

August 4, 2023



# Atlanta Braves Holdings Reports Second Quarter 2023 Financial Results

ENGLEWOOD, Colo.--(BUSINESS WIRE)-- Atlanta Braves Holdings, Inc. ("Atlanta Braves Holdings") (Nasdaq: BATRA, BATRK) today reported second quarter 2023 results.

Headlines include<sup>(1)</sup>:

- Atlanta Braves Holdings began trading July 19<sup>th</sup> following split-off of Braves and associated mixed-use development from Liberty Media Corporation
- Total revenue grew 8% to \$270 million in second quarter
  - Baseball revenue up 8% to \$255 million
  - Mixed-use development revenue up 13% to \$15 million
- Mixed-use development generated \$10 million of Adjusted OIBDA<sup>(2)</sup> in second quarter

"Atlanta Braves Holdings is the first MLB team to trade publicly in 25 years. We believe our new structure will better highlight the value of the Braves and the associated mixed-use development for the benefit of our team, fans, employees and shareholders," said Greg Maffei, Chairman, President and CEO of Atlanta Braves Holdings. "The Braves are an iconic franchise with demonstrated on-field and financial success, and the Battery Atlanta development has become a model embraced and emulated by professional sports teams. Our leadership team will continue to support the Braves executives in Atlanta in their successful management of the club."

## Corporate Updates

On July 18, 2023, Liberty Media Corporation ("Liberty Media") completed the split-off of the Braves and its associated mixed-use development (the "Split-Off") into the separate public company Atlanta Braves Holdings. The businesses and assets at Atlanta Braves Holdings consist of Braves Holdings, LLC, the owner and operator of the Atlanta Braves Major League Baseball Club, and certain assets and liabilities associated with the Braves' ballpark and mixed-use development, called The Battery Atlanta, which were previously attributed to the Braves Group tracking stock of Liberty Media. For purposes of this presentation, Atlanta Braves Holdings standalone results, assets and liabilities are shown for the three and six months ended June 30, 2023 and the prior year periods as though the Split-Off had occurred prior to such date, as well as certain historical financial information of the Braves Group tracking stock of Liberty Media, where applicable, including the financial impact of the Braves Group intergroup interests that were settled subsequent to quarter end. Atlanta Braves Holdings financial results for the three and six months ended June 30, 2022 include immaterial adjustments compared to results previously reported by the Braves Group tracking stock of Liberty Media for the corresponding periods. The outstanding basic share count of Atlanta Braves Holdings as of July 31, 2023 is 62 million shares.

Discussion of Results

|   | Three months ended<br>June 30, |            |             | Six months ended<br>June 30, |             |             |
|---|--------------------------------|------------|-------------|------------------------------|-------------|-------------|
|   | 2022                           | 2023       | %<br>Change | 2022                         | 2023        | %<br>Change |
|   | amounts in thousands           |            |             | amounts in thousands         |             |             |
| Baseball revenue  | \$ 236,918                     | \$ 254,935 | 8%          | \$ 246,758                   | \$ 272,496  | 10%         |
| Mixed-use development revenue   | 13,407                         | 15,188     | 13%         | 25,097                       | 28,599      | 14%         |
| Total revenue   | 250,325                        | 270,123    | 8%          | 271,855                      | 301,095     | 11%         |
| Operating costs and expenses:   |                                |            |             |                              |             |             |
| Baseball operating costs  | (169,585)                      | (195,458)  | (15)%       | (195,811)                    | (232,229)   | (19)%       |
| Mixed-use development costs   | (2,567)                        | (2,273)    | 11%         | (4,310)                      | (4,204)     | 2%          |
| Selling, general and administrative, excluding stock-based compensation | (29,932)                       | (30,290)   | (1)%        | (48,893)                     | (53,649)    | (10)%       |
| Adjusted OIBDA  | \$ 48,241                      | \$ 42,102  | (13)%       | \$ 22,841                    | \$ 11,013   | (52)%       |
| Operating income (loss)   | \$ 27,561                      | \$ 19,467  | (29)%       | \$ (18,679)                  | \$ (29,790) | (59)%       |
| Regular season home games in period                                     | 41                             | 43         |             | 41                           | 43          |             |

Unless otherwise noted, the following discussion compares financial information for the three months ended June 30, 2023 to the same period in 2022.

Baseball revenue is derived from two primary sources on an annual basis: (i) baseball event revenue (ticket sales, concessions, advertising sponsorships, suites and premium seat fees) and (ii) broadcasting revenue (national and local broadcast rights). Mixed-use development revenue is derived from the Battery Atlanta mixed-use facilities and primarily includes rental income.

The following table disaggregates revenue by segment and by source:

|                       | Three months ended<br>June 30, |            |             | Six months ended<br>June 30, |            |             |
|-----------------------|--------------------------------|------------|-------------|------------------------------|------------|-------------|
|                       | 2022                           | 2023       | %<br>Change | 2022                         | 2023       | %<br>Change |
|                       | amounts in thousands           |            |             | amounts in thousands         |            |             |
| Baseball:             |                                |            |             |                              |            |             |
| Baseball event        | \$ 145,116                     | \$ 162,368 | 12%         | \$ 146,203                   | \$ 163,486 | 12%         |
| Broadcasting          | 63,745                         | 68,558     | 8%          | 63,745                       | 69,449     | 9%          |
| Retail and licensing  | 17,755                         | 19,747     | 11%         | 21,610                       | 24,122     | 12%         |
| Other                 | 10,302                         | 4,262      | (59)%       | 15,200                       | 15,439     | 2%          |
| Baseball revenue      | 236,918                        | 254,935    | 8%          | 246,758                      | 272,496    | 10%         |
| Mixed-use development | 13,407                         | 15,188     | 13%         | 25,097                       | 28,599     | 14%         |
| Total revenue         | \$ 250,325                     | \$ 270,123 | 8%          | \$ 271,855                   | \$ 301,095 | 11%         |

There were 43 home games played in the second quarter of 2023 compared to 41 home games in the prior year period.

Baseball revenue increased 8% in the second quarter. Baseball event and retail and licensing revenue grew primarily due to the increased number of regular season home games as well as increased ticket demand and attendance at games. Broadcasting revenue increased due to the increased number of games as well as contractual rate increases. Retail and licensing revenue also benefited from demand for City Connect apparel, partially offset by a reduction in demand for World Series Champions apparel compared to the prior season. Other revenue declined due to fewer concerts at the stadium compared to the prior

year period. Mixed-use development revenue increased 13% during the second quarter due to increases in rental income related to tenant recoveries and various new lease agreements.

Operating income and Adjusted OIBDA decreased in the second quarter. Revenue growth was more than offset by increased baseball operating costs due to higher player salaries, increases under MLB's revenue sharing plan and variable concession and retail operating costs attributable to more games held with increased ticket demand and attendance. Selling, general and administrative expense was relatively flat.

## FOOTNOTES

- 1) Atlanta Braves Holdings will be available to answer questions related to these headlines and other matters on Liberty Media Corporation's earnings conference call that will begin at 10:00 a.m. (E.T.) on August 4, 2023. For information regarding how to access the call, please see "Important Notice" later in this document.
- 2) For a definition of Adjusted OIBDA (as defined by Atlanta Braves Holdings) and the applicable reconciliation, see the accompanying schedule.

**Important Notice:** Atlanta Braves Holdings (Nasdaq: BATRA, BTRK) will be available to answer questions on Liberty Media Corporation's second quarter earnings conference call which will begin at 10:00 a.m. (E.T.) on August 4, 2023. The call can be accessed by dialing (877) 704-2829 or (215) 268-9864, passcode 13736985 at least 10 minutes prior to the start time. The call will also be broadcast live across the Internet and archived on our website. To access the webcast go to <https://www.bravesholdings.com/investors/news-events/ir-calendar>. Links to this press release will also be available on the Atlanta Braves Holdings website.

*This press release includes certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements about business strategies, product and marketing strategies, future financial performance and prospects, the split-off of Atlanta Braves Holdings from Liberty Media, and other matters that are not historical facts. These forward-looking statements involve many risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements, including, without limitation, Atlanta Braves Holdings' ability to recognize anticipated benefits from the split-off, possible changes in the regulatory and competitive environment in which Atlanta Braves Holdings operates (including an expansion of MLB), the unfavorable outcome of pending or future litigation, operational risks of Atlanta Braves Holdings and its business affiliates, including operations outside of the U.S., Atlanta Braves Holdings' indebtedness and its ability to obtain additional financing on acceptable terms and cash in amounts sufficient to service debt and other financial obligations, tax matters, compliance with government regulations and potential adverse outcomes of regulatory proceedings, changes in the nature of key strategic relationships with broadcasters, partners, vendors and joint venturers, the impact of organized labor, the performance and management of the mixed-use development and the impact of inflation and weak economic conditions on consumer demand. These forward-looking statements speak only as of the date of this press release, and Atlanta Braves Holdings expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein to reflect any change in Atlanta Braves Holdings' expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. Please refer to the publicly filed documents of Atlanta Braves Holdings, including Amendment No. 5 to the Registration Statement on Form S-4 filed by Atlanta Braves*

Holdings with the Securities and Exchange Commission on June 8, 2023 and the most recent Form 10-Q, for additional information about Atlanta Braves Holdings and about the risks and uncertainties related to Atlanta Braves Holdings' business which may affect the statements made in this press release.

## NON-GAAP FINANCIAL MEASURES AND SUPPLEMENTAL DISCLOSURES

### SCHEDULE 1: Reconciliation of Adjusted OIBDA to Operating Income (Loss)

To provide investors with additional information regarding our financial results, this press release includes a presentation of Adjusted OIBDA, which is a non-GAAP financial measure, for Atlanta Braves Holdings together with reconciliations to operating income, as determined under GAAP. Atlanta Braves Holdings defines Adjusted OIBDA as operating income (loss) plus depreciation and amortization, stock-based compensation, separately reported litigation settlements, restructuring, acquisition and impairment charges.

Atlanta Braves Holdings believes Adjusted OIBDA is an important indicator of the operational strength and performance of its businesses by identifying those items that are not directly a reflection of each business' performance or indicative of ongoing business trends. In addition, this measure allows management to view operating results and perform analytical comparisons and benchmarking between businesses and identify strategies to improve performance. Because Adjusted OIBDA is used as a measure of operating performance, Atlanta Braves Holdings views operating income as the most directly comparable GAAP measure. Adjusted OIBDA is not meant to replace or supersede operating income or any other GAAP measure, but rather to supplement such GAAP measures in order to present investors with the same information that Atlanta Braves Holdings' management considers in assessing the results of operations and performance of its assets.

The following table provides a reconciliation of Adjusted OIBDA for Atlanta Braves Holdings to operating income (loss) calculated in accordance with GAAP for the three and six months ended June 30, 2022 and June 30, 2023.

| <i>(amounts in thousands)</i>                           | Three months ended<br>June 30, |                  | Six months ended<br>June 30, |                  |
|---|--------------------------------|------------------|------------------------------|------------------|
|   | 2022                           | 2023             | 2022                         | 2023             |
| Operating income (loss)                                 | \$ 27,561                      | \$ 19,467        | \$ (18,679)                  | \$ (29,790)      |
| Impairment of long-lived assets and other related costs | —                              | 232              | —                            | 530              |
| Stock-based compensation                                | 3,063                          | 3,153            | 6,126                        | 6,344            |
| Depreciation and amortization                           | 17,617                         | 19,250           | 35,394                       | 33,929           |
| Adjusted OIBDA  | <u>\$ 48,241</u>               | <u>\$ 42,102</u> | <u>\$ 22,841</u>             | <u>\$ 11,013</u> |
| Baseball  | \$ 41,685                      | \$ 37,415        | \$ 10,581                    | \$ 1,878         |
| Mixed-use development                                   | 8,480                          | 10,166           | 16,397                       | 19,319           |
| Corporate and other                                     | (1,924)                        | (5,479)          | (4,137)                      | (10,184)         |

### SCHEDULE 2: Cash and Debt

The following presentation is provided to separately identify cash and debt information. Atlanta Braves Holdings cash decreased \$85 million during the second quarter due to cash used in operations primarily due to seasonal working capital changes, increases in restricted cash and capital expenditures. Atlanta Braves Holdings debt was flat in the second quarter.

In May 2023, a subsidiary of Braves Holdings, LLC refinanced an \$80 million construction loan agreement that was used to construct the retail portion of the mixed-use development with a new term loan with \$80 million in commitments.

| <i>(amounts in thousands)</i>                            | March 31, 2023    | June 30, 2023     |
|--|-------------------|-------------------|
| <b>Atlanta Braves Holdings Cash (GAAP)<sup>(a)</sup></b> | <b>\$ 215,515</b> | <b>\$ 130,537</b> |
| <b>Debt:</b>   |                   |                   |
| Baseball   |                   |                   |
| League wide credit facility                              | \$ —              | \$ —              |
| MLB facility fund - term                                 | 30,000            | 30,000            |
| MLB facility fund - revolver                             | 43,125            | 43,125            |
| TeamCo revolver  | —                 | —                 |
| Term debt  | 168,562           | 168,561           |
| Mixed-use development                                    | 300,313           | 301,127           |
| <b>Total Atlanta Braves Holdings Debt</b>                | <b>\$ 542,000</b> | <b>\$ 542,813</b> |
| Deferred financing costs                                 | (3,704)           | (4,118)           |
| <b>Total Atlanta Braves Holdings Debt (GAAP)</b>         | <b>\$ 538,296</b> | <b>\$ 538,695</b> |

a) Excludes restricted cash held in reserves pursuant to the terms of various financial obligations of \$30 million and \$52 million as of March 31, 2023 and June 30, 2023, respectively.

**ATLANTA BRAVES HOLDINGS**  
**CONDENSED COMBINED BALANCE SHEET INFORMATION**  
June 30, 2023 (unaudited)

|   | June 30,<br>2023     | December 31,<br>2022 |
|---|----------------------|----------------------|
|   | amounts in thousands |                      |
| <b>Assets</b>   |                      |                      |
| Current assets:   |                      |                      |
| Cash and cash equivalents   | \$ 130,537           | 150,664              |
| Restricted cash   | 52,033               | 22,149               |
| Accounts receivable and contract assets, net of allowance for credit losses | 54,491               | 70,234               |
| Other current assets  | 27,068               | 24,331               |
| <b>Total current assets</b>   | <b>264,129</b>       | <b>267,378</b>       |
| Property and equipment, at cost   | 1,037,399            | 1,007,776            |
| Accumulated depreciation  | (298,542)            | (277,979)            |
|   | <b>738,857</b>       | <b>729,797</b>       |
| Investments in affiliates, accounted for using the equity method            | 98,890               | 94,564               |
| Intangible assets not subject to amortization:                              |                      |                      |
| Goodwill  | 175,764              | 175,764              |
| Franchise rights  | 123,703              | 123,703              |
|   | <b>299,467</b>       | <b>299,467</b>       |
| Other assets, net   | 107,759              | 99,455               |
| <b>Total assets</b>   | <b>\$ 1,509,102</b>  | <b>1,490,661</b>     |
| <b>Liabilities and Equity</b>   |                      |                      |
| Current liabilities:  |                      |                      |
| Accounts payable and accrued liabilities                                    | \$ 65,426            | 54,748               |
| Deferred revenue and refundable tickets                                     | 142,010              | 104,996              |
| Current portion of debt   | 7,205                | 74,806               |
| Other current liabilities   | 5,524                | 6,361                |
| <b>Total current liabilities</b>  | <b>220,165</b>       | <b>240,911</b>       |
| Long-term debt  | 531,490              | 467,160              |
| Redeemable intergroup interests   | 340,889              | 278,103              |

|   |                     |                  |
|---|---------------------|------------------|
| Finance lease liabilities                                     | 106,014             | 107,220          |
| Deferred income tax liabilities                               | 46,965              | 54,099           |
| Pension liability   | 10,450              | 15,405           |
| Other noncurrent liabilities                                  | 31,247              | 28,253           |
| Total liabilities   | <u>1,287,220</u>    | <u>1,191,151</u> |
| Equity:   |                     |                  |
| Parent's investment   | 730,620             | 732,350          |
| Retained earnings (deficit)                                   | (515,971)           | (429,082)        |
| Accumulated other comprehensive earnings (loss), net of taxes | (4,056)             | (3,758)          |
| Total parent's investment                                     | 210,593             | 299,510          |
| Noncontrolling interests in equity of subsidiaries            | 11,289              | —                |
| Total equity  | <u>221,882</u>      | <u>299,510</u>   |
| Commitments and contingencies                                 |                     |                  |
| Total liabilities and equity                                  | <u>\$ 1,509,102</u> | <u>1,490,661</u> |

**ATLANTA BRAVES HOLDINGS**  
**CONDENSED COMBINED STATEMENT OF OPERATIONS INFORMATION**  
June 30, 2023 (unaudited)

|   | Three months ended June<br>30,                 |                | Six months ended June 30, |                |
|---|--|----------------|---------------------------|----------------|
|   | 2023   | 2022           | 2023                      | 2022           |
|   | amounts in thousands, except per share amounts |                |                           |                |
| Revenue:  |  |                |                           |                |
| Baseball revenue  | \$ 254,935                                     | 236,918        | \$ 272,496                | 246,758        |
| Mixed-use development revenue   | 15,188   | 13,407         | 28,599                    | 25,097         |
| Total revenue   | <u>270,123</u>                                 | <u>250,325</u> | <u>301,095</u>            | <u>271,855</u> |
| Operating costs and expenses:   |  |                |                           |                |
| Baseball operating costs  | 195,458  | 169,585        | 232,229                   | 195,811        |
| Mixed-use development costs   | 2,273  | 2,567          | 4,204                     | 4,310          |
| Selling, general and administrative, including stock-based compensation | 33,443   | 32,995         | 59,993                    | 55,019         |
| Impairment of long-lived assets and other related costs                 | 232  | —              | 530                       | —              |
| Depreciation and amortization   | 19,250   | 17,617         | 33,929                    | 35,394         |
|   | <u>250,656</u>                                 | <u>222,764</u> | <u>330,885</u>            | <u>290,534</u> |
| Operating income (loss)   | 19,467   | 27,561         | (29,790)                  | (18,679)       |
| Other income (expense):   |  |                |                           |                |
| Interest expense  | (9,448)  | (6,402)        | (18,360)                  | (12,529)       |
| Share of earnings (losses) of affiliates, net                           | 11,462   | 15,022         | 10,659                    | 12,143         |
| Unrealized gains (losses) on intergroup interests                       | (49,409)                                       | 34,881         | (62,786)                  | 36,103         |
| Realized and unrealized gains (losses) on financial instruments, net    | 3,840  | 1,659          | 3,079                     | 6,460          |
| Gains (losses) on dispositions, net                                     | 2,503  | 28             | 2,503                     | 20,215         |
| Other, net  | 813  | 143            | 1,654                     | 168            |
| Earnings (loss) before income taxes                                     | (20,772)                                       | 72,892         | (93,041)                  | 43,881         |
| Income tax benefit (expense)  | (8,141)  | (9,193)        | 6,152                     | (3,217)        |
| Net earnings (loss)   | <u>\$ (28,913)</u>                             | <u>63,699</u>  | <u>\$ (86,889)</u>        | <u>40,664</u>  |

**ATLANTA BRAVES HOLDINGS**  
**CONDENSED COMBINED STATEMENT OF CASH FLOWS INFORMATION**  
June 30, 2023 (unaudited)

|  | Six months ended June 30, |          |
|--|---------------------------|----------|
|  | 2023                      | 2022     |
|  | amounts in thousands      |          |
| Cash flows from operating activities:  |                           |          |
| Net earnings (loss)  | \$ (86,889)               | 40,664   |
| Adjustments to reconcile net earnings (loss) to net cash provided by (used in) operating activities: |                           |          |
| Depreciation and amortization  | 33,929                    | 35,394   |
| Stock-based compensation   | 6,344                     | 6,126    |
| Share of (earnings) losses of affiliates, net  | (10,659)                  | (12,143) |
| Unrealized (gains) losses on intergroup interests, net   | 62,786                    | (36,103) |
| Realized and unrealized (gains) losses on financial instruments, net                                 | (3,079)                   | (6,460)  |

|   |            |           |
|---|------------|-----------|
| (Gains) losses on dispositions, net                                   | (2,503)    | (20,215)  |
| Deferred income tax expense (benefit)                                 | (7,014)    | (9,454)   |
| Cash receipts from returns on equity method investments               | 6,225      | 7,550     |
| Other charges (credits), net  | 949        | 1,687     |
| Net change in operating assets and liabilities:                       |            |           |
| Current and other assets  | (14,338)   | 21,184    |
| Payables and other liabilities  | 50,141     | 69,798    |
| Net cash provided by (used in) operating activities                   | 35,892     | 98,028    |
| Cash flows from investing activities:                                 |            |           |
| Capital expended for property and equipment                           | (29,700)   | (7,638)   |
| Cash proceeds from dispositions                                       | —          | 47,175    |
| Investments in equity method affiliates and equity securities         | —          | (5,273)   |
| Other investing activities, net                                       | 110        | —         |
| Net cash provided by (used in) investing activities                   | (29,590)   | 34,264    |
| Cash flows from financing activities:                                 |            |           |
| Borrowings of debt  | 15,815     | 39,753    |
| Repayments of debt  | (18,893)   | (138,113) |
| Contribution from noncontrolling interest                             | 11,289     | —         |
| Other financing activities, net                                       | (4,756)    | (6,074)   |
| Net cash provided by (used in) financing activities                   | 3,455      | (104,434) |
| Net increase (decrease) in cash, cash equivalents and restricted cash | 9,757      | 27,858    |
| Cash, cash equivalents and restricted cash at beginning of period     | 172,813    | 244,113   |
| Cash, cash equivalents and restricted cash at end of period           | \$ 182,570 | 271,971   |

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Source: Atlanta Braves Holdings, Inc.