

Group Quarterly Statement
as at 30 September 2021

eventim 

CONTENTS

BUSINESS PERFORMANCE	1
OVERVIEW OF KEY GROUP FIGURES	3
EARNINGS PERFORMANCE	5
FINANCIAL POSITION	8
CASH FLOW	10
SIGNIFICANT EVENTS IN THE REPORTING PERIOD	11
EVENTS AFTER THE BALANCE SHEET DATE	11
RISK AND OPPORTUNITIES REPORT	12
REPORT ON EXPECTED FUTURE DEVELOPMENT	13
Consolidated balance sheet	14
Consolidated income statement	16
Consolidated statement of comprehensive income	17
Consolidated income statement (1 July – 30 September 2021)	18
Consolidated statement of comprehensive income (1 July – 30 September 2021)	19
Consolidated statement of changes in equity	20
Condensed consolidated cash flow statement	21
Forward-looking statements, contact, publisher	22

CTS EVENTIM'S REVENUE CONTINUES TO INCREASE IN THE THIRD QUARTER OF 2021

- + Sharp rise in revenue in third quarter compared with prior-year period
- + Further strengthening of position in international markets and with digital products
- + Strong presales for concerts featuring major international artists

The CTS Group, one of the leading international providers of ticketing services and live entertainment, continued along the road to recovery in the third quarter of 2021. Having plummeted as a result of the coronavirus crisis, ticket sales bounced back in the early part of 2021 and picked up again markedly at the start of the second half of the year. This was helped by the good level of presales for concerts featuring major international artists, such as Ed Sheeran. At the same time, the Company further strengthened its position in international markets and with digital products.

In the third quarter of 2021, the revenue of the **CTS Group** jumped by 279.2% to EUR 114.7 million (previous year: EUR 30.2 million). Normalised EBITDA came to EUR 26.0 million in the same period (previous year: EUR -15.0 million). In the first nine months of 2021, revenue fell by 21.3% year on year, from EUR 228.7 million to EUR 180.0 million, because the first quarter of 2020 had barely been affected by the pandemic. However, normalised EBITDA stood at EUR 105.4 million (previous year: EUR -17.7 million) thanks to cost savings, an improved operating business and the government aid programmes introduced in Germany and other countries. The biggest component of this aid comprised coronavirus support of around EUR 100 million granted by the German government.

In the period July to September 2021, revenue in the **Ticketing segment** surged by 225.5% to EUR 61.0 million, compared with EUR 18.7 million in the prior-year period. Normalised EBITDA came to EUR 27.1 million (previous year: EUR -11.3 million). In the period January to September 2021, revenue went up slightly to EUR 110.6 million, a year-on-year rise of 3.2% (previous year: EUR 107.2 million). Normalised EBITDA advanced to EUR 91.3 million, compared with EUR -12.7 million in the prior-year period.

The **Live Entertainment segment** also saw a substantial year-on-year improvement in revenue, which rose by 351.2% to EUR 55.7 million in the third quarter of this year (previous year: EUR 12.4 million). However, the coronavirus crisis meant that the number of events was still down sharply compared with pre-pandemic levels. Normalised EBITDA came to EUR -1.1 million (previous year: EUR -3.7million). In the first three quarters of 2021, revenue fell by 41.8% to EUR 74.1 million (previous year: EUR 127.3 million). Normalised EBITDA stood at EUR 14.1 million (previous year: EUR -5.1 million).

Klaus-Peter Schulenberg, CEO of CTS EVENTIM, commented: “We recorded an encouraging increase in revenue in the third quarter. In recent months, we have also forged ahead with our international expansion plans and ensured that CTS EVENTIM is even better prepared for the future by launching new digital products.”

Presales of tickets for Ed Sheeran’s European tour in 2022 began at the end of September. More than one million tickets were sold in next to no time, with around 400,000 having been sold so far for the concerts in Germany alone. Other recent top-selling events include the concerts of iconic UK bands Genesis and Coldplay as well as German rock star Udo Lindenberg.

CTS EVENTIM entered the highly attractive North American ticketing market at the end of September when it launched its eventim.com platform. The goal is to establish an alternative to the dominant providers in the US and Canada. CTS EVENTIM and US promoter Michael Cohl had already founded the joint venture EMC Presents last year, with the aim of jointly signing up leading artists for international tours.

For the first time, CTS EVENTIM opted to use only its proprietary digital ticket, EVENTIM.Pass, for the sale of tickets for Ed Sheeran’s European tour in order to strengthen measures to prevent the unauthorised resale of tickets. Tickets can only be downloaded to the purchaser’s smartphone using the EVENTIM.App. The app stores the tickets securely and displays a QR code for admission to the concert shortly before it is due to start. EVENTIM.Pass tickets can only be resold via EVENTIM’s official resale platform fanSALE, which means they are fully traceable.

In October 2021, CTS EVENTIM acquired a majority stake in software and hardware developer simply-X. The Company has thus strengthened its position in the market for innovative access control solutions and enhanced its offering with integrated, high-performance digital systems. Drawing on over 20 years of experience, simply-X is one of the leading providers of event management products in Germany. Its portfolio encompasses control, payment, ordering and customer loyalty solutions, together with the accompanying hardware such as scanning pedestals and turnstiles.

OVERVIEW OF KEY GROUP FIGURES

CTS GROUP	1 Jan 2021	1 Jan 2020	Change	
	- 30 Sep 2021	- 30 Sep 2020 ¹	[EUR'000]	[%]
	[EUR'000]	[EUR'000]	[EUR'000]	[%]
Revenue	179,995	228,715	-48,720	-21.3
EBITDA	101,812	-18,748	120,560	643.1
<i>EBITDA margin</i>	56.6%	-8.2%		64.8 pp
Normalised EBITDA	105,393	-17,721	123,114	694.7
<i>Normalised EBITDA margin</i>	58.6%	-7.7%		66.3 pp
Depreciation and amortisation	-39,413	-42,598	3,186	7.5
EBIT	62,400	-61,346	123,746	201.7
<i>EBIT margin</i>	34.7%	-26.8%		61.5 pp
Normalised EBIT before amortisation and impairment from purchase price allocation	73,848	-50,270	124,118	246.9
<i>Normalised EBIT margin</i>	41.0%	-22.0%		63.0 pp
Net financial income and expenses	-8,303	-27,314	19,011	69.6
Earnings before tax (EBT)	54,097	-88,660	142,757	161.0
Profit or loss for the period attributable to shareholders	31,493	-62,075	93,568	150.7
	[EUR]	[EUR]	[EUR]	
Earnings per share ² , basic (= diluted)	0.33	-0.65	0.97	150.7
	[Qty]	[Qty]	[Qty]	
Number of tickets sold online (millions)	17.2	14.9	2.3	16.0
Employees ³	2,451	2,612	-161	-6.2

¹ Adjusted prior-year figures owing to the finalised purchase price allocation for the Gadget Group.

² Number of shares: 96 million.

³ Number of employees at end of period (active workforce).

TICKETING	1 Jan 2021 - 30 Sep 2021	1 Jan 2020 - 30 Sep 2020	Change	
	[EUR'000]	[EUR'000]	[EUR'000]	[%]
Revenue	110,594	107,163	3,431	3.2
EBITDA	91,077	-13,093	104,170	795.6
<i>EBITDA margin</i>	<i>82.4%</i>	<i>-12.2%</i>		<i>94.6 pp</i>
Normalised EBITDA	91,309	-12,650	103,960	821.8
<i>Normalised EBITDA margin</i>	<i>82.6%</i>	<i>-11.8%</i>		<i>94.4 pp</i>
EBIT	68,090	-38,894	106,984	275.1
<i>EBIT margin</i>	<i>61.6%</i>	<i>-36.3%</i>		<i>97.9 pp</i>
Normalised EBIT before amortisation and impairment from purchase price allocation	71,668	-33,105	104,773	316.5
<i>Normalised EBIT margin</i>	<i>64.8%</i>	<i>-30.9%</i>		<i>95.7 pp</i>

LIVE ENTERTAINMENT	1 Jan 2021 - 30 Sep 2021	1 Jan 2020 - 30 Sep 2020 ¹	Change	
	[EUR'000]	[EUR'000]	[EUR'000]	[%]
Revenue	74,092	127,276	-53,184	-41.8
EBITDA	10,735	-5,655	16,390	289.8
<i>EBITDA margin</i>	<i>14.5%</i>	<i>-4.4%</i>		<i>18.9 pp</i>
Normalised EBITDA	14,084	-5,071	19,155	377.7
<i>Normalised EBITDA margin</i>	<i>19.0%</i>	<i>-4.0%</i>		<i>23.0 pp</i>
EBIT	-5,690	-22,453	16,762	74.7
<i>EBIT margin</i>	<i>-7.7%</i>	<i>-17.6%</i>		<i>10.0 pp</i>
Normalised EBIT before amortisation and impairment from purchase price allocation	2,181	-17,165	19,345	112.7
<i>Normalised EBIT margin</i>	<i>2.9%</i>	<i>-13.5%</i>		<i>16.4 pp</i>

¹ Adjusted prior-year figures owing to the finalised purchase price allocation for the Gadget Group.

EARNINGS PERFORMANCE

REVENUE

Revenue in the **Ticketing segment** increased by 3.2%, from EUR 107.163 million to EUR 110.594 million. However, business performance continued to be influenced by the COVID-19 pandemic. It should be noted that most of the first quarter of 2020 had not yet been affected by the pandemic and the related restrictions on business operations. Nevertheless, the number of tickets sold online went up by around 16%, from 14.9 million to 17.2 million.

Revenue in the **Live Entertainment segment** fell by 41.8%, from EUR 127.276 million to EUR 74.092 million. The decline in revenue was due to the COVID-19 pandemic and the associated official bans and restrictions on the staging of events. In the first quarter of 2020, major events had continued to be held until mid-March, whereas they were still only very slowly getting going again in the third quarter of 2021.

In the **CTS Group**, revenue therefore decreased across the two segments by EUR 48.720 million (-21.3%) to EUR 179.995 million.

NON-RECURRING ITEMS

In the period under review, the CTS Group's earnings were negatively impacted by non-recurring items of EUR 232 thousand (previous year: EUR 443 thousand) in the Ticketing segment, primarily in connection with legal and consulting fees (including for due diligence), and by non-recurring items of EUR 3.348 million (previous year: EUR 584 thousand) in the Live Entertainment segment, mainly in connection with expenses from purchase price allocations for acquisitions not classified as a business combination under IFRS 3 and expenses for completed and for planned acquisitions (mainly legal and consulting fees, including for due diligence).

NORMALISED EBITDA / EBITDA

CTS GROUP	1 Jan 2021 - 30 Sep 2021	1 Jan 2020 - 30 Sep 2020 ¹	Change	
	[EUR'000]	[EUR'000]	[EUR'000]	[%]
EBITDA	101,812	-18,748	120,560	643.1
Non-recurring items	3,581	1,027	2,554	248.8
Normalised EBITDA	105,393	-17,721	123,114	694.7
Depreciation and amortisation	-39,413	-42,598	3,186	7.5
<i>thereof amortisation and impairment from purchase price allocation</i>	<i>7,868</i>	<i>10,050</i>	<i>-2,182</i>	<i>-21.7</i>
Normalised EBIT before amortisation and impairment from purchase price allocation	73,848	-50,270	124,118	246.9

¹ Adjusted prior-year figures owing to the finalised purchase price allocation for the Gadget Group.

The **CTS Group's** normalised EBITDA increased by EUR 123.114 million to EUR 105.393 million. The rise was largely attributable to income of EUR 128.540 million as part of the economic aid programmes introduced in Germany and other countries in connection with coronavirus. Unlike in the prior-year period, however, the COVID-19 pandemic meant that there were again significantly less earnings contributions from event presales or from the staging of events. The normalised EBITDA margin increased to 58.6% (previous year: -7.7%). EBITDA rose by EUR 120.560 million to EUR 101.812 million (previous year: EUR -18.748 million) and the EBITDA margin improved to 56.6% (previous year: -8.2%).

The **Ticketing segment's** normalised EBITDA climbed by EUR 103.960 million to EUR 91.309 million. The rise was largely attributable to income of EUR 83.827 million as part of the under economic aid programmes introduced in Germany and other countries in connection with coronavirus. The normalised EBITDA margin increased to 82.6% (previous year: -11.8%). EBITDA rose by EUR 104.170 million to EUR 91.077 million, compared with EUR -13.093 million in the prior-year period. The EBITDA margin was 82.4% (previous year: -12.2%).

In the **Live Entertainment segment**, normalised EBITDA advanced by EUR 19.155 million to EUR 14.084 million. The rise was largely attributable to income of EUR 44.713 million as part of the economic aid programmes introduced in Germany and other countries in connection with coronavirus. However, there were no earnings contributions from major events – whereas it had still been possible to stage such events in the first quarter of 2020 – or from events that had to be cancelled or postponed in the period under review due to the COVID-19 pandemic. The normalised EBITDA margin increased to 19.0% (previous year: -4.0%). EBITDA rose by EUR 16.390 million to EUR 10.735 million (previous year: EUR -5.655 million) and the EBITDA margin improved to 14.5% (previous year: -4.4%).

NET FINANCIAL INCOME AND EXPENSES

Net financial income and expenses contracted by EUR 19.011 million, from EUR -27.314 million to EUR -8.303 million. The prior-year figure had been negatively affected by the impairment loss of EUR 21.212 million on the Barracuda Group's deposits at Commerzialbank Mattersburg im Burgenland AG.

EARNINGS BEFORE TAX (EBT) / PROFIT OR LOSS FOR THE PERIOD ATTRIBUTABLE TO SHAREHOLDERS OF CTS KGaA / EARNINGS PER SHARE (EPS)

In the reporting period, EBT increased by EUR 142.757 million to EUR 54.097 million (previous year: EUR -88.660 million).

After income tax and non-controlling interests, the profit for the period attributable to the shareholders of CTS KGaA amounted to EUR 31.493 million (previous year: EUR -62.075 million). At EUR 0.33, EPS was above the previous year's level of EUR -0.65.

PERSONNEL

Personnel expenses in the CTS Group decreased by EUR 8.020 million year on year, from EUR 101.945 million to EUR 93.925 million. The decrease in personnel expenses mainly affected the Live Entertainment segment, which saw a reduction of EUR 8.111 million, and was due to savings on personnel expenses, short-time working and government grants in connection with the COVID-19 pandemic.

On average, the companies in the CTS Group had a total of 2,357 employees including temporary staff (previous year: 2,878). Of that total, 1,456 employees were employed in the Ticketing segment (previous year: 1,605) and 901 in the Live Entertainment segment (previous year: 1,273).

FINANCIAL POSITION

PRELIMINARY REMARKS

Receivables from and liabilities to related parties have been presented in a separate line item on the balance sheet since 1 January 2021. These comprise the receivables from and liabilities to affiliated companies and equity-accounted associated companies, which were previously shown as a separate line item until 31 December 2020, and receivables from and liabilities to other related parties, which were previously included in trade receivables and trade payables and had amounted to EUR 93 thousand and EUR 775 thousand respectively as at 31 December 2020. The prior-year figures have been adjusted accordingly.

As part of the finalisation of the purchase price allocation for the purchase of the ticketing business of Zappa Ltd., Herzliya, Israel, in December 2020, the valuation of the consideration in the form of the transferred shares in CTS Eventim New Co Ltd., Tel Aviv, Israel, was adjusted, reducing the consideration by EUR 9.181 million and increasing the fair value of the recognised exclusivity rights by EUR 1.728 million and thus increasing the value of the shares of the outside shareholders by EUR 847 thousand. Consequently, the goodwill arising from the acquisition, which was assigned to the Ticketing segment, decreased by EUR 10.062 million. The prior-year figures have been adjusted in accordance with IFRS 3.

CHANGES IN ASSETS

Cash and cash equivalents grew by EUR 67.156 million compared with 31 December 2020. The rise in cash and cash equivalents was largely attributable to cash payments of around EUR 100.000 million received as part of the November/December Assistance under economic aid programmes introduced in Germany in connection with coronavirus. There was also a cash outflow as a result of the partial repayment of the syndicated credit line in an amount of EUR 150.000 million in the first nine months of 2021. In April 2020, the existing syndicated credit line had been drawn down in an amount of EUR 200.000 million in order to increase the CTS Group's financial flexibility during the COVID-19 pandemic. The syndicated credit line therefore stood at EUR 50.000 million as at 30 September 2021. Cash and cash equivalents also increased due to advance payments received in the Live Entertainment segment and due to ticket monies from presales for events in subsequent quarters in the Ticketing segment.

Cash and cash equivalents included ticket monies from presales for events in subsequent quarters (ticket monies not yet settled, primarily in the Ticketing segment), which are reported under other financial liabilities (EUR 407.880 million; 31 December 2020: EUR 256.865 million). Furthermore, other financial assets included receivables relating to ticket monies from presales, mainly in the Ticketing segment, (EUR 51.058 million; 31 December 2020: EUR 17.215 million) and factoring receivables from ticket monies (EUR 10.504 million; 31 December 2020: EUR 2.263 million).

The increase in current **trade receivables** (EUR +14.576 million) was mainly attributable to operating activities.

Current **advances paid**, which rose by EUR 32.029 million, consist of production costs already paid (e.g. artists' fees) for future events in the Live Entertainment segment.

The increase in current **other financial assets** of EUR 39.311 million was mainly due to higher receivables from ticket monies from presales (EUR +33.843 million) and higher factoring receivables (EUR +8.241 million), primarily in the Ticketing segment.

The rise in current **other non-financial assets** of EUR 2.325 million was largely attributable to receivables under economic aid programmes introduced in connection with coronavirus. This rise was partly offset by a decrease in VAT receivables.

The growth of **investments in equity-accounted associated companies** of EUR 6.142 million was primarily due to the investments of EMC Presents, LLC (formerly: Alternate Nation Entertainment Group, LLC) in its equity-accounted associated company HPX, LLC, Delaware, USA. The purpose of this company is to develop and produce a major entertainment exhibition and to operate it internationally.

Non-current **advances paid**, which rose by EUR 20.802 million, consist of production costs already paid (e.g. artists' fees) for future events in the Live Entertainment segment.

CHANGES IN EQUITY AND LIABILITIES

The decline in current **financial liabilities** (EUR -163.928 million) was primarily due to the repayment of the syndicated credit line (revolving credit facility) in an amount of EUR 150.000 million and the repayment of purchase price liabilities.

Current **trade payables** swelled by EUR 30.687 million, largely as a result of the CTS Group's operating activities.

The growth of current **advance payments received** (EUR +105.978 million) was mainly attributable to ticket monies from presales for future events in the Live Entertainment segment.

The EUR 152.170 million rise in current **other financial liabilities** was predominantly attributable to liabilities from ticket monies received in the Ticketing segment that have not yet been settled.

The increase in non-current **advance payments received** (EUR +7.255 million) in the Live Entertainment segment was attributable to ticket monies from presales for future events that were postponed – mainly to the fourth quarter of 2022 – due to the COVID-19 pandemic.

Non-current **other financial liabilities** increased by EUR 10.345 million, in particular because of the reclassification of current liabilities from ticket monies that have not yet been settled in the Ticketing segment to non-current other financial liabilities for the performance of events that were postponed – mainly to the fourth quarter of 2022 – due to the COVID-19 pandemic.

The EUR 34.563 million increase in **equity** to EUR 520.546 million is due to the profit for the period and the rise in non-controlling interests. The equity ratio (equity divided by total assets) fell to 25.9% (31 December 2020: 26.7%).

CASH FLOW

The amount of cash and cash equivalents shown in the cash flow statement corresponds to the cash and cash equivalents stated on the balance sheet. Cash and cash equivalents amounted to EUR 808.338 million as at the reporting date, a rise of EUR 67.156 million compared with 31 December 2020.

In comparison to the closing date as at 30 September 2020 cash and cash equivalents increased by EUR 9.656 million from EUR 798.681 million to EUR 808.338 million.

Cash flow from operating activities amounted to a net cash inflow of EUR 272.406 million, an improvement of EUR 397.002 million compared with the net cash outflow of EUR 124.597 million in the prior-year period (1 January 2020 to 30 September 2020). This was attributable to changes in receivables and other assets and to changes in liabilities. The increase in liabilities from ticket monies that have not yet been settled in the Ticketing segment, the increase in advance payments received in the Live Entertainment segment, and the profit for the period had a positive effect on cash flow, whereas the growth of receivables from ticket monies in the Ticketing segment and the growth of trade receivables had a negative impact on cash flow.

Cash flow from investing activities amounted to a net cash outflow of EUR 37.446 million, which was EUR 21.259 million higher than the net cash outflow of EUR 16.187 million in the prior-year period. This change was largely due to payments from EMC Presents, LLC's investments for its equity-accounted associated company HPX, LLC, Delaware, USA. There was also a rise in investments in intangible assets and property, plant and equipment.

Cash flow from financing activities amounted to a net cash outflow of EUR 168.092 million, a decline of EUR 319.183 million compared with the net cash inflow of EUR 151.091 million in the first nine months of 2020. The drawdown of the existing syndicated credit line (revolving credit facility) in an amount of EUR 200.000 million in the first three quarters of 2020 and the repayment of the syndicated credit line in an amount of EUR 150.000 million in the first three quarters of 2021 produced a significant deterioration in cash flow when comparing the two periods. By contrast, higher cash payments in the prior-year period for purchase price liabilities for the acquisition of shares in consolidated subsidiaries from granted put options resulted in a positive cash flow effect in the reporting period relative to the prior-year period.

The CTS Group's current financial resources enable it to meet its financial commitments and to finance its planned investments and ongoing operations.

SIGNIFICANT EVENTS IN THE REPORTING PERIOD

On 3 August 2021, CTS KGaA signed an agreement to build and operate Italy's largest state-of-the-art multipurpose arena, the MSG Arena in Milan. The total investment amounts to around EUR 180 million over the course of the project. A project company based in Milan that is part of the Eventim Group will acquire a 50,000m² plot of land in the south-east of Italy's northern powerhouse from Milano Santa Giulia S.p.A., where it will plan, build, and operate the new arena, including the outdoor facilities and two neighbouring multi-storey car parks. The arena will have a maximum capacity of up to 16,000 seats and boast an outdoor area of more than 10,000m², which will be suitable for open-air events. Construction will begin in autumn 2022, with completion set for autumn 2025. This project expands CTS KGaA's portfolio of internationally renowned event venues, which includes the LANXESS Arena in Cologne, the EVENTIM Apollo in London and the K.B. Hallen in Copenhagen.

EVENTS AFTER THE BALANCE SHEET DATE

In April 2020, the existing syndicated credit line had been drawn down in an amount of EUR 200.000 million in order to increase the CTS Group's financial flexibility during the COVID-19 pandemic. Following repayments, the amount outstanding as at the end of September 2021 was EUR 50.000 million. This sum was repaid in full in October 2021.

Beyond that, no further reportable events occurred after the balance sheet date.

RISK AND OPPORTUNITIES REPORT

In the first nine months of 2021, the COVID-19 pandemic again led to significant restrictions on the staging of concerts and relatively low ticket sales. The CTS Group therefore continued to forge ahead with the action plan initiated in the previous year in order to reduce costs and protect liquidity. However, the easing of restrictions in the summer months meant that concerts were staged again, provided that local hygiene and protective measures were implemented in order to contain the COVID-19 pandemic. At the same time, activities relating to the planning of future events and the marketing of the ticketing platform to promoters were stepped up again.

There was an initial shortage of vaccines during the first few months of the vaccination campaign. Since the summer, however, the countries in which the CTS Group operates have had sufficient quantities of vaccines for most groups of the population and have had the necessary infrastructure in place to be able to administer them. However, vaccination rates are currently slowing in many countries. The renewed sharp rise in infection rates is unsettling the general public.

Consequently, it is still impossible to pinpoint exactly when life will return to normal and all restrictions on events will be lifted. In the 2020 annual report, the Company stated in section 8.2.6 social/political/legal risks that the impact of the COVID-19 pandemic was classified as a high risk. This assessment continues to apply.

In addition to the government grants already received in connection with the pandemic, the CTS Group anticipates further support from the Bridging Assistance III (an application was submitted by the deadline) and Bridging Assistance III Plus programmes. This opportunity is classified as high.

At the time of preparation of the Group quarterly statement, 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 the COVID-19 pandemic or other factors that are currently unknown or not yet classified as significant could influence the continued existence of the CTS Group as a going concern in the future.

Beyond that, the statements made in the risk and opportunities report of the Annual Report 2020 remain valid.

REPORT ON EXPECTED FUTURE DEVELOPMENT

At the start of the second half of 2021, the situation for cultural events in Germany and the rest of Europe continued to be subject to significant uncertainties and restrictions. Some concerts and events – mainly smaller-scale ones – are taking place, applying the 2G rules (vaccinated or recovered) or 3G rules (vaccinated, recovered or negative test result). At the same time, presales for events in 2022 featuring major international stars are going very well.

The CTS Group's ability to organise events internationally is dependent on the legal requirements in each individual country. Firstly, case numbers are rising rapidly again, infection rates are therefore climbing, vaccination rates are too low in some places, and the protection offered by the vaccines diminishes over time. As a result of these factors, uncertainty about the further course of the COVID-19 pandemic is increasing again. Secondly, lawmakers in the relevant countries and regions continue to react very differently and change the various rules and restrictions in response to the latest developments. All of this means that it is still very difficult for events companies to draw up any reliable plans.

As described in the outlook in the 2020 Annual Report, the business performance of the Ticketing and Live Entertainment segments in 2021 will be subject to varying impacts depending on when major events restart.

It is still impossible to reliably predict what will happen next in the COVID-19 pandemic – and how this will impact on the course of business – because infection rates are rising sharply again at present and this is creating uncertainty about restrictions on entry to events. Consequently, the statements in the 2020 outlook regarding the ranges for revenue in scenarios 2 and 3 remain valid. The Company believes that it is still within the ranges in both scenarios. Taking account of the economic aid programmes introduced in various countries in connection with coronavirus (particularly the programmes in Germany, such as the November and December Assistance of around EUR 100.000 million), earnings for 2021 are expected to be significantly higher than in 2020. If the economic aid programmes introduced in connection with coronavirus are not taken into account, the statements in the 2020 outlook regarding earnings in scenarios 2 and 3 remain valid. The Company believes that it is still within the ranges in both scenarios.

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

CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2021

ASSETS	30 Sep 2021	31 Dec 2020 ²
	[EUR'000]	[EUR'000]
Current assets		
Cash and cash equivalents	808,338	741,182
Marketable securities and other investments	13,268	600
Trade receivables ¹	39,810	25,235
Receivables from related parties ¹	2,105	756
Inventories	5,464	4,710
Advances paid	133,881	101,852
Receivables from income tax	5,937	5,764
Other financial assets	91,862	52,551
Other non-financial assets	50,939	48,614
Total current assets	1,151,603	981,263
Non-current assets		
Goodwill	351,817	349,881
Other intangible assets	146,374	150,252
Property, plant and equipment	40,500	36,373
Right-of-use assets from leases	127,362	135,668
Investments	2,790	2,902
Investments in equity-accounted associated companies	107,076	100,934
Trade receivables	29	116
Advances paid	20,802	0
Other financial assets	18,893	14,664
Other non-financial assets	11,049	13,121
Deferred tax assets	32,426	32,977
Total non-current assets	859,118	836,887
Total assets	2,010,720	1,818,151

¹ With regard to the presentation change, please see the financial position section of the quarterly statement.

² Adjusted prior-year figures owing to the finalised purchase price allocation for the acquisition of Zappa's ticketing business.

EQUITY AND LIABILITIES	30 Sep 2021	31 Dec 2020 ²
	[EUR'000]	[EUR'000]
Current liabilities		
Financial liabilities	64,519	228,447
Trade payables ¹	99,823	69,136
Liabilities to related parties ¹	5,103	1,510
Advance payments received	506,914	400,936
Other provisions	53,742	42,349
Tax liabilities	28,820	36,026
Other financial liabilities	410,796	258,626
Lease liabilities	17,100	17,383
Other non-financial liabilities	75,715	60,012
Total current liabilities	1,262,531	1,114,424
Non-current liabilities		
Financial liabilities	21,952	19,144
Advance payments received	28,834	21,579
Other provisions	4,557	4,557
Other financial liabilities	27,337	16,992
Lease liabilities	113,148	120,377
Pension provisions	14,151	16,039
Deferred tax liabilities	17,664	19,056
Total non-current liabilities	227,643	217,744
Equity		
Share capital	96,000	96,000
Capital reserve	1,890	1,890
Statutory reserve	7,200	7,200
Retained earnings	367,601	336,558
Other reserves	-1,119	-2,752
Treasury shares	-52	-52
Total equity attributable to shareholders of CTS KGaA	471,520	438,844
Non-controlling interests	49,026	47,139
Total equity	520,546	485,982
Total equity and liabilities	2,010,720	1,818,151

¹ With regard to the presentation change, please see the financial position section of the quarterly statement.

² Adjusted prior-year figures owing to the finalised purchase price allocation for the acquisition of Zappa's ticketing business.

**CONSOLIDATED INCOME STATEMENT FOR THE PERIOD
FROM 1 JANUARY TO 30 SEPTEMBER 2021**

	1 Jan 2021 - 30 Sep 2021	1 Jan 2020 - 30 Sep 2020 ¹
	[EUR'000]	[EUR'000]
Revenue	179,995	228,715
Cost of sales	-157,599	-221,303
Gross profit	22,395	7,412
Selling expenses	-54,732	-66,409
General administrative expenses	-41,665	-46,266
Other operating income	144,844	55,124
Other operating expenses	-8,443	-11,207
Earnings before interest and taxes (EBIT)	62,400	-61,346
Income/expenses from equity investments	164	0
Income/expenses from investments in equity-accounted associated companies	-5,286	-4,859
Financial income	863	3,171
Financial expenses	-4,044	-25,626
Earnings before tax (EBT)	54,097	-88,660
Taxes	-20,797	13,324
Profit or loss for the period	33,300	-75,336
Profit or loss for the period attributable to		
Shareholders of CTS KGaA	31,493	-62,075
Non-controlling interests	1,807	-13,262
Earnings per share (EUR), basic (= diluted)	0.33	-0.65
Average number of shares outstanding, basic (= diluted)	96 million	96 million

¹ Adjusted prior-year figures owing to the finalised purchase price allocation for the Gadget Group.

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD
FROM 1 JANUARY TO 30 SEPTEMBER 2021**

	1 Jan 2021 - 30 Sep 2021	1 Jan 2020 - 30 Sep 2020 ¹
	[EUR'000]	[EUR'000]
Profit or loss for the period	33,300	-75,336
Remeasurement of the net defined benefit obligation for pension plans	1,566	177
Items that will not be reclassified to profit or loss	1,566	177
Gains/losses on translating foreign subsidiaries	1,049	3,111
Changes in the fair value of derivatives in cash flow hedges	0	12
Share of other comprehensive income/loss (exchange differences) of equity-accounted associated companies	727	-1,198
Items that will be reclassified subsequently to profit or loss	1,776	1,925
Other comprehensive income/loss	3,342	2,102
Total comprehensive income/loss	36,642	-73,235
Total comprehensive income/loss attributable to		
Shareholders of CTS KGaA	33,127	-62,135
Non-controlling interests	3,515	-11,100

¹ Adjusted prior-year figures owing to the finalised purchase price allocation for the Gadget Group.

**CONSOLIDATED INCOME STATEMENT FOR THE PERIOD
FROM 1 JULY TO 30 SEPTEMBER 2021**

	1 Jul 2021 - 30 Sep 2021	1 Jul 2020 - 30 Sep 2020 ¹
	[EUR'000]	[EUR'000]
Revenue	114,689	30,241
Cost of sales	-86,690	-29,992
Gross profit	27,999	249
Selling expenses	-20,726	-18,719
General administrative expenses	-15,939	-12,793
Other operating income	22,925	4,293
Other operating expenses	-2,543	-2,887
Earnings before interest and taxes (EBIT)	11,716	-29,856
Income/expenses from equity investments	164	0
Income/expenses from investments in equity-accounted associated companies	-1,849	-416
Financial income	191	233
Financial expenses	-1,369	-890
Earnings before tax (EBT)	8,853	-30,929
Taxes	-2,494	7,414
Profit or loss for the period	6,359	-23,515
Profit or loss for the period attributable to		
Shareholders of CTS KGaA	4,521	-21,641
Non-controlling interests	1,838	-1,874
Earnings per share (EUR), basic (= diluted)	0.05	-0.23
Average number of shares outstanding, basic (= diluted)	96 million	96 million

¹ Adjusted prior-year figures owing to the finalised purchase price allocation for the Gadget Group.

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD
FROM 1 JULY TO 30 SEPTEMBER 2021**

	1 Jul 2021 - 30 Sep 2021	1 Jul 2020 - 30 Sep 2020 ¹
	[EUR'000]	[EUR'000]
Profit or loss for the period	6,359	-23,515
Remeasurement of the net defined benefit obligation for pension plans	-134	-70
Items that will not be reclassified to profit or loss	-134	-70
Gains/losses on translating foreign subsidiaries	1,380	-319
Share of other comprehensive income/loss (exchange differences) of equity-accounted associated companies	-47	3
Items that will be reclassified subsequently to profit or loss	1,333	-317
Other comprehensive income/loss	1,198	-386
Total comprehensive income/loss	7,557	-23,901
Total comprehensive income/loss attributable to		
Shareholders of CTS KGaA	4,383	-21,932
Non-controlling interests	3,175	-1,969

¹ Adjusted prior-year figures owing to the finalised purchase price allocation for the Gadget Group.

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	Hedging instruments	Equity-accounted associated companies	Remeasurement of the net defined benefit obligation for pension plans	Treasury shares	Total equity attributable to shareholders of CTS KGaA	Non-controlling interests	
Balance as at 1 Jan 2020	96,000	1,890	7,200	408,663	1,587	-12	-1,054	-2,453	-52	511,770	38,223	549,992
Profit or loss for the period	0	0	0	-62,075	0	0	0	0	0	-62,075	-13,262	-75,336
Other comprehensive income/loss	0	0	0	0	984	12	-1,198	142	0	-60	2,161	2,102
Total comprehensive income/loss										-62,135	-11,100	-73,235
Dividends	0	0	0	0	0	0	0	0	0	0	-2,412	-2,412
Changes in the scope of consolidation	0	0	0	1,862	0	0	0	0	0	1,862	4,982	6,844
Balance as at 30 Sep 2020	96,000	1,890	7,200	348,451¹	2,571¹	0	-2,252	-2,310	-52	451,498¹	29,692¹	481,191¹
Balance as at 1 Jan 2021	96,000	1,890	7,200	336,558²	1,955²	0	-2,007	-2,701	-52	438,844²	47,139²	485,982²
Profit or loss for the period	0	0	0	31,493	0	0	0	0	0	31,493	1,807	33,300
Other comprehensive income/loss	0	0	0	0	93	0	727	814	0	1,634	1,708	3,342
Total comprehensive income/loss										33,127	3,515	36,642
Dividends	0	0	0	0	0	0	0	0	0	0	-1,049	-1,049
Changes in the scope of consolidation	0	0	0	-493	0	0	0	0	0	-493	-579	-1,072
Other changes	0	0	0	42	0	0	0	0	0	42	0	42
Balance as at 30 Sep 2021	96,000	1,890	7,200	367,601	2,049	0	-1,281	-1,887	-52	471,520	49,026	520,546

¹ Adjusted prior-year figures owing to the finalised purchase price allocation for the Gadget Group.

² Adjusted prior-year figures owing to the finalised purchase price allocation for the acquisition of Zappa's ticketing business.

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD
FROM 1 JANUARY TO 30 SEPTEMBER 2021**

	1 Jan 2021 - 30 Sep 2021	1 Jan 2020 - 30 Sep 2020 ¹
	[EUR'000]	[EUR'000]
Profit or loss for the period	33,300	-75,336
Depreciation and amortisation	39,413	42,598
Changes in pension provisions	-1,844	-195
Deferred tax expenses / income	-1,125	-15,805
Other non-cash transactions	2,678	16,615
Gain/loss on disposal of fixed assets	-49	-44
Interest expenses/income	2,729	1,823
Tax expense	21,922	2,481
Interest received	411	950
Interest paid	-2,195	-493
Income tax paid	-28,363	-29,435
Increase (-) / decrease (+) in inventories	-760	1,999
Increase (-) / decrease (+) in advances paid	-53,138	-24,910
Increase (-) / decrease (+) in marketable securities and other investments	-10,000	11,152
Increase (-) / decrease (+) in receivables and other assets	-59,638	108,756
Increase (+) / decrease (-) in provisions	11,432	21,625
Increase (+) / decrease (-) in liabilities	317,634	-186,377
Cash flow from operating activities	272,406	-124,597
Cash flow from investing activities	-37,446	-16,187
Cash flow from financing activities	-168,092	151,091
Net increase/decrease in cash and cash equivalents	66,868	10,307
Net increase/decrease in cash and cash equivalents due to currency translation	288	-2,137
Cash and cash equivalents at beginning of period	741,182	790,511
Cash and cash equivalents at end of period	808,338	798,681
Composition of cash and cash equivalents		
Cash and cash equivalents	808,338	798,681
Cash and cash equivalents at end of period	808,338	798,681

¹ Adjusted prior-year figures owing to the finalised purchase price allocation for the Gadget Group.

FORWARD-LOOKING STATEMENTS

This Group quarterly statement contains forward-looking statements based on assumptions and estimates made by the senior management of CTS KGaA. These statements based on assumptions and estimates are formulated using words such as 'believe', 'assume' and 'expect'. Even though the senior management believes that these assumptions and estimates are correct, it is possible that actual performance and 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 environment 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 quarterly statement on the other. 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 consolidated financial statements have been prepared in euros. All amounts in the Group quarterly statement have been rounded to the nearest thousand euros. This may mean that the individual figures do not add up to the totals shown.

This is a translation of the Group quarterly statement. The German version of the Group quarterly statement 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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The logo for delta design, with "delta" in a larger, lowercase sans-serif font above "design" in a smaller, lowercase sans-serif font.

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