



**Item 2.02. Results of Operations and Financial Condition.**

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**SIGNATURE**

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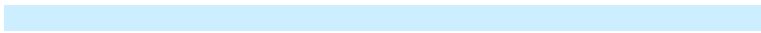
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- Formula One Group shareholders received distribution of 6.8 million shares of Atlanta Braves Holdings common stock on July 19<sup>th</sup> to settle intergroup interest in Braves Group
- Paid \$71 million in exchange for the cancellation of 1.1 million notional FWONA shares underlying intergroup interest held at Liberty SiriusXM Group

Attributed to former Braves Group

- Completed split-off of Braves and associated mixed-use development into separate public company Atlanta Braves Holdings on July 18<sup>th</sup>

“We were pleased to complete the reclassification of the Liberty Media tracking stocks which begin trading today, including our newly created Liberty Live Group. This action further simplifies our tracking stock structure and provides greater investor choice, while preserving Liberty’s optionality and flexibility,” said Greg Maffei, Liberty Media President and CEO. “At Formula 1, the ~~q~~ <sup>ar</sup>ewM <sup>ar</sup>erM





The following table provides the operating results of Formula 1 (“F1”).

F1 Operating Results

	2Q22	2Q23	% Change
	amounts in millions		
Primary Formula 1 revenue	\$ 628	\$ 618	(2)%
Other Formula 1 revenue	116	106	(9)%
Total Formula 1 revenue	\$ 744	\$ 724	(3)%
Operating expenses (excluding stock-based compensation):			
Team payments	(368)	(344)	7 %
Other cost of Formula 1 revenue	(166)	(175)	(5)%
Cost of Formula 1 revenue	\$ (534)	\$ (519)	3 %
Selling, general and administrative expenses	(56)	(50)	11 %
Adjusted OIBDA	\$ 154	\$ 155	1 %
Stock-based compensation	(1)	(1)	# %
Depreciation and Amortization <sup>(a)</sup>	(88)	(82)	7 %
Operating income (loss)	\$ 65	\$ 72	11 %
Number of races in period	7	6	

a) Includes \$81 million and \$74 million of amortization related to purchase accounting as of June 30, 2022 and June 30, 2023, respectively, that is excluded from calculations for purposes of team payments.

Primary F1 revenue represents the majority of F1’s revenue and is derived from (i) race promotion revenue, (ii) media rights fees and (iii) sponsorship fees.

There were six races held in the second quarter of 2023, compared to seven races held in the second quarter of 2022. The Emilia-Romagna (“Imola”) Grand Prix originally scheduled for May 21, 2023 was cancelled following severe flooding in the region and is not expected to be rescheduled or replaced in 2023. There are now 22 events scheduled on the 2023 race calendar.



Operating income increased and adjusted OIBDA<sup>(2)</sup> was relatively flat in the second quarter despite one less race taking place. Team payments were lower compared to the prior year due to the pro rata recognition of payments across the race season with one less race held, partially offset by an expectation of increased team payments for the full year. Other cost of F1 revenue is largely variable in nature and is mostly derived from servicing both Primary and Other F1 revenue opportunities. These costs increased as significantly lower freight costs were offset by increased hospitality costs associated with servicing higher Paddock Club attendance and cost inflation and higher commissions and partner servicing i r a we

The following financial information with respect to Liberty Media's equity affiliates, available for sale securities, cash and debt is intended to supplement Liberty Media's condensed consolidated balance sheet and statement of operations to be included in its Form 10-Q for the period ended June 30, 2023. For purposes of this presentation, financial information with respect to Liberty Media's equity affiliates, available for sale securities, cash and debt is also shown adjusted for the Split-Off and the Reclassification.

On August 3, 2023, in connection with the Reclassification, Liberty Media's Live Nation investment previously attributed to Liberty SiriusXM Group and certain private and public assets previously attributed to Formula One Group were attributed to Liberty Live Group. Approximately \$100 million of cash from Formula One Group was contributed to Liberty Live Group in connection with the Reclassification, of which approximately \$33 million came from the partial liquidation of monetizable public holdings previously held at Formula One Group. Additionally, all intergroup interests were settled in connection with the Split-Off.

Additional information on the assets attributed to each tracker adjusted for the Split-Off and the Reclassification can be found at <https://www.libertymedia.com/about/asset-list>.

Fair Value of Corporate Public Holdings

	3/31/2023	6/30/2023	6/30/2023
<b>Liberty SiriusXM Group</b>			
Live Nation Investment <sup>(a)</sup>	4,875	6,345	N/A
Total Liberty SiriusXM Group	\$ 4,875	\$ 6,345	N/A
<b>Formula One Group</b>			
Other Monetizable Public Holdings <sup>(b)</sup>	172	148	11
Total Formula One Group	\$ 172	\$ 148	\$ 11
<b>Braves Group</b>	N/A	N/A	N/A
<b>Liberty Live Group</b>			
Live Nation Investment <sup>(a)</sup>	N/A	N/A	6,345
Other Monetizable Public Holdings <sup>(b)</sup>	N/A	N/A	104
Total Liberty Live Group	N/A	N/A	6,449

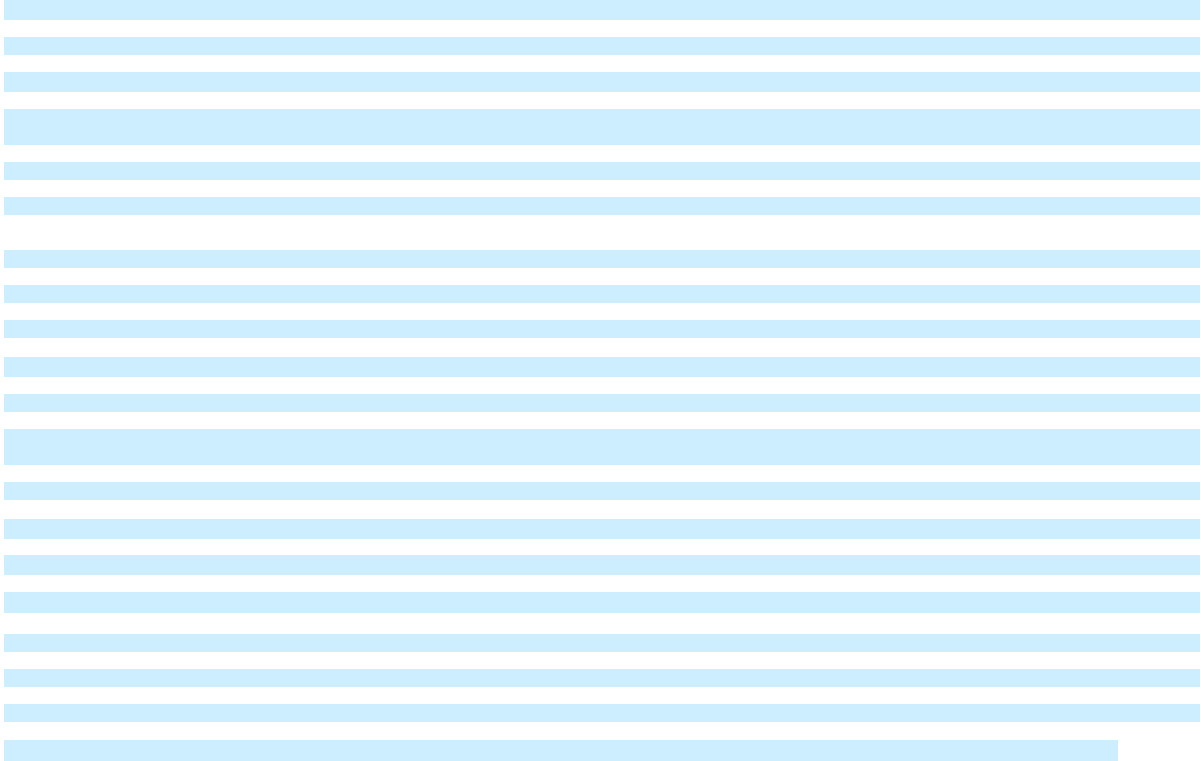
- a) Represents the fair value of the equity investment in Live Nation. In accordance with GAAP, Liberty Media accounts for its investment in the equity of Live Nation using the equity method of accounting and includes it in its condensed consolidated balance sheet at \$157 million and \$243 million as of March 31, 2023 and June 30, 2023, respectively. In connection with the Reclassification, the equity investment in Live Nation previously held at Liberty SiriusXM Group was attributed to Liberty Live Group.
- b) Represents the carrying value of other public holdings that are accounted for at fair value. Excludes intergroup interests. Includes exchange-traded funds previously held at Formula One Group that were attributed to Liberty Live Group in connection with the Reclassification.

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- b) Includes \$1,043 million and \$1,055 million of cash held at F1 as of March 31, 2023 and June 30, 2023, respectively. Cash adjusted for Split-Off and Reclassification reflects \$71 million payment from Formula One Group to Liberty SiriusXM Group to settle intergroup interest and \$67 million of cash on hand contributed to Liberty Live Group.
- c) 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.

In connection with the Reclassification, the conversion consideration of the 1.375% cash convertible notes was adjusted such that the conversion rate is 23.1586 per bond and comprised of (i) 0.2547 of a share of new Series A Liberty Formula One common stock, (ii) 0.2650 of a share of new Series A Liberty Live common stock and (iii) 1.0163 shares of new Series A Liberty SiriusXM common stock. Liberty Media also expects that its 3.75% Liberty SiriusXM Group convertible notes due 2028 (convertible into LSXMA) and its 2.25% Formula One Group convertible notes due 2027 (convertible into FWONK) will be adjusted to provide for the conversion and settlement of the notes into the reclassified Liberty SiriusXM Group and Formula One Group by r











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## SCHEDULE 1

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 Liberty SiriusXM Group, Braves Group and Formula One Group, together with reconciliations to operating income, as determined under GAAP. Liberty Media defines Adjusted OIBDA as operating income (loss) plus depreciation and amortization, stock-based compensation, separately reported litigation settlements, restructuring, acquisition and other related costs and impairment charges.

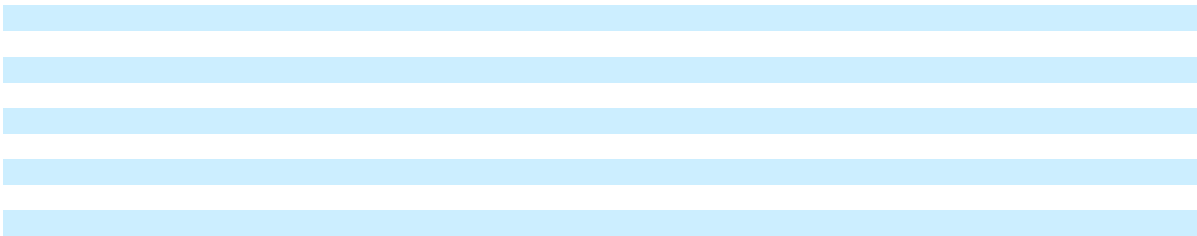
Liberty Media believes Adjusted OIBDA is an important indicator of the operational strength and performance of its businesses by identifying those items that are not directly a reflection of each business' performance or indicative of ongoing business trends. In addition, this measure allows management 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, Liberty Media 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 Liberty Media's management considers in assessing the results of operations and performance of its assets.

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

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