

Group interim report
as at 30 June 2023

eventim 

KEY GROUP FIGURES

CTS GROUP	1 Jan 2023 - 30 Jun 2023	1 Jan 2022 - 30 Jun 2022	Change	
	[EUR'000]	[EUR'000]	[EUR'000]	[in %]
Revenue	1,020,991	734,359	286,632	39.0
EBITDA	167,902	120,813 ³	47,088	39.0
<i>EBITDA margin</i>	16.4%	16.5% ³		-0.1 pp
Normalised EBITDA	170,803	122,853 ³	47,949	39.0
<i>Normalised EBITDA margin</i>	16.7%	16.7% ³		0.0 pp
Depreciation, amortisation and impairment	-33,850	-29,666	-4,184	14.1
EBIT	134,052	91,147 ³	42,904	47.1
<i>EBIT margin</i>	13.1%	12.4% ³		0.7 pp
Normalised EBIT before amortisation and impairment from purchase price allocation	142,534	100,651 ³	41,883	41.6
<i>Normalised EBIT margin</i>	14.0%	13.7% ³		0.3 pp
Financial result	-1,353	15,350 ³	-16,703	> -100.0
Earnings before taxes (EBT)	132,698	106,497	26,202	24.6
Net result for the period attributable to shareholders of CTS KGaA	85,307	66,188	19,119	28.9
	[EUR]	[EUR]	[EUR]	
Earnings per share ¹ , undiluted (= diluted)	0.89	0.69	0.20	28.9
	[Qty.]	[Qty.]	[Qty.]	
Internet ticket volume (in million)	34.3	27.9	6.4	22.8
Employees ²	3,469	3,190	279	8.8

¹ Number of shares: 96 million

² Number of employees at end of year (active workforce)

³ Regarding the change in the disclosure of foreign currency effects and impairment of loans see point 1.2 in the notes

TICKETING	1 Jan 2023 - 30 Jun 2023	1 Jan 2022 - 30 Jun 2022	Change	
	[EUR'000]	[EUR'000]	[EUR'000]	[in %]
Revenue	284,625	201,515	83,111	41.2
EBITDA	121,890	82,756 ¹	39,134	47.3
<i>EBITDA margin</i>	42.8%	41.1% ¹		1.8 pp
Normalised EBITDA	122,327	82,824 ¹	39,504	47.7
<i>Normalised EBITDA margin</i>	43.0%	41.1% ¹		1.9 pp
EBIT	105,311	66,407 ¹	38,904	58.6
<i>EBIT margin</i>	37.0%	33.0% ¹		4.0 pp
Normalised EBIT before amortisation and impairment from purchase price allocation	106,758	68,916 ¹	37,842	54.9
<i>Normalised EBIT margin</i>	37.5%	34.2% ¹		3.3 pp

¹ Regarding the change in the disclosure of foreign currency effects and impairment of loans see point 1.2 in the notes

LIVE ENTERTAINMENT	1 Jan 2023 - 30 Jun 2023	1 Jan 2022 - 30 Jun 2022	Change	
	[EUR'000]	[EUR'000]	[EUR'000]	[in %]
Revenue	751,011	541,452	209,559	38.7
EBITDA	46,012	38,058 ¹	7,954	20.9
<i>EBITDA margin</i>	6.1%	7.0% ¹		-0.9 pp
Normalised EBITDA	48,475	40,030 ¹	8,445	21.1
<i>Normalised EBITDA margin</i>	6.5%	7.4% ¹		-0.9 pp
EBIT	28,740	24,740 ¹	4,000	16.2
<i>EBIT margin</i>	3.8%	4.6% ¹		-0.7 pp
Normalised EBIT before amortisation and impairment from purchase price allocation	35,777	31,736 ¹	4,041	12.7
<i>Normalised EBIT margin</i>	4.8%	5.9% ¹		-1.1 pp

¹ Regarding the change in the disclosure of foreign currency effects and impairment of loans see point 1.2 in the notes

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1. CTS EVENTIM SHARES

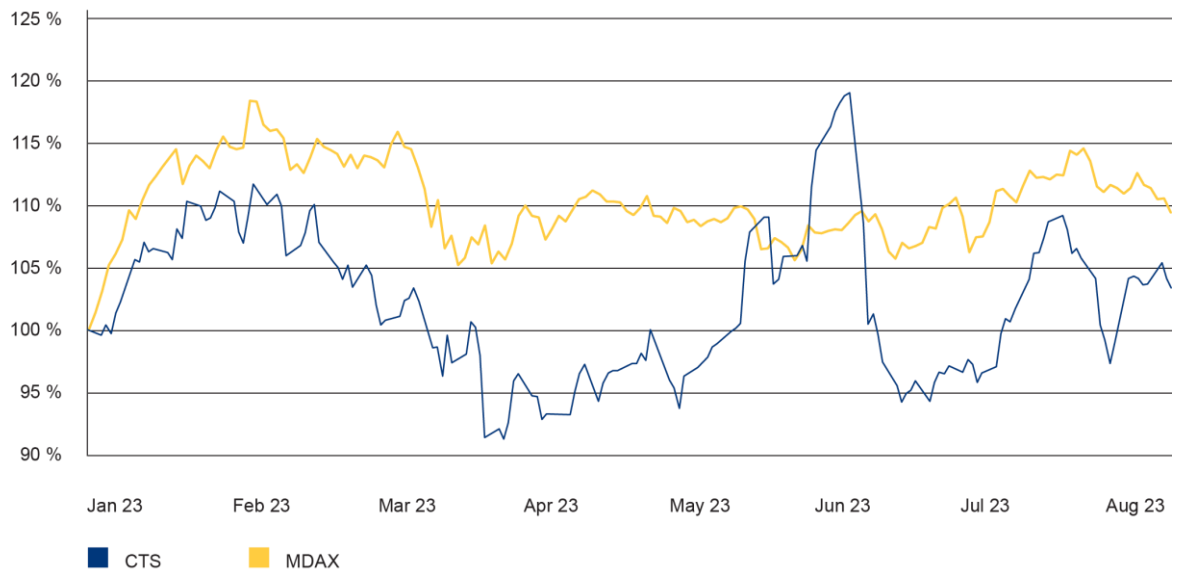
The global equity markets trended sideways in the first half of 2023. As the situation regarding the war in Ukraine remained tense, inflation proved stubbornly high and interest rates continued to rise, market conditions remained very volatile. The central banks' departure from their long-standing expansionary monetary policy approach and the resulting speculative activity in the market in anticipation of rising interest rates diminished liquidity in the equity markets to an extent, which exacerbated the slowdown in growth.

CTS EVENTIM shares were not immune to this market environment in the first half of 2023. Although the outlook for the Live Entertainment and Ticketing business for the coming years remains positive, the performance of CTS EVENTIM shares was influenced primarily by the change in risk perception among institutional investors. As a result, the share price trended sideways in line with the market.

CTS EVENTIM shares continue to attract strong interest from investment banks. Baader Helvea, Berenberg, BNP Paribas Exane, DZ BANK, Jefferies, J.P. Morgan, Kepler Cheuvreux, Oddo BHF, Redburn Atlantic and SRH Alster Research analyse CTS EVENTIM on an ongoing basis and issue recommendations regarding investment. The investment banks recommend buying or holding CTS EVENTIM shares without any qualification.

The CTS EVENTIM 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 KGaA regularly attends international investor conferences in order to maintain relationships with existing investors and present itself to new investors.

CTS EVENTIM SHARE PRICE (1 JANUARY 2023 - 16 AUGUST 2023 – INDEXED)



2. INTERIM GROUP MANAGEMENT REPORT

1. GROUP OVERVIEW

The CTS Group continues to grow robustly and has, for the first time, exceeded the EUR 1 billion revenue threshold within the first six months of a financial year. The normalised EBITDA margin remained at the excellent prior-year level of 17%.

The breadth and diversity of music and sports events in demand had a strong positive effect on business performance in the Ticketing and Live Entertainment segments. Highlights in the first half of the year included tours of artists such as Herbert Grönemeyer, Hans Zimmer and P!nk, as well as international sporting events such as the World Athletics Championships that are currently taking place in Budapest. Online ticket sales by CTS Group in the period January to June 2023 were up by 23% on the prior-year period.

The **Group's** revenue for the first half of 2023 came to EUR 1.021 billion, a 39% increase compared with the prior-year period. This strong rise was partially attributable to the lifting of pandemic-related restrictions, which had still significantly impacted both segments in the prior year, especially in the first quarter. Compared with the corresponding pre-pandemic figure from 2019, revenue was up by 47%. The Group's normalised EBITDA advanced substantially, reaching EUR 170.8 million for the first half of 2023 (up by 39% year on year) and EUR 94.8 million for the second quarter of 2023 (down by 5% year on year). Earnings in the second quarter of 2022 had still been boosted by government subsidies of around EUR 25 million under pandemic-related economic aid programmes. Excluding these subsidies, normalised EBITDA would have been up by 27% year on year in the second quarter. Compared with the corresponding period in 2019, normalised EBITDA grew by 73%. The normalised EBITDA margin remained at the excellent prior-year level of 17% and has thus proved resilient to the impact of widely rising prices.

In the period from January to June 2023, revenue in the **Ticketing segment** climbed by 41% year on year to EUR 284.6 million. 6.4 million more web tickets were sold compared with the prior-year period. The sustainable growth in the first half of the current year was primarily driven by a broad range and large number of successful events and tours. Normalised EBITDA rose by 48% to EUR 122.3 million in the first six months of 2023. The core markets in Germany, Italy and Austria remain the biggest growth drivers.

Over the first six months of the current year, revenue in the **Live Entertainment segment** also advanced substantially compared with the prior-year period, reaching EUR 751.0 million (up by 39%), while normalised EBITDA for the segment improved to EUR 48.5 million (up by 21%). Moreover, encouraging revenue of just over EUR 50 million was generated in the US in the first half of 2023, with revenue for the year as a whole expected to come to more than EUR 100 million. Thanks to successful cost management measures, the normalised EBITDA margin was maintained at just 1 percentage point below the prior-year level both for the second quarter and for the first six months as a whole, in spite of the sharp rise in production costs.

CEO Klaus-Peter Schulenberg: "The breadth and depth of our portfolio and the successful internationalisation of our business are the key drivers of our strong and stable growth. After the market distortions caused by pandemic-related catch-up effects, we are now back to 'business as usual' at CTS EVENTIM. And 'as usual' for us means healthy organic growth and the development and expansion of new and existing business segments. In the first half of this year, CTS EVENTIM has demonstrated great flexibility and entrepreneurial ingenuity on all fronts, enabling us to successfully navigate current macroeconomic challenges and stay on track for healthy growth. All relevant key figures confirm that both the wider market and our Group continue to perform at higher levels than before the pandemic."

2. EARNINGS PERFORMANCE, FINANCIAL POSITION AND CASH FLOW

PRELIMINARY NOTE

Changes have been made to the presentation of income and expenses from foreign currency translation and impairments on loans. Whereas previously these items were presented under other operating income or expenses in operating profit or loss, they will be presented under financial result with effect from the second quarter of 2023. This change in presentation will improve the clarity and comparability of the financial operating performance of the CTS Group. In accordance with IAS 8, the comparative information for the first half of 2022 was adjusted accordingly, meaning that income from foreign currency translation of EUR 7,231 thousand and expenses from foreign currency translation of EUR 629 thousand, which had been reported under other operating income/expenses, have been reclassified to financial result. Other operating income of EUR 150 thousand and other operating expenses of EUR 514 thousand from reversals of and additions to impairment on loans were also reclassified to financial result.

EARNINGS PERFORMANCE

	1 Jan 2023 - 30 Jun 2023	1 Jan 2022 - 30 Jun 2022	Change	
	[EUR'000]	[EUR'000]	[EUR'000]	[in %]
Revenue	1,020,991	734,359	286,632	39.0
EBITDA	167,902	120,813	47,088	39.0
Depreciation, amortisation and impairment	-33,850	-29,666	-4,184	14.1
EBIT	134,052	91,147	42,904	47.1
Financial result	-1,353	15,350	-16,703	> -100,0
Earnings before taxes (EBT)	132,698	106,497	26,202	24.6
Taxes	-40,903	-26,321	-14,582	55.4
Net result for the period attributable to shareholders of CTS KGaA	85,307	66,188	19,119	28.9
Net result for the period attributable to non-controlling interests	6,488	13,988	-7,500	-53.6

REVENUE PERFORMANCE

Revenue in the **Ticketing segment** increased from EUR 201,515 thousand by EUR 83,111 thousand to EUR 284,625 thousand. This was primarily driven by a jump of 6.4 million in internet ticket volume to 34.3 million (previous year: 27.9 million).

In the **Live Entertainment segment**, revenue rose from EUR 541,452 thousand by EUR 209,559 thousand to EUR 751,011 thousand. This revenue growth was largely due to a greater number of events, while in the first quarter of 2022 events were only possible to a limited extent due to corona measures. Another major revenue driver is the expansion of the scope of consolidation.

In the **CTS Group**, revenue across the two segments therefore went up by EUR 286,632 thousand from EUR 734,359 thousand to EUR 1,020,991 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 438 thousand (previous year: EUR 68 thousand), primarily from legal and consulting fees in connection with M&A activities and due diligence reviews, as well as in the Live Entertainment segment amounting to EUR 2,463 thousand (previous year: EUR 1,972 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 legal and consulting fees in connection with M&A activities and due diligence reviews for implemented and planned acquisitions.

NORMALISED EBITDA / EBITDA

	1 Jan 2023 - 30 Jun 2023	1 Jan 2022 - 30 Jun 2022	Change	
	[EUR'000]	[EUR'000]	[EUR'000]	[in %]
EBITDA	167,902	120,813	47,088	39.0
Non-recurring items	2,901	2,040	861	42.2
Normalised EBITDA	170,803	122,853	47,949	39.0
Depreciation, amortisation and impairment	-33,850	-29,666	-4,184	14.1
<i>Thereof amortisation and impairment from purchase price allocation</i>	<i>-5,582</i>	<i>-7,464</i>	<i>1,882</i>	<i>-25.2</i>
Normalised EBIT before amortisation and impairment from purchase price allocation	142,534	100,651	41,883	41.6

In the **Ticketing segment** normalised EBITDA rose from EUR 82,824 thousand by EUR 39,504 thousand to EUR 122,327 thousand. The main reason for the year-on-year improvement in earnings was the growth in internet ticket volume, both in Germany and abroad. Normalised EBITDA margin improved to 43.0% (previous year: 41.1%).

In the **Live Entertainment segment** normalised EBITDA increased by EUR 8,445 thousand from EUR 40,030 thousand to EUR 48,475 thousand. This increase was predominantly attributable to the contributions to earnings from the large number of events and festivals held in the first half year of 2023, while in the first quarter of 2022 events were only possible to a limited extent due to corona measures. On the other hand, the normalised EBITDA was burdened by increased preproduction and implementation costs for festivals. The normalised EBITDA margin decreased to 6.5% (previous year: 7.4%).

Normalised **CTS Group** EBITDA climbed by EUR 47,949 thousand to EUR 170,803 thousand (previous year: EUR 122,853 thousand) and the normalised EBITDA margin was at 16.7% at the same level as previous year (16.7%).

FINANCIAL RESULT

Financial result fell by EUR 16,703 thousand from EUR 15,350 thousand to EUR -1,353 thousand. This decline mainly resulted from the reclassification of positive effects from foreign currency translation on loans of EUR 6,603 thousand in the prior-year period, offset by a negative effect of EUR 1,887 thousand in the reporting period. Furthermore, expenses of EUR 6,266 thousand were recognised due to the updated fair value measurement of financial assets and liabilities from put options. While financial income in the prior-year-period was positively impacted by the sale of shares in a subsidiary in the Live Entertainment segment (EUR 9,223 thousand), interest income increased by EUR 9,905 thousand in the reporting period.

EARNINGS BEFORE TAXES (EBT) / NET RESULT FOR THE PERIOD ATTRIBUTABLE TO SHAREHOLDERS OF CTS KGaA / EARNINGS PER SHARE (EPS)

In the reporting period, EBT increased from EUR 106,497 thousand by EUR 26,202 thousand to EUR 132,698 thousand. After deduction of tax expenses and non-controlling interests, net result for the period attributable to shareholders of CTS KGaA amounted to EUR 85,307 thousand (previous year: EUR 66,188 thousand). In the first half year of 2023, EPS was at EUR 0.89 (previous year: EUR 0.69).

PERSONNEL

On average, the companies in the CTS Group had a total of 3,490 employees (previous year: 2,976 employees) including part-time workers on their payroll. Of that total, 1,832 are employed in the Ticketing segment (previous year: 1,733 employees) and 1,658 in the Live Entertainment segment (previous year: 1,243 employees). The increase in staff in both segments resulted in particular from the recovery of business activity after a two-year pandemic-related break. The increase in the Live Entertainment segment also relates to the expansion of the scope of consolidation.

FINANCIAL POSITION

CHANGES IN ASSETS

Cash and cash equivalents decreased by EUR 208,397 thousand compared to 31 December 2022. The decrease in cash and cash equivalents mainly results due to a reduction in ticket money liabilities not yet settled with promoters in the Ticketing segment, from the dividend payment made in the amount of EUR 101,751 thousand as well as an increase in advances paid in the Live Entertainment segment. The decrease was partly offset by a positive net result for the period.

Cash and cash equivalents include, among other things, ticket money from presales for events not yet settled (ticket money not yet settled with promoters, particularly in the Ticketing segment), which are reported under other financial liabilities in the amount of EUR 415,394 thousand (31 December 2022: EUR 507,697 thousand). Other financial assets also include ticket money receivables from presales mainly in the Ticketing segment amounting to EUR 75,261 thousand (31 December 2022: EUR 107,430 thousand) and factoring receivables from ticket money (EUR 6,605 thousand; 31 December 2022: EUR 11,898 thousand).

Marketable securities and other investments decreased by EUR 13,417 thousand, particularly due to the maturity of time deposits.

The increase of the current **advances paid** (EUR +69,298 thousand) relates to preproduction costs already paid (e.g. artist fees) for future events to be held in subsequent quarters in the Live Entertainment segment.

The decrease in current **other financial assets** (EUR -28,716 thousand) was mainly due to lower receivables relating to ticket money from presales (EUR -32,169 thousand) primarily in the Ticketing segment.

The increase in **goodwill** (EUR +4,088 thousand), **other intangible assets** (EUR +30,244 thousand) and **property, plant and equipment** (EUR +50,948 thousand) results primarily from the change in the scope of consolidation in the Live Entertainment segment. Property, plant and equipment increased also due to advances paid for the construction of the MSG Arena in Milan and for exhibition inventory of event formats.

Investments in associates accounted for at equity decreased by EUR 32,678 thousand mainly because of the transition from the at equity method to the full consolidation of HPX LLC, Wilmington, USA. The company produces a major worldwide entertainment exhibition with a current focus on the US and Europe.

The increase in non-current **other financial assets** (EUR +21,117 thousand) is mainly due to higher receivables from international promoters in the Live Entertainment segment.

CHANGES IN EQUITY AND LIABILITIES

The current **trade payables** increased by EUR 65,257 thousand due to the growth in business activities mainly in the Live Entertainment segment.

The decrease in current **advance payments received** (EUR -53,187 thousand) is mainly due to the execution of events in the reporting period in the Live Entertainment segment.

Current **other financial liabilities** decreased by EUR 71,093 thousand mainly due to the reduction of ticket money liabilities not yet settled with promoters in the Ticketing segment.

NON-CURRENT LIABILITIES decreased by EUR 10,005 thousand mainly due to the reclassification of long-term advance payments received in the Live Entertainment segment to current liabilities. On the other hand, the deferred tax liabilities have increased, in particular due to the expansion of the scope of consolidation.

Equity rose by EUR 3,320 thousand from EUR 837,426 thousand to EUR 840,746 thousand primarily because of the higher net result for the period attributable to non-controlling interests. The positive net income is offset by a dividend payment in the second quarter 2023 to shareholders.

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 2022, cash and cash equivalents declined by EUR 208,397 thousand to EUR 866,110 thousand. In comparison with the closing date at 30 June 2022 cash and cash equivalents decreased by EUR 120,040 thousand.

Cash flow from operating activities amounted to a net cash outflow of EUR 26,213 thousand a reduction of EUR 68,423 thousand compared with the net cash inflow of EUR 42,210 thousand in the prior-year period. This was mainly due to a reduction of ticket money liabilities not yet settled with promoters and an increase in advances paid for future events in the Live Entertainment segment. The rise in net result for the period as well as a reduction of ticket money receivables from presales had a positive effect on cash flow.

Cash flow from investing activities amounted to a net cash outflow of EUR 50,336 thousand, which was EUR 35,082 thousand higher than the net cash outflow of EUR 15,253 thousand in the prior-year period. The rise was largely attributable to higher payments in property, plant and equipment (mainly advances paid for the construction of the MSG Arena in Milan and for exhibition inventory of event formats) as well as in participations in the USA. These were partly offset by cash outflows from payments from the acquisition of consolidated subsidiaries less cash and cash equivalents acquired.

Cash flow from financing activities amounted to a net cash outflow of EUR 133,824 thousand, an increase of EUR 121,997 thousand compared with the net cash outflow EUR 11,827 thousand in the first half of 2022. The increase was mainly due to dividend payments to shareholders and higher distributions made to non-controlling interests compared to the comparative period.

3. RISK AND OPPORTUNITY REPORT

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.

FINANCIAL OPPORTUNITIES / CLAIMS FOR COMPENSATION

CTS KGaA holds 50% of the shares in autoTicket GmbH, Berlin ('autoTicket'), which is accounted for at equity. At the end of December 2018, the operating company was contracted by the German Federal Motor Transport Authority (Kraftfahrt-Bundesamt) to construct an infrastructure collection system and to collect an infrastructure charge for a minimum duration of 12 years. In June 2019, the contract for the collection of the German infrastructure charge between the Federal Republic of Germany and the operating company was terminated by the Federal Ministry of Transport and Digital Infrastructure with effect from 30 September 2019. Following the termination of the operating agreement, the shareholders decided in December 2019 to assert the contractually agreed financial claims against the Federal Republic of Germany. In an interim arbitration ruling from March 2022, the arbitration tribunal adjudicating the case in accordance with the operating agreement confirmed the merits of the claims brought by autoTicket in arbitration proceedings for compensation for the gross enterprise value and for reimbursement of the costs incurred in connection with fulfilment of the operating agreement. In July 2023, the arbitration tribunal proposed to autoTicket and its shareholders and to the Federal Republic of Germany that they bring an end to the arbitration proceedings concerning their car toll dispute by agreeing on payment of compensation for damages totalling EUR 243 million including interest. Both autoTicket GmbH and its shareholders and the Federal Republic of Germany have agreed to the arbitration tribunal's proposed settlement. The opportunity was classified as 'high' in the risk and opportunity report of the Annual Report 2022. The effects of the claims for damages will only have an impact in the third quarter of 2023.

Beyond that, the statements made in the risk and opportunities report of the Annual Report 2022 remain valid.

4. OUTLOOK

Provided that current geopolitical crises and inflation do not adversely affect consumer behaviour in relation to live events and that artists and promoters will continue to plan and launch new tours and shows, the Management Board continues to anticipate moderate year-on-year revenue growth in the **Ticketing segment**. Based on currently available information, earnings figures should improve substantially compared with 2022 (at the time of publication of the Annual Report 2022, only a moderate improvement in earnings figures had been forecast for 2023).

With regard to the **internet ticket volume**, the Management Board still expects to see moderate year-on-year growth in volume.

For the **Live Entertainment segment**, the Management Board now also predicts a moderate rise in revenue in 2023 compared with the previous year, even though the frequency of events was already extremely high in 2022 (a moderate fall in revenue had been forecast in the Annual Report 2022). Excluding the pandemic-related economic subsidy, which contributed to a EUR 47,594 thousand improvement in earnings in 2022, this year's key earnings figures are expected to be moderately higher than last year, confirming the statement made in the 2022 annual report. Taking into account the pandemic-related economic aid, management now expects moderately to significantly lower earnings figures for 2023 compared to the previous year (Annual Report 2022: moderately lower earnings figures had been predicted in the Annual Report 2022).

At the level of the **CTS Group**, total revenue for 2023 is now expected to rise moderately compared with 2022 (revenue had been predicted to be on a par with the prior year in the Annual Report 2022). Compared with the earnings figures for 2022 excluding pandemic-related economic aid programmes (EUR 47,901 thousand in the CTS Group), earnings are expected to go up significantly in 2023, as forecast in the Annual Report 2022. When factoring in pandemic-related economic aid programmes for 2022, earnings are now expected to be at moderately above or on the previous year level (earnings had been predicted to be at previous year's level in the Annual Report 2022).

The forecast for **CTS KGaA** continues to apply as published in the Annual Report 2022.

The share of compensation for the non-implementation of the German infrastructure charge ('car toll') that was awarded to autoTicket GmbH has not yet been recognised in this forecast.

A deterioration of the geopolitical security situation, persistently high inflation, economic stagnation or even a recession, and the possible associated decline in consumer spending on entertainment industry products remain significant potential factors that could influence the future performance of the CTS Group. However, these effects are not quantifiable at this point in time.

3. INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 JUNE 2023

CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2023

ASSETS	30 Jun 2023	31 Dec 2022
	[EUR'000]	[EUR'000]
Current assets		
Cash and cash equivalents	866,110	1,074,507
Marketable securities and other investments	150,204	163,621
Trade receivables	140,699	113,393
Receivables from related parties	3,233	3,807
Inventories	11,288	5,027
Advances paid	202,755	133,457
Receivables from income taxes	8,336	5,292
Other financial assets	135,757	164,473
Other non-financial assets	85,133	72,666
Total current assets	1,603,515	1,736,243
Non-current assets		
Goodwill	365,827	361,739
Other intangible assets	176,698	146,453
Property, plant and equipment	113,097	62,149
Right-of-use assets from leases	116,820	117,444
Investments	2,048	1,556
Investments in associates accounted for at equity	100,633	133,311
Trade receivables	101	151
Advances paid	2,309	2,299
Other financial assets	29,511	8,393
Other non-financial assets	14,283	14,189
Deferred tax assets	32,602	25,356
Total non-current assets	953,929	873,039
Total assets	2,557,444	2,609,282

EQUITY AND LIABILITIES	30 Jun 2023	31 Dec 2022
	[EUR'000]	[EUR'000]
Current liabilities		
Financial liabilities	5,602	2,118
Trade payables	297,879	232,622
Liabilities to related parties	9,374	8,154
Advance payments received	471,668	524,855
Other provisions	29,398	39,762
Tax debts	110,705	91,980
Other financial liabilities	486,893	557,987
Lease liabilities	20,372	18,049
Other non-financial liabilities	116,447	117,963
Total current liabilities	1,548,338	1,593,491
Non-current liabilities		
Financial liabilities	14,018	14,873
Trade payables	0	1,303
Advance payments received	2,075	12,052
Other provisions	4,957	4,957
Other financial liabilities	7,597	9,217
Lease liabilities	100,343	102,889
Pension provisions	6,921	6,000
Deferred tax liabilities	32,450	27,074
Total non-current liabilities	168,360	178,366
Equity		
Share capital	96,000	96,000
Capital reserve	1,890	1,890
Statutory reserve	7,200	7,200
Retained earnings	625,012	629,501
Other reserves	-2,725	-2,916
Treasury shares	-52	-52
Total equity attributable to shareholders of CTS KGaA	727,324	731,623
Non-controlling interests	113,422	105,802
Total equity	840,746	837,426
Total equity and liabilities	2,557,444	2,609,282

**CONSOLIDATED INCOME STATEMENT FOR THE PERIOD
FROM 1 JANUARY TO 30 JUNE 2023**

	1 Jan 2023 - 30 Jun 2023	1 Jan 2022 30 Jun 2022
	[EUR'000]	[EUR'000]
Revenue	1,020,991	734,359
Cost of sales	-794,678	-592,805
Gross profit	226,313	141,554
Selling expenses	-56,661	-55,566
General administrative expenses	-54,108	-40,725
Other operating income	24,223	56,584 ¹
Other operating expenses	-5,715	-10,699 ¹
Earnings before interest and taxes (EBIT)	134,052	91,147 ¹
Income / expenses from participations	44	215
Income / expenses from investments in associates accounted for at equity	2,362	5,878
Financial income	11,816	17,784 ¹
Financial expenses	-15,576	-8,528 ¹
Earnings before taxes (EBT)	132,698	106,497
Taxes	-40,903	-26,321
Net result for the period	91,795	80,176
Net result for the period attributable to		
Shareholders of CTS KGaA	85,307	66,188
Non-controlling interests	6,488	13,988
Earnings per share (in EUR), undiluted (= diluted)	0.89	0.69
Average number of shares in circulation, undiluted (= diluted)	96 million	96 million

¹Regarding the change in the disclosure of foreign currency effects and impairment of loans see point 1.2 in the notes

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2023**

	1 Jan 2023 - 30 Jun 2023	1 Jan 2022 - 30 Jun 2022
	[EUR'000]	[EUR'000]
Net result for the period	91,795	80,176
Remeasurement of the net defined benefit obligation for pension plans after taxes	-775	6,707
Items that will not be reclassified subsequently to profit or loss	-775	6,707
Exchange differences on translating foreign subsidiaries	-197	-1,089
Share of other comprehensive income/loss (exchange differences) of associates accounted for at equity	665	-374
Items that will be reclassified subsequently to profit or loss	468	-1,463
Other comprehensive income/loss (net)	-308	5,245
Total comprehensive income/loss	91,488	85,420
Total comprehensive income/loss attributable to		
Shareholders of CTS KGaA	85,497	64,447
Non-controlling interests	5,990	20,973

**CONSOLIDATED INCOME STATEMENT FOR THE PERIOD
FROM 1 APRIL TO 30 JUNE 2023**

	1 Apr 2023 - 30 Jun 2023	1 Apr 2022 30 Jun 2022
	[EUR'000]	[EUR'000]
Revenue	654,744	595,135
Cost of sales	-532,169	-486,260
Gross profit	122,575	108,875
Selling expenses	-28,432	-28,439
General administrative expenses	-29,182	-21,919
Other operating income	13,031	35,114 ¹
Other operating expenses	-3,508	-8,138 ¹
Earnings before interest and taxes (EBIT)	74,484	85,494 ¹
Income / expenses from participations	0	215
Income / expenses from investments in associates accounted for at equity	1,257	3,841
Financial income	7,507	6,751 ¹
Financial expenses	-11,267	-2,259 ¹
Earnings before taxes (EBT)	71,980	94,043
Taxes	-24,714	-22,823
Net result for the period	47,267	71,220
Net result for the period attributable to		
Shareholders of CTS KGaA	41,597	55,219
Non-controlling interests	5,670	16,000
Earnings per share (in EUR), undiluted (= diluted)	0.43	0.58
Average number of shares in circulation, undiluted (= diluted)	96 million	96 million

¹ Regarding the change in the disclosure of foreign currency effects and impairment of loans see point 1.2 in the notes

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD 1. APRIL TO 30. JUNE 2023**

	1 Apr 2023 - 30 Jun 2023	1 Apr 2022 - 30 Jun 2022
	[EUR'000]	[EUR'000]
Net result for the period	47,267	71,220
Remeasurement of the net defined benefit obligation for pension plans after taxes	244	5,739
Items that will not be reclassified subsequently to profit or loss	244	5,739
Exchange differences on translating foreign subsidiaries	1,399	-1,465
Share of other comprehensive income/loss (exchange differences) of associates accounted for at equity	492	-252
Items that will be reclassified subsequently to profit or loss	1,891	-1,717
Other comprehensive income/loss (net)	2,135	4,022
Total comprehensive income/loss	49,402	75,242
Total comprehensive income/loss attributable to		
Shareholders of CTS KGaA	42,950	52,286
Non-controlling interests	6,452	22,956

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Equity attributable to shareholders of CTS KGaA

	Other reserves										Total equity
	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	
	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000
Balance as at 1 Jan 2022	96,000	1,890	7,200	424,609	2,721	-841	-1,575	-52	529,952	55,847	585,799
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
Total comprehensive income/loss									64,447	20,973	85,420
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
Balance as at 30 Jun 2022	96,000	1,890	7,200	490,744	-2,466	-1,216	2,245	-52	594,345	74,983	669,328
Balance as at 1 Jan 2023	96,000	1,890	7,200	629,501	-3,087	-1,840	2,012	-52	731,623	105,802	837,426
Net result for the period	0	0	0	85,307	0	0	0	0	85,307	6,488	91,795
Other results	0	0	0	0	-74	665	-401	0	190	-498	-308
Total comprehensive income/loss									85,497	5,990	91,488
Dividends	0	0	0	-101,751	0	0	0	0	-101,751	-21,387	-123,138
Changes in the scope of consolidation	0	0	0	11,997	0	0	0	0	11,997	23,030	35,027
Other changes	0	0	0	-43	0	0	0	0	-43	-14	-57
Balance as at 30 Jun 2023	96,000	1,890	7,200	625,012	-3,161	-1,176	1,611	-52	727,324	113,422	840,746

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD
FROM 1 JANUARY TO 30 JUNE 2023**

	1 Jan 2023 -30 Jun 2023	1 Jan 2022 -30 Jun 2022
	[EUR'000]	[EUR'000]
Net result for the period	91,795	80,176
Depreciation, amortisation and impairment	33,850	29,666
Changes in pension provisions	897	-8,025
Deferred tax expenses / income	-8,682	-780
Other non-cash transactions	4,184	-743
Profit / loss from disposal of fixed assets	-50	-6,430
Interest expenses / Interest income	-7,244	1,589
Tax expenses	49,586	27,101
Interest received	9,169	695
Interest paid	-1,606	-1,333
Income tax paid	-30,164	-29,045
Increase (-) / decrease (+) in inventories	627	-191
Increase (-) / decrease (+) in advances paid	-64,530	-39,946
Increase (-) / decrease (+) in marketable securities and other investments	12,705	-30,731
Increase (-) / decrease (+) in receivables and other assets	6,888	-52,127
Increase (+) / decrease (-) in provisions	-12,513	726
Increase (+) / decrease (-) in liabilities	-111,124	71,607
Cash flow from operating activities	-26,213	42,210
Cash flow from investing activities	-50,336	-15,253
Cash flow from financing activities	-133,824	-11,827
Net increase / decrease in cash and cash equivalents	-210,373	15,130
Net increase / decrease in cash and cash equivalents due to currency translation	1,976	5,830
Cash and cash equivalents at beginning of period	1,074,507	965,190
Cash and cash equivalents at end of period	866,110	986,150
Composition of cash and cash equivalents		
Cash and cash equivalents	866,110	986,150
Cash and cash equivalents at end of period	866,110	986,150

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 execute 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 2023 financial year were approved for publication by resolution of the Management Board of EVENTIM Management AG, Hamburg, on 24 August 2023.

1.2 ACCOUNTING PRINCIPLES

The present, unaudited and unrevised Group interim report as at 30 June 2023 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 2022 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 2022. The Group interim report contains all the information required to give a true and fair view of the financial position, cash flow and earnings performance of the company.

The comparative figures for the income statement generally refer to the consolidated financial statements as at 31 December 2022. Changes have been made to the presentation of gains and losses on foreign currency translation and on impairments on loans. Whereas these items were previously presented under other operating income or expenses in operating profit or loss, they will be presented under financial result with effect from the second quarter of 2023. This change in presentation will improve the clarity and comparability of the financial operating performance of the CTS Group.

In accordance with the provisions of IAS 8, the comparative information for the first half of 2022 was adjusted accordingly, meaning that income from foreign currency translation of EUR 7,231 thousand and expenses from foreign currency translation of EUR 629 thousand, which had been reported under other operating income/expenses, have been reclassified to financial result. Of these amounts, income of EUR 6,357 thousand and expenses of EUR 555 thousand from foreign currency translation relate to the Ticketing segment and income of EUR 874 thousand and expenses of EUR 73 thousand from foreign currency translation relate to the Live Entertainment segment, all of which were reclassified to financial result. Other operating income of EUR 150 thousand and other operating expenses of EUR 514 thousand from reversals of and additions to impairments on loans were also reclassified to financial result. Of these amounts, income of EUR 150 thousand from reversals of impairments and expenses of EUR 511 thousand for additions to impairments related to the Live Entertainment segment. Expenses of EUR 3 thousand for additions to impairments related to the Ticketing segment. The reclassification impacted neither the profit for the period nor the basic and diluted earnings per share.

The interim consolidated financial statements have been prepared in euros. All amounts in the interim consolidated financial statements have been rounded to the nearest thousand euros. This may mean that the individual figures do not add up to the totals shown.

1.3 ACCOUNTING AND MEASUREMENT PRINCIPLES

The accounting principles and consolidation methods are the same as those applied in the consolidated financial statements as at 31 December 2022, 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 2023

The following new and amended standards were required to be applied for the first time on or after 1 January 2023:

- IFRS 17 “Insurance Contracts” and Amendments to IFRS 17
- Amendments to IAS 1 “Presentation of Financial Statements” and IFRS Practice Statement 2 – Disclosure of Accounting Policies
- Amendments to IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors” – Definition of Accounting Estimates
- Amendments to IAS 12 “Income Taxes” – Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- IFRS 17 „Insurance Contracts“ – Initial Application of IFRS 17 and IFRS 9 – Comparative Information

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

2. SCOPE OF CONSOLIDATION

In addition to the parent company's financial statements, the CTS Group comprises the financial statements of 148 subsidiaries (31 December 2022: 138) in the consolidated financial statements. The change results in particular from founding five companies and the full consolidation of five companies that were previously accounted for using the equity method.

2.1 SIGNIFICANT CHANGES IN THE LIVE ENTERTAINMENT SEGMENT

On 18 January 2023, Eventim Live USA Inc., Wilmington, USA, (a subsidiary of CTS KGaA) together with the US tour operator Mammoth Inc., Lawrence, founded the companies Sabertooth Touring LLC, Wilmington, USA, and Grizzly Touring LLC, Wilmington, USA, and entered into a partnership with AG Entertainment Touring LLC, Atlanta, USA. The aim of these companies and partnerships is to expand the CTS Group's presence in the US market and to sign international top acts for US and global tours.

FROM AT EQUITY-METHOD TO FULL CONSOLIDATION - HPX LLC IN USA

Due to contractual changes dated 20 February 2023 EMC Presents LLC, Wilmington, USA obtained control of HPX LLC, Wilmington, USA (hereinafter: HPX) without paying a purchase price. This resulted in the transition from the at equity method to the full consolidation. HPX's business includes the worldwide production of the Harry Potter Exhibitions.

The following overview shows the fair values at the time of initial consolidation of HPX:

	Fair values at the time of initial consolidation - provisional purchase price allocation - [EUR'000]
Cash and Cash equivalents	1
Inventories	9,709
Trade receivables	11,587
Other assets	5,049
Total current assets	26,346
Intangible assets	40,678
Property, plant and equipment	9,928
Advances paid	2,521
Other assets	14,126
Total non-current assets	67,252
Financial liabilities	22
Advance payments received	3,305
Trade payables	15,909
Other liabilities	113
Total current liabilities	19,349
Deferred tax liabilities	6,998
Total non-current liabilities	6,998
Currency translation	-45
Total net assets	67,296

Within the scope of the provisional purchase price allocation, assets and liabilities were measured at fair value. At the time of initial consolidation an exclusivity right with a fair value of EUR 25,201 thousand with a useful life of six years was recognised. Temporary differences in the revaluation resulted in deferred tax liabilities of EUR 6,998 thousand. The remeasurement of the equity interest in HPX accounted for using the equity method was recognised as a financial expense in the consolidated income statement in the amount of EUR 2,730 thousand.

The following table shows the reconciliation of consideration transferred as at the time of initial consolidation:

	[EUR'000]
Consideration transferred	34,571
Total net assets	67,296
Pro rata net assets	33,648
Goodwill	922

The difference between the consideration transferred and the pro rata net assets was assigned to the goodwill in the Live Entertainment segment and mainly reflects future synergy and earnings potential. The consideration transferred relates to the investments in associates accounted for at equity. Goodwill is not tax deductible.

Since initial consolidation HPX generated revenue of EUR 16,071 thousand and a net result for the period before non-controlling interests of EUR -4,455 thousand.

FROM AT EQUITY-METHOD TO FULL CONSOLIDATION - FRIENDLY FIRE GROUP

By contract dated 30 March 2023, FKP SCORPIO Konzertproduktionen GmbH, Hamburg, acquired the remaining 49% of the shares in Friendly Fire B.V., Amsterdam, Netherlands, and its subsidiaries (hereinafter: Friendly Fire Group). The purpose of the company is the organisation and implementation of events such as concerts and festivals as well as artist management and booking.

The following overview shows the fair values at the time of initial consolidation of the Friendly Fire Group:

	Fair values at the time of initial consolidation - provisional purchase price allocation - [EUR'000]
Cash and Cash equivalents	12,896
Inventories	2,310
Trade receivables	4,208
Other assets	1,104
Total current assets	20,518
Intangible assets	393
Property, plant and equipment	188
Right-of-use assets from leases	600
Total non-current assets	1,181
Advance payments received	9,215
Trade payables	4,550
Provisions	2,674
Other liabilities	1,217
Lease liabilities	119
Total non-current liabilities	17,775
Lease liabilities	481
Deferred tax liabilities	115
Total non-current liabilities	597
Total net assets	3,327

Within the scope of the provisional purchase price allocation, assets and liabilities were measured at fair value. At the time of initial consolidation, trademarks in the amount of EUR 393 thousand with a useful life of 10 years were identified as intangible assets. In addition, other changes in fair value were taken into account in the advance payments received in the amount of EUR 68 thousand. Deferred taxes of EUR 115 thousand were formed on the temporary differences from the revaluation. Furthermore, a non-current non-financial asset was identified, which results from an advance payment for future payments and will be amortised over the term of the contract. The revaluation of the equity interest in the Friendly Fire Group accounted for using the equity method was recognised at fair value with an effect of EUR 210 thousand as financial income in the consolidated income statement.

The following table shows the reconciliation of consideration transferred as at the time of initial consolidation:

	[EUR'000]
Consideration transferred	6,204
Total net assets	3,327
Goodwill	2,877

The consideration transferred consists of a purchase price payment of EUR 4,198 thousand and the revaluation of the at equity shares of EUR 2,006 thousand.

The difference between the consideration transferred and the net assets was assigned to the goodwill in the Live Entertainment segment and mainly reflects future synergy and earnings potential. Goodwill is not tax deductible.

Since initial consolidation, the Friendly Fire Group generated revenue of EUR 19,045 thousand and a net result for the period before non-controlling interests of EUR 1,277 thousand.

3. SELECTED NOTES TO THE CONSOLIDATED BALANCE SHEET

Cash and cash equivalents of EUR 866,110 thousand (previous year: EUR 1,074,507 thousand) consist primarily of bank balances and ticket money from presales for events not yet settled (ticket money not yet settled with promoters, particularly in the Ticketing segment), which are reported under other financial liabilities

Marketable securities and other investments in the amount of EUR 150,204 thousand (previous year: EUR 163,621 thousand) mainly relate to the investment of time deposits.

The increase of current **advances paid** (EUR +69,298 thousand) relates to preproduction costs already paid (e.g. artist fees) for future events to be staged in subsequent quarters in the Live Entertainment segment.

The increase in **goodwill** (EUR +4,088 thousand), **other intangible assets** (EUR +30,244 thousand) **and property, plant and equipment** (EUR +50,948 thousand) results primarily from the change in the scope of consolidation in the Live Entertainment segment. Property, plant and equipment also increased due to advances paid for the construction of the MSG Arena in Milan and for exhibition inventory of event formats.

Investments in associates accounted for at equity decreased by EUR 32,678 thousand mainly because of the transition from the at equity method to the full consolidation of HPX LLC, Wilmington, USA. The company produces a major worldwide entertainment exhibition with a current focus on the US and Europe.

The increase in non-current **other financial assets** (EUR +21,117 thousand) is mainly due to higher receivables from international promoters in the Live Entertainment segment.

The current **trade payables** increased by EUR 65,257 thousand due to the growth in business activities mainly in the Live Entertainment segment.

The decrease in current **advance payments received** (EUR -53,187 thousand) is mainly due to the staging of events in the reporting period in the Live Entertainment segment.

Current **other financial liabilities** decreased by EUR 71,093 thousand mainly due to the reduction of ticket money liabilities not yet settled with promoters in the Ticketing segment.

4. SELECTED NOTES TO THE CONSOLIDATED INCOME STATEMENT

REVENUE

The CTS Group generated EUR 1,020,991 thousand in revenue in the period under review, compared to EUR 734,359 thousand in previous year.

	1 Jan 2023 - 30 Jun 2023	1 Jan 2022 - 30 Jun 2022
	[EUR'000]	[EUR'000]
Ticketing		
Ticket fees	230,996	162,634
Commissions	13,011	13,502
Other service charges	7,602	4,455
License fees	5,896	2,705
Other	27,121	18,219
	284,625	201,515
Live Entertainment		
Entertainment services	673,962	501,087
Catering and merchandising	33,478	15,202
Sponsoring	10,378	7,889
Other	33,193	17,274
	751,011	541,452
Intersegment consolidation	-14,645	-8,608
CTS Group	1,020,991	734,359

Of the CTS Group's external revenue, EUR 726,280 thousand (previous year: EUR 479,655 thousand) was recognised over time in accordance with IFRS 15. Thereof EUR 47,550 thousand (previous year: EUR 28,464 thousand) are attributable to the Ticketing segment and EUR 678,730 thousand to the Live Entertainment segment (previous year: EUR 451,191 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 2023 - 30 Jun 2023	1 Jan 2022 - 30 Jun 2022
	[EUR'000]	[EUR'000]
Germany	509,821	358,270
Italy	182,440	144,647
Switzerland	79,613	71,648
Austria	65,741	44,985
USA	51,249	1,412
Spain	28,103	17,859
Netherlands	27,186	5,496
UK	8,205	42,363
Other countries	68,633	47,679
	1,020,991	734,359

The increase in revenue is across all countries primarily due to the implementation of live events, tours and festivals in the Live Entertainment segment. In the Ticketing segment, the increase in tickets sold via the Internet as well as the broad range and the large number of events and tours led to an increase in revenue.

OTHER OPERATING INCOME

Other operating income decreased by EUR 32,361 thousand from EUR 56,584 thousand to EUR 24,223 thousand. The decline is mainly due to lower income for Corona economic aid programmes of EUR 34,017 thousand.

IMPAIRMENT OF FINANCIAL ASSETS

In the first half 2023, impairment losses (including reversals of impairment losses) on financial assets of EUR 2,231 thousand (previous year: EUR 1,692 thousand) were recognised in selling expenses, financial result and other operating income.

FINANCIAL RESULT

Financial result fell by EUR 16,703 thousand from EUR 15,350 thousand to EUR -1,353 thousand. This decline mainly resulted from the reclassification of positive effects from foreign currency translation on loans of EUR 6,603 thousand in the prior-year period, offset by a negative effect of EUR 1,887 thousand in the reporting period. Furthermore, expenses of EUR 6,266 thousand were recognised due to the updated fair value measurement of financial assets and liabilities from put options. While financial income in the prior-year-period was positively impacted by the sale of shares in a subsidiary in the Live Entertainment segment (EUR 9,223 thousand), interest income increased by EUR 9,905 thousand in the reporting period.

TAXES

The current business activities result in tax expenses of EUR 40,903 thousand (previous year: EUR 26,321 thousand). The tax rate amounts to 30.8% (previous year: 24.7%). Losses without the formation of deferred tax assets and non-tax-deductible expenses have a significant impact on the tax rate.

5. 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 2023:

	Carrying value 30 Jun 2023 [EUR'000]	Balance sheet value according to IFRS 9		
		Fair value through profit and loss [EUR'000]	Amortised cost [EUR'000]	Fair value [EUR'000]
ASSETS				
Cash and cash equivalents	866,110		866,110	866,110
Marketable securities and other investments	150,204	675	149,528	150,204
Trade receivables	140,800		140,800	140,793
Receivables from related parties	3,233		3,233	3,233
Other financial assets	165,268	5,035	160,233	164,310
<i>thereof ticket money receivables</i>	<i>75,261</i>		<i>75,261</i>	<i>75,261</i>
Investments	2,048	2,048		2,048
Total	1,327,662	7,758	1,319,904	1,326,698
LIABILITIES				
Financial liabilities	19,620		19,620	18,771
Trade payables	297,879		297,879	297,879
Liabilities to related parties	9,374		9,374	9,374
Other financial liabilities	494,491		494,491	494,387
<i>thereof ticket money liabilities not yet settled with promoters</i>	<i>415,394</i>		<i>415,394</i>	<i>415,333</i>
Lease liabilities	120,714			120,714
Total	942,079		821,365	941,125

The following table shows the carrying amounts, valuations, and fair values of current and non-current financial instruments as at 31 December 2022:

	Balance sheet value according to IFRS 9			
	Carrying value	Fair value through profit and loss	Amortised cost	Fair value
	31 Dec 2022			
	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]
ASSETS				
Cash and cash equivalents	1,074,507		1,074,507	1,074,507
Marketable securities and other investments	163,621	678	162,943	163,621
Trade receivables	113,544		113,544	113,540
Receivables from related parties	3,807		3,807	3,807
Other financial assets	172,866	897	171,969	172,742
<i>thereof ticket money receivables</i>	107,430		107,430	107,430
Investments	1,556	1,556		1,556
Total	1,529,900	3,131	1,526,769	1,529,773
LIABILITIES				
Financial liabilities	16,991		16,991	16,703
Trade payables	233,925		233,925	233,901
Liabilities to related parties	8,154		8,154	8,154
Other financial liabilities	567,204		567,204	567,147
<i>thereof ticket money liabilities not yet settled with promoters</i>	507,697		507,697	507,575
Lease liabilities	120,938			120,938
Total	947,213		826,274	946,843

FAIR VALUE DISCLOSURES

The principles and methods used to determine fair values have not been changed compared to 31 December 2022.

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 2023.

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 2023:

	30 Jun 2023			
	Level 1	Level 2	Level 3	Total
	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]
ASSETS				
Marketable securities and other investments	675	0	0	675
Trade receivables ²	0	93	0	93
Other financial assets ²	0	27,975	5,035	33,010
Investments	284	0	1,764 ¹	2,048
	960	28,069	6,798	35,827
LIABILITIES				
Financial liabilities	0	18,771	0	18,771
Other financial liabilities ²	0	7,493	0	7,493
<i>thereof ticket money liabilities not yet settled with promoters²</i>	<i>0</i>	<i>6,695</i>	<i>0</i>	<i>6,695</i>
	0	26,264	0	26,264

¹ Investments contain a large number of individual contracts, the additional disclosures on level 3 instruments are not provided for reasons of materiality.

² 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 2022:

	31 Dec 2022			
	Level 1	Level 2	Level 3	Total
	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]
ASSETS				
Marketable securities and other investments	678	0	0	678
Trade receivables ²	0	147	0	147
Other financial assets ²	0	7,705	897	8,602
Investments	283	0	1,273 ¹	1,556
	960	7,852	2,171	10,983
LIABILITIES				
Financial liabilities	0	16,703	0	16,703
Trade payables ²	0	1,279	0	1,279
Other financial liabilities ²	0	9,160	0	9,160
<i>thereof ticket money liabilities not yet settled with promoters²</i>	<i>0</i>	<i>7,260</i>	<i>0</i>	<i>7,260</i>
	0	27,142	0	27,142

¹ Investments contain a large number of individual contracts, the additional disclosures on level 3 instruments are not provided for reasons of materiality.

² 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.

6. SEGMENT REPORTING

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

	Ticketing		Live Entertainment		Total for segment	
	1 Jan 2023 - 30 Jun 2023	1 Jan 2022 - 30 Jun 2022	1 Jan 2023 - 30 Jun 2023	1 Jan 2022 - 30 Jun 2022	1 Jan 2023 - 30 Jun 2023	1 Jan 2022 - 30 Jun 2022
	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]
External revenue	275,942	197,976	745,049	536,383	1,020,991	734,359
Internal revenue	8,683	3,539	5,962	5,069	14,645	8,608
Revenue after consolidation within the segment	284,625	201,515	751,011	541,452	1,035,636	742,967

Reconciliation of earnings before interest and taxes (EBIT) of the segments to the net result:

	Ticketing		Live Entertainment		Intersegment consolidation		Group	
	1 Jan 2023 - 30 Jun 2023	1 Jan 2022 - 30 Jun 2022 ¹	1 Jan 2023 - 30 Jun 2023	1 Jan 2022 - 30 Jun 2022 ¹	1 Jan 2023 - 30 Jun 2023	1 Jan 2022 - 30 Jun 2022	1 Jan 2023 - 30 Jun 2023	1 Jan 2022 - 30 Jun 2022 ¹
	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]	[EUR'000]
Revenue	284,625	201,515	751,011	541,452	-14,645	-8,608	1,020,991	734,359
EBITDA	121,890	82,756	46,012	38,058	0	0	167,902	120,813
Depreciation, amortisation and impairment	-16,578	-16,349	-17,272	-13,317	0	0	-33,850	-29,666
EBIT	105,311	66,407	28,740	24,740	0	0	134,052	91,147
Financial result							-1,353	15,350
Earnings before taxes (EBT)							132,698	106,497
Taxes							-40,903	-26,321
Net result before non-controlling interests							91,795	80,176
Thereof attributable to non-controlling interests							-6,488	-13,988
Thereof attributable to shareholders of CTS KGaA							85,307	66,188
Average number of employees	1,832	1,733	1,658	1,243			3,490	2,976
Normalised EBITDA	122,327	82,824	48,475	40,030	0	0	170,803	122,853
Normalised EBIT before amortisation and impairment from purchase price allocation	106,758	68,916	35,777	31,736	0	0	142,534	100,651

¹ Regarding the change in the disclosure of foreign currency effects and impairment of loans see point 1.2 in the notes

7. OTHER DISCLOSURES

APPROPRIATION OF EARNINGS

The Shareholders' Meeting on 16 May 2023 adopted a resolution to distribute EUR 101,751 thousand (EUR 1.06 per eligible share) of the balance sheet profit of CTS KGaA amounting to EUR 464,604 thousand as at 31 December 2022 to shareholders. This distribution was carried out after Shareholders' meeting in May 2023, and the remaining balance sheet profit of EUR 362,853 thousand was carried forward to the new account.

FINANCIAL OBLIGATIONS

No major changes have occurred with regard to other contingent liabilities since 31 December 2022.

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, Klaus-Peter Schulenberg transferred his shares of CTS KGaA as well as his shares of EVENTIM Management AG to KPS Stiftung seated in Hamburg. Klaus-Peter Schulenberg's holdings in CTS KGaA and EVENTIM Management AG are only being converted from a direct into an indirect holding. He is also the controlling shareholder of other companies associated with the KPS Group.

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 2023 reporting period:

	1 Jan 2023 - 30 Jun 2023	1 Jan 2022 - 30 Jun 2022
	[EUR'000]	[EUR'000]
Goods and services supplied by the Group		
Companies not included in consolidation due to insignificance	681	498
Associates accounted for at equity	3,072	2,675
Joint ventures	34	102
Other related parties	1,732	335
	5,520	3,610

	1 Jan 2023 - 30 Jun 2023	1 Jan 2022 - 30 Jun 2022
	[EUR'000]	[EUR'000]
Goods and services received by the Group		
Companies not included in consolidation due to insignificance	17	35
Associates accounted for at equity	597	31
Other related parties	14,315	10,647
	14,929	10,713

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

EVENTS AFTER THE BALANCE SHEET DATE

CTS KGaA holds 50% of the shares in autoTicket GmbH, Berlin (hereinafter: autoTicket) which is accounted for at equity. At the end of December 2018, the operating company was contracted by the German Federal Motor Transport Authority (Krafftahrt-Bundesamt) to construct an infrastructure survey system and to collect an infrastructure charge for a minimum duration of 12 years. In June 2019, the Federal Ministry for Transport and Digital Infrastructure (Bundesministerium für Digitales und Verkehr) terminated the agreement, effective 30 September 2019, between the Federal Motor Transport Authority and the operating company on the collection of the German infrastructure charge. Following the termination of the operating agreement, the shareholders made a resolution in December 2019 to assert the contractually agreed financial claims against the federal government. In March 2022, the independent arbitral tribunal responsible for the operator agreement confirmed in an interim arbitration ruling that the claims asserted by autoTicket in the arbitration proceedings for compensation for the gross enterprise value and for reimbursement of the costs incurred through the processing of the operator agreement exist in principle. In July 2023 the arbitration tribunal has proposed to autoTicket and its shareholders and to the Federal Republic of Germany that they bring an end to the arbitration proceedings concerning their car toll dispute by agreeing on payment of compensation for damages totalling EUR 243 million including interest. AutoTicket and its shareholders as well as the Federal Republic of Germany agreed to the arbitration tribunal's proposed settlement.

On 2 August 2023, CTS KGaA declared the exercise of the call option for a further 17% of the shares in France Billet SAS, Ivry-sur-Seine, France, to Fnac Darty SA, Ivry-sur-Seine, France. After completion of the transaction, which is still subject to the approval of the competition authorities, the stake will increase from the current 48% to 65%.

No further 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 2023

CTS Eventim AG & Co. KGaA

Represented by:

EVENTIM Management AG, general partner

Klaus-Peter Schulenberg

Holger Hohrein

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.

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