049
Changes in the scope of consolidation	0	0	0	-517	0	0	0	0	-517	-541	-1,058
<b>Balance as at 30 Jun 2021</b>	<b>96,000</b>	<b>1,890</b>	<b>7,200</b>	<b>363,014</b>	<b>2,052</b>	<b>-1,234</b>	<b>-1,798</b>	<b>-52</b>	<b>467,072</b>	<b>45,889</b>	<b>512,961</b>
<b>Balance as at 1 Jan 2022</b>	<b>96,000</b>	<b>1,890</b>	<b>7,200</b>	<b>424,609</b>	<b>2,721</b>	<b>-841</b>	<b>-1,575</b>	<b>-52</b>	<b>529,952</b>	<b>55,847</b>	<b>585,799</b>
Net result for the period	0	0	0	66,188	0	0	0	0	66,188	13,988	80,176
Other results	0	0	0	0	-5,187	-374	3,820	0	-1,741	6,986	5,245
<b>Total comprehensive income/loss</b>									<b>64,447</b>	<b>20,973</b>	<b>85,420</b>
Dividends	0	0	0	0	0	0	0	0	0	-1,860	-1,860
Changes in the scope of consolidation	0	0	0	0	0	0	0	0	0	23	23
Other changes	0	0	0	-53	0	0	0	0	-53	0	-53
<b>Balance as at 30 Jun 2022</b>	<b>96,000</b>	<b>1,890</b>	<b>7,200</b>	<b>490,744</b>	<b>-2,466</b>	<b>-1,216</b>	<b>2,245</b>	<b>-52</b>	<b>594,345</b>	<b>74,983</b>	<b>669,328</b>



**CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD  
FROM 1 JANUARY TO 30 JUNE 2022**

	1 Jan 2022 - 30 Jun 2022	1 Jan 2021 - 30 Jun 2021
	[EUR'000]	[EUR'000]
Net result for the period	80,176	26,941
Depreciation, amortisation and impairment	29,666	26,292
Changes in pension provisions	-8,025	-2,212
Deferred tax expenses / income	-780	738
Other non-cash transactions	-743	2,744
Profit / loss from disposal of fixed assets	-6,430	-52
Interest expenses / Interest income	1,589	1,885
Tax expenses	27,101	17,566
Interest received	695	301
Interest paid	-1,333	-1,504
Income tax paid	-29,045	-22,859
Increase (-) / decrease (+) in inventories	-191	39
Increase (-) / decrease (+) in advances paid	-39,946	-43,297
Increase (-) / decrease (+) in marketable securities and other investments	-30,731	-10,000
Increase (-) / decrease (+) in receivables and other assets	-52,127	-118,990
Increase (+) / decrease (-) in provisions	726	6,320
Increase (+) / decrease (-) in liabilities	71,607	128,937
<b>Cash flow from operating activities</b>	<b>42,210</b>	<b>12,849</b>
<b>Cash flow from investing activities</b>	<b>-15,253</b>	<b>-19,095</b>
<b>Cash flow from financing activities</b>	<b>-11,827</b>	<b>-108,904</b>
<b>Net increase / decrease in cash and cash equivalents</b>	<b>15,130</b>	<b>-115,150</b>
Net increase / decrease in cash and cash equivalents due to currency translation	5,830	-408
Cash and cash equivalents at beginning of period	965,190	741,182
<b>Cash and cash equivalents at end of period</b>	<b>986,150</b>	<b>625,624</b>
<b>Composition of cash and cash equivalents</b>		
Cash and cash equivalents	986,150	625,624
<b>Cash and cash equivalents at end of period</b>	<b>986,150</b>	<b>625,624</b>

## SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 1. PRELIMINARY STATEMENTS

#### 1.1 STRUCTURE AND BUSINESS OPERATIONS OF THE GROUP

The consolidated financial statements include all significant subsidiaries in addition to the CTS Eventim AG & Co. KGaA (hereinafter: CTS KGaA) as the parent company. The CTS KGaA is registered in the Commercial Register at Munich Local Court under no. HRB 212700. The company's head office is in Bremen, Germany. Shares in CTS KGaA are traded under securities code 547030 in the MDAX segment of the Frankfurt Stock Exchange.

EVENTIM Management AG, Hamburg, is responsible for the management of CTS KGaA. EVENTIM Management AG is represented by the Executive Board of CTS KGaA.

The Group is organised in two segments, Ticketing and Live Entertainment and operates in the market for leisure events. The objects of the company in the Ticketing segment are to produce, sell, broker, distribute and market tickets for concerts, theatre, art, sports and other events in Germany and abroad, in particular by using electronic data processing and modern communication and data transmission technologies. The objects of the Live Entertainment segment are to plan, prepare and stage events, in particular music events and concerts, market music productions and to operate venues.

This Group interim report and interim Group management report of CTS KGaA and its subsidiaries for the first six months of the 2022 financial year were approved for publication by resolution of the Management Board of EVENTIM Management AG on 24 August 2022.

#### 1.2 ACCOUNTING PRINCIPLES

The present, unaudited and unrevised Group interim report as at 30 June 2022 was prepared in compliance with the International Financial Reporting Standards (IFRS) for interim financial reporting, as they apply in the European Union (IAS 34 'Interim Financial Reporting'), and in accordance with the applicable regulations in the Securities Trading Act (Wertpapierhandelsgesetz – WpHG). A condensed form of report compared to the Annual Report as at 31 December 2021 was chosen, as provided for in IAS 34. The Group interim report should be read in conjunction with the consolidated financial statements as at 31 December 2021. The Group interim report contains all the information required to give a true and fair view of the earnings performance and financial position of the company.

The consolidated financial statements are denominated in Euro. All amounts in the interim report are rounded to thousand euros. This may lead to minor deviations on addition.

### 1.3 ACCOUNTING PRINCIPLES

The accounting principles and consolidation methods are the same as those applied in the consolidated financial statements as at 31 December 2021, with the exception of the first-time application of new and amended standards (see notes in item 1.5).

### 1.4 NEW ACCOUNTING STANDARDS ISSUED BUT NOT YET APPLIED

Standards that are not applicable until after the balance sheet date have not been prematurely applied. The amended standards and interpretations to be applied in the future are not expected to have material effects on financial position, cash flow and earnings performance.

### 1.5 NEW AND AMENDED STANDARDS IN 2022

The following new and amended standards were required to be applied for the first time on or after 1 January 2022:

- Amendments to IAS 16 “Property, Plant and Equipment” – Proceeds before Intended Use
- Amendments to IAS 37 “Provisions, Contingent Liabilities and Contingent Assets” – Onerous Contracts – Cost of Fulfilling a Contract
- Amendments to IFRS 3 “Business Combinations” – Reference to the Conceptual Framework
- Annual Improvements to IFRS Standards 2018 - 2020 – Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41

The application or interpretation of new and amended standards does not have a material impact on financial position, cash flow and earnings performance.

## 2. COVID-19 IMPACTS

In a significant change compared with the same period of 2021, there was virtually no adverse impact from the COVID-19 pandemic on the business activities of the CTS Group since the first quarter of 2022. Whereas barely any major events had taken place in the prior-year period owing to government restrictions, the first half of 2022 saw the return of large-scale festivals such as Rock am Ring/Rock im Park. They were very well attended and took place without any hygiene requirements being in place. Reports in the media that festivals could act as infection hotspots did not result in renewed restrictions on major events.

Underpinned by pent-up demand and despite high infection levels, this return to normality led to a huge year-on-year rise in revenue and earnings in the first six months of 2022. The revenue and earnings data for the reporting period was also better than for the corresponding period of 2019, which had been a record year. The number of tickets sold online was also up on the first half of 2019 across all of the Group's markets.

This trend reflects how the core markets have dealt with the COVID-19 pandemic in the year to date. Regardless of high infection levels and the expectation of another wave in the autumn and winter, there were virtually no hygiene requirements in the vast majority of European countries and in the USA as at mid-August 2022.

It is not yet clear whether this situation will change in the autumn and whether restrictions on public life will be reinstated. The precise content of Germany's new infection control law and the potential implications for the events business are also still unknown. The German Federal Association of the Concert and Event Industry (BDKV) is concerned that any return of capacity restrictions or distancing rules would weigh heavily on the events industry, which is already having to cope with cost increases and staff shortages.

In its 2021 annual report, the CTS Group stated in section 8.2.6 Social/political/legal risks that the impact of the COVID-19 pandemic was classified as high.

### 3. SCOPE OF CONSOLIDATION

In addition to the parent company's financial statements, the CTS Group comprises the financial statements of 130 subsidiaries (previous year: 127) in the consolidated financial statements. The change results in particular from founding a new company, an acquisition and the full consolidation of two companies that were previously accounted for using the equity method as well as a disposal.

As a result of the acquisition and the purchase of additional shares, assets with a total fair value of EUR 15,260 thousand were acquired and liabilities totalling EUR 14,755 thousand were assumed. The liabilities largely comprise advance payments received for future events of EUR 13,291 thousand. The two transactions are classified as immaterial in the CTS Group. The consideration for the two transactions amounted to EUR 1,513 thousand.

#### 4. SELECTED NOTES TO THE CONSOLIDATED BALANCE SHEET

**Cash and cash equivalents** increased by EUR 20,960 thousand compared to the balance sheet date as at 31 December 2021. The increase in cash and cash equivalents is mainly due to the increase in liabilities from ticket monies received that have not yet been settled with promoters in the Ticketing segment and trade payables. This is offset by the increase in trade receivables, the reduction in advance payments received in the Live Entertainment segment and reclassifications to securities and other investments.

The current **advances paid** increased by EUR 60,303 thousand due to the increase in business activities and retain to production costs already incurred (e.g. artist fees) for future events in the Live Entertainment segment.

The **non-current assets** (EUR 471 thousand) **and liabilities** (EUR 1,096 thousand) **held for sale** relate to the assets and liabilities of CTS Eventim RU o.o.o., Moscow, Russia, whose shares were sold by CTS KGaA on 10 August 2022. CTS KGaA has sold 100% of its shares in CTS Eventim RU o.o.o., Moscow, Russia, for EUR 1.

Current **trade payables** (EUR +142,294 thousand) increased primarily due to the increase in business activities.

The decline in current **advance payments received** (EUR -47,785 thousand) is mainly due to the staging of events in the Live Entertainment segment.

The increase in current **other financial liabilities** (EUR +38,540 thousand) is mainly due to the increase in liabilities from ticket monies that have not yet been settled with promoters in the Ticketing segment.

#### IMPAIRMENT OF GOODWILL, RIGHT-OF-USE ASSETS OF VENUES AND OTHER INTANGIBLE ASSETS

In the first quarter of 2022, an event-related impairment test was carried out on other intangible assets because the current situation in Russia gave indications of a reduction in a customer base in connection with a subsidiary in Russia. A country-specific weighted average cost of capital of 12.6% was used in the impairment test. The fair values were determined on the basis of the discounted cash flow method. In order to determine the need for impairment of the intangible asset, the fair value of the appropriate term less costs to sell was compared with the carrying amount of the allocated cash-generating unit on the measurement date. There was an impairment of EUR 2,320 thousand.

## 5. SELECTED NOTES TO THE CONSOLIDATED INCOME STATEMENT

### REVENUE

The **CTS Group** generated EUR 734,359 thousand in revenue in the period under review, compared to EUR 65,306 thousand in the previous year.

	1 Jan 2022 - 30 Jun 2022	1 Jan 2021 - 30 Jun 2021
	[EUR'000]	[EUR'000]
<b>Ticketing</b>		
Ticket fees	162,634	36,075
Other service charges	4,455	3,434
Commissions	13,502	2,713
Licence fees	2,705	1,809
Other	18,219	5,553
	<b>201,515</b>	<b>49,583</b>
<b>Live Entertainment</b>		
Entertainment services	501,087	7,648
Catering and merchandising	15,202	472
Sponsoring	7,889	340
Other	17,274	9,882
	<b>541,452</b>	<b>18,342</b>
Intersegment consolidation	-8,608	-2,619
<b>CTS Group</b>	<b>734,359</b>	<b>65,306</b>

Of the CTS Group's external revenue, EUR 479,655 thousand (previous year: EUR 17,758 thousand) was recognised over time in accordance with IFRS 15. Thereof EUR 28,464 thousand (previous year: EUR 9,746 thousand) are attributable to the Ticketing segment and EUR 451,191 thousand to the Live Entertainment segment (previous year: EUR 8,012 thousand). In the Live Entertainment segment, the periods over which revenues are recorded are very short and can last up to a maximum of several days at festivals.

The following table shows the external revenue for the reporting period, broken down by geographical distribution:

	1 Jan 2022 - 30 Jun 2022	1 Jan 2021 - 30 Jun 2021
	[EUR'000]	[EUR'000]
Germany	358,270	31,581
Italy	144,647	12,659
Switzerland	71,648	5,502
Austria	44,985	4,607
UK	42,363	837
Other countries	72,446	10,120
	<b>734,359</b>	<b>65,306</b>

The increase in revenue is across all countries primarily due to live events and festivals held in the Live Entertainment segment. This also led to an increase in revenue in the Ticketing segment, as many events went on presale in the reporting period.

#### OTHER OPERATING INCOME

Other operating income decreased by EUR 57,953 thousand from EUR 121,919 thousand to EUR 63,966 thousand. The decline is mainly due to lower income for Corona economic aid programmes of EUR 71,127 thousand.

#### IMPAIRMENT OF FINANCIAL ASSETS

In the first half of 2022, impairment losses (including reversals of impairment losses) on financial assets of EUR 1,692 thousand (previous year: reversals of impairment losses of EUR 410 thousand) were recognised in selling expenses, financial result and other operating income.

#### TAXES

The current business activities result in tax expenses of EUR 26,321 thousand (previous year: EUR 18,303 thousand). The tax rate amounts to 24.7% (previous year: 40.5%). Losses without the formation of deferred tax assets and a tax rate reduction at a foreign subsidiary have a significant impact on the decline in the tax rate.



## 6. ADDITIONAL DISCLOSURES ON FINANCIAL INSTRUMENTS

The following table shows the carrying amounts, valuations and fair values of current and non-current financial instruments as at 30 June 2022:

	Balance sheet value according to IFRS 9			
	Carrying value 30 Jun 2022	Fair value through profit and loss	Amortised cost	Fair value
	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]
<b>ASSETS</b>				
Cash and cash equivalents	986,150		986,150	986,150
Marketable securities and other investments	61,635	730	60,905	61,635
Trade receivables	124,302		124,302	124,253
Receivables from related parties	1,547		1,547	1,547
Other financial assets	112,412	2,753	109,659	112,119
<i>thereof receivables from ticket monies</i>	61,481		61,481	61,481
<i>thereof call option on shares of non-consolidated subsidiaries</i>	1,187	1,187		1,187
Investments	2,806	2,806		2,806
<b>TOTAL</b>	<b>1,288,851</b>	<b>6,288</b>	<b>1,282,563</b>	<b>1,288,510</b>
<b>LIABILITIES</b>				
Financial liabilities	27,866	5,939	21,927	27,528
<i>thereof put option on shares of non-consolidated subsidiaries</i>	5,939	5,939		5,939
Trade payables	262,017		262,017	262,017
Liabilities to related parties	7,569		7,569	7,569
Other financial liabilities	557,735		557,735	557,728
<i>thereof liabilities from ticket monies received that have not yet been settled with promoters</i>	489,607		489,607	489,589
Lease liabilities	128,559			128,559
<b>TOTAL</b>	<b>983,746</b>	<b>5,939</b>	<b>849,248</b>	<b>983,401</b>

The following table shows the carrying amounts, valuations, and fair values of current and non-current financial instruments as at 31 December 2021:

	<b>Balance sheet value according to IFRS 9</b>			
	Carrying value 31 Dec 2021	Fair value through profit and loss	Amortised cost	Fair value
	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]
<b>ASSETS</b>				
Cash and cash equivalents	965,190		965,190	965,190
Marketable securities and other investments	30,834	722	30,111	30,834
Trade receivables	54,500		54,500	54,499
Receivables from related parties	1,971		1,971	1,971
Other financial assets	105,700	2,399	103,301	105,742
<i>thereof receivables from ticket monies</i>	61,525		61,525	61,525
<i>thereof call option on shares of non-consolidated subsidiaries</i>	1,187	1,187		1,187
Investments	1,701	1,701		1,701
<b>TOTAL</b>	<b>1,159,896</b>	<b>4,822</b>	<b>1,155,074</b>	<b>1,159,938</b>
<b>LIABILITIES</b>				
Financial liabilities	28,789	5,939	22,851	28,539
<i>thereof put option on shares of non-consolidated subsidiaries</i>	5,939	5,939		5,939
Trade payables	119,723		119,723	119,723
Payables to related parties	6,420		6,420	6,420
Other financial liabilities	534,109		534,109	534,053
<i>thereof liabilities from ticket monies received that have not yet been settled with promoters</i>	468,243		468,243	468,182
Lease liabilities	130,993			130,993
<b>TOTAL</b>	<b>820,035</b>	<b>5,939</b>	<b>683,103</b>	<b>819,728</b>

## FAIR VALUE DISCLOSURES

The principles and methods used to determine fair values have not been changed compared to 31 December 2021.

Reclassifications between the levels within the fair value hierarchy are carried out at the beginning of the respective quarter in which the reason or the change in circumstances occurred that results in the reclassification. There were no reclassifications in the first six months of 2022.

The following table provides an overview of the calculated fair values of current and non-current financial assets and liabilities, and their allocation to the three levels within the fair value hierarchy as at 30 June 2022:

	30 Jun 2022			
	Level 1	Level 2	Level 3	Total
	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]
<b>ASSETS</b>				
Marketable securities and other investments	730	0	0	730
Trade receivables <sup>2</sup>	0	1,554	0	1,554
Other financial assets <sup>2</sup>	0	11,329	2,753	14,081
<i>thereof call option on shares of non-consolidated subsidiaries</i>	0	0	1,187	1,187
Investments	593	0	2,213 <sup>1</sup>	2,806
	<b>1,322</b>	<b>12,883</b>	<b>4,966</b>	<b>19,171</b>
<b>LIABILITIES</b>				
Financial liabilities	0	21,589	5,939	27,528
<i>thereof put option on shares of non-consolidated subsidiaries</i>	0	0	5,939	5,939
Other financial liabilities <sup>2</sup>	0	5,657	0	5,657
<i>thereof liabilities from ticket monies received that have not yet been settled with promoters <sup>2</sup></i>	0	4,908	0	4,908
	<b>0</b>	<b>27,246</b>	<b>5,939</b>	<b>33,184</b>

<sup>1</sup> As this balance sheet item contains a large number of individual contracts, the additional disclosures on level 3 instruments are not provided for reasons of materiality.

<sup>2</sup> For the current part of this item, it is assumed that the carrying amount is a reasonable approximation of the fair value. Therefore, it is not included in the fair value hierarchy.

The following table provides an overview of the calculated fair values of current and non-current financial assets and liabilities, and their allocation to the three levels within the fair value hierarchy as at 31 December 2021:

	31 Dec 2021			
	Level 1	Level 2	Level 3	Total
	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]
<b>ASSETS</b>				
Marketable securities and other investments	722	0	0	722
Trade receivables <sup>2</sup>	0	16	0	16
Other financial assets <sup>2</sup>	0	17,354	2,399	19,753
<i>thereof call option on shares of non-consolidated subsidiaries</i>	0	0	1,187	1,187
Investments	571	0	1,130 <sup>1</sup>	1,701
	<b>1,294</b>	<b>17,370</b>	<b>3,528</b>	<b>22,192</b>
<b>LIABILITIES</b>				
Financial liabilities	0	22,600	5,939	28,539
<i>thereof put option on shares of non-consolidated subsidiaries</i>	0	0	5,939	5,939
Other financial liabilities <sup>2</sup>	0	20,521	0	20,521
<i>thereof liabilities from ticket monies received that have not yet been settled with promoters <sup>2</sup></i>	0	19,767	0	19,767
	<b>0</b>	<b>43,121</b>	<b>5,939</b>	<b>49,059</b>

<sup>1</sup> As this balance sheet item contains a large number of individual contracts, the additional disclosures on level 3 instruments are not provided for reasons of materiality.

<sup>2</sup> For the current part of this item, it is assumed that the carrying amount is a reasonable approximation of the fair value. Therefore, it is not included in the fair value hierarchy.

## 7. SEGMENT REPORTING

The external and internal revenues of the segments are shown in the following table:

	Ticketing		Live Entertainment		Total for segments	
	1 Jan 2022 - 30 Jun 2022	1 Jan 2021 - 30 Jun 2021	1 Jan 2022 - 30 Jun 2022	1 Jan 2021 - 30 Jun 2021	1 Jan 2022 - 30 Jun 2022	1 Jan 2021 - 30 Jun 2021
	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]
External revenue	197,976	47,479	536,383	17,827	734,359	65,306
Internal revenue	3,539	2,104	5,069	515	8,608	2,619
<b>Revenue after consolidation within the segment</b>	<b>201,515</b>	<b>49,583</b>	<b>541,452</b>	<b>18,342</b>	<b>742,967</b>	<b>67,925</b>

Reconciliation of the operating profit (EBIT) of the segments to Group earnings:

	Ticketing		Live Entertainment		Intersegment consolidation		Group	
	1 Jan 2022 - 30 Jun 2022	1 Jan 2021 - 30 Jun 2021	1 Jan 2022 - 30 Jun 2022	1 Jan 2021 - 30 Jun 2021	1 Jan 2022 - 30 Jun 2022	1 Jan 2021 - 30 Jun 2021	1 Jan 2022 - 30 Jun 2022	1 Jan 2021 - 30 Jun 2021
	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]
Revenue	201,515	49,583	541,452	18,342	-8,608	-2,619	734,359	65,306
EBITDA	88,554	64,036	38,498	12,940	0	0	127,052	76,976
Depreciation, amortisation and impairment	-16,349	-15,304	-13,317	-10,988	0	0	-29,666	-26,292
EBIT	72,205	48,732	25,181	1,952	0	0	97,386	50,684
Financial result							9,110	-5,440
Earnings before taxes (EBT)							106,497	45,244
Taxes							-26,321	-18,303
Net result for the period							80,176	26,941
Non-controlling interests							-13,988	31
Net result for the period attributable to shareholders of CTS KGaA							66,188	26,972
Average number of employees	1,733	1,438	1,243	889			2,976	2,327
Normalised EBITDA	88,622	64,220	40,471	15,215	0	0	129,093	79,436
Normalised EBIT before amortisation and impairment from purchase price allocation	74,714	51,139	32,177	7,272	0	0	106,891	58,411

## 8. OTHER DISCLOSURES

### APPROPRIATION OF EARNINGS

The Shareholders' Meeting on 12 May 2022 adopted a resolution to carry forward the balance sheet profit of EUR 355,207 thousand as at 31 December 2021 to new account.

### FINANCIAL OBLIGATIONS

No changes have occurred with regard to other contingent liabilities since 31 December 2021.

### RELATED PARTY DISCLOSURES

The transactions of the CTS Group with related companies and persons pertain to reciprocal services and were concluded only at the arm's-length conditions which normally apply between third parties.

As the majority shareholder of the general partner of EVENTIM Management AG and majority shareholder of CTS KGaA, Mr Klaus-Peter Schulenberg was the controlling shareholder until 28 December 2015. On 28 December 2015, Mr Klaus-Peter Schulenberg transferred his shares in CTS KGaA and his shares in EVENTIM Management AG to KPS Stiftung, Hamburg, Germany. Mr Klaus-Peter Schulenberg's holdings in CTS KGaA and EVENTIM Management AG were merely converted from a direct to an indirect holding. He is also the controlling shareholder of other KPS Group companies that are related parties.

The contractual relationships with related companies and persons resulted in the following goods and services being sold to and bought from related parties in the 2022 reporting period:

	1 Jan 2022 - 30 Jun 2022	1 Jan 2021 - 30 Jun 2021
	[EUR'000]	[EUR'000]
<b>Goods and services supplied by the Group</b>		
Companies not included in consolidation due to insignificance	498	288
Associates accounted for at equity	2,675	168
Joint ventures	102	0
Other related parties	335	332
	<b>3,610</b>	<b>787</b>

	1 Jan 2022 - 30 Jun 2022	1 Jan 2021 - 30 Jun 2021
	[EUR'000]	[EUR'000]
<b>Goods and services received by the Group</b>		
Companies not included in consolidation due to insignificance	35	96
Associates accounted for at equity	31	199
Other related parties	10,647	4,871
	<b>10,713</b>	<b>5,167</b>

The goods and services supplied and received by the Group have increased mainly due to the increase in business activity in the reporting period.

#### CHANGES IN COMPANY SHARES OR FINANCIAL DERIVATIVES RELATING TO SUCH SHARES ON THE PART OF SUPERVISORY BOARD MEMBERS

In the first half of 2022, the following transactions were carried out by members of the Supervisory Board of CTS KGaA with no-par-value bearer shares of the company:

Name	Position	Transaction	Date of transaction	Number of shares
Dr. Cornelius Baur	Member of Supervisory Board (as of 12 May 2022)	Purchase	18 May 2022	7,900



## **SIGNIFICANT EVENTS IN THE REPORTING PERIOD**

According to the decision of the competent arbitral court, autoTicket GmbH, Berlin (operating company for the collection of the German “car toll” infrastructure charge) is entitled to damages and reimbursement of expenses against the Federal Republic of Germany. This was the finding of the interim arbitration ruling communicated to the operator parties on 25 March 2022. After the operator agreement concerning the collection of the ‘car toll’ infrastructure charge in Germany was terminated, autoTicket GmbH – a joint venture between CTS KGaA and Kapsch TrafficCom AG, Vienna – brought claims for compensation of around EUR 560 million against the Federal Republic of Germany.

The arbitration tribunal has confirmed the merits of the claims brought by autoTicket GmbH in arbitration proceedings for compensation for the gross enterprise value and for reimbursement of the costs incurred in connection with fulfilment of the operator agreement. The Federal Republic of Germany, represented by the Federal Ministry of Transport and Digital Infrastructure, was therefore not permitted to unilaterally withdraw from the agreement without paying compensation. The arbitration ruling also rejected poor performance as the reason for termination cited by the Federal Republic. The first phase of the two-stage arbitration proceedings is therefore complete. The claim amount will now be ruled upon in the second phase of the arbitration proceedings.

A decision of the Italian competition and antitrust authority at the start of 2021 resulted in, among other things, the imposition of a fine of EUR 10.9 million that was initially recognised through profit or loss. However, the competent administrative court in Rome set aside the entire decision in March 2022. The Italian antitrust authority has appealed the verdict.

## **EVENTS AFTER THE BALANCE SHEET DATE**

No events requiring disclosure took place after the balance sheet date.

## **ASSURANCE BY LEGAL REPRESENTATIVES**

To the best of our knowledge, the interim consolidated financial statements give a true and fair view of the Group's earnings performance, financial position and cash flow, in accordance with the applicable reporting principles for interim reporting, and that consolidated interim management report presents the course of business, including the Group's profits and situation, in a way that accurately reflects actual circumstances and truthfully describes the main opportunities and risks associated with the Group's expected development for the rest of the financial year.

Bremen, 24 August 2022

CTS Eventim AG & Co. KGaA

represented by:

EVENTIM Management AG, general partner

Klaus-Peter Schulenberg

Andreas Grandinger

Alexander Ruoff

## FORWARD-LOOKING STATEMENTS

This Group interim report contains forecasts based on assumptions and estimates by the Management Board of CTS KGaA. These statements based on assumptions and estimates are in the form of forward-looking statements using terms such as 'believe', 'assume', 'expect' and the like. Even though Management Board believes that these assumptions and estimates are correct, it is possible that actual results in the future may deviate materially from such assumptions and estimates due to a variety of factors. The latter may include changes in the macroeconomic environment, in the statutory and regulatory framework in Germany and the EU, and changes within the industry. CTS KGaA does not provide any guarantee or accept any liability or responsibility for any divergence between future developments and actual results, on the one hand, and the assumptions and estimates expressed in this Group interim report. CTS KGaA has no intention and undertakes no obligation to update forward-looking statements in order to adjust them to actual events or developments occurring after the date of this report.

The German version of the Group interim report takes priority over the English translation in the event of any discrepancies. Both language versions can be downloaded at [corporate.eventim.de](http://corporate.eventim.de).

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The logo for delta design, with the word "delta" in a lowercase, thin sans-serif font above the word "design" in a lowercase, bold sans-serif font.

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