

AGICOA URHEBERRECHTSSCHUTZ GmbH



AGICOA Urheberrechtsschutz GmbH
München

Transparency Report for the fiscal year 2021
--non-binding convenience translation--



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A. ANNUAL FINANCIAL STATEMENTS FOR THE FISCAL YEAR 2021

I. Balance Sheet

ASSETS	Dec 31, 2021 EUR	Dec 31, 2020 EUR
A. Fixed assets		
I. Intangible assets		
Software	56,153.00	53,345.00
II. Tangible assets		
Office equipment	326.00	4,233.00
	56,479.00	57,578.00
B. Current assets		
I. Receivables and other assets		
1. Accounts receivable	3,841,091.35	0.00
2. Other assets	245,734.44	224,930.00
	4,086,825.79	224,930.00
II. Cash on hand and cash in banks	37,648,669.71	35,957,392.35
	41,735,495.50	36,182,322.35
C. Deferred charges	17,649.61	28,403.98
	41,809,624.11	36,268,304.33
LIABILITIES AND SHAREHOLDERS' EQUITY	Dec 31, 2021	Dec 31, 2020
	EUR	EUR
A. Shareholders' equity		
Capital subscribed	25,564.59	25,564.59
B. Reserves and accrued liabilities		
1. Reserves for entitled persons	40,660,887.47	35,348,107.26
2. Pension reserves	0.00	452,284.00
3. Other accrued liabilities	98,000.00	84,000.00
	40,758,887.47	35,884,391.26
C. Liabilities		
1. Liabilities to banks	2,063.92	0,00
2. Accounts payable	5,669.46	3,773.48
3. Accounts payable to shareholders	34,510.00	21,150.00
4. Other liabilities	982,928.67	333,425.00
	1,025,172.05	358,348.48
	41,809,624.11	36,268,304.33



II. Profit and Loss Statement

	2021 EUR	2020 EUR
1. Cable retransmission revenues	29,297,714.32	23,712,579.15
2. Other operating income	7,450.70	34,727.12
3. Personnel expenses		
a) Salaries	-306,752.66	-324,158.86
b) Social security, pension -- thereof for pensions EUR 0.00 (2020: EUR 18,613.00)--	-24,443.60	-41,561.46
4. Depreciation and amortization	-24,966.39	-22,665.50
5. Other operating expenses	-450,436.12	-437,716.44
6. Interest expenses	-164,746.45	-165,507.41
7. Result	28,333,819.80	22,755,696.60
8. Addition to reserves for entitled persons	-28,333,819.80	-22,755,696.60
9. Net result	0.00	0.00

III. Cash Flow Statement

The following cash flow statement, which illustrates the change in cash and cash equivalents (change in liquidity), provides information about the liquidity situation and the financial development. In this context, the payment flows are assigned to the areas business operation, investment and finance.

	2021 EUR	2020 EUR
Addition to reserves for entitled persons	28,334	22,756
+ Depreciation and amortization of fixed assets	25	22
-/+ Increase/decrease of Assets		
Accounts receivable	-3,841	0
Other assets	-21	-20
Deferred charges	11	0
+/- Increase/decrease of Liabilities		
Pension reserves	-452	27
Other accrued liabilities	14	-1
Liabilities to banks	2	0
Accounts payable	2	3
Accounts payable to shareholders	13	0
Other liabilities	650	-167
= Cash flow from operating activities before distribution	<u>24,737</u>	<u>22,620</u>
- Payments to entitled persons	-22,364	-24,966
- Payment fee to AGICOA Geneva	-657	-846
- Payments out of social fund	0	0
- Payments out of promotion fund	0	0
= Cash flow from distributions	<u>-23,021</u>	<u>-25,812</u>
- Additions to fixed assets	-24	-27
= Cash flow from investing activities	<u>-24</u>	<u>-27</u>
Cash flow from financing activities	<u>0</u>	<u>0</u>
= Change in cash and cash equivalents	1,692	-3,219
+ Cash and cash equivalents at the beginning of period	35,957	39,176
= Cash and cash equivalents at the end of period	<u><u>37,649</u></u>	<u><u>35,957</u></u>

IV. Notes for Fiscal Year 2021

1. Principal legal bases

AGICOA Urheberrechtsschutz GmbH having its registered office in Munich is entered under No. HRB 114001 in the Commercial Register at the Amtsgericht München [*Local Court Munich*].

These annual financial statements have been prepared in accordance with the regulations applicable to collecting societies and in compliance with Section 57(1), first sentence, VGG. The provisions of the HGB on large corporations are thus applying. In addition, the pertinent provisions of the German Limited Liability Companies Act [*GmbHG*] must be observed. Particularities of collecting societies have been taken into account by showing additional items (Section 265(5) HGB) and/or by adjusting the designation of items (Section 265(6) HGB).

The format of the balance sheet is in compliance with Section 266(2) and (3) HGB. In application of Section 265(5) HGB, the reserves have further been broken down by showing the additional item "reserves for entitled persons". As from the fiscal year 2019, these reserves will be shown in the first place pursuant to Section 265(6) HGB because they are typical of and material to the financial situation of a collecting society.

The format of the profit and loss statement is based on the total cost method pursuant to Section 275(2) HGB. In application of Section 265(6) HGB, the former item "revenues" will be designated as "cable retransmission revenues" and the former additional item "provisions for reserves for rightholders" shown in application of Section 265(5) HGB will be designated as "addition to reserves for entitled persons" as from the fiscal year 2020 for the sake of clarity. The designation "net result" will be used in lieu of the designation "net income" as in the previous years.

2. Accounting and valuation principles

The intangible assets and tangible fixed assets are carried at acquisition cost less scheduled depreciation according to use. Depreciation is recorded straight-line over a useful life of five (5) years, in the year of addition on a pro rata temporis basis. Foreign currency additions were converted at the exchange rates applicable at the time of payment.

The other assets are carried at acquisition cost, the cash surrender value of a reinsurance policy at amortized cost (policy reserve including surplus sharing). Cash on hand and cash in banks are carried at their nominal value. In contrast to previous years all claims for which the Company received statements until the preparation of the annual financial statements will be accounted for in the fiscal year. The deferred charges contain expenses in 2021 which constitute expenditure for a certain time after the balance sheet date.

The reserves for entitled persons take account of distribution commitments to entitled persons and liabilities of still uncertain amount, the latter estimated in accordance with prudent business principles. In the case of reserves with a residual term of more than one (1) year, the valuation pursuant to Section 253(2), first sentence, HGB has no impact in terms of amount since the interest income must be added to the relevant distribution reserve in view of the non-profit organization of the Company prescribed in Article 2, paragraph 2 of its Statutes. The respective interest income is set off against the respective

expenditure incurred for the addition to the reserve so as to give a true and fair view of the earnings situation of the Company.

The pension reserves correspond to the settlement amount pursuant to Section 253(1), second sentence, HGB. They have been discounted at the average market interest rate of the previous ten (10) fiscal years pursuant to Section 253(2), first sentence, HGB. The bases for calculation are the "Heubeck guiding tables 2018 G".

The other accrued liabilities comprise all identifiable risks and uncertain obligations in an amount required in accordance with prudent business principles.

The liabilities are carried at their fulfillment amount. In contrast to previous years up until 2016 statements received for accounting periods until the balance sheet date which were paid until the preparation of the annual financial statements are not recorded as liabilities, but are included in the accrued liabilities.

To the extent that cable retransmission revenues were received in foreign currency, they were converted at the exchange rates applicable at the time of receipt.

3. Notes to the balance sheet

The development of the fixed assets is represented in the statement of fixed assets shown on the following page.

The other assets include a receivable from a reinsurance policy maturing in the fiscal year in the amount of EUR 222k (cash surrender value of a reinsurance policy EUR 222k in 2020). The term of all other assets is one (1) or less than one (1) year.

The nominal capital entered in the Commercial Register amounts to DEM 50,000. It is fully paid in. The mathematical conversion was made at the fixed conversion rate of 1.95583 DEM/EUR. The nominal capital has not yet been changed over to Euro.

The reserves for entitled persons are obligations to entitled persons, including the social fund and the promotion fund. The other accrued liabilities in the amount of EUR 98k (EUR 84k in 2020) relate mainly to outstanding invoices and financial statements costs and audit costs as well as costs for the preparation and examination of the transparency report.

In the fiscal year 2021, the pension obligation due is reported under other liabilities, as the pension event occurred.

The other liabilities include, among others:

	Dec 31, 2021	Dec 31, 2020
	EUR	EUR
Liabilities for taxes		
VAT	504k	292k
tax deduction on the basis of Section 50a EStG [German Income Tax Act]	17k	33k
wage and church tax	9k	8k
	530k	333k

The liabilities are due within one (1) year.



Statement of Fixed Assets in the Fiscal Year 2021

	At cost				Accumulated depreciation				Net book value	
	Jan 1, 2021	additions	disposal	Dec 31, 2021	Jan 1, 2021	depreciation of the fiscal year	disposal	Dec 31, 2021	Dec 31, 2021	Dec 31, 2020
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
I. Intangible assets										
Software	319,694.31	23,867.39	0.00	343,561.70	266,349.31	21,059.39	0.00	287,408.70	56,153.00	53,345.00
II. Tangible assets										
Office equipment	53,815.25	0.00	0.00	53,815.25	49,582.25	3,907.00	0.00	53,489.25	326.00	4,233.00
	373,509.56	23,867.39	0.00	397,376.95	315,931.56	24,966.39	0.00	340,897.95	56,479.00	57,578.00

4. Notes to the profit and loss statement

Of the cable retransmission revenues, an amount of EUR 29,298k (EUR 23,706k in 2020) is attributable to cable retransmission rights in Germany. This figure includes payments from cable network operators of EUR 19,670k (EUR 18,652k in 2020) and from ZWF of EUR 9,628k (EUR 5,054k in 2020).

Because of the business activity of the Company in the fiscal year, most of the revenues are relating to different periods. Income unrelated to accounting period is included in the cable retransmission revenues in an amount of EUR 5,076k (EUR 4,566k in 2020) and in the other operating income in an amount of EUR 7k (EUR 15k in 2020) as a result of release of reserves.

The total fee charged by the auditor for the fiscal year 2021 is composed of EUR 16k for auditing services and about EUR 10k for other assurance services.

The interest expenses include interest discounting of EUR 0k (EUR 8k in 2020).

In accordance with the Statutes, the result after taxes is in full added to the reserves for entitled persons so that a net result of EUR 0.00 is shown. An amount of EUR 23,021k (EUR 25,812k in 2020) has been distributed or paid to the entitled persons in the year under review.

5. Other information

Management

In the year under review, Prof. Dr. Ronald Frohne, Rechtsanwalt [*attorney-at-law*], Berlin, and Dr. Gertraude Müller-Ernstberger, Rechtsanwältin [*attorney-at-law*], Munich, were the managing directors each holding power of individual representation.

Use is made of the safeguard clause in Section 286(4) HGB.

Supervisory board

Pursuant to Section 22 VGG and pursuant to Article 9 of the Statutes, the Company has a supervisory board consisting of three (3) persons. The following members have been elected at the shareholders' meeting of December 1, 2016:

- John Jacobsen, film producer, Oslo (chairman)
- Chris Marcich, president AGICOA Geneva, Geneva (vice chairman)
- Tom de Lange, general manager AGICOA Geneva, Geneva

The members of the supervisory board serve in an honorary capacity and therefore have not received remuneration in the fiscal year.

Advisory board

Pursuant to Article 11 of the Statutes, the Company has an advisory board consisting of six (6) persons who represent the interests of the entitled persons. The members of the advisory board serve in an honorary capacity and therefore have not received remuneration in the fiscal year.



Employees

In the fiscal year 2021 the Company had no (salaried) employee besides the managing directors in the fiscal year under review.

Appropriation of net result

In accordance with the object and purpose of a collecting society, the Company showed no net result in the year under review. The amounts not yet distributed to the entitled persons or the like are included in the reserves established for this purpose (see above).

Supplementary report on events which occurred after the end of the fiscal year

There are no potential risks which might have impacted the assessment of the assets, the financial position and the earnings situation of the Company after the balance sheet date until the preparation of the annual financial statements.

Munich, June 2, 2022

AGICOA Urheberrechtsschutz GmbH
Geschäftsführung

Prof. Dr. Ronald Frohne

Dr. Gertraude Müller-Ernstberger

B. MANAGEMENT REPORT FOR THE FISCAL YEAR 2021

GENERAL CONDITIONS AND BUSINESS

1. Economic environment

The Covid-19 pandemic had a great impact on the economic development in Germany and worldwide also in 2021.

Successful vaccination campaigns and economic support programs resulted in economic recovery in almost all sectors in the summer. However, the number of Covid-19 cases substantially increased again in the autumn of 2021 so that the economic recovery slowed down.

In order to protect businesses and jobs, the German Federal Government has established several funding and lending schemes at the beginning of the pandemic to mitigate the effects of the crisis, to stimulate the economy and to promote investments amounting to 180 billion euros in 2021 (previous year 130 billion euros) which will be continued until April 2022. These important support programs have stabilized the economy and the labor market and have thus been effective.

According to the 2022 Annual Economic Report published in January 2022 under the title “Towards an ecological social market economy – innovation in transformation“, the German Federal Government therefore expects a 3.6 % increase in gross domestic product (GDP) in price-adjusted terms (previous year 2.7 %). Likewise, it is expected that the employment rate will increase on the annual average so that the unemployment rate will fall by 0.6 % to 5.1 % from 5.7% in 2022.

However, the inflation rate rose to a record level in Germany. While it was 3.1 % in 2021 (previous year 0.5 %), the consumer prices rose by 7.4 % until April 2022. This was triggered, *inter alia*, by base effects due to the temporarily reduced VAT rates because of the pandemic in the second half of 2020 and the ensuing lower prices of many products. In year-on-year terms, the prices of mineral oil products and other energy generating raw materials also substantially increased. This development is intensified by the war in Ukraine.

2. Transmission and use of moving images

According to the “Digitalization Report Video 2021“ of the state media authorities, cable (43.7 %) and satellite (43.5 %) are still the most important transmission modes, followed by DVB-T2 HD (6.7 %) and managed IPTV (10.1 %). Besides these classical IPTV services, TV and platform providers have been providing TV programs via OTT for some years. This no longer requires traditional transmission modes such as cable, satellite, terrestrial transmission or IPTV; the receiver can be connected directly to the Internet (cord-cutting). It is true that the number of TV cord-cutter households is still quite low compared to other transmission modes. However, it continuously increased to 4.7 % of all TV households in Germany.

The TV viewing time strongly depends on the age of the interviewees. Statistics show that in 2021 the viewing time in the 14-19 age group was 75 minutes on the average (previous



year 49 minutes) whereas the viewing time of the 3+ age group as a whole was 213 minutes (previous year 220 minutes).

While almost 54 % of the interviewees still say that they use classical TV reception (live or self-recording) as “primary mode of transmission of moving images”, 38 % of the interviewees say that they already use live streaming or on-demand streaming via Internet. 88 % of the 70+ age group use classical TV while almost 81 % of the 14-19 year-olds use streaming services. Also the 30-39 age group prefers Internet streaming.

Besides the use of video streaming services such as Amazon, Netflix, Disney, Telekom, Vodafone and Sky Deutschland, the use of online video services of TV channels has increased by 5 % in 2021. Most of these Broadcaster Video-on-Demand (BVOD) programs are no traditional VoD programs but they make it possible to view the linear TV program online “ live” or time-shifted (Catch-up, start from the beginning etc.) as comprehensive on-demand service.

3. Legal outline conditions

The Online-SatCab Directive 2019/789 has been transposed into national law on June 7, 2021. It contains regulations regarding the technology-neutral form of retransmission (e.g. satellite, closed-circuit, IP-based, mobile and similar networks) and the direct injection of programs by broadcasting organizations into cable networks. These rights are subject to compulsory collective administration (Sections 20b, 20d UrhG [*German Copyright Act*]) and they are therefore licensed by AGICOA GmbH for its entire repertory.

COURSE OF BUSINESS

1. Field of activity

In the fiscal year 2021, the activities of the Company comprised, as in the past, the administration of cable retransmission rights in Germany and abroad in accordance with the Statutes.

Moreover, the Company – via ZWF – administers the rights of its entitled persons in secondary exploitation of films as far as they are concerned by the fact that the operators of a distribution system simultaneously make the receivers available to the users (e.g. hotel TV systems, hospitals, prisons etc.).

The Company is held by 51 % by the collecting society GWFF having its registered office in Munich, and by 49 % by AGICOA Geneva having its registered office in Geneva/ Switzerland.

2. Cable retransmission revenues

In the period under review, the Company recorded revenues of EUR 29,298k (EUR 23,706k in 2020) for cable retransmission in Germany including revenues of EUR 19,669k (EUR 18,652k in 2020) of the "Münchner Gruppe" and revenues of EUR 9,628k (EUR 5,054k in 2020) of ZWF. In addition, an amount of EUR 0k (EUR 7k in 2020) has been received for spillover of German TV-stations in Denmark.

The term of the global cable agreement between the collecting societies cooperating within the scope of the "Münchner Gruppe" and ANGA from 2009 has been extended until December 31, 2022, because there was no notice of termination. The parties have been negotiating for quite some time over the inclusion of the additional services of ANGA such as NetPVR, Instant Reload, Catch-up etc. in the current agreement. It is considered highly probable that these negotiations will be concluded in 2022.

For some parts of these additional services, short-term agreements have been concluded where the repertory is excluded for several U.S. rightholders.

3. Interest result

There was a negative interest result of EUR 165k (EUR 166k in 2020). This is mainly due to the negative interest charged on money in the bank (deposit charges).

4. Expenses

In 2021, expenses of EUR 799k (EUR 800k in 2020) have been incurred for the operation of the Company (after offsetting of income from increase of the cash surrender value of the reinsurance of EUR 0k (EUR 20k in 2020), the release of reserves and other income of EUR 7k (EUR 15k in 2020). The cost rate of the Company (including the interest result) is 2.7 % (3.4 % in 2020) related to the cable retransmission revenues and 3.5 % (3.1 % in 2020) related to the amounts paid out in the fiscal year.

5. Staff

AGICOA Urheberrechtsschutz GmbH efficiently fulfills the tasks required by law through a small team. The Company has no staff other than the two (2) managing directors. The work is otherwise performed by employees of the affiliated collecting society GWFF who have the required know-how. Substantial synergies and cost savings are realized in this manner.

6. Entitled persons

The number of entitled persons has also been increased in 2021.

7. Distribution of the revenues

In the fiscal year 2021, the statements have been prepared for the revenues received for the broadcasting year 2020. In addition, payments on account of solved double registrations 1990 through 2019 and for late claims 2017 through 2020 have been made.

After building reserves for audiovisuell works not yet registered have been set aside and after the deduction of the statutory allocations to the social fund and the promotion fund, that had been suspended for the main settlement run in 2021 according to the shareholders' resolution, a total of EUR 23,021k (EUR 25,812k in 2020) has been paid to the entitled persons. This aggregated amount consists of the payments for the settlement runs in the fiscal year 2021 of EUR 22,610k (EUR 25,115k in 2020) as well as payments for settlement runs in prior years of EUR 411k (EUR 698k in 2020).

FINANCIAL AND EARNINGS SITUATION

1. Earnings situation

The earnings situation of the Company is determined by its statutory status as non-profit organization as prescribed by law for collecting societies. Furthermore, it is inherent in the system that most of the cable retransmission revenue is relating to different periods because the amounts to be distributed are received, and passed on to the Company, by the administering institutions for different periods and the Company then issues the respective statements to the entitled persons with time-lag. The balance of EUR 28,334k (EUR 22,756k in 2020) arising from all income and expenditure is added in total to the reserves for entitled persons in accordance with the Statutes.

2. Financial situation

As a result of the requirements of the law, the balance sheet and thus the financial situation of the Company are determined by items channelled through. The balance sheet is thus characterized by high cash amounts (EUR 37,649k in 2021; EUR 35,957k in 2020) while the fixed assets and the remaining current assets are of secondary importance. The main item on the liabilities side are the reserves for entitled persons (EUR 40,661k in 2021; EUR 35,348k in 2020) while the remaining reserves and accrued liabilities and also the subscribed capital are secondary items.

In accordance with Section 25 VGG, the Company has adopted investment guidelines which provide that the Company may only make risk-free investments pursuant to Section 1807(1) BGB [*German Civil Code*] (in particular fixed-interest investments); especially investments in equities are not permitted. The banks have started in 2016 to charge negative interest and/or deposit charges on credit balances on accounts. The liquid funds of the Company are exclusively in the form of fixed term deposits and current accounts at present.

MATERIAL RISKS AND OPPORTUNITIES

1. Risk management

The Company has adopted the general risk management policy on December 1, 2016. The primary objective of the risk management is the controlled and effective handling of the business risks in the day-to-day business. There have been no risks threatening the Company's viability in 2021.

2. Risk report

The main risks which might have a substantial impact on the assets, liabilities, financial position and earnings situation of the Company are set out below:

2.1. Business environment

The income of the Company mainly depends on the agreements with the cable network operators. The current agreement with ANGA will be valid until December 31, 2022 and the negotiations on the continuation of the agreement are still lasting.

However, GEMA, as negotiator of the "Münchner Gruppe", reached no agreements with ANGA on some of the open issues in 2021 and the Company therefore expects that a "new" global cable agreement will be concluded with ANGA in 2022.

The Company will continue to monitor the trend of so-called cord-cutting, which could lead to a decline in revenues of the Münchner Gruppe.

There is the risk of new collecting societies asserting claims. However, the Company does not know of any such intention. It is also possible that entitled persons represented by the Company decide to be represented by other collecting societies.

2.2. Finance

The drop in the interest level, the lower interest income and in particular the negative interest involve risks for the Company. The Company endeavors to avoid the risk of both deposit charges and bad debt losses as far as possible through investments in accordance with the general investment policy.

2.3. Business processes

The business processes of the Company are substantially determined by the infrastructure technology. The Company ensures availability of the data and protection from unauthorized access by using modern hardware and software technology. The risk of loss of all data is reduced by data backup measures on a regular basis. The Company has established an IT disaster recovery plan for a worst case scenario such as fire with total loss of the IT hardware and software.

Internal controls (e.g. four eyes principle) help to minimize the risk. In view of the size of the Company no internal controlling department has been established.

2.4. Legal environment

The main risk inherent in the business operation of the Company is still the possibility of a change in the legal outline conditions regarding the remuneration claims for cable retransmission over the medium or long term.

However, such a change in the legal outline conditions does currently not seem to be likely.

2.5. Opportunities

The opportunity of the Company consists primarily in the extension of its scope of administration to cover also further forms of retransmission.

This is now possible after the transposition of the Online-SatCab Directive into German law effective June 7, 2021. For so-called retransmission services – in particular Internet-based Over-the-Top services (OTTs) – the rights clearance occurs centrally through collecting societies if and when retransmission is made to entitled users in a safe environment.

Section 20b UrhG], which is now technology-neutral, makes it possible for AGICOA GmbH to license these rights.

Furthermore, the new direct compensation regulation in Section 20d UrhG, which has likewise been introduced through the transposition of the Online-SatCab Directive, and the associated rights clearance which is subject to compulsory collective administration may generate additional income of the Company in the long run. However, Section 20d UrhG applies only from June 7, 2025 on to contracts concluded before June 7, 2021.

The rights required for the licensing of “Features“ are not subject to compulsory collective administration. The Company endeavors to be granted these rights on a voluntary basis, in particular also by U.S. producers.

The Company expects that the revenues from “classical“ cable retransmission will decline in the coming years. However, it assumes that it will be possible to offset this decline in revenues by income from OTT and ancillary services such as Catch-up, Instant Reload of the cable operators.



PRESUMABLE DEVELOPMENT

The distributions to the entitled persons will be made as soon as possible also in the years to come. For 2022, the Company plans to distribute the amounts received for the retransmission year 2021.

The Management expects that the revenues of the Münchner Gruppe in 2022 will be as in 2021 with the ZWF revenues however being lower; the latter were considerably higher in 2021 than in preceding years as a result of payment with retroactive effect under an agreement with hospitals (one-time effect).

Munich, June 2, 2022

AGICOA Urheberrechtsschutz GmbH
Geschäftsführung

Prof. Dr. Ronald Frohne

Dr. Gertraude Müller-Ernstberger

C. BESTÄTIGUNGSVERMERK DES UNABHÄNGIGEN ABSCHLUSSPRÜFERS

[reproduction of the original German wording of the unqualified audit opinion, not translated]

An die AGICOA Urheberrechtsschutz GmbH, München

Prüfungsurteile

Ich habe den Jahresabschluss der AGICOA Urheberrechtsschutz GmbH, München, – bestehend aus der Bilanz zum 31. Dezember 2021, der Gewinn- und Verlustrechnung und der Kapitalflussrechnung für das Geschäftsjahr vom 1. Januar 2021 bis 31. Dezember 2021 sowie dem Anhang, einschließlich der Darstellung der Bilanzierungs- und Bewertungsmethoden – geprüft. Darüber hinaus habe ich den Lagebericht der AGICOA Urheberrechtsschutz GmbH für das Geschäftsjahr vom 1. Januar 2021 bis 31. Dezember 2021 geprüft.

Nach meiner Beurteilung aufgrund der bei der Prüfung gewonnenen Erkenntnisse

- entspricht der beigefügte Jahresabschluss in allen wesentlichen Belangen den deutschen, für Kapitalgesellschaften geltenden handelsrechtlichen Vorschriften sowie den ergänzenden Bestimmungen des Gesetzes über die Wahrnehmung von Urheberrechten und verwandten Schutzrechten durch Verwertungsgesellschaften (Verwertungsgesellschaftengesetz - VGG) und vermittelt unter Beachtung der deutschen Grundsätze ordnungsmäßiger Buchführung ein den tatsächlichen Verhältnissen entsprechendes Bild der Vermögens- und Finanzlage der Gesellschaft zum 31. Dezember 2021 sowie ihrer Ertragslage für das Geschäftsjahr vom 1. Januar 2021 bis 31. Dezember 2021 und
- vermittelt der beigefügte Lagebericht insgesamt ein zutreffendes Bild von der Lage der Gesellschaft. In allen wesentlichen Belangen steht dieser Lagebericht in Einklang mit dem Jahresabschluss, entspricht den deutschen gesetzlichen Vorschriften und stellt die Chancen und Risiken der zukünftigen Entwicklung zutreffend dar.

Gemäß § 322 Abs. 3 Satz 1 HGB erkläre ich, dass meine Prüfung zu keinen Einwendungen gegen die Ordnungsmäßigkeit des Jahresabschlusses und des Lageberichts geführt hat.

Grundlage für die Prüfungsurteile

Ich habe meine Prüfung des Jahresabschlusses und des Lageberichts in Übereinstimmung mit § 317 HGB unter Beachtung der vom Institut der Wirtschaftsprüfer (IDW) festgestellten deutschen Grundsätze ordnungsmäßiger Abschlussprüfung durchgeführt. Meine Verantwortung nach diesen Vorschriften und Grundsätzen ist im Abschnitt "Verantwortung des Abschlussprüfers für die Prüfung des Jahresabschlusses und des Lageberichts" meines Bestätigungsvermerks weitergehend beschrieben. Ich bin von dem Unternehmen unabhängig in Übereinstimmung mit den deutschen handelsrechtlichen und berufsrechtlichen Vorschriften und habe meine sonstigen deutschen Berufspflichten in Übereinstimmung mit diesen Anforderungen erfüllt. Ich bin der Auffassung, dass die von mir erlangten Prüfungsnachweise ausreichend und geeignet sind, um als Grundlage für meine Prüfungsurteile zum Jahresabschluss und zum Lagebericht zu dienen.

Sonstige Informationen

Die gesetzlichen Vertreter sind für die sonstigen Informationen verantwortlich.

Meine Prüfungsurteile zum Jahresabschluss und zum Lagebericht erstrecken sich nicht auf die sonstigen Informationen, und dementsprechend gebe ich weder ein Prüfungsurteil noch irgendeine andere Form von Prüfungsschlussfolgerung hierzu ab.

Im Zusammenhang mit meiner Prüfung habe ich die Verantwortung, die sonstigen Informationen zu lesen und dabei zu würdigen, ob die sonstigen Informationen

- wesentliche Unstimmigkeiten zum Jahresabschluss, zum Lagebericht oder meinen bei der Prüfung erlangten Kenntnissen aufweisen oder
- anderweitig wesentlich falsch dargestellt erscheinen.

Falls ich auf Grundlage der von mir durchgeführten Arbeiten den Schluss ziehe, dass eine wesentliche falsche Darstellung dieser sonstigen Informationen vorliegt, bin ich verpflichtet, über diese Tatsache zu berichten. Ich habe in diesem Zusammenhang nichts zu berichten.

Verantwortung der gesetzlichen Vertreter und des Aufsichtsrats für den Jahresabschluss und den Lagebericht

Die gesetzlichen Vertreter sind verantwortlich für die Aufstellung des Jahresabschlusses, der den deutschen, für Kapitalgesellschaften geltenden handelsrechtlichen Vorschriften sowie den ergänzenden Bestimmungen des Gesetzes über die Wahrnehmung von Urheberrechten und verwandten Schutzrechten durch Verwertungsgesellschaften (Verwertungsgesellschaftengesetz – VGG) in allen wesentlichen Belangen entspricht, und dafür, dass der Jahresabschluss unter Beachtung der deutschen Grundsätze ordnungsmäßiger Buchführung ein den tatsächlichen Verhältnissen entsprechendes Bild der Vermögens-, Finanz- und Ertragslage der Gesellschaft vermittelt. Ferner sind die gesetzlichen Vertreter verantwortlich für die internen Kontrollen, die sie in Übereinstimmung mit den deutschen Grundsätzen ordnungsmäßiger Buchführung als notwendig bestimmt haben, um die Aufstellung eines Jahresabschlusses zu ermöglichen, der frei von wesentlichen – beabsichtigten oder unbeabsichtigten – falschen Darstellungen ist.

Bei der Aufstellung des Jahresabschlusses sind die gesetzlichen Vertreter dafür verantwortlich, die Fähigkeit der Gesellschaft zur Fortführung der Unternehmenstätigkeit zu beurteilen. Des Weiteren haben sie die Verantwortung, Sachverhalte in Zusammenhang mit der Fortführung der Unternehmenstätigkeit, sofern einschlägig, anzugeben. Darüber hinaus sind sie dafür verantwortlich, auf der Grundlage des Rechnungslegungsgrundsatzes der Fortführung der Unternehmenstätigkeit zu bilanzieren, sofern dem nicht tatsächliche oder rechtliche Gegebenheiten entgegenstehen.

Außerdem sind die gesetzlichen Vertreter verantwortlich für die Aufstellung des Lageberichts, der insgesamt ein zutreffendes Bild von der Lage der Gesellschaft vermittelt sowie in allen wesentlichen Belangen mit dem Jahresabschluss in Einklang steht, den deutschen gesetzlichen Vorschriften entspricht und die Chancen und Risiken der zukünftigen Entwicklung zutreffend darstellt. Ferner sind die gesetzlichen Vertreter verantwortlich für die Vorkehrungen und Maßnahmen (Systeme), die sie als notwendig

erachtet haben, um die Aufstellung eines Lageberichts in Übereinstimmung mit den anzuwendenden deutschen gesetzlichen Vorschriften zu ermöglichen, und um ausreichende geeignete Nachweise für die Aussagen im Lagebericht erbringen zu können.

Der Aufsichtsrat ist verantwortlich für die Überwachung des Rechnungslegungsprozesses der Gesellschaft zur Aufstellung des Jahresabschlusses und des Lageberichts.

Verantwortung des Abschlussprüfers für die Prüfung des Jahresabschlusses und des Lageberichts

Meine Zielsetzung ist, hinreichende Sicherheit darüber zu erlangen, ob der Jahresabschluss als Ganzes frei von wesentlichen – beabsichtigten oder unbeabsichtigten – falschen Darstellungen ist, und ob der Lagebericht insgesamt ein zutreffendes Bild von der Lage der Gesellschaft vermittelt sowie in allen wesentlichen Belangen mit dem Jahresabschluss sowie mit den bei der Prüfung gewonnenen Erkenntnissen in Einklang steht, den deutschen gesetzlichen Vorschriften entspricht und die Chancen und Risiken der zukünftigen Entwicklung zutreffend darstellt, sowie einen Bestätigungsvermerk zu erteilen, der meine Prüfungsurteile zum Jahresabschluss und zum Lagebericht beinhaltet.

Hinreichende Sicherheit ist ein hohes Maß an Sicherheit, aber keine Garantie dafür, dass eine in Übereinstimmung mit § 317 HGB unter Beachtung der vom Institut der Wirtschaftsprüfer (IDW) festgestellten deutschen Grundsätze ordnungsmäßiger Abschlussprüfung durchgeführte Prüfung eine wesentliche falsche Darstellung stets aufdeckt. Falsche Darstellungen können aus Verstößen oder Unrichtigkeiten resultieren und werden als wesentlich angesehen, wenn vernünftigerweise erwartet werden könnte, dass sie einzeln oder insgesamt die auf der Grundlage dieses Jahresabschlusses und Lageberichts getroffenen wirtschaftlichen Entscheidungen von Adressaten beeinflussen.

Während der Prüfung übe ich pflichtgemäßes Ermessen aus und bewahre eine kritische Grundhaltung. Darüber hinaus

- identifiziere und beurteile ich die Risiken wesentlicher – beabsichtigter oder unbeabsichtigter – falscher Darstellungen im Jahresabschluss und im Lagebericht, plane und führe Prüfungshandlungen als Reaktion auf diese Risiken durch sowie erlange Prüfungsnachweise, die ausreichend und geeignet sind, um als Grundlage für meine Prüfungsurteile zu dienen. Das Risiko, dass wesentliche falsche Darstellungen nicht aufgedeckt werden, ist bei Verstößen höher als bei Unrichtigkeiten, da Verstöße betrügerisches Zusammenwirken, Fälschungen, beabsichtigte Unvollständigkeiten, irreführende Darstellungen bzw. das Außerkraftsetzen interner Kontrollen beinhalten können.
- gewinne ich ein Verständnis von dem für die Prüfung des Jahresabschlusses relevanten internen Kontrollsystem und den für die Prüfung des Lageberichts relevanten Vorkehrungen und Maßnahmen, um Prüfungshandlungen zu planen, die unter den gegebenen Umständen angemessen sind, jedoch nicht mit dem Ziel, ein Prüfungsurteil zur Wirksamkeit dieser Systeme der Gesellschaft abzugeben.
- beurteile ich die Angemessenheit der von den gesetzlichen Vertretern angewandten Rechnungslegungsmethoden sowie die Vertretbarkeit der von den gesetzlichen Vertretern dargestellten geschätzten Werte und damit zusammenhängenden Angaben.

- ziehe ich Schlussfolgerungen über die Angemessenheit des von den gesetzlichen Vertretern angewandten Rechnungslegungsgrundsatzes der Fortführung der Unternehmenstätigkeit sowie, auf der Grundlage der erlangten Prüfungsnachweise, ob eine wesentliche Unsicherheit im Zusammenhang mit Ereignissen oder Gegebenheiten besteht, die bedeutsame Zweifel an der Fähigkeit der Gesellschaft zur Fortführung der Unternehmenstätigkeit aufwerfen können. Falls ich zu dem Schluss komme, dass eine wesentliche Unsicherheit besteht, bin ich verpflichtet, im Bestätigungsvermerk auf die dazugehörigen Angaben im Jahresabschluss und im Lagebericht aufmerksam zu machen oder, falls diese Angaben unangemessen sind, mein jeweiliges Prüfungsurteil zu modifizieren. Ich ziehe meine Schlussfolgerungen auf der Grundlage der bis zum Datum meines Bestätigungsvermerks erlangten Prüfungsnachweise. Zukünftige Ereignisse oder Gegebenheiten können jedoch dazu führen, dass die Gesellschaft ihre Unternehmenstätigkeit nicht mehr fortführen kann.
- beurteile ich die Gesamtdarstellung, den Aufbau und den Inhalt des Jahresabschlusses einschließlich der Angaben sowie ob der Jahresabschluss die zugrunde liegenden Geschäftsvorfälle und Ereignisse so darstellt, dass der Jahresabschluss unter Beachtung der deutschen Grundsätze ordnungsmäßiger Buchführung ein den tatsächlichen Verhältnissen entsprechendes Bild der Vermögens-, Finanz- und Ertragslage der Gesellschaft vermittelt.
- beurteile ich den Einklang des Lageberichts mit dem Jahresabschluss, seine Gesetzesentsprechung und das von ihm vermittelte Bild von der Lage des Unternehmens.
- führe ich Prüfungshandlungen zu den von den gesetzlichen Vertretern dargestellten zukunftsorientierten Angaben im Lagebericht durch. Auf Basis ausreichender geeigneter Prüfungsnachweise vollziehe ich dabei insbesondere die den zukunftsorientierten Angaben von den gesetzlichen Vertretern zugrunde gelegten bedeutsamen Annahmen nach und beurteile die sachgerechte Ableitung der zukunftsorientierten Angaben aus diesen Annahmen. Ein eigenständiges Prüfungsurteil zu den zukunftsorientierten Angaben sowie zu den zugrunde liegenden Annahmen gebe ich nicht ab. Es besteht ein erhebliches unvermeidbares Risiko, dass künftige Ereignisse wesentlich von den zukunftsorientierten Angaben abweichen.

Ich erörtere mit den für die Überwachung Verantwortlichen unter anderem den geplanten Umfang und die Zeitplanung der Prüfung sowie bedeutsame Prüfungsfeststellungen, einschließlich etwaiger Mängel im internen Kontrollsystem, die ich während meiner Prüfung feststelle.

München, den 24. Juni 2022

Dr. Dieter Eder
Wirtschaftsprüfer



D. REJECTED REQUESTS OF USERS REGARDING THE GRANTING OF RIGHTS OF USE

No requests of users regarding the granting of rights of use have been rejected in the fiscal year 2021.

E. LEGAL FORM AND ORGANIZATIONAL STRUCTURE

I. Legal bases

Formation	The Company exists in the legal form of a GmbH [<i>German limited liability company</i>] since June 26, 1987.
Name	AGICOA Urheberrechtsschutz GmbH The name of the Company has been changed by shareholder resolution of October 19, 2016.
Seat	Munich
Statutes	The Statutes of the Company have been fully revised on the basis of the shareholder resolution of October 19, 2016. They have been entered in the Commercial Register on April 18, 2017.
Commercial Register	The Company is entered in Section B, No. 114001, of the Commercial Register at the Amtsgericht München [<i>Local Court Munich</i>]. The most recent entry was made on April 18, 2017. It comprises the new version of the Statutes in accordance with the shareholder resolution of October 19, 2016.
Purpose	The fiduciary administration of rights of use and remuneration claims which result from the Copyright Act in conjunction with international and/or bilateral conventions for domestic and foreign film producers, authors and other entitled persons as well as for film exploiters and film distributors deriving rights from the same, because of the wired or wireless retransmission of films and furthermore the distribution of the collected revenues to the entitled persons. The Company is a collecting society within the meaning of Section 2 VGG [<i>German Collecting Societies Act</i>]. It is not operated for profit. The authorization required for the activity of the Company pursuant to Section 1 UrhWG [<i>German Act on the Administration of Copyright and Neighboring Rights</i>] has been granted, subject to conditions, by notification of the President of the German Patent Office of August 10, 1994. The conditions are fulfilled. The Company is subject to supervision by the President of the German Patent and Trademark Office.



Fiscal year	The fiscal year is the calendar year.
Size of the Company	<p>The Company is a middle-sized company within the meaning of Section 267(2) HGB [<i>German Commercial Code</i>].</p> <p>Since the introduction of the new German Collecting Societies Act, the collecting societies must apply the provisions applicable to large corporations pursuant to Section 57(1) VGG [<i>German Collecting Societies Act</i>].</p>
Nominal capital	<p>As of December 31, 2021, the nominal capital is DEM 50,000.00 (EUR 25,564.59).</p> <p>The nominal capital of DEM 50,000.00 is entered in the Commercial Register and fully paid up. The conversion has been made on the basis of the fixed exchange rate.</p>
Shareholders	<p>As of December 31, 2021, the shareholding is as follows:</p> <p>51 %: GWFF Gesellschaft zur Wahrnehmung von Film- und Fernsehrechten mbH, Munich</p> <p>49 %: AGICOA Association de Gestion Internationale Collective des Oeuvres Audiovisuelles, Geneva / Switzerland.</p>

II. Bodies of the Company

Managing directors

In the fiscal year 2021, the managing directors were

- Rechtsanwalt [*attorney-at-law*]
Prof. Dr. Ronald Frohne, Berlin
- Rechtsanwältin [*attorney-at-law*]
Dr. Gertraude Müller-Ernstberger, Munich

Each of the two (2) managing directors hold power of individual representation.

Shareholders' meeting

The rights and duties of the shareholders' meeting are set forth in Article 8 of the Statutes. The following resolutions have been adopted at the shareholders' meeting of June 28, 2021:

- approval of the financial statements for the year ended December 31, 2020 as well as the transparency report 2020
- discharge of the management for the fiscal year 2020
- delegation of an entitled person to the advisory board
- election of the auditor for the fiscal year 2021

Supervisory board

In the fiscal year 2016, the Company has established a supervisory board pursuant to Section 22 VGG [*German Collecting Societies Act*] and to Article 9 of the Statutes which has three (3) members in accordance with the Statutes. The rights and duties of the supervisory board are set forth in Article 10 of the Statutes.

The following members have been (re)elected at the shareholders' meeting of June 28, 2021 for a term of four (4) years:

- Mr. John Jacobsen, film producer, Oslo / Norway
(elected chairman by the supervisory board on June 28, 2021)
- Mr. Chris Marcich, president, AGICOA Geneva, Geneva / Switzerland
(elected vice chairman by the supervisory board on June 28, 2021)
- Mr. Tom de Lange, managing director, AGICOA Geneva, Geneva / Switzerland

One (1) supervisory board meeting was held in the fiscal year 2021 on June 28, 2021.

Advisory board

The advisory board, which is composed of six (6) members in accordance with the Statutes and whose rights and duties are set out in Article 13 of the Statutes, was composed as follows in the fiscal year 2021:

nominated by the two (2) shareholders for a term of four (4) years:

- Mrs. Anne Sophie Gersdorff Schrøder, Frederiksberg / Denmark
(retired on June 27, 2021)
- Mr. Nikolaus Brudny, Unterföhring
(nominated on June 28, 2021)
- Mr. Tom de Lange, Geneva / Switzerland
(renominated on June 5, 2019)

reelected as representatives of the entitled persons at the meeting of entitled persons of November 10, 2020 for a term of four (4) years:

- Mr. John Jacobsen, Oslo / Norway
- Mr. Chris Marcich, Geneva / Switzerland
- Mr. Miguel Angel Benzal, Madrid / Spain
- Mrs. Jane Saunders, Washington, D.C. / USA

elected as substitute advisory board members:

- Mr. Philip Löhr, Munich
- Mr. Dominik Skoczek, Warsaw / Poland

One (1) advisory board meeting was held in the fiscal year 2021 on June 28, 2021.

Meeting of entitled persons

The last meeting was held on November 10, 2020 – the meetings are held at intervals of four (4) years. At that meeting, the advisory board members named above were elected in accordance with the Statutes.

III. Entitled persons

Entitled persons ("rightholders" until the time when the German Collecting Societies Act came into force) are domestic and foreign film producers, authors and other entitled persons as well as film exploiters and film distributors deriving rights from the same.

The entitled persons may transfer the following rights and claims to AGICOA GmbH for fiduciary administration on the basis of an Administration Agreement:

1. The right of simultaneous, unchanged and complete, analog and digital retransmission of broadcasts in Germany
 - 1.1. through cable or cable-like systems (e.g. broadband, telephone cable, fiber optic cable, open or closed network), IPTV, OTT-services, microwave systems, via satellite, terrestrially, mobile radio (for example, without limitation, GPRS, UMTS, LTE) or other wired or wireless distribution paths;
 - 1.2. as live stream on the Internet or via another computer network (e.g. virtual private network (VPN)). This includes the linking and/or feeding into P2P streaming networks and any other provision of access to the live stream via a computer network for simultaneous reception and any other inclusion and/or any other adoption on websites, irrespective of whether in a separate browser window and regardless of what software is used;
 - 1.3. within the scope of an online video recorder (online personal video recorder) and other recording media which are only accessible via the Internet or any other computer network.
2. The right of making online broadcasts available to the public (Section 19a UrhG). This includes, in a supplementary manner, the right of reproduction (Section 16 UrhG) if and to the extent necessary for making the broadcast available to the public (for example, without limitation, instant restart, replay).
3. The right of communication of broadcasts to the public by way of simultaneous, unchanged and complete delivery of broadcast signals to provided receivers in hotels, hospitals, homes for the elderly, prisons, fitness and sports facilities and similar institutions pursuant to Sections 15 / 20b UrhG [*German Copyright Act*].
4. Other copyright claims derived from retransmission which can only be exercised collectively due to statutory provisions.

The granting of the rights covers all copyrights and neighboring rights (including those of performing artists) to which the entitled person is entitled, originally or derivatively, in films and/or audio-visual carriers.

The granting of these rights covers the territory of the Federal Republic of Germany.

AGICOA GmbH administers, via PRD, Copenhagen, also the rights from the spillover of German broadcasters in Denmark. This contract was terminated on 31 December 2020.

IV. Organization of the Company

The organization of AGICOA GmbH is structured in the following areas in accordance with its Statutes:

- administration of the rights transferred to AGICOA GmbH vis-à-vis the users of those rights
- fiduciary investment and administration of the collected amounts
- preparation and execution of the distribution of the collected amounts to the entitled persons

For the administration of the amounts collected on a fiduciary basis, the shareholders' meeting of AGICOA GmbH has adopted the investment policy principles on September 13, 2016 and the risk management policy on December 1, 2016 which have been defined in the investment guideline of AGICOA GmbH.

The Company efficiently fulfills the tasks required by law through a small team and a network of experienced and reliable service providers. The Company has no staff other than the two (2) managing directors. The work is performed by employees of the affiliated collecting society GWFF who have the required know-how. Substantial synergies and cost savings are realized in this manner.

F. DEPENDENT COLLECTING ENTITIES

AGICOA GmbH participates in the following civil law partnership without capital contribution:

- Zentralstelle für die Wiedergabe von Fernsehsendungen (ZWF), Bonn, management by VG Bild-Kunst

The collecting societies AGICOA GmbH, GÜFA, GWFF, VG Bild-Kunst, VFF and VGF formed the civil law partnership "Zentralstelle für die Wiedergabe von Fernsehsendungen" (ZWF) on December 14, 2006.

The purpose of ZWF is the administration of the rights in secondary exploitation of films administered by the individual ZWF societies as far as they are concerned by the fact that the operator of a distribution system simultaneously makes the receivers available to the users (e.g. hotel TV systems, hospitals, prisons etc.).

ZWF is responsible for the collection of the remuneration claims for the communication of TV programs (right of communication to the public pursuant to Section 22 UrhG [*German Copyright Act*] and cable retransmission right pursuant to Section 20b UrhG [*German Copyright Act*]).

AGICOA GmbH receives a share of 69.28 % of the ZWF revenue for the broadcasting years from 2016 on.

G. REMUNERATION OF THE BODIES

In the fiscal year 2021 the remuneration of the management amounted to EUR 306,752.66.

The supervisory board members and the advisory board members serving in an honorary capacity have not received remuneration in the fiscal year 2021.

H. FINANCIAL INFORMATION

I. Cable retransmission revenue and use of rights revenue

The break down of the cable retransmission revenue is shown in Chart 1:

Chart 1: Cable retransmission revenue Germany in the fiscal year:

	2021 EUR
a) Domestic	
Cable retransmission revenue Germany	
from cable network operators (collected by GEMA)	19,669,446.61
from ZWF (collected by VG Bild-Kunst)	9,628,267.71
Cable retransmission revenue Germany	<u>29,297,714.32</u>
Thereof	
already distributed in 2021	2,047,412.18
to be distributed in 2022	27,250,302.14

The cable retransmission revenue Germany realized in the fiscal year 2021 is shown in the profit and loss statement – see A.II.

This revenue cannot be used - i.e. the distribution and the statements for the entitled persons cannot be prepared - already in the fiscal year of receipt, but only after completion of the fiscal year, i.e. after completion of the broadcasting year (calendar year) since, according to the requirements of the law and of the Distribution Plan, the receipts of a broadcasting year must be consolidated and be allocated to all broadcasts made in the broadcasting year in accordance with the Distribution Plan.

The data which are required as distribution basis, i.e. especially the broadcasts made over the whole broadcasting year, can only be determined after completion of the broadcasting year.

Some of the amounts to be distributed often can be collected only sometime after completion of the broadcasting year so that also the statements for the entitled persons can only be prepared thereafter.

The above mentioned cable retransmission revenue Germany received in the fiscal year 2021 was already partially distributed with an amount of EUR 2,047,412.18 within the main settlement run for cable retransmission rights for the broadcasting year 2020, which was performed in the fiscal year 2021, because this amount represented remunerations for broadcasting years before 2021 and was received before the distribution date.

The remaining revenues of EUR 27,250,302.14 less negative interest will be available for the allocation of the cable retransmission rights for the broadcasting year 2021, which will be distributed in 2022 amounting to EUR 27,146,942.09.

II. Cost of rights administration

The costs of the fiscal year 2021 shown in the profit and loss statement (see A. II.) are exclusively generated by the rights administration on behalf of the entitled persons. The Company does not provide any other services or benefits to the entitled persons or members.



In the fiscal year 2021, the Company has only administered cable retransmission rights pursuant to Section 20b UrhG [*German Copyright Act*] in Germany and, therefore, the costs are fully attributable thereto.

The costs are covered by the rights revenue pursuant to Section 31 VGG [*German Collecting Societies Act*], Article 4 of the Statutes and/or Part I Article 1 I. of the Distribution Plan. The Company has adopted general principles on the deduction of administrative costs in this regard.

According to the current version of these general principles of September 30, 2016, which have been re-adopted and re-approved by the shareholders' meeting as well as by the advisory board on August 30, 2017, the budgeted administrative cost rate is deducted from the revenues in the year of distribution. If the budgeted administrative cost rate is insufficient to cover the actual costs of a distribution year, the difference is taken from the working capital reserve (WCR) set up by the Company. In the event that the budgeted administrative cost rate exceeds the actual costs of the year of distribution, the difference is added to the WCR. If and when the WCR covers more than the administrative costs of the preceding 24 months, the excess amount must be distributed to the entitled persons in addition to the next distribution amount. The WCR is established for the first time effective January 1, 2017 amounting to EUR 1,500,000 (shareholder resolution of December 1, 2016).

For the main settlement run [*Hauptabrechnungslauf*] made in the fiscal year 2021 for the broadcasting year 2020, the budgeted costs of the fiscal year 2021 amounting to EUR 800k have been deducted from the gross distribution amount and have been added to the WCR. In return the actual cost of the fiscal year 2021 had been financed by disposing from the WCR. The calculation based on the above mentioned rules resulted in no excess amount for the WCR as of December 31, 2020. The calculation of a possible surplus of the WCR as of December 31, 2021, according to the rules mentioned above will be performed for the next main settlement run for the broadcasting year 2021 in 2022.

The WCR development is shown in the table of the reserves for entitled persons (Chart 3) on page 35.

The cost rate of the Company (interest result included) is 2.7 % related to the cable retransmission revenue in the fiscal year 2021 and 3.5 % related to the amounts paid in the fiscal year 2021.

III. Amounts due to the entitled persons

a) Aggregate of the amounts allocated to the entitled persons

The rights revenue is distributed on the basis of the Distribution Plan for the remuneration paid by the cable network operators as compensation for the cable retransmission rights pursuant to Section 20b UrhG [*German Copyright Act*]. The Distribution Plan of AGICOA GmbH may be accessed on the website of the Company (www.agicoa.de).

In the fiscal year 2021, three (3) settlement runs have been made, that are subsequently commented and shown in the details in Chart 2 on page 33.

The main settlement run for cable retransmission rights was made for the broadcasting year 2020. Proceeding on the basis of a gross distribution amount of EUR 23,402,754.27, a net distribution amount of EUR 21,495,345.07 has been allocated to the entitled persons after deductions in accordance with the Statutes of the Company have been made and after amounts resulting from the release of reserves for non-registered works and other claims of third parties, that have been made provisions for more than three (3) years ago, have been added.

Additionally, the distribution for the settlement run for late claims 2017 through 2019 as well as 2018 through 2020 and the distribution for the solved double registrations 1990 through 2019 were made. Therefore an amount of EUR 2,536,656.08 could be allocated to the entitled persons.

b) Aggregate of the amounts distributed to the entitled persons

The entitled persons are notified of the respective result of the settlement runs by way of distribution letters. After the formal requirements have been fulfilled (especially reconciliation of the film lists, confirmation and release by the entitled person, verification of the bank account, obtaining tax exemption notices, if any), the remuneration is remitted to the entitled person without undue delay. The fulfillment of the formal requirements by the entitled persons may take some time so that, in those cases, the remittance can only be made after the end of the year in which the settlement run is made.

On the basis of the aforesaid settlement runs and the following Chart 2, payments of EUR 22,610,004.57 were made to the entitled persons in the fiscal year 2021; including an amount of EUR 656,843.22, which was paid directly to AGICOA Geneva for its fees deducted and withheld from the payments to the entitled persons. Additionally, there have been payments of EUR 411,035.02 on settlement runs from previous years. An aggregate amount of EUR 23,021,039.59 has been distributed to the entitled persons in the fiscal year 2021.

Details and the break down of the amount are shown in Chart 2: "settlement runs in the fiscal year 2021" on page 33 as well as in Chart 3: "table of the reserves for entitled persons" on page 35.

c) Distribution dates

The distribution dates for the settlement runs in the fiscal year 2021 are shown in Chart 2: "settlement runs in the fiscal year 2021" on page 33.

Chart 2: Settlement runs in the fiscal year 2021:

distribution - dates	rights category	broad- casting year	gross distribution amounts	costs	deduction for / addition from funds / reserves	allocated to entitled persons	thereof paid out in 2021 1) to entitled persons 2) decution of fees to AGICOA Geneva	B G	thereof double registration	thereof withdrawals legal examinations offets	balance as of Dec 31, 2021 not yet paid out
Distributions pursuant to the Distribution Plan for the remuneration paid by the cable network operators as compensation for the cable retransmission rights pursuant to Section 20b UrhG:											
July 21, 2021	Main settlement run	2020	23,402,754.27	-800,000.00	-1,107,409.20	21,495,345.07	-19,632,194.98 -656,843.22	B G	-834,786.07	-190,526.43	180,994.37
June 02, 2021	Late claims Solved double registrations	2017 - 2019 1990 - 2019	1,832,209.60	0.00	0.00	1,832,209.60	-1,661,549.55		-99,587.87	-37,303.76	33,768.42
October 19, 2021	Late claims Solved double registrations	2018 - 2020 1990 - 2019	704,446.48	0.00	0.00	704,446.48	-659,416.82		-10,873.78	-3,789.85	30,366.03
	Total Late claims Solved double registrations		2,536,656.08	0.00	0.00	2,536,656.08	-2,320,966.37		-110,461.65	-41,093.61	64,134.45
			25,939,410.35	-800,000.00	-1,107,409.20	24,032,001.15	-21,953,161.35 -656,843.22	B G	-945,247.72	-231,620.04	245,128.82
							-22,610,004.57				

d) Aggregate of the amounts not yet allocated to the entitled persons

As aforementioned in H. I., above, from the profit and loss statement 2021 an amount of EUR 27,146,942.09 (to be distributed in 2021 of EUR 27,250,302.14 less negative interest) has not yet been allocated.

In addition the reserves for non-registered works and other claims of third parties, which must be set up out of the gross distribution amount pursuant to Part I Article 2 No. 2 of the Distribution Plan, in the amount of EUR 4,048,102.62 based on the settlement runs for the broadcasting years 2018 through 2020, which have been received in 2018 through 2020, have not yet been allocated to the entitled persons.

The total of the amounts not yet allocated to the entitled persons is EUR 31,195,044.71.

e) Aggregate of the amounts allocated, but not yet distributed, to the entitled persons

Reference is made to the details of the settlement runs made in the fiscal year 2021 shown in Chart 2 on page 33.

Moreover, Chart 3 below on page 35 --in the form of a Reserve Statement-- the development of the balance sheet item "reserves for entitled persons" (see balance sheet A. I.). It is composed of the development of the amounts allocated, but not yet distributed, and the amounts not yet allocated as well as the development of the social fund, the promotion fund and the working capital reserve.



Tabelle 3: Rückstellungsspiegel:

	as of Jan 1, 2021	transfers	additons to / usage of WCR	deductions for / additions to reserves and funds	payments to 1) to entitled persons 2) decution of fees to AGICOA Geneva	B G	transfers not yet paid	addition from profit and loss statement 21	as of Dec 31, 2021
Balance sheet item "reserves for entitled persons"	35,348,107.26	0.00	0.00	0.00	-23,021,039.59		0.00	28,333,819.80	40,660,887.47
Composition:									
- Allocation of the result 2020	21,416,693.44		0.00	0.00	0.00		0.00	0.00	0.00
Allocation revenues 2020 to settlement run in 2021		-21,416,693.44							
- Settlement runs in 2021 (see Chart 2)	0.00	25,939,410.35	-800,000.00	-1,107,409.20	-21,953,161.35	B	-945,247.72	0.00	245,128.82
-- cost deduction for AGICOA Geneva fee					-656,843.22	G			
							-231,620.04		
- Settlement runs in 2020	313,468.94	0.00	0.00	0.00	-142,914.09	B	-170,554.85	0.00	0.00
- Reserves for non-registered works and other claims of third parties (not yet allocated to entitled persons – see H. III. d)	4,665,234.85	-1,774,706.35	0.00	-1,781,356.97 -673,947.77	0.00		50,164.92	0.00	4,048,102.62
- Double registrations	1,075,044.34	-661,565.37	0.00	0.00	0.00		910,990.49	0.00	1,324,469.46
- Amounts not yet paid for previous years, not yet called for, withdrawals by entitled persons after settlement runs or non-payment due to legal exami- nation of the entitlement, offset with previous years	3,899,866.85	-100,419.41	0.00	0.00	-159,555.31 -108,565.62	B B	386,267.20	0.00	3,917,593.71
SUBTOTAL of already allocated amounts	31,370,308.42	1,986,025.78	-800,000.00	0.00	-23,021,039.59		0.00	0.00	9,535,294.61
- Social fund	1,692,272.08	0.00	0.00	0.00	0.00		0.00	0.00	1,692,272.08
- Promotion fund	802,011.48	0.00	0.00	0.00	0.00		0.00	0.00	802,011.48
- Working Capital Reserve	1,483,515.28	0.00		0.00	0.00		0.00	0.00	1,484,367.21
-- Balance from addition budgeted cost by settlement run in 21 and usage for actual costs 2021			851.93						
- Net total not yet allocated to entitled persons - (see H. III. d) / Allocation to settlement run in 2021: from revenue in 2021	0.00	-2,047,412.18 61,386.40		0.00	0.00		0.00		27,146,942.09
negative interest 2021, costs 2021			799,148.07						
addition of result of the profit and loss statement 2021 to the reserves (see A. II.) -								¹⁾ 28,333,819.80	
	35,348,107.26	0.00	0.00	0.00	-23,021,039.59		0.00	28,333,819.80	40,660,887.47

1) "net result" from the profit and loss statement 2021 has to be added to "reserves for entitled persons" of (see A. II.)



f) Delays in payment if the collecting society has not made the distribution within the distribution deadline

The distribution period of nine (9) months after completion of the fiscal year pursuant to Section 28 VGG [*German Collecting Societies Act*] has been changed in the Distribution Plan on December 1, 2016. The new distribution period applies from the fiscal year 2017 on.

g) Aggregate of the non-distributable amounts

There are no non-distributable amounts in the Company.

IV. Relations with other collecting societies

a) Amounts received from other collecting societies

Reference is also made to Chart 1 "Cable retransmission revenue Germany in the fiscal year" on page 30 with details of the amounts received from other collecting societies.

b) GEMA, Munich: amounts received

On behalf of the "Münchner Gruppe" GEMA collects the cable retransmission claims pursuant to Section 20b UrhG [*German Copyright Act*] from the cable network operators. In the fiscal year 2021, the Company received an amount of EUR 20,077,255.21 after deduction of the GEMA collection fee of EUR 407,808.60.

c) PRD, Denmark: amounts received

The remuneration claims for spillover of German broadcasters in Denmark are administered by the collecting society PRD, Denmark, and passed on to the Company. In the fiscal year 2021, the Company received no amounts for cable retransmission rights.

d) GWFF Gesellschaft zur Wahrnehmung von Film- und Fernsehrechten mbH, Munich: amounts paid

In the fiscal year 2021, the Company has paid the claims of U.S. Guilds from cable retransmission Germany for the broadcasting year 2020 and from late claims in the amount of EUR 4,132,341.34 without deduction of costs or other deductions to GWFF which pays this remuneration to the Guilds after deduction of costs.

e) Other collecting societies: amounts paid

Moreover, the Company has paid remuneration for cable retransmission Germany to the following collecting societies in the fiscal year 2021:

in EUR	Payment ¹⁾	Costs	Reserve	Social Fund ²⁾	Promotion Fund ²⁾
ANGOA, France	1,050,909.55	-76,766.40	-110,428.98	-184.91	-298.99
APFI, Finland	3,584.89	-234.66	-400.18	-9.11	-14.72
EGEDA, Spain	22,860.08	-1,635.13	-2,411.57	-0.63	-1.02
FRF, Sweden	212,780.82	-15,172.69	-22,668.69	0.00	0.00
PRD, Denmark	187,960.82	-11,938.93	-19,499.57	-138.46	-223.91
Screenrights, Australia	112,737.20	-8,043.69	-11,922.90	0.00	0.00
SEKAM, Netherlands	31,545.92	-2,042.45	-3,293.91	0.00	0.00
Suissimage, Switzerland	69,533.68	-5,045.00	-7,404.13	0.00	0.00
VAM, Austria	815,925.95	-57,448.62	-86,920.23	0.00	0.00
VGF, Germany	19,029.15	-1,305.34	-2,009.50	0.00	0.00
ZAPA, Poland	2,297.82	-165.95	-244.87	0.00	0.00

¹⁾ if applicable: amounts before deduction of taxes at source according to Section 50a EStG [*German income tax act*] as well as without VAT

²⁾ deductions for the social fund and the promotion fund only regarding payments out of late claims and solved double registrations

I. SOCIAL AND CULTURAL PROMOTION

The Company is obligated pursuant to Section 32 VGG [*German Collecting Societies Act*] and according to the Statutes and the Distribution Plan of the Company to allocate amounts to the social fund and the promotion fund.

The development of the social fund and the promotion fund is shown in the Chart 3 on page 35.

I. Social fund

Social fund pursuant to Part I Article 2 II. of the Distribution Plan:

An amount equal to 1 % of the amount to be distributed for the respective broadcasting year must be added to the social fund.

According to the shareholders' resolution the deduction for the social fund was suspended for the main settlement run for cable retransmission rights for the broadcasting year 2021.

There have been no payments out of the social fund in the fiscal year 2021.

II. Promotion fund

Promotion fund pursuant to Part I Article 2 III. of the Distribution Plan:

An amount equal to 3 % of the distribution amount for the respective broadcasting year remaining after the addition to the social fund must be transferred to the promotion fund. Culturally important works or performances, in particular in the audio-visual area, as well as talented producers and directors in the film and television industry are to be promoted by the promotion fund.

According to the shareholders' resolution the deduction for the promotion fund was suspended for the main settlement run for cable retransmission rights for the broadcasting year 2021.

There have been no payments out of the promotion fund in the fiscal year 2021.



ATTACHMENTS

Attachment 1:	List of abbreviations	41
Attachment 2:	Bescheinigung des Abschlussprüfers zum Transparenzbericht <i>[reproduction of the original German wording of the auditor's certificate, not translated]</i>	43

Attachment 1: List of abbreviations

§	section [<i>used in German Codes</i>]
Abs.	paragraph [<i>used in German Codes</i>]
AGICOA GmbH	AGICOA Urheberrechtsschutz GmbH, Munich
AGICOA Geneva	AGICOA Association de Gestion Internationale Collective des Oeuvres Audiovisuelles, Geneva, Switzerland
ANGA	Verband Privater Kabelnetzbetreiber e.V., Berlin
ANGOA	French collecting society
APFI	Finnish collecting society
BGB	Bürgerliches Gesetzbuch [<i>German Civil Code</i>]
Dec	December
DEM	Deutsche Mark [<i>former German currency</i>]
Dr.	Doctor [<i>German title</i>]
e.g.	for example
EGEDA	Spanish collecting society
EstG	Einkommensteuergesetz [<i>German Income Tax Code</i>]
etc.	et cetera
EU	European Union
EUR	Euro [<i>European currency</i>]
e.V.	eingetragener Verein [<i>German registered association</i>]
FRF	Swedish collecting society
GDP	gross domestic product
GEMA	German collecting society
GmbH	Gesellschaft mit beschränkter Haftung [<i>German limited liability company</i>]
GPRS	General Packet Radio Service [<i>mobile radio standard</i>]
GÜFA	German collecting society
GWFF	German collecting society
HGB	Handelsgesetzbuch [<i>German Commercial Code</i>]
HRB	Handelsregister Abteilung B [<i>Entry in the Commercial Register at the relevant Amtsgericht - Local Court</i>]
IDW	Institut der Wirtschaftsprüfer in Deutschland e.V. [<i>German body of the German chartered accountants</i>]
IP	Internet Protocol
IPTV	Internet Protocol Television
Jan	January
k	1,000
LTE	Long Term Evolution [<i>mobile radio standard</i>]
Münchner Gruppe	cooperation of collecting societies for remuneration claims of retransmission rights
NetPVR	network based personal video recorder
No.	number
Nr.	Nummer [<i>German number</i>]



Online SatCab Richtlinie	Broadcasters Directive
Online-SatCab Directive	EU Directive 2019/789
OTT	Over the top
P2P	Peer-to-Peer
PRD	Danish collecting society
Prof.	Professor [<i>German title</i>]
Screenrights	Australian collecting society
SEKAM	Dutch collecting society
Suissimage	Swiss collecting society
TKG Novelle	Telekommunikationsmodernisierungsgesetz
TV	television
UMTS	Universal Mobile Telecommunications System [<i>mobile radio standard</i>]
UrhG	Urheberrechtsgesetz [<i>German Copyright Act</i>]
UrhWG	Urheberrechtswahrnehmungsgesetz [<i>German Act on the Administration of Copyright and Neighboring Rights</i>]
U.S.	United States of America
USA	United States of America
VAM	Austrian collecting society
VAT	Value added tax
VFF	German collecting society
VG Bild-Kunst	German collecting society
VGf	German collecting society
VGG	Verwertungsgesellschaftengesetz [<i>German Collecting Societies Act</i>]
VPN	virtual private network
WCR	Working Capital Reserve
ZAPA	Polish collecting society
ZWF	Zentralstelle für Wiedergabe von Fernsehsendungen, Bonn

Attachment 2: Bescheinigung des Abschlussprüfers zum Transparenzbericht
*[reproduction of the original German wording of the auditor's certificate,
not translated]*

An die AGICOA Urheberrechtsschutz GmbH, München

Gemäß § 58 Abs. 3 VGG habe ich die in dem jährlichen Transparenzbericht der AGICOA Urheberrechtsschutz GmbH, München, enthaltenen Finanzinformationen nach Nummer 1 Buchstabe g der Anlage zu § 58 Abs. 2 Verwertungsgesellschaftengesetz (VGG) sowie die Informationen nach Nummer 1 Buchstabe h der Anlage zu § 58 Abs. 2 VGG für den Zeitraum vom 1. Januar 2021 bis 31. Dezember 2021, einer prüferischen Durchsicht unterzogen. Die Aufstellung des jährlichen Transparenzberichts nach § 58 VGG liegt in der Verantwortung der gesetzlichen Vertreter der Gesellschaft. Meine Aufgabe ist es, eine Bescheinigung zu den in dem jährlichen Transparenzbericht enthaltenen Finanzinformationen nach Nummer 1 Buchstabe g der Anlage zu § 58 Abs. 2 VGG sowie die Informationen nach Nummer 1 Buchstabe h der Anlage zu § 58 Abs. 2 VGG auf der Grundlage meiner prüferischen Durchsicht abzugeben.

Ich habe die prüferische Durchsicht der in dem jährlichen Transparenzbericht enthaltenen Finanzinformationen nach Nummer 1 Buchstabe g der Anlage zu § 58 Abs. 2 VGG sowie die Informationen nach Nummer 1 Buchstabe h der Anlage zu § 58 Abs. 2 VGG unter entsprechender Beachtung der vom Institut der Wirtschaftsprüfer (IDW) festgestellten deutschen Grundsätze für die prüferische Durchsicht von Abschlüssen vorgenommen. Danach ist die prüferische Durchsicht so zu planen und durchzuführen, dass ich bei kritischer Würdigung mit einer gewissen Sicherheit ausschließen kann, dass die in dem jährlichen Transparenzbericht enthaltenen Finanzinformationen nach Nummer 1 Buchstabe g der Anlage zu § 58 Abs. 2 VGG sowie die Informationen nach Nummer 1 Buchstabe h der Anlage zu § 58 Abs. 2 VGG in wesentlichen Belangen nicht in Übereinstimmung mit den in der Anlage zu § 58 Abs. 2 VGG enthaltenen Vorgaben stehen. Eine prüferische Durchsicht beschränkt sich in erster Linie auf Befragungen von Mitarbeitern der Gesellschaft und auf analytische Beurteilungen und bietet deshalb nicht die durch eine Prüfung erreichbare Sicherheit.

Auf der Grundlage meiner prüferischen Durchsicht sind mir keine Sachverhalte bekannt geworden, die mich zu der Annahme veranlassen, dass die in dem jährlichen Transparenzbericht enthaltenen Finanzinformationen nach Nummer 1 Buchstabe g der Anlage zu § 58 Abs. 2 VGG sowie die Informationen nach Nummer 1 Buchstabe h der Anlage zu § 58 Abs. 2 VGG nicht in Übereinstimmung mit den Vorgaben der Anlage zu § 58 Abs. 2 VGG stehen.



Dem Auftrag, in dessen Erfüllung ich vorstehend benannte Leistungen für die AGICOA Urheberrechtsschutz GmbH erbracht habe, lagen die Allgemeinen Auftragsbedingungen für Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften in der vom Institut der Wirtschaftsprüfer e.V. herausgegebenen Fassung vom 1. Januar 2017 zugrunde. Durch Kenntnisnahme und Nutzung der in dieser Bescheinigung enthaltenen Informationen bestätigt der jeweilige Empfänger, die dort getroffenen Regelungen (einschließlich der Haftungsregelungen unter Nr. 9 dieser Allgemeinen Auftragsbedingungen sowie der Regelungen im Verhältnis zu Dritten gemäß Nr. 1 Abs. 2 der Allgemeinen Auftragsbedingungen) zur Kenntnis genommen zu haben und erkennt deren Geltung im Verhältnis zu mir an.

München, den 24. Juni 2022

Dr. Dieter Eder
Wirtschaftsprüfer