

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, D. C. 20549

**FORM 10-Q**

- QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2024

OR

- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from                    to

Commission File Number 001-35707

**LIBERTY MEDIA CORPORATION**

(Exact name of Registrant as specified in its charter)

**State of Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**37-1699499**  
(I.R.S. Employer  
Identification No.)

**12300 Liberty Boulevard**  
**Englewood, Colorado**  
(Address of principal executive offices)

**80112**  
(Zip Code)

Registrant's telephone number, including area code: **(720) 875-5400**  
Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Series A Liberty SiriusXM Common Stock	LXMA	The Nasdaq Stock Market LLC
Series B Liberty SiriusXM Common Stock	LXMB	The Nasdaq Stock Market LLC
Series C Liberty SiriusXM Common Stock	LXMK	The Nasdaq Stock Market LLC
Series A Liberty Formula One Common Stock	FWONA	The Nasdaq Stock Market LLC
Series C Liberty Formula One Common Stock	FWONK	The Nasdaq Stock Market LLC
Series A Liberty Live Common Stock	LLYVA	The Nasdaq Stock Market LLC
Series C Liberty Live Common Stock	LLYVK	The Nasdaq Stock Market LLC

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer  Accelerated Filer  Non-accelerated Filer  Smaller Reporting Company  Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the Registrant is a shell company as defined in Rule 12b-2 of the Exchange Act. Yes  No

The number of outstanding shares of Liberty Media Corporation's common stock as of July 31, 2024 was:

	Series A	Series B	Series C
Liberty SiriusXM common stock	98,140,175	9,755,336	218,794,768
Liberty Formula One common stock	23,985,441	2,434,102	209,809,867
Liberty Live common stock	25,558,490	2,546,146	63,619,274

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## LIBERTY MEDIA CORPORATION AND SUBSIDIARIES

## Condensed Consolidated Balance Sheets

(unaudited)

	June 30, 2024	December 31, 2023
	amounts in millions	
<i>Assets</i>		
Current assets:		
Cash and cash equivalents	\$ 2,085	2,019
Trade and other receivables, net	826	832
Other current assets	728	526
Total current assets	3,639	3,377
Investments in affiliates, accounted for using the equity method (note 6)	1,983	1,089
Property and equipment, at cost	4,290	4,078
Accumulated depreciation	(2,167)	(1,995)
	2,123	2,083
Intangible assets not subject to amortization:		
Goodwill	19,400	19,165
FCC licenses	8,600	8,600
Other	1,242	1,242
	29,242	29,007
Intangible assets subject to amortization, net	3,828	3,872
Other assets	1,817	1,740
Total assets	\$ 42,632	41,168
<i>Liabilities and Equity</i>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 1,768	2,010
Current portion of debt, including \$648 million and \$643 million measured at fair value, respectively (note 7)	685	1,180
Deferred revenue	1,840	1,442
Other current liabilities	179	111
Total current liabilities	4,472	4,743
Long-term debt, including \$2,340 million and \$2,416 million measured at fair value, respectively (note 7)	14,343	14,180
Deferred income tax liabilities	2,210	2,086
Other liabilities	1,400	714
Total liabilities	\$ 22,425	21,723

(Continued)

See accompanying notes to condensed consolidated financial statements.

**LIBERTY MEDIA CORPORATION AND SUBSIDIARIES**

**Condensed Consolidated Balance Sheets (Continued)**

(unaudited)

	<u>June 30, 2024</u>	<u>December 31, 2023</u>
	amounts in millions, except share amounts	
Stockholders' equity:		
Preferred stock, \$.01 par value. Authorized 50,000,000 shares; no shares issued	\$ —	—
Series A Liberty SiriusXM common stock, \$.01 par value. Authorized 2,000,000,000 shares; issued and outstanding 98,140,175 shares at June 30, 2024 and 98,134,522 shares at December 31, 2023 (note 2)	1	1
Series A Liberty Formula One common stock, \$.01 par value. Authorized 500,000,000 shares; issued and outstanding 23,985,441 shares at June 30, 2024 and 23,981,960 shares at December 31, 2023 (note 2)	—	—
Series A Liberty Live common stock, \$.01 par value. Authorized 521,400,000 shares; issued and outstanding 25,558,490 shares at June 30, 2024 and 25,558,577 shares at December 31, 2023 (note 2)	—	—
Series B Liberty SiriusXM common stock, \$.01 par value. Authorized 75,000,000 shares; issued and outstanding 9,755,336 shares at June 30, 2024 and 9,761,336 shares at December 31, 2023 (note 2)	—	—
Series B Liberty Formula One common stock, \$.01 par value. Authorized 18,750,000 shares; issued and outstanding 2,434,102 shares at June 30, 2024 and 2,437,583 shares at December 31, 2023 (note 2)	—	—
Series B Liberty Live common stock, \$.01 par value. Authorized 19,552,500 shares; issued and outstanding 2,546,146 shares at June 30, 2024 and 2,546,146 shares at December 31, 2023 (note 2)	—	—
Series C Liberty SiriusXM common stock, \$.01 par value. Authorized 2,000,000,000 shares; issued and outstanding 218,794,768 shares at June 30, 2024 and 218,692,718 shares at December 31, 2023 (note 2)	2	2
Series C Liberty Formula One common stock, \$.01 par value. Authorized 500,000,000 shares; issued and outstanding 209,400,308 shares at June 30, 2024 and 208,196,119 shares at December 31, 2023 (note 2)	2	2
Series C Liberty Live common stock, \$.01 par value. Authorized 521,400,000 shares; issued and outstanding 63,619,274 shares at June 30, 2024 and 63,589,030 shares at December 31, 2023 (note 2)	1	1
Additional paid-in capital	1,387	1,317
Accumulated other comprehensive earnings (loss), net of taxes	(57)	12
Retained earnings	15,724	15,061
Total stockholders' equity	<u>17,060</u>	<u>16,396</u>
Noncontrolling interests in equity of subsidiaries	3,147	3,049
Total equity	<u>20,207</u>	<u>19,445</u>
Commitments and contingencies (note 8)		
Total liabilities and equity	<u>\$ 42,632</u>	<u>41,168</u>

See accompanying notes to condensed consolidated financial statements.

**LIBERTY MEDIA CORPORATION AND SUBSIDIARIES**

**Condensed Consolidated Statements of Operations**

(unaudited)

	Three months ended		Six months ended	
	June 30,		June 30,	
	2024	2023	2024	2023
	amounts in millions, except per share amounts			
Revenue:				
Sirius XM Holdings revenue	\$ 2,178	2,250	4,340	4,394
Formula 1 revenue	853	724	1,403	1,105
Other revenue	135	270	172	301
Total revenue	3,166	3,244	5,915	5,800
Operating costs and expenses, including stock-based compensation (note 3):				
Cost of Sirius XM Holdings services (exclusive of depreciation shown separately below):				
Revenue share and royalties	708	732	1,411	1,432
Programming and content	148	153	305	303
Customer service and billing	108	124	224	246
Other	59	54	120	106
Cost of Formula 1 revenue (exclusive of depreciation shown separately below)	639	519	918	725
Other cost of sales	94	—	120	—
Subscriber acquisition costs	92	93	182	183
Other operating expense	76	280	163	398
Selling, general and administrative	454	490	919	976
Impairment, restructuring and acquisition costs (note 8)	15	19	37	51
Depreciation and amortization	245	257	486	517
	2,638	2,721	4,885	4,937
Operating income (loss)	528	523	1,030	863
Other income (expense):				
Interest expense	(186)	(200)	(377)	(396)
Share of earnings (losses) of affiliates, net (note 6)	84	90	65	80
Realized and unrealized gains (losses) on financial instruments, net (note 5)	169	(96)	166	(142)
Other, net	28	50	55	64
	95	(156)	(91)	(394)
Earnings (loss) before income taxes	623	367	939	469
Income tax (expense) benefit	(116)	(64)	(187)	(114)
Net earnings (loss)	507	303	752	355
Less net earnings (loss) attributable to the noncontrolling interests	50	50	92	87
Net earnings (loss) attributable to Liberty stockholders	\$ 457	253	660	268
Net earnings (loss) attributable to Liberty stockholders:				
Liberty SiriusXM common stock	\$ 299	166	498	349
Liberty Formula One common stock	24	116	101	7
Liberty Live common stock	134	NA	61	NA
Liberty Braves common stock	NA	(29)	NA	(88)
	\$ 457	253	660	268

(Continued)

See accompanying notes to condensed consolidated financial statements.

**LIBERTY MEDIA CORPORATION AND SUBSIDIARIES**  
**Condensed Consolidated Statements of Operations (Continued)**  
**(unaudited)**

	Three months ended		Six months ended	
	June 30,		June 30,	
	2024	2023	2024	2023
Basic net earnings (loss) attributable to Liberty stockholders per common share (notes 2 and 4):				
Series A, B and C Liberty SiriusXM common stock	\$ 0.91	0.51	1.52	1.07
Series A, B and C Liberty Formula One common stock	\$ 0.10	0.50	0.43	0.03
Series A, B and C Liberty Live common stock	\$ 1.46	NA	0.66	NA
Series A, B and C Liberty Braves common stock	\$ NA	(0.55)	NA	(1.66)
Diluted net earnings (loss) attributable to Liberty stockholders per common share (notes 2 and 4):				
Series A, B and C Liberty SiriusXM common stock	\$ 0.60	0.49	1.13	1.00
Series A, B and C Liberty Formula One common stock	\$ 0.10	0.41	0.42	(0.03)
Series A, B and C Liberty Live common stock	\$ 1.46	NA	0.66	NA
Series A, B and C Liberty Braves common stock	\$ NA	(0.55)	NA	(1.66)

See accompanying notes to condensed consolidated financial statements.

**LIBERTY MEDIA CORPORATION AND SUBSIDIARIES**  
**Condensed Consolidated Statements of Comprehensive Earnings (Loss)**  
**(unaudited)**

	Three months ended		Six months ended	
	June 30,		June 30,	
	2024	2023	2024	2023
	amounts in millions			
Net earnings (loss)	\$ 507	303	752	355
Other comprehensive earnings (loss), net of taxes:				
Foreign currency translation adjustments	(5)	12	(17)	16
Credit risk on fair value debt instruments gains (losses)	41	(19)	(19)	(23)
Unrealized holding gains (losses) arising during the period	—	(1)	—	(1)
Share of other comprehensive earnings (loss) of equity affiliates	(37)	19	(35)	36
Recognition of previously unrealized (gains) losses on debt	—	(14)	—	(34)
Comprehensive earnings (loss)	506	300	681	349
Less comprehensive earnings (loss) attributable to the noncontrolling interests	50	52	92	89
Comprehensive earnings (loss) attributable to Liberty stockholders	<u>\$ 456</u>	<u>248</u>	<u>589</u>	<u>260</u>
Comprehensive earnings (loss) attributable to Liberty stockholders:				
Liberty SiriusXM common stock	\$ 310	170	469	355
Liberty Formula One common stock	26	107	96	(7)
Liberty Live common stock	120	NA	24	NA
Liberty Braves common stock	NA	(29)	NA	(88)
	<u>\$ 456</u>	<u>248</u>	<u>589</u>	<u>260</u>

See accompanying notes to condensed consolidated financial statements.

## LIBERTY MEDIA CORPORATION AND SUBSIDIARIES

## Condensed Consolidated Statements of Cash Flows

(unaudited)

	Six months ended	
	June 30,	
	2024	2023
	amounts in millions	
Cash flows from operating activities:		
Net earnings (loss)	\$ 752	355
Adjustments to reconcile net earnings (loss) to net cash provided by operating activities:		
Depreciation and amortization	486	517
Stock-based compensation	116	110
Non-cash impairment and restructuring costs	1	21
Share of (earnings) loss of affiliates, net	(65)	(80)
Realized and unrealized (gains) losses on financial instruments, net	(166)	142
Deferred income tax expense (benefit)	(4)	(35)
Other, net	74	(8)
Changes in operating assets and liabilities		
Current and other assets	(3)	(95)
Payables and other liabilities	(44)	271
Net cash provided (used) by operating activities	<u>1,147</u>	<u>1,198</u>
Cash flows from investing activities:		
Investments in equity method affiliates and debt and equity securities	(203)	(214)
Cash proceeds from dispositions	107	67
Cash (paid) received for acquisitions, net of cash acquired	(205)	—
Capital expended for property and equipment, including internal-use software and website development	(387)	(544)
Other investing activities, net	(62)	(20)
Net cash provided (used) by investing activities	<u>(750)</u>	<u>(711)</u>
Cash flows from financing activities:		
Borrowings of debt	1,362	2,064
Repayments of debt	(1,636)	(2,641)
Subsidiary shares repurchased by subsidiary	—	(199)
Cash dividends paid by subsidiary	(34)	(33)
Taxes paid in lieu of shares issued for stock-based compensation	(31)	(28)
Other financing activities, net	31	63
Net cash provided (used) by financing activities	<u>(308)</u>	<u>(774)</u>
Effect of foreign exchange rate changes on cash, cash equivalents and restricted cash	(8)	2
Net increase (decrease) in cash, cash equivalents and restricted cash	81	(285)
Cash, cash equivalents and restricted cash at beginning of period	2,028	2,276
Cash, cash equivalents and restricted cash at end of period	<u>\$ 2,109</u>	<u>1,991</u>



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The following table reconciles cash and cash equivalents and restricted cash reported in our condensed consolidated balance sheets to the total amount presented in our condensed consolidated statements of cash flows:

	<u>June 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>
	<b>amounts in millions</b>	
Cash and cash equivalents	\$ 2,085	2,019
Restricted cash included in other current assets	16	—
Restricted cash included in other assets	8	9
Total cash and cash equivalents and restricted cash at end of period	<u>\$ 2,109</u>	<u>2,028</u>

See accompanying notes to condensed consolidated financial statements.

LIBERTY MEDIA CORPORATION AND SUBSIDIARIES

Condensed Consolidated Statement of Equity

(unaudited)

Three Months ended June 30, 2024

	Stockholders' equity										Additional Paid-in Capital	Accumulated other comprehensive earnings (loss)	Retained earnings	Noncontrolling interest in equity of subsidiaries	Total equity
	Preferred Stock	Liberty SiriusXM			Liberty Formula One			Liberty Live							
	Series A	Series B	Series C	Series A	Series B	Series C	Series A	Series B	Series C						
Balance at															
March 31, 2024	\$ —	1	—	2	—	—	2	—	—	1	1,335	(57)	15,267	3,094	19,645
Net earnings	—	—	—	—	—	—	—	—	—	—	—	—	457	50	507
Other comprehensive earnings (loss)	—	—	—	—	—	—	—	—	—	—	—	—	—	(1)	(1)
Stock-based compensation	—	—	—	—	—	—	—	—	—	—	52	—	—	9	61
Withholding taxes on net share settlements of stock-based compensation	—	—	—	—	—	—	—	—	—	—	(7)	—	—	—	(7)
Dividends paid by subsidiary	—	—	—	—	—	—	—	—	—	—	—	—	—	(17)	(17)
Other, net	—	—	—	—	—	—	—	—	—	—	7	—	—	12	19
Balance at June 30, 2024	\$ —	1	—	2	—	—	2	—	—	1	1,387	(57)	15,724	3,147	20,207

See accompanying notes to condensed consolidated financial statements.

LIBERTY MEDIA CORPORATION AND SUBSIDIARIES

Condensed Consolidated Statement of Equity

(unaudited)

Six Months ended June 30, 2024

	Stockholders' equity										Accumulated other comprehensive earnings (loss)	Retained earnings	Noncontrolling interest in equity of subsidiaries	Total equity	
	Preferred Stock	Liberty SiriusXM			Liberty Formula One			Liberty Live							Additional Paid-in Capital
		Series A	Series B	Series C	Series A	Series B	Series C	Series A	Series B	Series C					
Balance at January 1, 2024	\$ —	1	—	2	—	—	2	—	—	1	1,317	12	15,061	3,049	19,445
Net earnings (loss)	—	—	—	—	—	—	—	—	—	—	—	—	660	92	752
Other comprehensive earnings (loss)	—	—	—	—	—	—	—	—	—	—	—	(69)	—	(2)	(71)
Stock-based compensation	—	—	—	—	—	—	—	—	—	—	103	—	—	17	120
Withholding taxes on net share settlements of stock-based compensation	—	—	—	—	—	—	—	—	—	—	(31)	—	—	—	(31)
Dividends paid by subsidiary	—	—	—	—	—	—	—	—	—	—	—	—	—	(34)	(34)
Other, net	—	—	—	—	—	—	—	—	—	—	(2)	—	3	25	26
Balance at June 30, 2024	\$ —	1	—	2	—	—	2	—	—	1	1,387	(57)	15,724	3,147	20,207

See accompanying notes to condensed consolidated financial statements.

**LIBERTY MEDIA CORPORATION AND SUBSIDIARIES**

**Condensed Consolidated Statement of Equity**

**(unaudited)**

**Three Months ended June 30, 2023**

	Stockholders' equity										Additional Paid-in Capital	Accumulated other comprehensive earnings (loss)	Retained earnings	Noncontrolling interest in equity of subsidiaries	Total equity	
	Preferred Stock	Liberty SiriusXM			Liberty Braves			Liberty Formula One								
		Series A	Series B	Series C	Series A	Series B	Series C	Series A	Series B	Series C						
Balance at March 31, 2023	\$ —	1	—	2	—	—	—	—	—	2	1,395	(42)	14,604	3,122	19,084	
Net earnings (loss)	—	—	—	—	—	—	—	—	—	—	—	—	253	50	303	
Other comprehensive earnings (loss)	—	—	—	—	—	—	—	—	—	—	—	(5)	—	2	(3)	
Stock-based compensation	—	—	—	—	—	—	—	—	—	—	50	—	—	7	57	
Withholding taxes on net share settlements of stock-based compensation	—	—	—	—	—	—	—	—	—	—	(4)	—	—	—	(4)	
Shares repurchased by subsidiary	—	—	—	—	—	—	—	—	—	—	31	—	—	(166)	(135)	
Shares issued by subsidiary	—	—	—	—	—	—	—	—	—	—	(7)	—	—	7	—	
Dividends paid by subsidiary	—	—	—	—	—	—	—	—	—	—	—	—	—	(16)	(16)	
Other, net	—	—	—	—	—	—	—	—	—	—	4	—	—	(11)	(7)	
Balance at June 30, 2023	\$ —	1	—	2	—	—	—	—	—	2	1,469	(47)	14,857	2,995	19,279	

See accompanying notes to condensed consolidated financial statements.

**LIBERTY MEDIA CORPORATION AND SUBSIDIARIES**  
**Condensed Consolidated Statement of Equity**  
**(unaudited)**  
**Six Months ended June 30, 2023**

	Stockholders' equity										Additional Paid-in Capital	Accumulated other comprehensive earnings (loss)	Retained earnings	Noncontrolling interest in equity of subsidiaries	Total equity
	Preferred Stock	Liberty SiriusXM			Liberty Braves			Liberty Formula One							
		Series A	Series B	Series C	Series A	Series B	Series C	Series A	Series B	Series C					
Balance at January 1, 2023	\$ —	1	—	2	—	—	—	—	—	2	1,408	(39)	14,589	3,163	19,126
Net earnings (loss)	—	—	—	—	—	—	—	—	—	—	—	—	268	87	355
Other comprehensive earnings (loss)	—	—	—	—	—	—	—	—	—	—	—	(8)	—	2	(6)
Stock-based compensation	—	—	—	—	—	—	—	—	—	—	101	—	—	16	117
Withholding taxes on net share settlements of stock-based compensation	—	—	—	—	—	—	—	—	—	—	(28)	—	—	—	(28)
Shares repurchased by subsidiary	—	—	—	—	—	—	—	—	—	—	40	—	—	(242)	(202)
Shares issued by subsidiary	—	—	—	—	—	—	—	—	—	—	(18)	—	—	18	—
Dividends paid by subsidiary	—	—	—	—	—	—	—	—	—	—	—	—	—	(33)	(33)
Other, net	—	—	—	—	—	—	—	—	—	—	(34)	—	—	(16)	(50)
Balance at June 30, 2023	\$ —	1	—	2	—	—	—	—	—	2	1,469	(47)	14,857	2,995	19,279

See accompanying notes to condensed consolidated financial statements.

## LIBERTY MEDIA CORPORATION AND SUBSIDIARIES

### Notes to Condensed Consolidated Financial Statements

(unaudited)

#### (1) **Basis of Presentation**

The accompanying condensed consolidated financial statements include all the accounts of Liberty Media Corporation and its controlled subsidiaries ("Liberty," the "Company," "we," "us," or "our" unless the context otherwise requires). All significant intercompany accounts and transactions have been eliminated.

Liberty, through its ownership of interests in subsidiaries and other companies, is primarily engaged in the media and entertainment industries primarily in North America and the United Kingdom. Liberty's most significant subsidiaries include Sirius XM Holdings Inc. ("Sirius XM Holdings") and Delta Topco Limited (the parent company of Formula 1). Our most significant investment accounted for under the equity method is Live Nation Entertainment, Inc. ("Live Nation").

Braves Holdings, LLC ("Braves Holdings") was a subsidiary of the Company until the Split-Off (defined below) on July 18, 2023. Braves Holdings is not presented as a discontinued operation in the Company's consolidated financial statements as the Split-Off did not represent a strategic shift that had a major effect on the Company's operations and financial results.

The accompanying (a) condensed consolidated balance sheet as of December 31, 2023, which has been derived from audited financial statements, and (b) the interim unaudited condensed consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") for interim financial information and the instructions to Form 10-Q and Article 10 of Regulation S-X as promulgated by the Securities and Exchange Commission. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation of the results for such periods have been included. The results of operations for any interim period are not necessarily indicative of results for the full year. Additionally, certain prior period amounts have been reclassified for comparability with current period presentation. These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto contained in Liberty's Annual Report on Form 10-K for the year ended December 31, 2023.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. The Company considers (i) fair value measurement of non-financial instruments, (ii) accounting for income taxes and (iii) the determination of the useful life of Sirius XM Holdings' broadcast/transmission system to be its most significant estimates.

Liberty holds investments that are accounted for using the equity method. Liberty does not control the decision making process or business management practices of these affiliates. Accordingly, Liberty relies on management of these affiliates to provide it with accurate financial information prepared in accordance with GAAP that the Company uses in the application of the equity method. In addition, Liberty relies on audit reports that are provided by the affiliates' independent auditors on the financial statements of such affiliates. The Company is not aware, however, of any errors in or possible misstatements of the financial information provided by its equity affiliates that would have a material effect on Liberty's condensed consolidated financial statements.

On January 2, 2024, the Company purchased QuintEvents, LLC ("QuintEvents") for total consideration of approximately \$277 million, comprised of \$205 million of cash, net of cash acquired of \$66 million, and a \$6 million settlement of a pre-existing condition. The Company recorded \$235 million of goodwill, \$113 million of intangible assets subject to amortization, net and \$121 million of deferred revenue related to the acquisition. The acquisition price allocation is preliminary and subject to revision as of June 30, 2024.

On March 29, 2024, the Company agreed, subject to certain conditions, to acquire approximately 86% of the equity interests in Dorna Sports, S.L., for a purchase price of approximately €3.0 billion, to be funded with cash and shares of

## LIBERTY MEDIA CORPORATION AND SUBSIDIARIES

### Notes to Condensed Consolidated Financial Statements (Continued)

(unaudited)

Series C Liberty Formula One common stock. The Company entered into foreign currency forward contracts related to the acquisition.

Liberty has entered into certain agreements with Qurate Retail, Inc. ("Qurate Retail"), Liberty TripAdvisor Holdings, Inc. ("TripCo"), Liberty Broadband Corporation ("Liberty Broadband") and Atlanta Braves Holdings, Inc. ("Atlanta Braves Holdings"), all of which are separate publicly traded companies, in order to govern relationships between the companies. None of these entities has any stock ownership, beneficial or otherwise, in any of the others. These agreements include Reorganization Agreements (in the case of Qurate Retail, Liberty Broadband and Atlanta Braves Holdings only), Services Agreements, Facilities Sharing Agreements, Tax Sharing Agreements (in the case of Liberty Broadband and Atlanta Braves Holdings only) and Aircraft Time Sharing Agreements. In addition, as a result of certain corporate transactions, Liberty and Qurate Retail may have obligations to each other for certain tax related matters.

The Reorganization Agreements provide for, among other things, provisions governing the relationships between Liberty and each of Qurate Retail, Liberty Broadband and Atlanta Braves Holdings, including certain cross-indemnities. Pursuant to the Services Agreements, Liberty provides Qurate Retail, TripCo, Liberty Broadband and Atlanta Braves Holdings with general and administrative services including legal, tax, accounting, treasury, information technology, cybersecurity and investor relations support. Qurate Retail, TripCo, Liberty Broadband and Atlanta Braves Holdings reimburse Liberty for direct, out-of-pocket expenses incurred by Liberty in providing these services and, in the case of Qurate Retail, Qurate Retail's allocable portion of costs associated with any shared services or personnel based on an estimated percentage of time spent providing services to Qurate Retail. TripCo, Liberty Broadband and Atlanta Braves Holdings reimburse Liberty for shared services and personnel based on a flat fee. Under the Facilities Sharing Agreements, Liberty shares office space and related amenities at its corporate headquarters with Qurate Retail, TripCo, Liberty Broadband and Atlanta Braves Holdings. Under these various agreements, approximately \$5 million and \$4 million of these allocated expenses were reimbursed to Liberty during the three months ended June 30, 2024 and 2023, respectively, and approximately \$11 million and \$8 million were reimbursed to Liberty during the six months ended June 30, 2024 and 2023, respectively.

In connection with Liberty's employment arrangement with Gregory B. Maffei, Liberty's President and Chief Executive Officer, pursuant to the Services Agreements between Liberty and each of TripCo, Liberty Broadband, Qurate Retail and Atlanta Braves Holdings (collectively, the "Service Companies"), components of Mr. Maffei's compensation are either paid directly to him by each Service Company or reimbursed to Liberty, in each case, based on allocations among Liberty and the Service Companies set forth in the respective services agreement, which are subject to adjustment on an annual basis and upon the occurrence of certain events.

#### *Seasonality*

Formula 1 recognizes the majority of its revenue and expenses in connection with World Championship race events ("Events") that take place in different countries around the world throughout the year. The Events in the past have generally taken place between March and December each year. As a result, the revenue and expenses recognized by Formula 1 are generally lower during the first quarter as compared to the rest of the quarters throughout the year.

QuintEvents' revenue is seasonal around its largest events, which are generally during the second and fourth quarters.

Braves Holdings revenue was seasonal, for the periods included herein, with the majority of revenue recognized during the second and third quarters which aligns with the baseball season.

#### **(2) Tracking Stocks**

A tracking stock is a type of common stock that the issuing company intends to reflect or "track" the economic performance of a particular business or "group," rather than the economic performance of the company as a whole.

## LIBERTY MEDIA CORPORATION AND SUBSIDIARIES

### Notes to Condensed Consolidated Financial Statements (Continued)

(unaudited)

On July 18, 2023, the Company completed the split-off (the “Split-Off”) of its wholly owned subsidiary, Atlanta Braves Holdings. The Split-Off was accomplished by a redemption by the Company of each outstanding share of Liberty Braves common stock in exchange for one share of the corresponding series of Atlanta Braves Holdings common stock. Atlanta Braves Holdings is comprised of the businesses, assets and liabilities attributed to the Liberty Braves Group (the “Braves Group”) immediately prior to the Split-Off, except for the intergroup interests in the Braves Group attributed to the Liberty SiriusXM Group and Liberty Formula One Group (the “Formula One Group”), which were settled and extinguished in connection with the Split-Off.

On August 3, 2023, the Company reclassified its then-outstanding shares of common stock into three new tracking stocks — Liberty SiriusXM common stock, Liberty Formula One common stock and Liberty Live common stock, and, in connection therewith, provided for the attribution of the businesses, assets and liabilities of the Company’s remaining tracking stock groups among its newly created Liberty SiriusXM Group, Formula One Group and Liberty Live Group (the “Reclassification”). As a result of the Reclassification, each then-outstanding share of Liberty SiriusXM common stock was reclassified into one share of the corresponding series of new Liberty SiriusXM common stock and 0.2500 of a share of the corresponding series of Liberty Live common stock and each outstanding share of Liberty Formula One common stock was reclassified into one share of the corresponding series of new Liberty Formula One common stock and 0.0428 of a share of the corresponding series of Liberty Live common stock.

Each of the Split-Off and the Reclassification were intended to be tax-free to stockholders of the Company, except with respect to the receipt of cash in lieu of fractional shares. In July 2024, the IRS completed its review of the Reclassification and notified the Company that it agreed with the nontaxable characterization of the transaction. The Split-Off and the Reclassification are reflected in the Company’s consolidated financial statements on a prospective basis.

While the Liberty SiriusXM Group, the Formula One Group and the Liberty Live Group have separate collections of businesses, assets and liabilities attributed to them, no group is a separate legal entity and therefore cannot own assets, issue securities or enter into legally binding agreements. Holders of tracking stock have no direct claim to the group’s stock or assets and therefore, do not own, by virtue of their ownership of a Liberty tracking stock, any equity or voting interest in a public company, such as Sirius XM Holdings, in which Liberty holds an interest that is attributed to a Liberty tracking stock group, the Liberty SiriusXM Group. Holders of tracking stock are also not represented by separate boards of directors. Instead, holders of tracking stock are stockholders of the parent corporation, with a single board of directors and subject to all of the risks and liabilities of the parent corporation.

The Liberty SiriusXM common stock is intended to track and reflect the separate economic performance of the businesses, assets and liabilities attributed to the Liberty SiriusXM Group, which as of June 30, 2024, include Liberty’s interest in Sirius XM Holdings, corporate cash, Liberty’s 3.75% Convertible Senior Notes due 2028, Liberty’s 2.75% Exchangeable Senior Debentures due 2049 and a margin loan obligation incurred by a wholly-owned special purpose subsidiary of Liberty. As of June 30, 2024, the Liberty SiriusXM Group had cash and cash equivalents of approximately \$188 million, which included \$100 million of subsidiary cash. During the six months ended June 30, 2024, Sirius XM Holdings declared quarterly dividends and paid in cash an aggregate amount of \$205 million, of which Liberty received \$171 million. On July 24, 2024, Sirius XM Holdings’ board of directors declared a quarterly dividend on its common stock in the amount of \$0.0266 per share of common stock payable on August 26, 2024 to stockholders of record as of the close of business on August 9, 2024.

The Liberty Formula One common stock is intended to track and reflect the separate economic performance of the businesses, assets and liabilities attributed to the Formula One Group, which as of June 30, 2024, include Liberty’s interests in Formula 1 and QuintEvents, cash and Liberty’s 2.25% Convertible Senior Notes due 2027. As of June 30, 2024, the Formula One Group had cash and cash equivalents of approximately \$1,491 million, which included \$1,303 million of subsidiary cash.



## LIBERTY MEDIA CORPORATION AND SUBSIDIARIES

### Notes to Condensed Consolidated Financial Statements (Continued)

(unaudited)

The Liberty Live common stock is intended to track and reflect the separate economic performance of the businesses, assets and liabilities attributed to the Liberty Live Group. As of June 30, 2024, the Liberty Live Group is comprised of Liberty's interest in Live Nation, cash, certain public and private assets, Liberty's 0.5% Exchangeable Senior Debentures due 2050, Liberty's 2.375% Exchangeable Senior Debentures due 2053 and a margin loan obligation incurred by a wholly-owned special purpose subsidiary of Liberty.

Prior to the Split-Off, the Liberty Braves common stock was intended to track and reflect the separate economic performance of the businesses, assets and liabilities attributed to the Braves Group. The Braves Group was comprised primarily of Braves Holdings, which indirectly owns the Atlanta Braves Major League Baseball Club ("ANLBC"), certain assets and liabilities associated with ANLBC's stadium (the "Stadium") and a mixed-use development around the Stadium that features retail, office, hotel and entertainment opportunities and corporate cash.

On December 11, 2023, Liberty entered into definitive agreements, subject to the terms thereof, to redeem each outstanding share of its Liberty SiriusXM common stock in exchange for a number of shares of common stock of a newly formed entity (the "Liberty Sirius XM Holdings Split-Off"), Liberty Sirius XM Holdings Inc. ("Liberty Sirius XM Holdings") equal to the Exchange Ratio (as defined in the Reorganization Agreement, dated as of December 11, 2023, and as amended by the First Amendment to the Reorganization Agreement, dated as of June 16, 2024, in each case, by and among Liberty, Liberty Sirius XM Holdings and Sirius XM Holdings (the "Reorganization Agreement")). The Exchange Ratio will be calculated prior to the effective time of the redemption and is estimated to be approximately 0.83 of a share of Liberty Sirius XM Holdings common stock. Liberty Sirius XM Holdings will be comprised of the businesses, assets and liabilities attributed to the Liberty SiriusXM Group. The Liberty Sirius XM Holdings Split-Off is intended to be tax-free to holders of Liberty SiriusXM common stock (except with respect to cash received in lieu of fractional shares) and the completion of the Liberty Sirius XM Holdings Split-Off will be subject to various conditions, including the receipt of opinions of tax counsel. On December 11, 2023, Liberty also entered into an Agreement and Plan of Merger (as amended by the First Amendment to the Agreement and Plan of Merger, dated as of June 16, 2024), pursuant to which Radio Merger Sub, LLC, a wholly owned subsidiary of Liberty Sirius XM Holdings, will merge with and into Sirius XM Holdings, with Sirius XM Holdings surviving the merger as a wholly owned subsidiary of Liberty Sirius XM Holdings (the "Merger" and, together with the Liberty Sirius XM Holdings Split-Off, the "Transactions"), subject to the satisfaction of certain conditions. The Merger is dependent and conditioned on the approval and completion of the Liberty Sirius XM Holdings Split-Off, and the Merger will not be completed unless the Liberty Sirius XM Holdings Split-Off is completed. If the Liberty Sirius XM Holdings Split-Off is completed, the Merger will also be completed. Subject to the satisfaction of various conditions, the Company expects to complete the proposed Transactions on September 9, 2024.

See Exhibit 99.1 to this Quarterly Report on Form 10-Q for unaudited attributed financial information for Liberty's tracking stock groups.

### **(3) Stock-Based Compensation**

Liberty grants, to certain of its directors, employees and employees of its subsidiaries, restricted stock, restricted stock units ("RSUs") and stock options to purchase shares of its common stock (collectively, "Awards"). The Company measures the cost of employee services received in exchange for an equity classified Award (such as stock options and restricted stock) based on the grant-date fair value ("GDFV") of the Award, and recognizes that cost over the period during which the employee is required to provide service (usually the vesting period of the Award). The Company measures the cost of employee services received in exchange for a liability classified Award based on the current fair value of the Award, and remeasures the fair value of the Award at each reporting date.

**LIBERTY MEDIA CORPORATION AND SUBSIDIARIES****Notes to Condensed Consolidated Financial Statements (Continued)****(unaudited)**

Included in the accompanying condensed consolidated statements of operations are the following amounts of stock-based compensation, as discussed below:

	Three months ended		Six months ended	
	June 30,		June 30,	
	2024	2023	2024	2023
	amounts in millions			
Cost of Sirius XM Holdings services:				
Programming and content	\$ 8	8	17	15
Customer service and billing	1	2	2	3
Other	2	1	3	2
Other operating expense	11	11	23	22
Selling, general and administrative	33	32	71	68
	<u>\$ 55</u>	<u>54</u>	<u>116</u>	<u>110</u>

***Liberty—Grants of Awards***

During the six months ended June 30, 2024, the Company granted 70 thousand options to purchase Series C Liberty Live common stock to our CEO in connection with the CEO's employment agreement. The options had a GDFV of \$16.07 per share and cliff vest on December 31, 2024. Also during the six months ended June 30, 2024, the Company granted 83 thousand options to purchase Series C Liberty Formula One common stock to our subsidiary employees. The options had a GDFV of \$29.77 per share and mainly vest in equal installments over 2024. The Company did not grant any options to purchase Series A or Series B Liberty SiriusXM, Liberty Formula One or Liberty Live common stock or Series C Liberty SiriusXM common stock during the six months ended June 30, 2024.

Also during the six months ended June 30, 2024, the Company granted 82 thousand and 88 thousand performance-based RSUs of Series C common stock of Liberty SiriusXM and Liberty Formula One, respectively, to our CEO. The RSUs had a GDFV of \$29.31 per share and \$72.05 per share, respectively, and cliff vest one year from the month of grant, subject to the satisfaction of certain performance objectives. Performance objectives, which are subjective, are considered in determining the timing and amount of compensation expense recognized. When the satisfaction of the performance objectives becomes probable, the Company records compensation expense. The probability of satisfying the performance objectives is assessed at the end of each reporting period.

Liberty calculates the GDFV for all of its equity classified options and the subsequent remeasurement of its liability classified options using the Black-Scholes Model. Liberty estimates the expected term of the options based on historical exercise and forfeiture data. The volatility used in the calculation for options is based on the historical volatility of Liberty common stock and, when available, the implied volatility of publicly traded Liberty options. Liberty uses a zero-dividend rate and the risk-free rate for Treasury Bonds with a term similar to that of the subject options.

***Liberty—Outstanding Awards***

The following tables present the number and weighted average exercise price ("WAEP") of options to purchase Liberty common stock granted to certain officers, employees and directors of the Company, as well as the weighted average remaining life and aggregate intrinsic value of the options.

**LIBERTY MEDIA CORPORATION AND SUBSIDIARIES**  
**Notes to Condensed Consolidated Financial Statements (Continued)**  
**(unaudited)**

*Liberty SiriusXM*

	Series C			
	Liberty options (000's)	WAEP	Weighted average remaining life	Aggregate intrinsic value (millions)
Outstanding at January 1, 2024	5,863	\$ 29.13		
Granted	—	\$ —		
Exercised	(987)	\$ 25.94		
Forfeited/Cancelled	(1)	\$ 29.98		
Outstanding at June 30, 2024	<u>4,875</u>	\$ 29.78	2.8 years	\$ —
Exercisable at June 30, 2024	<u>4,086</u>	\$ 29.84	2.7 years	\$ —

*Liberty Formula One*

	Series C			
	Liberty options (000's)	WAEP	Weighted average remaining life	Aggregate intrinsic value (millions)
Outstanding at January 1, 2024	6,599	\$ 37.62		
Granted	83	\$ 72.35		
Exercised	(1,306)	\$ 32.90		
Forfeited/Cancelled	—	\$ —		
Outstanding at June 30, 2024	<u>5,376</u>	\$ 39.30	2.9 years	\$ 175
Exercisable at June 30, 2024	<u>4,468</u>	\$ 37.15	2.6 years	\$ 155

*Liberty Live*

	Series C			
	Liberty options (000's)	WAEP	Weighted average remaining life	Aggregate intrinsic value (millions)
Outstanding at January 1, 2024	1,652	\$ 42.36		
Granted	70	\$ 40.04		
Exercised	(246)	\$ 38.66		
Forfeited/Cancelled	(10)	\$ 42.29		
Outstanding at June 30, 2024	<u>1,466</u>	\$ 42.87	3.2 years	\$ 3
Exercisable at June 30, 2024	<u>1,097</u>	\$ 43.80	2.7 years	\$ 2

As of June 30, 2024, there were no outstanding Series A or Series B options to purchase shares of Series A or Series B Liberty SiriusXM, Liberty Formula One or Liberty Live common stock.

As of June 30, 2024, the total unrecognized compensation cost related to unvested Awards was approximately \$24 million. Such amount will be recognized in the Company's condensed consolidated statements of operations over a weighted average period of approximately 1.8 years.

**LIBERTY MEDIA CORPORATION AND SUBSIDIARIES**

**Notes to Condensed Consolidated Financial Statements (Continued)**

**(unaudited)**

As of June 30, 2024, Liberty reserved 4.9 million shares, 5.4 million shares and 1.5 million shares of Series C common stock of Liberty SiriusXM, Liberty Formula One and Liberty Live, respectively, for issuance under exercise privileges of outstanding stock options.

***Sirius XM Holdings — Stock-based Compensation***

Sirius XM Holdings granted various types of stock awards to its employees during the six months ended June 30, 2024. As of June 30, 2024, Sirius XM Holdings has approximately 144 million options outstanding of which approximately 92 million are exercisable, each with a WAEP per share of \$5.33 and \$5.57, respectively. The aggregate intrinsic value of Sirius XM Holdings options outstanding and exercisable as of June 30, 2024 is \$1 million and less than \$1 million, respectively. During the six months ended June 30, 2024, Sirius XM Holdings granted approximately 15 million nonvested RSUs with a GDFV per share of \$4.30. Stock-based compensation expense related to Sirius XM Holdings was \$46 million and \$42 million for the three months ended June 30, 2024 and 2023, respectively, and \$91 million and \$87 million for the six months ended June 30, 2024 and 2023, respectively. As of June 30, 2024, the total unrecognized compensation cost related to unvested Sirius XM Holdings stock options and RSUs was \$385 million. The Sirius XM Holdings unrecognized compensation cost will be recognized in the Company's condensed consolidated statements of operations over a weighted average period of approximately 2.4 years.

**(4) Earnings Attributable to Liberty Media Corporation Stockholders Per Common Share**

Basic earnings (loss) per common share ("EPS") is computed by dividing net earnings (loss) by the weighted average number of common shares outstanding ("WASO") for the period. Diluted EPS presents the dilutive effect on a per share basis of potential common shares as if they had been converted at the beginning of the periods presented, including any necessary adjustments to earnings (loss) attributable to shareholders.

Excluded from diluted EPS for the three and six months ended June 30, 2024 are approximately 4 million and 3 million potentially dilutive shares of Series A and Series C Liberty SiriusXM common stock, respectively, 6 million and 3 million potentially dilutive shares of Series A and Series C Liberty Formula One common stock, respectively, and 1 million potentially dilutive shares of Series A and Series C Liberty Live common stock, because their inclusion would be antidilutive. Excluded from diluted EPS for the three and six months ended June 30, 2023 are approximately 25 million potentially dilutive shares of Series A and Series C Liberty SiriusXM common stock, 1 million and 4 million potentially dilutive shares of Series A and Series C Liberty Formula One common stock, respectively, and 9 million potentially dilutive shares of Series A and Series C Liberty Braves common stock, primarily due to warrants issued in connection with a bond hedge transaction (prior to settlement) and shares of Series A Liberty Braves common stock and Series A Liberty Formula One common stock underlying the intergroup interests (prior to settlement / extinguishment), because their inclusion would be antidilutive.

**LIBERTY MEDIA CORPORATION AND SUBSIDIARIES**  
**Notes to Condensed Consolidated Financial Statements (Continued)**  
**(unaudited)**

*Series A, Series B and Series C Liberty SiriusXM Common Stock*

The basic and diluted EPS calculations are based on the following WASO.

	<u>Three months ended June 30,</u>		<u>Six months ended June 30,</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	numbers of shares in millions			
Basic WASO	327	327	327	327
Potentially dilutive shares (a)	47	19	43	19
Diluted WASO (b)	<u>374</u>	<u>346</u>	<u>370</u>	<u>346</u>

- (a) Potentially dilutive shares are excluded from the computation of EPS during periods in which net losses are reported since the result would be antidilutive.
- (b) For periods in which share settlement of the 2.125% Exchangeable Senior Debentures due 2048, which could have been settled in shares of Series C Liberty SiriusXM common stock, 2.75% Exchangeable Senior Debentures due 2049, which may be settled in shares of Series C Liberty SiriusXM common stock and 3.75% Convertible Senior Notes due 2028, which may be settled in shares of Series A Liberty SiriusXM common stock, are dilutive, the numerator adjustment includes a reversal of the interest expense and the unrealized gain or loss recorded on the instruments during the period, net of tax where appropriate. The settlement of the 2.125% Exchangeable Senior Debentures due 2048 changed to solely cash, pursuant to a supplemental indenture entered into during February 2023. Accordingly, the impact of share settlement of the 2.125% Exchangeable Senior Debentures due 2048 was considered for purposes of calculating diluted WASO prior to the execution of the supplemental indenture.

Additionally, a hypothetical mark-to-market adjustment on the shares of Series A Liberty SiriusXM common stock underlying the warrants was included in the numerator adjustment in periods in which cash settlement of the warrants would have been more dilutive than share settlement.

	<u>Three months ended June 30,</u>		<u>Six months ended June 30,</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	amounts in millions			
Basic earnings (loss) attributable to Liberty SiriusXM stockholders	\$ 299	166	498	349
Adjustments	(74)	5	(81)	(4)
Diluted earnings (loss) attributable to Liberty SiriusXM stockholders	<u>\$ 225</u>	<u>171</u>	<u>417</u>	<u>345</u>

**LIBERTY MEDIA CORPORATION AND SUBSIDIARIES**

**Notes to Condensed Consolidated Financial Statements (Continued)**

**(unaudited)**

*Series A, Series B and Series C Liberty Formula One Common Stock*

The basic and diluted EPS calculations are based on the following WASO.

	<u>Three months ended June 30,</u>		<u>Six months ended June 30,</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	<b>numbers of shares in millions</b>			
Basic WASO	235	234	235	234
Potentially dilutive shares (a)	3	10	5	9
Diluted WASO (b)	<u>238</u>	<u>244</u>	<u>240</u>	<u>243</u>

- (a) Potentially dilutive shares are excluded from the computation of diluted EPS during periods in which losses are reported since the result would be antidilutive.
- (b) The Liberty SiriusXM Group’s intergroup interest in the Formula One Group was settled and extinguished on July 12, 2023. The intergroup interest was a quasi-equity interest which was not represented by outstanding shares of common stock; rather, the Liberty SiriusXM Group had an attributed value in the Formula One Group which was generally stated in terms of a number of shares of stock issuable to the Liberty SiriusXM Group with respect to its interest in the Formula One Group. Each reporting period, the notional shares representing the intergroup interest were marked to fair value. As the notional shares underlying the intergroup interest were not represented by outstanding shares of common stock, such shares had not been officially designated Series A, B or C Liberty Formula One common stock. However, Liberty assumed that the notional shares (if and when issued) would be comprised of Series A Liberty Formula One common stock since Series A Liberty Formula One common stock was underlying the 1.375% Cash Convertible Senior Notes (the “Convertible Notes”). Therefore, the market price of Series A Liberty Formula One common stock was used for the quarterly mark-to-market adjustment through the unaudited attributed condensed consolidated statements of operations. The notional shares representing the intergroup interest had no impact on the basic WASO. However, if dilutive, the notional shares representing the intergroup interest were included in the diluted WASO as if the shares had been issued and outstanding during the period. For periods in which share settlement of the intergroup interest was dilutive, an adjustment was also made to the numerator in the diluted earnings per share calculation for the unrealized gain or loss incurred from marking the intergroup interest to fair value during the period.

For periods in which share settlement of the 2.25% Convertible Senior Notes due 2027, which may be settled in shares of Series C Liberty Formula One common stock, is dilutive, the numerator adjustment includes a reversal of the interest expense and the unrealized gain or loss recorded on the instrument during the period, net of tax where appropriate. Additionally, an adjustment was also made to the numerator for a hypothetical mark-to-market adjustment on the shares of Series A Liberty Formula One common stock underlying the warrants in periods in which cash settlement would have been more dilutive than share settlement.

	<u>Three months ended June 30,</u>		<u>Six months ended June 30,</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	<b>amounts in millions</b>			
Basic earnings (loss) attributable to Liberty Formula One stockholders	\$ 24	116	101	7
Adjustments	—	(16)	—	(14)
Diluted earnings (loss) attributable to Liberty Formula One stockholders	<u>\$ 24</u>	<u>100</u>	<u>101</u>	<u>(7)</u>

**LIBERTY MEDIA CORPORATION AND SUBSIDIARIES**  
**Notes to Condensed Consolidated Financial Statements (Continued)**  
**(unaudited)**

*Series A, Series B and Series C Liberty Live Common Stock*

The basic and diluted EPS calculations are based on the following WASO.

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
	numbers of shares in millions			
Basic WASO	92	NA	92	NA
Potentially dilutive shares (a)	—	NA	—	NA
Diluted WASO	92	NA	92	NA

- (a) Potentially dilutive shares are excluded from the computation of diluted EPS during periods in which losses are reported since the result would be antidilutive.

*Series A, Series B and Series C Liberty Braves Common Stock*

The basic and diluted EPS calculations are based on the following WASO.

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
	numbers of shares in millions			
Basic WASO	NA	53	NA	53
Potentially dilutive shares (a)	NA	1	NA	1
Diluted WASO (b)	NA	54	NA	54

- (a) Potentially dilutive shares are excluded from the computation of diluted EPS during periods in which losses are reported since the result would be antidilutive.
- (b) As described in note 2, the intergroup interests in the Braves Group held by the Formula One Group and the Liberty SiriusXM Group were settled and extinguished in connection with the Split-Off. The intergroup interests were quasi-equity interests, which were not represented by outstanding shares of common stock; rather, the Formula One Group and the Liberty SiriusXM Group had attributed values in the Braves Group which were generally stated in terms of a number of shares of stock issuable to the Formula One Group and the Liberty SiriusXM Group with respect to their interests in the Braves Group. Each reporting period, the notional shares representing the intergroup interests were marked to fair value. As the notional shares underlying the intergroup interests were not represented by outstanding shares of common stock, such shares had not been officially designated Series A, B or C Liberty Braves common stock. However, Liberty assumed that the notional shares (if and when issued) related to the Formula One Group interest in the Braves Group would be comprised of Series C Liberty Braves common stock in order to not dilute voting percentages and the notional shares (if and when issued) related to the Liberty SiriusXM Group interest in the Braves Group would be comprised of Series A Liberty Braves common stock since Series A Liberty Braves common stock was underlying the Convertible Notes. Therefore, the market prices of Series C Liberty Braves and Series A Liberty Braves common stock were historically used for the quarterly mark-to-market adjustment for the intergroup interests held by Formula One Group and Liberty SiriusXM Group, respectively, through the unaudited attributed condensed consolidated statements of operations. During the second quarter of 2023, Liberty determined that, in connection with the Split-Off, shares of Atlanta Braves Holdings Series C common stock would be used to settle and extinguish the intergroup interest in the Braves Group attributed to the Liberty SiriusXM Group. Following such determination, the market price of Series C Liberty Braves common stock was used for the mark-to-market adjustment for the intergroup interest held by the Liberty SiriusXM Group.

**LIBERTY MEDIA CORPORATION AND SUBSIDIARIES**

**Notes to Condensed Consolidated Financial Statements (Continued)**

**(unaudited)**

The notional shares representing the intergroup interests had no impact on the basic WASO. However, if dilutive, the notional shares representing the intergroup interests were included in the diluted WASO as if the shares had been issued and outstanding during the period. For periods in which share settlement of the intergroup interests were dilutive, an adjustment was also made to the numerator in the diluted earnings per share calculation for the unrealized gain or loss incurred from marking the intergroup interests to fair value during the period. Additionally, prior to the Split-Off, a hypothetical mark-to-market adjustment on the shares of Series A Liberty Braves common stock underlying the warrants was included in the numerator adjustment in periods in which cash settlement of the warrants would have been more dilutive than share settlement.

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
	amounts in millions			
Basic earnings (loss) attributable to Liberty Braves stockholders	\$ NA	(29)	NA	(88)
Adjustments	NA	—	NA	—
Diluted earnings (loss) attributable to Liberty Braves stockholders	\$ NA	(29)	NA	(88)

**(5) Assets and Liabilities Measured at Fair Value**

For assets and liabilities required to be reported at fair value, GAAP provides a hierarchy that prioritizes inputs to valuation techniques used to measure fair value into three broad levels. Level 1 inputs are quoted market prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 2 inputs are inputs, other than quoted market prices included within Level 1, that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability. Liberty does not have any assets or liabilities required to be measured at fair value considered to be Level 3.

Liberty's assets and liabilities measured at fair value are as follows:

Description	Fair Value Measurements at June 30, 2024			Fair Value Measurements at December 31, 2023		
	Total	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Total	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)
	amounts in millions					
Cash equivalents	\$ 1,603	1,603	—	1,319	1,319	—
Short term marketable securities	\$ 50	50	—	—	—	—
Debt and equity securities	\$ —	—	—	113	113	—
Financial instrument assets	\$ 202	140	62	141	117	24
Debt	\$ 2,988	—	2,988	3,059	—	3,059

The majority of Liberty's Level 2 financial instruments are debt related instruments and derivative instruments. These assets and liabilities are not always traded publicly or not considered to be traded on "active markets," as defined in GAAP. The fair values for such instruments are derived from a typical model using observable market data as the significant inputs or a trading price of a similar asset or liability is utilized. Accordingly, those debt securities, financial instruments and debt



**LIBERTY MEDIA CORPORATION AND SUBSIDIARIES****Notes to Condensed Consolidated Financial Statements (Continued)****(unaudited)**

or debt related instruments are reported in the foregoing table as Level 2 fair value. Short-term marketable securities in the table above are included in the Other current assets line item in the condensed consolidated balance sheets. As of December 31, 2023, debt and equity securities included in the table above are included in the Other assets line item in the condensed consolidated balance sheet. As of June 30, 2024, \$10 million and \$192 million of financial instrument assets included in the table above are included in the Other current assets and Other assets line items, respectively, in the condensed consolidated balance sheet. As of December 31, 2023, financial instrument assets included in the table above are included in the Other assets line item in the condensed consolidated balance sheet.

***Realized and Unrealized Gains (Losses) on Financial Instruments, net***

Realized and unrealized gains (losses) on financial instruments, net are comprised of changes in the fair value of the following:

	Three months ended		Six months ended	
	June 30,		June 30,	
	2024	2023	2024	2023
	amounts in millions			
Debt and equity securities	\$ 4	10	16	16
Debt measured at fair value (a)	146	(160)	92	(105)
Change in fair value of bond hedges	—	11	—	(99)
Other	19	43	58	46
	<u>\$ 169</u>	<u>(96)</u>	<u>166</u>	<u>(142)</u>

- (a) The Company elected to account for its exchangeable senior debentures and convertible notes (as described in note 7) using the fair value option. Changes in the fair value of the exchangeable senior debentures and convertible notes recognized in the condensed consolidated statements of operations are due to market factors primarily driven by changes in the fair value of the underlying shares into which the debt is exchangeable. The Company isolates the portion of the unrealized gain (loss) attributable to changes in the instrument specific credit risk and recognizes such amount in other comprehensive earnings (loss). The change in the fair value of the exchangeable senior debentures and convertible notes attributable to changes in the instrument specific credit risk was a gain of \$47 million and loss of \$23 million for the three months ended June 30, 2024 and 2023, respectively, and a loss of \$22 million and loss of \$30 million for the six months ended June 30, 2024 and 2023, respectively. The cumulative change since issuance was a gain of \$42 million as of June 30, 2024, net of the recognition of previously unrecognized gains and losses.

**LIBERTY MEDIA CORPORATION AND SUBSIDIARIES**

**Notes to Condensed Consolidated Financial Statements (Continued)**

(unaudited)

**(6) Investments in Affiliates Accounted for Using the Equity Method**

Liberty has various investments accounted for using the equity method. The following table includes the Company's carrying amount and percentage ownership of the more significant investments in affiliates at June 30, 2024 and the carrying amount at December 31, 2023:

	Percentage ownership	June 30, 2024		December 31, 2023	
		Fair Value (Level 1)	Carrying amount	Carrying amount	Carrying amount
dollar amounts in millions					
<b>Liberty SiriusXM Group</b>					
Clean energy investments	99 %	NA	\$ 937		38
Sirius XM Canada	70 %	NA	599		611
Other		NA	65		66
Total Liberty SiriusXM Group			1,601		715
<b>Formula One Group</b>					
Other	various	NA	37		41
Total Formula One Group			37		41
<b>Liberty Live Group</b>					
Live Nation (a)	30 %	\$ 6,529	319		307
Other		NA	26		26
Total Liberty Live Group			345		333
Consolidated Liberty			\$ 1,983		1,089

(a) See note 7 for details regarding the number and fair value of shares pledged as collateral as of June 30, 2024 pursuant to Liberty's margin loan secured by shares of Live Nation (the "Live Nation Margin Loan").

**LIBERTY MEDIA CORPORATION AND SUBSIDIARIES**

**Notes to Condensed Consolidated Financial Statements (Continued)**

**(unaudited)**

The following table presents the Company's share of earnings (losses) of affiliates:

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
	amounts in millions			
<b>Liberty SiriusXM Group</b>				
Sirius XM Canada	\$ 3	1	8	5
Live Nation (a)	NA	83	NA	77
Other	(2)	(5)	(2)	(10)
<b>Total Liberty SiriusXM Group</b>	<b>1</b>	<b>79</b>	<b>6</b>	<b>72</b>
<b>Formula One Group</b>				
Other (a)	(2)	(1)	(5)	(3)
<b>Total Formula One Group</b>	<b>(2)</b>	<b>(1)</b>	<b>(5)</b>	<b>(3)</b>
<b>Liberty Live Group</b>				
Live Nation (a)	83	NA	63	NA
Other (a)	2	NA	1	NA
<b>Total Liberty Live Group</b>	<b>85</b>	<b>NA</b>	<b>64</b>	<b>NA</b>
<b>Braves Group</b>				
Other	NA	12	NA	11
<b>Total Braves Group</b>	<b>NA</b>	<b>12</b>	<b>NA</b>	<b>11</b>
<b>Consolidated Liberty</b>	<b>\$ 84</b>	<b>90</b>	<b>65</b>	<b>80</b>

(a) Liberty's interests in Live Nation and certain other equity affiliates were reattributed to the Liberty Live Group effective August 3, 2023.

***Clean energy investments***

The Company has investments in certain clean energy technologies, including industrial carbon capture and storage, that produce tax credits and tax losses. Such clean energy investments are accounted for pursuant to the equity method, as the Company does not have the ability to direct the most significant activities that impact the economic performance of the investments.

In March 2023, the Financial Accounting Standards Board issued Accounting Standards Update 2023-02, *Investments - Equity Method Investments and Joint Ventures* ("ASU 2023-02"), to allow reporting entities to elect to apply the proportional amortization method on a tax-credit-program by tax-credit-program basis to account for tax equity investments that generate income tax credits. The Company adopted ASU 2023-02 on January 1, 2024 on a modified retrospective basis and recorded a \$122 million increase to investments in affiliates, accounted for using the equity method, \$124 million increase to other liabilities, \$5 million decrease to deferred income tax liabilities and a \$3 million cumulative effect adjustment to retained earnings.

During the three and six months ended June 30, 2024, the Company invested \$22 million and \$201 million in clean energy investments, respectively. During the six months ended June 30, 2024, the Company recognized non-cash increases of \$635 million to each of investments in affiliates, accounted for using the equity method and other liabilities, in accordance with ASU 2023-02.

**LIBERTY MEDIA CORPORATION AND SUBSIDIARIES**

**Notes to Condensed Consolidated Financial Statements (Continued)**

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Under the proportional amortization method, the investment balances are being amortized, through income tax (expense) benefit, over the term of the investments based on the current period income tax benefits in proportion to the total expected income tax benefits. During the three and six months ended June 30, 2024, the Company recognized \$12 million and \$16 million, respectively, of net income tax benefits related to its clean energy investments in the income tax (expense) benefit line item on the condensed consolidated statement of operations, comprised of \$54 million and \$79 million of tax credits and other income tax benefits, respectively, partially offset by \$42 million and \$63 million of amortization expense, respectively.

***Sirius XM Canada***

As of June 30, 2024, Sirius XM Holdings holds a 70% equity interest and 33% voting interest in Sirius XM Canada Holdings Inc. (“Sirius XM Canada”). Sirius XM Canada is accounted for as an equity method investment as Sirius XM Holdings does not have the ability to direct the most significant activities that impact Sirius XM Canada's economic performance.

On March 15, 2022, Sirius XM Holdings and Sirius XM Canada entered into an amended and restated services and distribution agreement, pursuant to which, the fee payable by Sirius XM Canada to Sirius XM Holdings was modified from a fixed percentage of revenue to a variable fee, based on a target operating profit for Sirius XM Canada. Such variable fee is evaluated annually based on comparable companies and is payable on a monthly basis, in arrears.

Sirius XM Holdings recorded approximately \$23 million and \$25 million in revenue during the three months ended June 30, 2024 and 2023, respectively, and \$47 million and \$51 million in revenue during the six months ended June 30, 2024 and 2023, respectively, associated with these various agreements. Sirius XM Canada paid gross dividends to Sirius XM Holdings of less than \$1 million during each of the three and six months ended June 30, 2024 and 2023.

***SoundCloud***

In February 2020, Sirius XM Holdings completed a \$75 million investment in Series G Membership Units of SoundCloud Holdings, LLC (“SoundCloud”). The investment in SoundCloud is accounted for as an equity method investment as Sirius XM Holdings does not have the ability to direct the most significant activities that impact SoundCloud's economic performance.

In addition to Sirius XM Holdings' investment in SoundCloud, Pandora has an agreement with SoundCloud to be its exclusive ad sales representative in the United States (“U.S.”) and certain European countries. Through this arrangement, Pandora offers advertisers the ability to execute campaigns across the Pandora and SoundCloud platforms. Sirius XM Holdings recorded revenue share expense related to this agreement of \$15 million and \$13 million for the three months ended June 30, 2024 and 2023, respectively, and \$30 million and \$25 million for the six months ended June 30, 2024 and 2023, respectively. Sirius XM Holdings also had related party liabilities of \$21 million and \$20 million as of June 30, 2024 and December 31, 2023, respectively, related to this agreement.

**LIBERTY MEDIA CORPORATION AND SUBSIDIARIES**  
**Notes to Condensed Consolidated Financial Statements (Continued)**  
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**(7) Long-Term Debt**

Debt is summarized as follows:

	Outstanding Principal June 30, 2024	Carrying value	
		June 30, 2024	December 31, 2023
amounts in millions			
<b>Liberty SiriusXM Group</b>			
Corporate level notes and loans:			
3.75% Convertible Senior Notes due 2028 (1)	575	601	688
2.75% Exchangeable Senior Debentures due 2049 (1)	585	581	574
Sirius XM Holdings Margin Loan	595	595	695
Subsidiary notes and loans:			
SiriusXM 3.125% Senior Notes due 2026	1,000	995	994
SiriusXM 5.0% Senior Notes due 2027	1,500	1,495	1,494
SiriusXM 4.0% Senior Notes due 2028	2,000	1,986	1,985
SiriusXM 5.50% Senior Notes due 2029	1,250	1,242	1,241
SiriusXM 4.125% Senior Notes due 2030	1,500	1,489	1,488
SiriusXM 3.875% Senior Notes due 2031	1,500	1,487	1,487
SiriusXM Senior Secured Revolving Credit Facility	350	350	—
SiriusXM Incremental Term Loan	—	—	500
Deferred financing costs	—	(8)	(9)
Total Liberty SiriusXM Group	10,855	10,813	11,137
<b>Formula One Group</b>			
Corporate level notes and loans:			
2.25% Convertible Senior Notes due 2027 (1)	475	503	480
Other	56	56	58
Subsidiary notes and loans:			
Formula 1 Senior Loan Facilities	2,389	2,361	2,377
Deferred financing costs	—	(8)	(9)
Total Formula One Group	2,920	2,912	2,906
<b>Liberty Live Group</b>			
Corporate level notes and loans:			
0.5% Exchangeable Senior Debentures due 2050 (1)	62	67	69
2.375% Exchangeable Senior Debentures due 2053 (1)	1,150	1,236	1,248
Live Nation Margin Loan	—	—	—
Total Liberty Live Group	1,212	1,303	1,317
Total debt	\$ 14,987	15,028	15,360
Debt classified as current	—	(685)	(1,180)
Total long-term debt	\$ 14,987	\$ 14,343	\$ 14,180

(1) Measured at fair value

**2.25% Convertible Senior Notes due 2027**

On August 12, 2022, Liberty issued \$475 million convertible notes at an interest rate of 2.25% per annum, which, at Liberty's election, are convertible into cash, shares of Series C Liberty Formula One common stock or a combination of

**LIBERTY MEDIA CORPORATION AND SUBSIDIARIES**

**Notes to Condensed Consolidated Financial Statements (Continued)**

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cash and shares of Series C Liberty Formula One common stock and mature on August 15, 2027. As of June 30, 2024, the conversion rate for the notes is approximately 12.0505 shares of Series C Liberty Formula One common stock per \$1,000 principal amount of notes, equivalent to a conversion price of approximately \$82.98 per share of Series C Liberty Formula One common stock. The notes are attributed to the Formula One Group. Liberty has elected to account for the notes using the fair value option. See note 5 for information related to unrealized gains (losses) on debt measured at fair value.

***3.75% Convertible Senior Notes due 2028***

On March 10, 2023, Liberty issued \$575 million convertible notes at an interest rate of 3.75% per annum, which, at Liberty's election, are convertible into cash, shares of Series A Liberty SiriusXM common stock or a combination of cash and shares of Series A Liberty SiriusXM common stock and mature on March 15, 2028. As of June 30, 2024, the conversion rate for the notes is approximately 35.4563 shares of Series A Liberty SiriusXM common stock per \$1,000 principal amount of notes, equivalent to a conversion price of approximately \$28.20 per share of Series A Liberty SiriusXM common stock. The notes are attributed to the Liberty SiriusXM Group. Liberty has elected to account for the notes using the fair value option. See note 5 for information related to unrealized gains (losses) on debt measured at fair value.

***2.75% Exchangeable Senior Debentures due 2049***

On November 26, 2019, Liberty closed a private offering of approximately \$604 million aggregate principal amount of its 2.75% exchangeable senior debentures due 2049 (the "2.75% Exchangeable Senior Debentures due 2049"). Upon an exchange of debentures, Liberty, at its option, may deliver Sirius XM Holdings common stock, Series C Liberty SiriusXM common stock, cash or a combination of Sirius XM Holdings common stock, Series C Liberty SiriusXM common stock and/or cash. The number of shares of Sirius XM Holdings common stock attributable to a debenture represents an initial exchange price of approximately \$8.62 per share. A total of approximately 70 million shares of Sirius XM Holdings common stock are attributable to the debentures. Interest is payable quarterly in arrears on March 1, June 1, September 1 and December 1 of each year. The debentures may be redeemed by Liberty, in whole or in part, on or after December 1, 2024. Holders of the debentures also have the right to require Liberty to purchase their debentures on December 1, 2024. Accordingly, the 2.75% Exchangeable Senior Debentures due 2049 are classified as a current liability in the condensed consolidated balance sheet. The redemption and purchase price will generally equal 100% of the adjusted principal amount of the debentures plus accrued and unpaid interest to the redemption date, plus any final period distribution. The debentures are attributed to the Liberty SiriusXM Group. Liberty has elected to account for the debentures using the fair value option. See note 5 for information related to unrealized gains (losses) on debt measured at fair value.

***0.5% Exchangeable Senior Debentures due 2050***

In November 2020, Liberty closed a private offering of approximately \$920 million aggregate principal amount of its 0.5% exchangeable senior debentures due 2050 (the "0.5% Exchangeable Senior Debentures due 2050"). Upon an exchange of debentures, pursuant to a supplemental indenture entered into in July 2024, Liberty will deliver solely cash to satisfy its exchange obligations. The number of shares of Live Nation common stock attributable to a debenture represents an initial exchange price of approximately \$90.10 per share. Initially, a total of approximately 10 million shares of Live Nation common stock were attributable to the debentures. Interest is payable quarterly on March 1, June 1, September 1 and December 1 of each year. Holders of the debentures have the right to require Liberty to purchase their debentures on September 1, 2024. Accordingly, the 0.5% Exchangeable Senior Debentures due 2050 are classified as a current liability in the condensed consolidated balance sheet. In August 2024, Liberty issued a redemption notice for all of its 0.5% Exchangeable Senior Debentures due 2050. Any debentures that are not so purchased or properly surrendered for exchange will be redeemed in full on September 1, 2024. Settlement of any debentures properly surrendered for exchange is expected to be completed in October 2024. The redemption and purchase price will generally equal 100% of the adjusted principal amount of the debentures plus accrued and unpaid interest to (but excluding) the redemption or purchase date, plus any

**LIBERTY MEDIA CORPORATION AND SUBSIDIARIES**

**Notes to Condensed Consolidated Financial Statements (Continued)**

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final period distribution. As of June 30, 2024, approximately 1 million shares of Live Nation common stock are attributable to the debentures. Liberty has elected to account for the debentures using the fair value option. See note 5 for information related to unrealized gains (losses) on debt measured at fair value. On August 3, 2023, in connection with the Reclassification, as described in note 2, the debentures were reattributed from the Liberty SiriusXM Group to the Liberty Live Group.

***2.375% Exchangeable Senior Debentures due 2053***

In September 2023, Liberty closed a private offering of approximately \$1.15 billion aggregate principal amount of its 2.375% exchangeable senior debentures due 2053 (the “2.375% Exchangeable Senior Debentures due 2053”). Upon an exchange of debentures, Liberty, at its option, may deliver Live Nation common stock, cash or a combination of Live Nation common stock and/or cash. The number of shares of Live Nation common stock attributable to a debenture represents an initial exchange price of approximately \$104.91 per share. A total of approximately 11 million shares of Live Nation common stock are attributable to the debentures. Interest is payable quarterly in arrears on March 31, June 30, September 30 and December 31 of each year. The debentures may be redeemed by Liberty, in whole or in part, on or after September 30, 2028. Holders of the debentures also have the right to require Liberty to purchase their debentures on September 30, 2028. The redemption and purchase price will generally equal 100% of the adjusted principal amount of the debentures plus accrued and unpaid interest to the redemption date, plus any final period distribution. The debentures are attributed to the Liberty Live Group. Liberty has elected to account for the debentures using the fair value option. See note 5 for information related to unrealized gains (losses) on debt measured at fair value.

***Margin Loans***

***Sirius XM Holdings Margin Loan***

In February 2021, Liberty Siri MarginCo, LLC (“Siri MarginCo”), a wholly-owned subsidiary of Liberty, amended its margin loan agreement secured by shares of Sirius XM Holdings common stock (the “Sirius XM Holdings Margin Loan”) that was comprised of an \$875 million term loan and an \$875 million revolving line of credit. The term loan and any drawn portion of the revolver carried an interest rate of London Inter-Bank Overnight Rate plus 2.00% with the undrawn portion carrying a fee of 0.50%. In March 2023, Siri MarginCo amended the Sirius XM Holdings Margin Loan, increasing the revolving line of credit to \$1,075 million, extending the maturity to March 2026 and changing the interest rate to the Secured Overnight Financing Rate (“SOFR”) plus 2.25%. Borrowings outstanding under the Sirius XM Holdings Margin Loan bore interest at a rate of 7.58% per annum at June 30, 2024. During the six months ended June 30, 2024, Siri MarginCo repaid \$100 million of borrowings outstanding under the term loan. As of June 30, 2024, availability under the Sirius XM Holdings Margin Loan was \$1,075 million. As of June 30, 2024, 1.0 billion shares of the Company’s Sirius XM Holdings common stock with a value of \$2,830 million were held in collateral accounts related to the Sirius XM Holdings Margin Loan. The margin loan contains various affirmative and negative covenants that restrict the activities of the borrower. The margin loan does not include any financial covenants.

***Live Nation Margin Loan***

On May 9, 2022, the Live Nation Margin Loan agreement was amended, replacing a delayed draw term loan with a \$400 million revolving line of credit, changing the interest rate to the Adjusted Term SOFR plus Term SOFR Adjustment (0.1%) plus 2.0% and extending the maturity to May 9, 2025. On September 5, 2023, the Live Nation Margin Loan agreement was amended to, among other things, extend the maturity date to September 9, 2026 and change the interest rate to Term SOFR plus 2%. The undrawn portion carries a commitment fee of 0.50% per annum. Interest on the margin loan is payable on the last business day of each calendar quarter. As of June 30, 2024, availability under the Live Nation Margin Loan was \$400 million. As of June 30, 2024, 9.0 million shares of the Company’s Live Nation common stock with

**LIBERTY MEDIA CORPORATION AND SUBSIDIARIES**

**Notes to Condensed Consolidated Financial Statements (Continued)**

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a value of \$841 million were pledged as collateral to the loan. The Live Nation Margin Loan contains various affirmative and negative covenants that restrict the activities of the borrower. The loan agreement does not include any financial covenants. On August 3, 2023, in connection with the Reclassification, as described in note 2, the Live Nation Margin Loan was reattributed from the Liberty SiriusXM Group to the Liberty Live Group.

***Sirius XM Holdings Senior Secured Revolving Credit Facility and Incremental Term Loan***

Sirius XM Holdings entered into a Senior Secured Revolving Credit Facility (the "Credit Facility") with a syndicate of financial institutions with a total borrowing capacity of \$1,750 million which matures in August 2026. The Credit Facility is guaranteed by certain of Sirius XM Holdings' material domestic subsidiaries and is secured by a lien on substantially all of Sirius XM Holdings' assets and the assets of its material domestic subsidiaries. Interest on borrowings is payable on a monthly basis and accrues at a rate based on SOFR plus an applicable rate. Borrowings outstanding under the Credit Facility bore interest at a rate of 6.93% per annum as of June 30, 2024. Sirius XM Holdings is required to pay a variable fee on the average daily unused portion of the Credit Facility which was 0.25% per annum as of June 30, 2024 and is payable on a quarterly basis. The Credit Facility contains customary covenants, including a maintenance covenant. Availability under the Credit Facility was \$1,400 million as of June 30, 2024.

On April 11, 2022, Sirius XM Holdings entered into an amendment to the Credit Facility to incorporate an incremental term loan borrowing of \$500 million. Interest on the incremental term loan was based on SOFR plus an applicable rate. The incremental term loan matured on April 11, 2024 and was retired with cash for 100% of the principal amount plus accrued interest.

On January 26, 2024, Sirius XM Holdings entered into an amendment to the Credit Facility to, among other things, incorporate a \$1.1 billion delayed draw incremental term loan. Subject to the conditions described in the amendment, the delayed draw incremental term loan shall be available to be drawn by Sirius XM Holdings in up to three separate drawings until December 31, 2024. If drawn, interest on the delayed draw incremental term loan will be based on SOFR plus an applicable rate.

***Formula 1 Senior Loan Facilities***

On November 23, 2022, Formula 1 refinanced its previous \$2.9 billion first lien Term Loan B and \$500 million revolving credit facility with a new \$725 million first lien Term Loan A, a refinanced \$1.7 billion Term Loan B and a new \$500 million revolving credit facility (collectively, the "Senior Loan Facilities"). The Term Loan A and revolving credit facility mature on January 15, 2028 and the Term Loan B matures on January 15, 2030. As of June 30, 2024, there were no outstanding borrowings under the \$500 million revolving credit facility. The margin for the Term Loan B, originally set at 3.25%, stepped down to 3.00% effective May 5, 2023, after a certain leverage test was met as of March 31, 2023. Formula 1 repriced the Term Loan B on October 4, 2023, reducing the margin to 2.25%. The margin for the Term Loan A and revolving credit facility is between 1.50% and 2.25% depending on leverage ratios, amongst other things, and was fixed at 1.75% for the first year and reduced to 1.5% effective November 24, 2023. The reference rate for the Term Loan A, Term Loan B and dollar borrowings under the revolving credit facility is Term SOFR. The weighted average interest rate on the Senior Loan Facilities was approximately 7.37% as of June 30, 2024. The Senior Loan Facilities remain non-recourse to Liberty. The Senior Loan Facilities are secured by share pledges and floating charges over Formula 1's primary operating companies with certain cross guarantees. Additionally, in order to manage the interest rate risk of its \$2.4 billion Senior Loan Facilities, Formula 1 had \$1.7 billion of interest rate swaps as of June 30, 2024, with a termination date in December 2029 and an optional early termination date in December 2027.



**LIBERTY MEDIA CORPORATION AND SUBSIDIARIES**  
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***Debt Covenants***

The Sirius XM Holdings Credit Facility contains certain financial covenants related to Sirius XM Holdings' leverage ratio. The Formula 1 Senior Loan Facilities contain certain financial covenants, including a leverage ratio. Additionally, Sirius XM Holdings' Credit Facility, Formula 1 debt and other borrowings contain certain non-financial covenants.

***Fair Value of Debt***

The fair values, based on quoted market prices of the same instruments but not considered to be active markets (Level 2), of Sirius XM Holdings' publicly traded debt securities, not reported at fair value, are as follows (amounts in millions):

	<u>June 30, 2024</u>
SiriusXM 3.125% Senior Notes due 2026	\$ 937
SiriusXM 5.0% Senior Notes due 2027	\$ 1,431
SiriusXM 4.0% Senior Notes due 2028	\$ 1,797
SiriusXM 5.50% Senior Notes due 2029	\$ 1,169
SiriusXM 4.125% Senior Notes due 2030	\$ 1,275
SiriusXM 3.875% Senior Notes due 2031	\$ 1,221

Due to the variable rate nature of the Credit Facility, margin loans and other debt, the Company believes that the carrying amount approximates fair value at June 30, 2024.

**(8) Commitments and Contingencies**

***Guarantees***

In connection with agreements for the sale of assets by the Company or its subsidiaries, the Company may retain liabilities that relate to events occurring prior to its sale, such as tax, environmental, litigation and employment matters. The Company generally indemnifies the purchaser in the event that a third party asserts a claim against the purchaser that relates to a liability retained by the Company. These types of indemnification obligations may extend for a number of years. The Company is unable to estimate the maximum potential liability for these types of indemnification obligations as the sale agreements may not specify a maximum amount and the amounts are dependent upon the outcome of future contingent events, the nature and likelihood of which cannot be determined at this time. Historically, the Company has not made any significant indemnification payments under such agreements and no amount has been accrued in the accompanying condensed consolidated financial statements with respect to these indemnification guarantees.

***Sirius XM Holdings Restructuring***

During the six months ended June 30, 2024, Sirius XM Holdings further realigned its business to focus on strategic priorities, reducing the size of its workforce, and recorded charges of \$3 million and \$15 million during the three and six months ended June 30, 2024, respectively, primarily related to severance and other related costs. In addition, Sirius XM Holdings recorded \$1 million of impairments primarily related to vacated office space during the three months ended June 30, 2024 and \$2 million of impairments primarily related to terminated software projects and vacated office space during the six months ended June 30, 2024.

**LIBERTY MEDIA CORPORATION AND SUBSIDIARIES**

**Notes to Condensed Consolidated Financial Statements (Continued)**

**(unaudited)**

During the six months ended June 30, 2023, Sirius XM Holdings initiated measures to pursue greater efficiency and to realign its business and focus on strategic priorities. As part of these measures, Sirius XM Holdings reduced the size of its workforce by approximately 475 roles, or 8%. Sirius XM Holdings recorded charges of \$5 million and \$28 million during the three and six months ended June 30, 2023, respectively, primarily related to severance and other employee costs. Sirius XM Holdings also recorded impairments of \$10 million and \$13 million during the three and six months ended June 30, 2023, respectively, primarily related to terminated software projects. In addition, Sirius XM Holdings vacated one of its leased locations and recorded an impairment of \$5 million to reduce the carrying value of the related right of use asset to its estimated fair value and accrued expenses of \$2 million for which it will not recognize any future economic benefits during the six months ended June 30, 2023. These charges were recorded to impairment, restructuring and acquisition costs in the condensed consolidated statements of operations.

***Litigation***

The Company has contingent liabilities related to legal and tax proceedings and other matters arising in the ordinary course of business. Although it is reasonably possible the Company may incur losses upon conclusion of such matters, an estimate of any loss or range of loss cannot be made. In the opinion of management, it is expected that amounts, if any, which may be required to satisfy such contingencies will not be material in relation to the accompanying condensed consolidated financial statements.

*Vladmir Fishel v. Liberty Media Corporation, et al.* On September 23, 2021, a putative class action complaint was filed by a purported Sirius XM Holdings stockholder in the Court of Chancery of the State of Delaware under the caption *Vladmir Fishel v. Liberty Media Corporation, et al.*, Case No. 2021-0820. The complaint named as defendants Liberty, the members of the Sirius XM Holdings board of directors, and Sirius XM Holdings as the nominal defendant. The complaint alleged that the Sirius XM Holdings board of directors, including Mr. Gregory B. Maffei, the Chairman of the board of directors of Sirius XM Holdings, Ms. Robin P. Hickenlooper, Mr. David A. Blau and Mr. Evan D. Malone, and Liberty, in its purported capacity as a controlling stockholder, breached their fiduciary duties in connection with approving an upsizing of Sirius XM Holdings' ongoing repurchase program in July 2021. The complaint also alleged that various relationships among certain members of the Sirius XM Holdings board of directors, Mr. John C. Malone and Liberty rendered a majority of the Sirius XM Holdings board of directors not independent from Mr. John C. Malone and Liberty. The complaint sought, among other things, certification of a class action, preliminary and permanent injunctive relief enjoining Sirius XM Holdings' ongoing repurchase program and any further stock purchases, and monetary relief in the form of damages.

On February 2, 2022, the plaintiff filed a supplement to the complaint, which included, among other things, a request for a declaratory judgment that any short-form merger under 8 *Del. C.* § 253 would be subject to judicial review.

On September 15, 2023, the plaintiff filed a motion for leave to file a Verified Amended Class Action and Derivative Complaint and Supplemental Complaint.

On December 8, 2023, and in advance of the expenditure of significant time and costs to prepare for trial in this action, the plaintiff (on behalf of himself and other members of a proposed settlement class) and the defendants entered into an agreement in principle to settle the litigation pursuant to which the parties agreed that the plaintiff would release the claims in the original complaint, the supplemented complaint, and the proposed amended complaint with prejudice, with customary releases, in return for a settlement payment of \$36 million, a portion of which would be contributed by insurance carriers. The Company recorded a current liability in the consolidated balance sheet and litigation settlement expense within operating income in the consolidated statements of operations of approximately \$7 million each related to this matter in the fourth quarter of 2023 and paid \$7 million to fund the escrow account during the first quarter of 2024.

**LIBERTY MEDIA CORPORATION AND SUBSIDIARIES**

**Notes to Condensed Consolidated Financial Statements (Continued)**

**(unaudited)**

On January 8, 2024, the parties filed a Stipulation and Agreement of Settlement, Compromise, and Release. On January 10, 2024, the Court preliminarily certified, solely for purposes of effectuating the proposed settlement, the action as a non-opt out class action on behalf of a settlement class consisting of all holders of Sirius XM Holdings common stock as of close of trading on January 5, 2024, with some limited exceptions. The Court set a settlement hearing for April 8, 2024, to determine whether to permanently certify the class, whether the proposed settlement is fair, reasonable, and adequate to the settlement class, and whether to enter a judgment dismissing the action with prejudice, among other things. On January 12, 2024, the parties filed a Corrected Stipulation and Agreement of Settlement, Compromise, and Release. On April 9, 2024, after holding a settlement hearing the previous day, the Court entered an Order and Final Judgment, certifying the action as a non-opt out class action on behalf of a settlement class consisting of all holders of Sirius XM Holdings common stock as of close of trading on January 5, 2024, with some limited exceptions, approving the proposed settlement as fair, reasonable, and adequate to the settlement class, and dismissing the action with prejudice, among other things.

*New York State v. Sirius XM Radio Inc.* On December 20, 2023, the People of the State of New York, by Letitia James, Attorney General of the State of New York (the “NY AG”), filed a Petition in the Supreme Court of the State of New York, New York County (the “Court”), against Sirius XM Holdings. The Petition alleges various violations of New York law and the federal Restore Online Shoppers’ Confidence Act (“ROSCA”) arising out of Sirius XM Holdings’ subscription cancellation practices. In general, the Petition alleges that Sirius XM Holdings requires consumers to devote an excessive amount of time to cancel subscriptions and has not implemented cancellation processes that are simple and efficient.

The Petition claims to be brought under certain provisions of New York law that authorize the NY AG to initiate special proceedings seeking injunctive and other equitable relief in cases of persistent business fraud or illegality. The Petition seeks: a permanent injunction against violating provisions of New York law and ROSCA arising out of the alleged deceptive practices associated with Sirius XM Holdings’ subscription cancellation procedures; an accounting of each consumer who cancelled, or sought to cancel, a satellite radio subscription, including the duration of the cancel interaction and the funds collected from such consumers after that interaction; monetary restitution and damages to aggrieved consumers; disgorgement of all profits resulting from the alleged improper acts; civil penalties; and the NY AG’s costs.

In March 2024, Sirius XM Holdings filed its Answer to the Petition which was supported by various factual declarations and asserts affirmative defenses to the allegations contained in the Petition. In connection with the Answer, Sirius XM Holdings cross moved for summary judgment with respect to various claims asserted in the Petition. In April 2024, the NY AG filed its responsive pleadings in support of the Petition and in opposition to Sirius XM Holdings’ cross motion for summary judgment. In May 2024, Sirius XM Holdings filed a further opposition to the Petition, and a reply in support of its cross-motion. The Petition and Sirius XM Holdings’ cross-motion are now fully submitted. The parties have jointly requested that the Court set oral arguments; the Court has yet to act upon that request. Sirius XM Holdings intends to defend this action vigorously.

*U.S. Music Royalty Fee Actions and Mass Arbitrations.* A number of class actions and mass arbitrations have been commenced against Sirius XM Holdings relating to its pricing, billing and subscription marketing practices. Although each class action and mass arbitration contains unique allegations; in general, the actions and arbitrations allege that Sirius XM Holdings falsely advertised its music subscription plans at lower prices than it actually charges, that Sirius XM Holdings allegedly did not disclose its “U.S. Music Royalty Fee” and that Sirius XM Holdings has taken other actions to prevent customers from discovering the existence, amount and nature of the U.S. Music Royalty Fee in violation of various state consumer protection laws.

The plaintiffs and claimants seek to enjoin Sirius XM Holdings from advertising its music subscription plans without more specifically disclosing the existence and amount of the U.S. Music Royalty Fee. The plaintiffs and claimants also

**LIBERTY MEDIA CORPORATION AND SUBSIDIARIES**

**Notes to Condensed Consolidated Financial Statements (Continued)**

**(unaudited)**

seek disgorgement, restitution and/or damages in the aggregate amount of U.S Music Royalty Fees paid by customers, as well as statutory and punitive damages where available.

To date, the actions and arbitrations filed against Sirius XM Holdings include:

- On April 14, 2023, Ayana Stevenson and David Ambrose, individually, as private attorneys general, and on behalf of all other California persons similarly situated, filed a class action complaint against Sirius XM Holdings in the Superior Court of the State of California, County of Contra Costa. The case was removed to the United States District Court for the Northern District of California, which issued an Order on November 9, 2023 granting Sirius XM Holdings' Motion to Compel Arbitration and dismissed the complaint. Plaintiffs appealed the Court's granting of the Motion, and Sirius XM Holdings cross-appealed the Court's dismissal in lieu of the issuance of a stay pending arbitration. The appeal and cross-appeal have been dismissed leaving the District Court's order compelling arbitration in place.
- On May 17, 2023, Robyn Posternock, Muriel Salters and Philip Munning, individually, as private attorneys general, and on behalf of all other New Jersey persons similarly situated, filed a class action complaint against Sirius XM Holdings in the United States District Court for the District of New Jersey. Sirius XM Holdings filed a Motion to Compel Arbitration on August 18, 2023. Sirius XM Holdings renewed that motion on June 14, 2024 and the renewed motion remains pending.
- On June 5, 2023, Christopher Carovillano and Steven Brandt, individually, as private attorneys general, and on behalf of all other U.S. persons similarly situated (excluding persons in the states of California, New Jersey and Washington), filed a class action complaint against Sirius XM Holdings in the United States District Court for the Southern District of New York. On February 6, 2024, the Court issued an Order denying Sirius XM Holdings' Motion to Dismiss and Sirius XM Holdings filed an Answer to the complaint on February 20, 2024. On May 24, 2024, Sirius XM Holdings filed a Motion for Partial Summary Judgment and to Strike Class Allegations. On July 18, 2024, the Court issued an Opinion and Order granting Sirius XM Holdings' motion for partial summary judgment and striking the plaintiffs' class allegations. This case is now expected to proceed solely as to plaintiffs' individual claims.
- On June 1, 2024, Elenamarie Burns, Jacqueline Gardner, and Lynne Silver filed a petition on behalf of 7,628 individuals in the Commercial Division of the Supreme Court of New York, County of New York, seeking to compel Sirius XM Holdings to arbitrate and advance the payment of American Arbitration Association (the "AAA") arbitration fees in connection with individual arbitrations. On July 3, 2024, those petitioners filed an amended petition seeking the same relief on behalf of a revised list of 7,628 petitioners. The Court has not taken any action in connection with the amended petition.
- On June 14, 2024, Kara Kirkpatrick, Gillian Maxfield, Anna Demarco and Cody Michael, individually and on behalf of all other Oregon persons similarly situated, filed a class action complaint against Sirius XM Holdings in the United States District Court for the District of Oregon.
- On June 21, 2024, Cindy Balmores, Justin Braswell, Deborah Garvin, and Thea Anderson, individually, as private attorneys general, and on behalf of all other Washington persons similarly situated, filed a class action complaint against Sirius XM Holdings in the United States District Court for the Western District of Washington.
- On June 25, 2024, Denise Woods and Sherry Tapia, individually, as private attorneys general, and on behalf of all other California persons similarly situated, filed a class action complaint against Sirius XM Holdings in the United

## LIBERTY MEDIA CORPORATION AND SUBSIDIARIES

### Notes to Condensed Consolidated Financial Statements (Continued)

(unaudited)

States District Court for the Northern District of California. On July 3, 2024, plaintiffs filed an administrative motion to relate this case to the earlier filed *Stevenson* case.

- On June 26, 2024, Bonnie Wilson, individually and on behalf of all other U.S. persons similarly situated, filed a class action complaint against Sirius XM Holdings in the United States District Court for the Southern District of New York.
- Commencing in June 2023, various law firms began filing mass arbitration claims against Sirius XM Holdings before the AAA. Collectively, the law firms purport to act on behalf of approximately 70,000 claimants. Several of the law firms have asserted additional causes of action under the Electronic Funds Transfer Act.

Sirius XM Holdings believes it has substantial defenses to the claims asserted in these actions and arbitrations, and intends to defend these actions vigorously.

#### (9) **Information About Liberty's Operating Segments**

The Company, through its ownership interests in subsidiaries and other companies, is primarily engaged in the media and entertainment industries. The Company identifies its reportable segments as (A) those consolidated subsidiaries that represent 10% or more of its consolidated annual revenue, annual Adjusted OIBDA (as defined below) or total assets and (B) those equity method affiliates whose share of earnings represent 10% or more of the Company's annual pre-tax earnings.

Liberty's chief operating decision maker evaluates performance and makes decisions about allocating resources to the Company's reportable segments based on financial measures such as revenue and Adjusted OIBDA (as defined below). In addition, the Company reviews nonfinancial measures such as subscriber growth, churn and penetration.

For the six months ended June 30, 2024, the Company has identified the following subsidiaries as its reportable segments:

- Sirius XM Holdings is a consolidated subsidiary that operates two complementary audio entertainment businesses, SiriusXM and Pandora and Off-platform. SiriusXM features music, sports, entertainment, comedy, talk, news, traffic and weather channels and other content, as well as podcasts and infotainment services, in the U.S. on a subscription fee basis. SiriusXM's packages include live, curated and certain exclusive and on demand programming. The SiriusXM service is distributed through its two proprietary satellite radio systems and streamed via applications for mobile devices, home devices and other consumer electronic equipment. SiriusXM also provides connected vehicle services and a suite of in-vehicle data services. Pandora and Off-platform operates a music, comedy and podcast streaming discovery platform. Pandora is available as an ad-supported radio service, a radio subscription service, called Pandora Plus, and an on-demand subscription service, called Pandora Premium. Pandora also sells advertising on other audio platforms in widely distributed podcasts, which are considered to be off-platform services.
- Formula 1 is a global motorsports business that holds exclusive commercial rights with respect to the World Championship, an annual, approximately nine-month long, motor race-based competition in which teams compete for the Constructors' Championship and drivers compete for the Drivers' Championship. The World Championship takes place on various circuits with a varying number of Events taking place in different countries around the world each season. Formula 1 is responsible for the commercial exploitation and development of the World Championship as well as various aspects of its management and administration.

**LIBERTY MEDIA CORPORATION AND SUBSIDIARIES**

**Notes to Condensed Consolidated Financial Statements (Continued)**

**(unaudited)**

The Company's reportable segments are strategic business units that offer different products and services. They are managed separately because each segment requires different technologies, differing revenue sources and marketing strategies. The significant accounting policies of the segments are the same as those described in the Company's summary of significant policies in the Company's annual financial statements filed on Form 10-K.

As of December 31, 2023, Live Nation met the Company's reportable segment threshold for equity method affiliates. Accordingly, the segment presentation for prior periods has been conformed to current period segment presentation. Although the Company owns less than 100% of the outstanding shares of Live Nation, 100% of the Live Nation amounts are included in the tables below and are subsequently eliminated in order to reconcile the account totals to the Company's consolidated financial statements. As disclosed in note 2, the Company's investment in Live Nation was reattributed from the Liberty SiriusXM Group to the Liberty Live Group effective August 3, 2023.

**Performance Measures**

The following table disaggregates revenue by segment and by source:

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
	amounts in millions			
<b>Liberty SiriusXM Group</b>				
Sirius XM Holdings:				
Subscriber	\$ 1,658	1,726	3,338	3,417
Advertising	443	444	845	819
Equipment	47	47	97	93
Other	30	33	60	65
Total Liberty SiriusXM Group	<u>2,178</u>	<u>2,250</u>	<u>4,340</u>	<u>4,394</u>
<b>Formula One Group</b>				
Formula 1:				
Primary	739	618	1,202	932
Other	132	106	222	173
Corporate and other	141	—	185	—
Intergroup elimination	(24)	—	(34)	—
Total Formula One Group	<u>988</u>	<u>724</u>	<u>1,575</u>	<u>1,105</u>
<b>Braves Group</b>				
Corporate and other:				
Baseball	NA	254	NA	272
Mixed-Use Development	NA	16	NA	29
Total Braves Group	<u>NA</u>	<u>270</u>	<u>NA</u>	<u>301</u>
Consolidated Liberty	<u>\$ 3,166</u>	<u>3,244</u>	<u>5,915</u>	<u>5,800</u>

Live Nation's revenue was \$6,023 million and \$5,631 million during the three months ended June 30, 2024 and 2023, respectively, and \$9,823 million and \$8,758 million during the six months ended June 30, 2024 and 2023, respectively.

Our subsidiaries' customers generally pay for services in advance of the performance obligation and therefore these prepayments are recorded as deferred revenue. The deferred revenue is recognized as revenue in our unaudited condensed

**LIBERTY MEDIA CORPORATION AND SUBSIDIARIES**

**Notes to Condensed Consolidated Financial Statements (Continued)**

**(unaudited)**

consolidated statement of operations as the services are provided. Changes in the contract liability balance for Sirius XM Holdings during the six months ended June 30, 2024 were not materially impacted by other factors. The opening and closing balances for our deferred revenue related to Formula 1 and other subsidiaries for the six months ended June 30, 2024 were approximately \$248 million and \$712 million, respectively. The primary cause for the increase related to the receipt of cash from our customers in advance of satisfying our performance obligations.

Significant portions of the transaction prices for Formula 1 and other subsidiaries are related to undelivered performance obligations that are under contractual arrangements that extend beyond one year. The Company anticipates recognizing revenue from the delivery of such performance obligations of approximately \$1,343 million for the remainder of 2024, \$2,525 million in 2025, \$2,034 million in 2026, \$5,754 million in 2027 through 2031, and \$1,868 million thereafter. We have not included any amounts in the undelivered performance obligations amounts for those performance obligations that relate to a contract with an original expected duration of one year or less.

For segment reporting purposes, the Company defines Adjusted OIBDA as revenue less operating expenses, and selling, general and administrative expenses excluding all stock-based compensation, separately reported litigation settlements and restructuring, acquisition and impairment charges. The Company believes this measure 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. This measure of performance excludes depreciation and amortization, stock-based compensation, separately reported litigation settlements and restructuring, acquisition and impairment charges that are included in the measurement of operating income pursuant to GAAP. Accordingly, Adjusted OIBDA should be considered in addition to, but not as a substitute for, operating income, net income, cash flow provided by operating activities and other measures of financial performance prepared in accordance with GAAP. The Company generally accounts for intersegment sales and transfers as if the sales or transfers were to third parties, that is, at current prices.

**LIBERTY MEDIA CORPORATION AND SUBSIDIARIES**  
**Notes to Condensed Consolidated Financial Statements (Continued)**  
**(unaudited)**

Adjusted OIBDA is summarized as follows:

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
	amounts in millions			
<b>Liberty SiriusXM Group</b>				
Sirius XM Holdings	\$ 688	702	1,323	1,327
Live Nation	NA	589	NA	909
Corporate and other	(9)	(8)	(19)	(19)
Eliminate equity method affiliate	NA	(589)	NA	(909)
Total Liberty SiriusXM Group	<u>679</u>	<u>694</u>	<u>1,304</u>	<u>1,308</u>
<b>Formula One Group</b>				
Formula 1	160	155	368	272
Corporate and other	5	(14)	(1)	(26)
Total Formula One Group	<u>165</u>	<u>141</u>	<u>367</u>	<u>246</u>
<b>Liberty Live Group</b>				
Live Nation	717	NA	1,084	NA
Corporate and other	(1)	NA	(2)	NA
Eliminate equity method affiliate	(717)	NA	(1,084)	NA
Total Liberty Live Group	<u>(1)</u>	<u>NA</u>	<u>(2)</u>	<u>NA</u>
<b>Braves Group</b>				
Corporate and other	NA	42	NA	11
Total Braves Group	<u>NA</u>	<u>42</u>	<u>NA</u>	<u>11</u>
Consolidated Liberty	<u>\$ 843</u>	<u>877</u>	<u>1,669</u>	<u>1,565</u>



LIBERTY MEDIA CORPORATION AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements (Continued)

(unaudited)

Other Information

	June 30, 2024		
	Total assets	Investments in affiliates	Capital expenditures
amounts in millions			
<b>Liberty SiriusXM Group</b>			
Sirius XM Holdings	\$ 30,725	1,601	347
Corporate and other	96	—	—
Total Liberty SiriusXM Group	<u>30,821</u>	<u>1,601</u>	<u>347</u>
<b>Formula One Group</b>			
Formula 1	9,285	2	38
Corporate and other	1,667	35	2
Intergroup elimination	(142)	—	—
Total Formula One Group	<u>10,810</u>	<u>37</u>	<u>40</u>
<b>Liberty Live Group</b>			
Live Nation	20,454	548	339
Corporate and other	1,000	345	—
Eliminate equity method affiliate	(20,454)	(548)	(339)
Total Liberty Live Group	<u>1,000</u>	<u>345</u>	<u>—</u>
Elimination	1	—	—
Consolidated Liberty	<u>\$ 42,632</u>	<u>1,983</u>	<u>387</u>

The following table provides a reconciliation of Adjusted OIBDA to Operating income (loss) and Earnings (loss) before income taxes:

	Three months ended		Six months ended	
	June 30,		June 30,	
	2024	2023	2024	2023
amounts in millions				
Adjusted OIBDA	\$ 843	877	1,669	1,565
Impairment, restructuring and acquisition costs (note 8)	(15)	(19)	(37)	(51)
Legal settlements and reserves	—	(24)	—	(24)
Stock-based compensation	(55)	(54)	(116)	(110)
Depreciation and amortization	(245)	(257)	(486)	(517)
Operating income (loss)	528	523	1,030	863
Interest expense	(186)	(200)	(377)	(396)
Share of earnings (losses) of affiliates, net	84	90	65	80
Realized and unrealized gains (losses) on financial instruments, net	169	(96)	166	(142)
Other, net	28	50	55	64
Earnings (loss) before income taxes	<u>\$ 623</u>	<u>367</u>	<u>939</u>	<u>469</u>

**Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations**

Certain statements in this Quarterly Report on Form 10-Q constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding our projected sources and uses of cash; the payment of dividends by Sirius XM Holdings Inc. ("Sirius XM Holdings"); fluctuations in interest rates and stock prices; the proposed Transactions (as defined below); the anticipated non-material impact of certain contingent liabilities related to legal and tax proceedings; and other matters arising in the ordinary course of business. Where, in any forward-looking statement, we express an expectation or belief as to future results or events, such expectation or belief is expressed in good faith and believed to have a reasonable basis, but there can be no assurance that the expectation or belief will result or be achieved or accomplished. The following include some but not all of the factors (as they relate to our consolidated subsidiaries and equity affiliates) that could cause actual results or events to differ materially from those anticipated:

- the historical financial information of the Liberty SiriusXM Group, the Liberty Formula One Group (the "Formula One Group") and the Liberty Live Group may not necessarily reflect their results had they been separate companies;
- our ability to obtain additional financing on acceptable terms and cash in amounts sufficient to service debt and other financial obligations;
- our and our subsidiaries' indebtedness could adversely affect operations and could limit the ability of our subsidiaries to react to changes in the economy or our industry;
- the success of businesses attributed to each of our tracking stock groups and their popularity with audiences;
- our and Sirius XM Holdings' ability to realize the benefits of acquisitions or other strategic investments;
- the impact of weak and uncertain economic conditions on consumer demand for products, services and events offered by our businesses attributed to each of our tracking stock groups;
- our overlapping directors and management with Qurate Retail, Inc. ("Qurate Retail"), Liberty Broadband Corporation ("Liberty Broadband"), Liberty TripAdvisor Holdings, Inc. ("TripCo") and Atlanta Braves Holdings, Inc. ("Atlanta Braves Holdings");
- the outcome of pending or future litigation;
- the operational risks of our subsidiaries and business affiliates with operations outside of the United States ("U.S.");
- our ability to use net operating loss, disallowed business interest and tax credit carryforwards to reduce future tax payments;
- the degradation, failure or misuse of our information systems;
- the ability of our subsidiaries and business affiliates to comply with government regulations, including, without limitation, Federal Communications Commission requirements, consumer protection laws and competition laws, and adverse outcomes from regulatory proceedings;
- the regulatory and competitive environment of the industries in which we, and the entities in which we have interests, operate;
- changes in the nature of key strategic relationships with partners, vendors and joint venturers;
- the impact of a future pandemic and other public health related risks and events, such as COVID-19, on our customers, vendors and businesses generally;
- competition faced by Sirius XM Holdings;
- the ability of Sirius XM Holdings to attract and retain subscribers and listeners;
- the ability of Sirius XM Holdings to market its services and sell advertising;
- the ability of Sirius XM Holdings to maintain revenue growth from its advertising products;
- the ability of Sirius XM Holdings to protect the security of personal information about its customers;
- the interruption or failure of Sirius XM Holdings' information technology and communication systems;

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- the impact of the market for music rights on Sirius XM Holdings and the rates Sirius XM Holdings must pay for rights to use musical works;
- the ability of Sirius XM Holdings to successfully monetize and generate revenue from podcasts and other non-music content;
- reliance on intellectual property and the ability to protect intellectual property;
- reliance on third parties;
- the ability to attract and retain qualified personnel;
- the impact of our equity method investment in Live Nation Entertainment, Inc. (“Live Nation”) on our net earnings and the net earnings of the Liberty Live Group;
- termination of or changes in any of the agreements, commitments or policies Formula 1 relies on to operate and the limitations such agreements, commitments and policies impose on Formula 1;
- challenges by tax authorities in the jurisdictions where Formula 1 operates;
- changes in tax laws that affect Formula 1 and the Formula One Group;
- the ability of Formula 1 to expand into new markets;
- changes in laws and regulations and/or their interpretations related to advertising, media rights and the environment;
- the relationship between the United Kingdom (“U.K.”) and the European Union (“E.U.”) following Brexit;
- the establishment of rival motorsports events or other circumstances that impact the competitive position of Formula 1;
- the impact of cancellations or postponements of events or accidents or terrorist attacks during events;
- changes in consumer viewing habits and the emergence of new content distribution platforms;
- fluctuations in currencies against the U.S. dollar;
- the risks associated with the Company as a whole and our use of tracking stock groups, even if a holder does not own shares of common stock of all of our groups;
- market confusion that results from misunderstandings about our capital structure;
- market price of our tracking stocks may be volatile;
- we may not pay dividends equally to our tracking stocks or at all;
- our directors’ or officers’ equity ownership may create the appearance of conflicts of interest;
- geopolitical incidents, accidents, terrorist acts, international conflicts, natural disasters, including the effects of climate change, or other events that cause one or more events to be cancelled or postponed, are not covered by insurance, or cause reputational damage to our subsidiaries and business affiliates;
- challenges related to assessing the future prospects of tracking stock groups based on past performance;
- our ability to recognize anticipated benefits from the Split-Off and the Reclassification, each as defined below;
- our ability to recognize the anticipated benefits from the proposed Transactions;
- the possibility that we may be unable to obtain stockholder approval required for the proposed Transactions;
- the possibility that our business may suffer as a result of uncertainty surrounding the proposed Transactions; and
- the possibility that the proposed Transactions may have unexpected costs.

For additional risk factors, please see Part I, Item 1A. Risk Factors of our Annual Report on Form 10-K for the year ended December 31, 2023. Any forward-looking statements and such risks, uncertainties and other factors speak only as of the date of this Quarterly Report, and we expressly disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein, to reflect any change in our expectations with regard thereto, or any other change in events, conditions or circumstances on which any such statement is based.

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The following discussion and analysis provides information concerning our results of operations and financial condition. This discussion should be read in conjunction with our accompanying condensed consolidated financial statements and the notes thereto and our Annual Report on Form 10-K for the year ended December 31, 2023.

The information contained herein relates to Liberty Media Corporation and its controlled subsidiaries ("Liberty," the "Company," "we," "us," or "our" unless the context otherwise requires).

### **Overview**

We own controlling and non-controlling interests in a broad range of media and entertainment companies. Our most significant operating subsidiary, which is a reportable segment, is Sirius XM Holdings. Sirius XM Holdings operates two complementary audio entertainment businesses, SiriusXM and Pandora and Off-platform. SiriusXM features music, sports, entertainment, comedy, talk, news, traffic and weather channels and other content, as well as podcasts and infotainment services, in the U.S. on a subscription fee basis. SiriusXM's packages include live, curated and certain exclusive and on demand programming. SiriusXM is distributed through its two proprietary satellite radio systems and streamed via applications for mobile devices, home devices and other consumer electronic equipment. SiriusXM also provides connected vehicle services and a suite of in-vehicle data services. The Pandora and Off-platform business operates a music, comedy and podcast streaming platform. Pandora is available as an ad-supported radio service, a radio subscription service (Pandora Plus), and an on-demand subscription service (Pandora Premium). Through Sirius XM Holdings, we have ownership interests in certain clean energy investments, Sirius XM Canada Holdings, Inc. ("Sirius XM Canada") and SoundCloud Holdings, LLC ("SoundCloud"), which we account for as equity method investments.

Formula 1 is a wholly-owned consolidated subsidiary and is also a reportable segment. Formula 1 is a global motorsports business that holds exclusive commercial rights with respect to the World Championship, an annual, approximately nine-month long, motor race-based competition in which teams compete for the Constructors' Championship and drivers compete for the Drivers' Championship. The World Championship takes place on various circuits with a varying number of events ("Events") taking place in different countries around the world each season. Formula 1 is responsible for the commercial exploitation and development of the World Championship as well as various aspects of its management and administration.

We hold an ownership interest in Live Nation, which is accounted for as an equity method investment as of June 30, 2024. Live Nation is considered the world's leading live entertainment company. As of December 31, 2023, Live Nation met the Company's reportable segment threshold for equity method affiliates.

Our "Corporate and Other" category includes our consolidated subsidiary QuintEvents, LLC ("QuintEvents"), corporate expenses and investments and related financial instruments in public companies, which are accounted for at their respective fair market values. Braves Holdings, LLC ("Braves Holdings"), a consolidated subsidiary, was included in "Corporate and Other" prior to the Split-Off (defined below).

A tracking stock is a type of common stock that the issuing company intends to reflect or "track" the economic performance of a particular business or "group," rather than the economic performance of the company as a whole.

On July 18, 2023, the Company completed the split-off (the "Split-Off") of its wholly owned subsidiary, Atlanta Braves Holdings, Inc. ("Atlanta Braves Holdings"). The Split-Off was accomplished by a redemption by the Company of each outstanding share of Liberty Braves common stock in exchange for one share of the corresponding series of Atlanta Braves Holdings common stock. Atlanta Braves Holdings is comprised of the businesses, assets and liabilities attributed to the Liberty Braves Group (the "Braves Group") immediately prior to the Split-Off, except for the intergroup interests in the Braves Group attributed to the Liberty SiriusXM Group and Formula One Group, which were settled and extinguished in connection with the Split-Off.

On August 3, 2023, the Company reclassified its then-outstanding shares of common stock into three new tracking stocks — Liberty SiriusXM common stock, Liberty Formula One common stock and Liberty Live common stock, and, in connection therewith, provided for the attribution of the businesses, assets and liabilities of the Company's remaining tracking stock groups among its newly created Liberty SiriusXM Group, Formula One Group and Liberty Live Group (the

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“Reclassification”). As a result of the Reclassification, each then-outstanding share of Liberty SiriusXM common stock was reclassified into one share of the corresponding series of new Liberty SiriusXM common stock and 0.2500 of a share of the corresponding series of Liberty Live common stock and each outstanding share of Liberty Formula One common stock was reclassified into one share of the corresponding series of new Liberty Formula One common stock and 0.0428 of a share of the corresponding series of Liberty Live common stock.

Each of the Split-Off and the Reclassification were intended to be tax-free to stockholders of the Company, except with respect to the receipt of cash in lieu of fractional shares. In July 2024, the IRS completed its review of the Reclassification and notified the Company that it agreed with the nontaxable characterization of the transaction. The Split-Off and the Reclassification are reflected in the Company’s consolidated financial statements on a prospective basis.

While the Liberty SiriusXM Group, the Formula One Group and the Liberty Live Group have separate collections of businesses, assets and liabilities attributed to them, no group is a separate legal entity and therefore cannot own assets, issue securities or enter into legally binding agreements. Holders of tracking stock have no direct claim to the group’s stock or assets and therefore, do not own, by virtue of their ownership of a Liberty tracking stock, any equity or voting interest in a public company, such as Sirius XM Holdings, in which Liberty holds an interest that is attributed to a Liberty tracking stock group, the Liberty SiriusXM Group. Holders of tracking stock are also not represented by separate boards of directors. Instead, holders of tracking stock are stockholders of the parent corporation, with a single board of directors and subject to all of the risks and liabilities of the parent corporation.

As of June 30, 2024, the Liberty SiriusXM Group is primarily comprised of Liberty’s interest in Sirius XM Holdings, corporate cash, Liberty’s 3.75% Convertible Senior Notes due 2028, Liberty’s 2.75% Exchangeable Senior Debentures due 2049 and a margin loan obligation incurred by a wholly-owned special purpose subsidiary of Liberty. As of June 30, 2024, the Liberty SiriusXM Group had cash and cash equivalents of approximately \$188 million, which included approximately \$100 million of subsidiary cash.

Sirius XM Holdings is the only operating subsidiary attributed to the Liberty SiriusXM Group. In the event Sirius XM Holdings were to become insolvent or file for bankruptcy, Liberty’s management would evaluate the circumstances at such time and take appropriate steps in the best interest of all of its stockholders, which may not be in the best interest of a particular group or groups when considered independently. In such a situation, Liberty’s management and its board of directors would have several approaches at their disposal, including, but not limited to, the conversion of the Liberty SiriusXM common stock into another tracking stock of Liberty, the reattribution of assets and liabilities among Liberty’s tracking stock groups or the restructuring of Liberty’s tracking stocks to either create a new tracking stock structure or eliminate it altogether. However, Liberty is currently subject to certain contractual restrictions while the proposed Transactions are pending and may not be able to take some or all of these approaches.

As of June 30, 2024, the Formula One Group is primarily comprised of Liberty’s interests in Formula 1 and QuintEvents, cash and Liberty’s 2.25% Convertible Senior Notes due 2027. The Formula One Group had cash and cash equivalents of approximately \$1,491 million as of June 30, 2024, which included \$1,303 million of subsidiary cash.

As of June 30, 2024, the Liberty Live Group is primarily comprised of Liberty’s interest in Live Nation, cash, certain public and private assets, Liberty’s 0.5% Exchangeable Senior Debentures due 2050, Liberty’s 2.375% Exchangeable Senior Debentures due 2053 and a margin loan obligation incurred by a wholly-owned special purpose subsidiary of Liberty.

Prior to the Split-Off, the Braves Group was primarily comprised of Braves Holdings, which indirectly owns the Atlanta Braves Major League Baseball Club (“ANLBC”), certain assets and liabilities associated with ANLBC’s stadium (the “Stadium”) and a mixed-use development around the Stadium that features retail, office, hotel and entertainment opportunities and corporate cash.

On December 11, 2023, Liberty entered into definitive agreements, subject to the terms thereof, to redeem each outstanding share of its Liberty SiriusXM common stock in exchange for a number of shares of common stock of a newly formed entity (the “Liberty Sirius XM Holdings Split-Off”), Liberty Sirius XM Holdings Inc. (“Liberty Sirius XM Holdings”) equal to the Exchange Ratio (as defined in the Reorganization Agreement, dated as of December 11, 2023, and

as amended by the First Amendment to the Reorganization Agreement, dated as of June 16, 2024, in each case, by and among Liberty, Liberty Sirius XM Holdings and Sirius XM Holdings (as may be amended from time to time, the “Reorganization Agreement”). The Exchange Ratio will be calculated prior to the effective time of the redemption and is estimated to be approximately 0.83 of a share of Liberty Sirius XM Holdings common stock. Liberty Sirius XM Holdings will be comprised of the businesses, assets and liabilities attributed to the Liberty SiriusXM Group. The Liberty Sirius XM Holdings Split-Off is intended to be tax-free to holders of Liberty SiriusXM common stock (except with respect to cash received in lieu of fractional shares) and the completion of the Liberty Sirius XM Holdings Split-Off will be subject to various conditions, including the receipt of opinions of tax counsel. On December 11, 2023, Liberty also entered into an Agreement and Plan of Merger (as amended by the First Amendment to the Agreement and Plan of Merger, dated as of June 16, 2024), pursuant to which Radio Merger Sub, LLC, a wholly owned subsidiary of Liberty Sirius XM Holdings, will merge with and into Sirius XM Holdings, with Sirius XM Holdings surviving the merger as a wholly owned subsidiary of Liberty Sirius XM Holdings (the “Merger” and, together with the Liberty Sirius XM Holdings Split-Off, the “Transactions”), subject to the satisfaction of certain conditions. The Merger is dependent and conditioned on the approval and completion of the Liberty Sirius XM Holdings Split-Off, and the Merger will not be completed unless the Liberty Sirius XM Holdings Split-Off is completed. If the Liberty Sirius XM Holdings Split-Off is completed, the Merger will also be completed. Subject to the satisfaction of various conditions, the Company expects to complete the proposed Transactions on September 9, 2024.

### **Results of Operations—Consolidated**

**General.** Provided in the tables below is information regarding our consolidated operating results and other income and expense, as well as information regarding the contribution to those items from our reportable segments. The "Corporate and other" category consists of those assets or businesses which do not qualify as a separate reportable segment. For a more detailed discussion and analysis of the financial results of our principal reportable segments see "Results of Operations—Businesses" below.

Braves Holdings was a subsidiary of the Company until the Split-Off on July 18, 2023. Braves Holdings is not presented as a discontinued operation in the Company’s consolidated financial statements as the Split-Off did not represent a strategic shift that had a major effect on the Company’s operations and financial results.

**Consolidated Operating Results**

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
<b>Revenue</b>				
amounts in millions				
<b>Liberty SiriusXM Group</b>				
Sirius XM Holdings	\$ 2,178	2,250	4,340	4,394
Total Liberty SiriusXM Group	<u>2,178</u>	<u>2,250</u>	<u>4,340</u>	<u>4,394</u>
<b>Formula One Group</b>				
Formula 1	871	724	1,424	1,105
Corporate and other	141	—	185	—
Intergroup elimination	(24)	—	(34)	—
Total Formula One Group	<u>988</u>	<u>724</u>	<u>1,575</u>	<u>1,105</u>
<b>Braves Group</b>				
Corporate and other	NA	270	NA	301
Total Braves Group	<u>NA</u>	<u>270</u>	<u>NA</u>	<u>301</u>
Consolidated Liberty	<u>\$ 3,166</u>	<u>3,244</u>	<u>5,915</u>	<u>5,800</u>
<b>Operating Income (Loss)</b>				
<b>Liberty SiriusXM Group</b>				
Sirius XM Holdings	\$ 482	464	904	851
Corporate and other	(11)	(12)	(24)	(26)
Total Liberty SiriusXM Group	<u>471</u>	<u>452</u>	<u>880</u>	<u>825</u>
<b>Formula One Group</b>				
Formula 1	84	72	220	107
Corporate and other	(25)	(20)	(66)	(39)
Total Formula One Group	<u>59</u>	<u>52</u>	<u>154</u>	<u>68</u>
<b>Liberty Live Group</b>				
Corporate and other	(2)	NA	(4)	NA
Total Liberty Live Group	<u>(2)</u>	<u>NA</u>	<u>(4)</u>	<u>NA</u>
<b>Braves Group</b>				
Corporate and other	NA	19	NA	(30)
Total Braves Group	<u>NA</u>	<u>19</u>	<u>NA</u>	<u>(30)</u>
Consolidated Liberty	<u>\$ 528</u>	<u>523</u>	<u>1,030</u>	<u>863</u>
<b>Adjusted OIBDA</b>				
<b>Liberty SiriusXM Group</b>				
Sirius XM Holdings	\$ 688	702	1,323	1,327
Corporate and other	(9)	(8)	(19)	(19)
Total Liberty SiriusXM Group	<u>679</u>	<u>694</u>	<u>1,304</u>	<u>1,308</u>
<b>Formula One Group</b>				
Formula 1	160	155	368	272
Corporate and other	5	(14)	(1)	(26)
Total Formula One Group	<u>165</u>	<u>141</u>	<u>367</u>	<u>246</u>
<b>Liberty Live Group</b>				
Corporate and other	(1)	NA	(2)	NA
Total Liberty Live Group	<u>(1)</u>	<u>NA</u>	<u>(2)</u>	<u>NA</u>
<b>Braves Group</b>				
Corporate and other	NA	42	NA	11
Total Braves Group	<u>NA</u>	<u>42</u>	<u>NA</u>	<u>11</u>
Consolidated Liberty	<u>\$ 843</u>	<u>877</u>	<u>1,669</u>	<u>1,565</u>

**Revenue.** Our consolidated revenue decreased \$78 million for the three months ended June 30, 2024, as compared to the corresponding period in the prior year, driven by a decrease in Braves Holdings revenue due to the Split-Off in 2023, a decrease in Sirius XM Holdings revenue and intergroup eliminations, partially offset by an increase in Formula 1 revenue and revenue from QuintEvents, which was acquired in January 2024. Our consolidated revenue increased \$115 million for the six months ended June 30, 2024, as compared to the corresponding periods in the prior year, driven by an increase in Formula 1 revenue and revenue from QuintEvents, partially offset by a decrease in Braves Holdings revenue due to the Split-Off in 2023, a decrease in Sirius XM Holdings revenue and intergroup eliminations. See “Results of Operations—Businesses” below for a more complete discussion of the results of operations of Sirius XM Holdings and Formula 1.

**Operating income (loss).** Our consolidated operating income increased \$5 million for the three months ended June 30, 2024, as compared to the corresponding period in the prior year, primarily driven by \$18 million and \$12 million increases in Sirius XM Holdings and Formula 1 operating results, respectively, and QuintEvents operating results, which was acquired in January 2024, partially offset by the impact of the Split-Off of Braves Holdings in 2023. Our consolidated operating income increased \$167 million for the six months ended June 30, 2024, as compared to the corresponding period in the prior year, primarily driven by increases in Formula 1 and Sirius XM Holdings operating results, and an increase in corporate and other operating results, primarily driven by the Split-Off of Braves Holdings in 2023, partially offset by QuintEvents operating results. See “Results of Operations—Businesses” below for a more complete discussion of the results of operations of Sirius XM Holdings and Formula 1.

**Stock-based compensation.** Stock-based compensation includes compensation related to (1) options and stock appreciation rights for shares of our common stock that are granted to certain of our officers and employees, (2) options, restricted stock awards, restricted stock units and other stock-based awards granted to officers, employees and certain third parties of our subsidiaries, Sirius XM Holdings, Formula 1 and Braves Holdings, (3) phantom stock appreciation rights granted to officers and employees of our subsidiary, Braves Holdings, pursuant to private equity plans and (4) amortization of restricted stock and performance-based restricted stock unit grants.

We recorded \$116 million and \$110 million of stock-based compensation expense for the six months ended June 30, 2024 and 2023, respectively. As of June 30, 2024, the total unrecognized compensation cost related to unvested Liberty equity awards was approximately \$24 million. Such amount will be recognized in our condensed consolidated statements of operations over a weighted average period of approximately 1.8 years. Additionally, as of June 30, 2024, the total unrecognized compensation cost related to unvested Sirius XM Holdings stock options and restricted stock units was \$385 million. The Sirius XM Holdings unrecognized compensation cost will be recognized in our condensed consolidated statements of operations over a weighted average period of approximately 2.4 years.

**Impairment, restructuring and acquisition costs.** Sirius XM Holdings recorded impairment, restructuring and acquisition costs of \$4 million and \$18 million during the three months ended June 30, 2024 and 2023, respectively, and \$17 million and \$50 million during the six months ended June 30, 2024 and 2023, respectively. See “Results of Operations—Businesses” below for a more complete discussion of Sirius XM Holdings’ impairment, restructuring and acquisition costs. In addition, the Company recorded \$11 million and \$20 million of costs related to corporate acquisitions during the three and six months ended June 30, 2024, respectively.

**Adjusted OIBDA.** To provide investors with additional information regarding our financial results, we also disclose Adjusted OIBDA, which is a non-GAAP (as defined below) financial measure. We define Adjusted OIBDA as operating income (loss) plus depreciation and amortization, stock-based compensation, separately reported litigation settlements, restructuring, acquisition and impairment charges. Our chief operating decision maker and management team use this measure of performance in conjunction with other measures to evaluate our businesses and make decisions about allocating resources among our businesses. We believe this is an important indicator of the operational strength and performance of our 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 us to view operating results, perform analytical comparisons and benchmarking between businesses and identify strategies to improve performance. Accordingly, Adjusted OIBDA should be considered in addition to, but not as a substitute for, operating income, net income, cash flow provided by operating



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activities and other measures of financial performance prepared in accordance with U.S. generally accepted accounting principles (“GAAP”). The following table provides a reconciliation of Operating income (loss) to Adjusted OIBDA:

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
	amounts in millions			
Operating income (loss)	\$ 528	523	1,030	863
Depreciation and amortization	245	257	486	517
Stock-based compensation	55	54	116	110
Legal settlements and reserves	—	24	—	24
Impairment, restructuring and acquisition costs	15	19	37	51
Adjusted OIBDA	<u>\$ 843</u>	<u>877</u>	<u>1,669</u>	<u>1,565</u>

Consolidated Adjusted OIBDA decreased \$34 million and increased \$104 million for the three and six months ended June 30, 2024, respectively, as compared to the corresponding periods in the prior year. The decrease in Adjusted OIBDA for the three months ended June 30, 2024 was primarily due to the Split-Off of Braves Holdings in 2023 and a decrease in Sirius XM Holdings Adjusted OIBDA, partially offset by QuintEvents Adjusted OIBDA, which was acquired in January 2024, and an increase in Formula 1 Adjusted OIBDA. The increase in Adjusted OIBDA for the six months ended June 30, 2024 was primarily driven by an increase in Formula 1 Adjusted OIBDA and QuintEvents Adjusted OIBDA, partially offset by the Split-Off of Braves Holdings in 2023 and a decrease in Sirius XM Holdings Adjusted OIBDA. See “Results of Operations—Businesses” below for a more complete discussion of the results of operations of Sirius XM Holdings and Formula 1.

**Other Income and Expense**

Components of Other Income (Expense) are presented in the table below.

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
<b>amounts in millions</b>				
<i>Interest expense</i>				
Liberty SiriusXM Group	\$ (126)	(137)	(255)	(273)
Formula One Group	(53)	(54)	(108)	(105)
Liberty Live Group	(7)	NA	(14)	NA
Braves Group	NA	(9)	NA	(18)
Consolidated Liberty	\$ (186)	(200)	(377)	(396)
<i>Share of earnings (losses) of affiliates, net</i>				
Liberty SiriusXM Group	\$ 1	79	6	72
Formula One Group	(2)	(1)	(5)	(3)
Liberty Live Group	85	NA	64	NA
Braves Group	NA	12	NA	11
Consolidated Liberty	\$ 84	90	65	80
<i>Realized and unrealized gains (losses) on financial instruments, net</i>				
Liberty SiriusXM Group	\$ 82	(164)	100	(162)
Formula One Group	(1)	64	47	17
Liberty Live Group	88	NA	19	NA
Braves Group	NA	4	NA	3
Consolidated Liberty	\$ 169	(96)	166	(142)
<i>Other, net</i>				
Liberty SiriusXM Group	\$ 2	23	8	26
Formula One Group	20	24	35	34
Liberty Live Group	6	NA	12	NA
Braves Group	NA	3	NA	4
Consolidated Liberty	\$ 28	50	55	64
	\$ 95	(156)	(91)	(394)

**Interest expense.** Consolidated interest expense decreased \$14 million and \$19 million for the three and six months ended June 30, 2024, respectively, as compared to the corresponding periods in the prior year, primarily due to the Split-Off of Braves Holdings in 2023. Certain debt was reattributed from the Liberty SiriusXM Group to the Liberty Live Group effective August 3, 2023. The interest related to such debt is reflected in interest expense for the Liberty SiriusXM Group prior to the Reclassification and in interest expense for the Liberty Live Group following the Reclassification.

**Share of earnings (losses) of affiliates, net.** The following table presents our share of earnings (losses) of affiliates:

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
	amounts in millions			
<b>Liberty SiriusXM Group</b>				
Live Nation (a)	\$ NA	83	NA	77
Sirius XM Canada	3	1	8	5
Other	(2)	(5)	(2)	(10)
<b>Total Liberty SiriusXM Group</b>	<b>1</b>	<b>79</b>	<b>6</b>	<b>72</b>
<b>Formula One Group</b>				
Other (a)	(2)	(1)	(5)	(3)
<b>Total Formula One Group</b>	<b>(2)</b>	<b>(1)</b>	<b>(5)</b>	<b>(3)</b>
<b>Liberty Live Group</b>				
Live Nation (a)	83	NA	63	NA
Other (a)	2	NA	1	NA
<b>Total Liberty Live Group</b>	<b>85</b>	<b>NA</b>	<b>64</b>	<b>NA</b>
<b>Braves Group</b>				
Other	NA	12	NA	11
<b>Total Braves Group</b>	<b>NA</b>	<b>12</b>	<b>NA</b>	<b>11</b>
<b>Consolidated Liberty</b>	<b>\$ 84</b>	<b>90</b>	<b>65</b>	<b>80</b>

(a) Liberty's interests in Live Nation and certain other equity affiliates were reattributed to the Liberty Live Group effective August 3, 2023.

**Realized and unrealized gains (losses) on financial instruments, net.** Realized and unrealized gains (losses) on financial instruments are comprised of changes in the fair value of the following:

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
	amounts in millions			
Debt and equity securities	\$ 4	10	16	16
Debt measured at fair value	146	(160)	92	(105)
Change in fair value of bond hedges	—	11	—	(99)
Other	19	43	58	46
	<b>\$ 169</b>	<b>(96)</b>	<b>166</b>	<b>(142)</b>

The changes in unrealized gains (losses) on debt and equity securities are due to market factors primarily driven by changes in the fair value of the stock underlying these financial instruments.

Changes in unrealized gains (losses) on debt measured at fair value are due to market factors primarily driven by changes in the fair value of the underlying shares into which the debt is exchangeable.

Contemporaneously with the issuance of \$1 billion of cash convertible notes, Liberty entered into bond hedges which were expected to offset potential cash payments Liberty would be required to make in excess of the principal amount of the convertible notes. These derivatives were marked to fair value on a recurring basis. The bond hedges expired on October 15, 2023.

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Other realized and unrealized gains (losses) are primarily driven by changes in the fair value of Formula 1's interest rate swaps, realized gains (losses) on Formula 1's interest rate swaps and changes in the fair value of the Company's foreign currency forward contracts.

**Other, net.** Other, net income decreased \$22 million and \$9 million for the three and six months ended June 30, 2024, respectively, as compared to the corresponding periods in the prior year, primarily driven by gains on early debt extinguishment recognized during the three and six months ended June 30, 2023. The decrease in other, net income during the six months ended June 30, 2024 was partially offset by tax related expense pursuant to a tax sharing agreement with Qurate Retail recognized during the six months ended June 30, 2023 and gains on dilution of our investment in Live Nation recognized during the six months ended June 20, 2024 compared to losses on dilution of our investment in Live Nation recognized during the six months ended June 30, 2023.

**Income taxes.** During the three and six months ended June 30, 2024, we had earnings before income taxes of \$623 million and \$939 million, respectively, and income tax expense of \$116 million and \$187 million, respectively. During the three and six months ended June 30, 2023, we had earnings before income taxes of \$367 million and \$469 million, respectively, and income tax expense of \$64 million and \$114 million, respectively. For the three and six months ended June 30, 2024, the Company recognized tax expense less than the expected federal rate of 21% primarily due to certain gains that are not taxable and tax credits and incentives generated by our clean energy investments, partially offset by the effect of state income taxes. For the three months ended June 30, 2023, the Company recognized tax expense less than the expected federal rate of 21% primarily due to a decrease in the Company's valuation allowance and tax credits and incentives generated by our clean energy investments, partially offset by the effect of state income taxes. For the six months ended June 30, 2023, the Company recognized tax expense greater than the expected federal rate of 21% primarily due to the effect of state income taxes and certain losses that are not deductible for tax purposes, partially offset by tax credits and incentives generated by our clean energy investments and a decrease in the Company's valuation allowance.

**Net earnings.** We had net earnings of \$507 million and \$752 million during the three and six months ended June 30, 2024, respectively, and \$303 million and \$355 million for the three months and six months ended June 30, 2023, respectively. The changes were the result of the above-described fluctuations in our revenue, expenses and other gains and losses.

**Material Changes in Financial Condition**

As of June 30, 2024, substantially all of our cash and cash equivalents were invested in U.S. Treasury securities, other government securities or government guaranteed funds, AAA rated money market funds and other highly rated financial and corporate debt instruments.

The following are potential sources of liquidity: available cash balances, cash generated by the operating activities of our subsidiaries (to the extent such cash exceeds the working capital needs of the subsidiaries and is not otherwise restricted), proceeds from net asset sales, monetization of our public investment portfolio (including derivatives), debt borrowings and equity issuances, and dividend and interest receipts.

Liberty does not have a debt rating.

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As of June 30, 2024, Liberty's cash and cash equivalents were as follows:

	<u>Cash and Cash Equivalents</u>
	<u>amounts in millions</u>
Liberty SiriusXM Group	
Sirius XM Holdings	\$ 100
Corporate and other	88
Total Liberty SiriusXM Group	<u>\$ 188</u>
Formula One Group	
Formula 1	\$ 1,245
Corporate and other	246
Total Formula One Group	<u>\$ 1,491</u>
Liberty Live Group	
Corporate and other	\$ 406
Total Liberty Live Group	<u>\$ 406</u>

Liberty has a controlling interest in Sirius XM Holdings, which has significant cash and cash provided by operating activities, although due to Sirius XM Holdings being a separate public company and the noncontrolling interest, we do not have ready access to its cash, except through dividends. Cash held by Formula 1 is accessible by Liberty, except when a restricted payment (“RP”) test imposed by the first lien term loan and the revolving credit facility at Formula 1 is not met. Pursuant to the RP test, Liberty does not have unlimited access to Formula 1’s cash when the leverage ratio (defined as net debt divided by covenant earnings before interest, tax, depreciation and amortization for the trailing twelve months) exceeds a certain threshold. During the six months ended June 30, 2024, Formula 1 distributed \$150 million to Liberty and the RP test was met, pro forma for such distribution. If distributions are made in the future, the RP test, pro forma for such distributions, would have to be met. As of June 30, 2024, Liberty had \$1,075 million available under Liberty’s margin loan secured by shares of Sirius XM Holdings and \$400 million available under Liberty’s margin loan secured by shares of Live Nation. Liberty believes that it currently has appropriate legal structures in place to repatriate foreign cash as tax efficiently as possible and meet the business needs of the Company.

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As stated in note 7 to the accompanying condensed consolidated financial statements, the Company, Sirius XM Holdings and Formula 1 are in compliance with their debt covenants as of June 30, 2024.

	Six months ended June 30,	
	2024	2023
<b>Cash Flow Information</b>	<b>amounts in millions</b>	
Liberty SiriusXM Group cash provided (used) by operating activities	\$ 753	854
Formula One Group cash provided (used) by operating activities	401	308
Liberty Live Group cash provided (used) by operating activities	(7)	NA
Braves Group cash provided (used) by operating activities	NA	36
Net cash provided (used) by operating activities	\$ 1,147	1,198
Liberty SiriusXM Group cash provided (used) by investing activities	\$ (550)	(377)
Formula One Group cash provided (used) by investing activities	(308)	(304)
Liberty Live Group cash provided (used) by investing activities	108	NA
Braves Group cash provided (used) by investing activities	NA	(30)
Net cash provided (used) by investing activities	\$ (750)	(711)
Liberty SiriusXM Group cash provided (used) by financing activities	\$ (314)	(528)
Formula One Group cash provided (used) by financing activities	6	(250)
Liberty Live Group cash provided (used) by financing activities	—	NA
Braves Group cash provided (used) by financing activities	NA	4
Net cash provided (used) by financing activities	\$ (308)	(774)

Liberty's primary uses of cash during the six months ended June 30, 2024 (excluding cash used by Sirius XM Holdings and Formula 1) were \$205 million for acquisitions, net of cash acquired, and \$103 million for debt repayments, which were primarily funded by cash on hand, quarterly cash dividends from Sirius XM Holdings and proceeds from dispositions.

Sirius XM Holdings' primary uses of cash were debt repayments, additions to property and equipment and dividends paid to stockholders. Sirius XM Holdings' uses of cash were funded by cash provided by operating activities and borrowings of debt. During the six months ended June 30, 2024, Sirius XM Holdings declared quarterly dividends and paid in cash an aggregate amount of \$205 million, of which Liberty received \$171 million. On July 24, 2024, Sirius XM Holdings' board of directors declared a quarterly dividend on its common stock in the amount of \$0.0266 per share of common stock payable on August 26, 2024 to stockholders of record as of the close of business on August 9, 2024.

During the six months ended June 30, 2024, Formula 1's primary use of cash was \$38 million of capital expenditures, funded by cash from operations.

The projected uses of Liberty's cash (excluding Sirius XM Holdings' and Formula 1's uses of cash) are primarily capital expenditures, the investment in existing or new businesses, including the acquisition of Dorna Sports, S.L., debt service and the potential buyback of common stock under the approved share buyback program. Liberty expects to fund its projected uses of cash with cash on hand, borrowing capacity under margin loans and outstanding or new debt instruments, or dividends or distributions from operating subsidiaries. Liberty expects to receive quarterly cash dividends from Sirius XM Holdings, which are non-taxable because Liberty and Sirius XM Holdings are members of the same consolidated federal income tax group. Liberty may be required to make net payments of income tax liabilities to settle items under discussion with tax authorities.

Sirius XM Holdings' uses of cash are expected to be capital expenditures, including the construction of replacement satellites, working capital requirements, interest payments, taxes and scheduled maturities of outstanding debt. In addition, Sirius XM Holdings' board of directors expects to declare regular quarterly dividends. Liberty expects Sirius XM Holdings to fund its projected uses of cash with cash provided by operations, cash on hand and borrowings under its existing credit facility.

Formula 1's uses of cash are expected to be capital expenditures, debt service payments and operating expenses. Liberty expects Formula 1 to fund its projected uses of cash with cash on hand and cash provided by operations.

We believe that the available sources of liquidity are sufficient to cover our projected future uses of cash.

### **Results of Operations—Businesses**

***Sirius XM Holdings.*** Sirius XM Holdings operates two complementary audio entertainment businesses, SiriusXM and Pandora and Off-platform.

SiriusXM features music, sports, entertainment, comedy, talk, news, traffic and weather channels and other content, as well as podcasts and infotainment services, in the U.S. on a subscription fee basis. SiriusXM's packages include live, curated and certain exclusive and on demand programming. The SiriusXM service is distributed through its two proprietary satellite radio systems and streamed via applications for mobile devices, home devices and other consumer electronic equipment. Satellite radios are primarily distributed through automakers, retailers and SiriusXM's website. The SiriusXM service is also available through its in-car user interface, called "360L," which combines SiriusXM's satellite and streaming services into a single, cohesive in-vehicle entertainment experience.

The primary source of revenue for the SiriusXM business is subscription fees, with most of its customers subscribing to monthly or annual plans. SiriusXM also derives revenue from advertising on select non-music channels, which is sold under the SiriusXM Media brand, direct sales of its satellite radios and accessories, and other ancillary services. As of June 30, 2024, the SiriusXM business had approximately 33.3 million subscribers.

In addition to its audio entertainment businesses, SiriusXM provides connected vehicle services to several automakers. These services are designed to enhance the safety, security and driving experience of consumers. SiriusXM also offers a suite of data services that includes graphical weather and fuel prices, a traffic information service and real-time weather services in boats and airplanes. The SiriusXM business also holds a 70% equity interest and 33% voting interest in Sirius XM Canada.

The Pandora and Off-platform business operates a music, comedy and podcast streaming discovery platform, offering a personalized experience for each listener wherever and whenever they want to listen, whether through mobile devices, vehicle speakers or connected devices. Pandora enables listeners to create personalized stations and playlists, discover new content, hear artist- and expert-curated playlists and podcasts as well as search and play songs and albums on-demand. Pandora is available as an ad-supported radio service, a radio subscription service (Pandora Plus), and an on-demand subscription service (Pandora Premium). As of June 30, 2024, Pandora had approximately 45.1 million monthly active users and 6.0 million subscribers.

The majority of revenue from Pandora is generated from advertising on its ad-supported radio service which is sold under the SiriusXM Media brand. Pandora also derives subscription revenue from its Pandora Plus and Pandora Premium subscribers. Pandora also sells advertising on other audio platforms and in widely distributed podcasts, which are considered to be off-platform services. Pandora has an arrangement with SoundCloud to be its exclusive ad sales representative in the U.S. and certain European countries and offer advertisers the ability to execute campaigns across the Pandora and SoundCloud platforms. Pandora also has arrangements to serve as the ad sales representative for certain podcasts. In addition, through AdsWizz Inc., Pandora provides a comprehensive digital audio and programmatic advertising technology platform, which connects audio publishers and advertisers with a variety of ad insertion, campaign trafficking, yield optimization, programmatic buying, marketplace and podcast monetization solutions.

Sirius XM Holdings is a separate publicly traded company and additional information about Sirius XM Holdings can be obtained through its website and public filings, which are not incorporated by reference herein.

#### *Results of Operations*

Liberty acquired a controlling interest in Sirius XM Holdings on January 18, 2013 and applied acquisition accounting and consolidated the results of Sirius XM Holdings from that date. The results presented below include the impacts of accounting adjustments for Liberty's acquisition of Sirius XM Holdings in the current and prior periods. As of June 30, 2024, there is an approximate 17% noncontrolling interest in Sirius XM Holdings, and the net earnings (loss) of Sirius XM

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Holdings attributable to such noncontrolling interest is eliminated through the noncontrolling interest line item in the accompanying condensed consolidated statement of operations.

A tax sharing agreement with Sirius XM Holdings, dated February 1, 2021, governs the allocation of consolidated and combined tax liabilities and sets forth agreements with respect to tax matters. In November 2021, Liberty and Sirius XM Holdings became members of the same consolidated tax group and Sirius XM Holdings entered into (i) an agreement with Liberty whereby Liberty agreed not to effect any merger with Sirius XM Holdings pursuant to Section 253 of the General Corporation Law of the State of Delaware (or any successor to such statute) without obtaining the prior approval of a special committee of the Sirius XM Holdings board of directors, all of whom are independent of Liberty (the “Special Committee”) (or any successor special committee of Sirius XM Holdings’ independent and disinterested directors) and (ii) an agreement regarding certain tax matters relating to the exchange. Each of these agreements was negotiated by the Special Committee with Liberty.

Sirius XM Holdings’ operating results were as follows:

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
amounts in millions				
SiriusXM:				
Subscriber revenue	\$ 1,520	1,597	3,067	3,160
Advertising revenue	43	44	83	85
Equipment revenue	47	47	97	93
Other revenue	30	33	60	65
Total SiriusXM revenue	1,640	1,721	3,307	3,403
Pandora and Off-platform:				
Subscriber revenue	138	129	271	257
Advertising revenue	400	400	762	734
Total Pandora and Off-platform revenue	538	529	1,033	991
Total revenue	2,178	2,250	4,340	4,394
Operating expenses (excluding stock-based compensation included below):				
SiriusXM cost of services	(655)	(677)	(1,329)	(1,340)
Pandora and Off-platform cost of services	(357)	(375)	(709)	(727)
Subscriber acquisition costs	(92)	(93)	(182)	(183)
Selling, general and administrative expenses	(326)	(331)	(663)	(677)
Other operating expenses	(60)	(72)	(134)	(140)
Adjusted OIBDA	688	702	1,323	1,327
Impairment, restructuring and acquisition costs	(4)	(18)	(17)	(50)
Legal settlements and reserves	—	(24)	—	(24)
Stock-based compensation	(46)	(42)	(91)	(87)
Depreciation and amortization	(156)	(154)	(311)	(315)
Operating income	\$ 482	464	904	851

*SiriusXM Subscriber revenue* includes self-pay and paid promotional subscriptions, U.S. Music Royalty Fees and other ancillary fees. Subscriber revenue decreased 5% and 3% during the three and six months ended June 30, 2024, respectively, as compared to the corresponding periods in the prior year, primarily driven by a reduction in self-pay revenue resulting from a decline in average subscribers as well as lower self-pay average monthly revenue per subscriber, driven by an increase in subscribers on promotional and streaming-only self-pay subscription plans, and a reduction in paid promotional revenue.

*SiriusXM Advertising revenue* includes the sale of advertising on SiriusXM’s non-music channels. Advertising revenue decreased 2% for both the three and six months ended June 30, 2024, as compared to the corresponding periods in the prior year, primarily due to lower revenue from entertainment channels, partially offset by higher revenue earned on sports and comedy channels.



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*SiriusXM Equipment revenue* includes revenue and royalties from the sale of satellite radios, components and accessories. Equipment revenue was flat and increased 4% for the three and six months ended June 30, 2024, respectively, as compared to the corresponding periods in the prior year. The increase for the six months ended June 30, 2024 was driven by increased chipset production.

*SiriusXM Other revenue* includes service and advisory revenue from Sirius XM Canada, connected vehicle services, and ancillary revenue. Other revenue decreased 9% and 8% for the three and six months ended June 30, 2024, respectively, as compared to the corresponding periods in the prior year, driven by lower royalty revenue from Sirius XM Canada.

*Pandora and Off-platform subscriber revenue* includes fees charged for Pandora Plus and Pandora Premium. Pandora and Off-platform subscriber revenue increased 7% and 5% during the three and six months ended June 30, 2024, respectively, as compared to the corresponding periods in the prior year, primarily driven by rate increases on Pandora subscription plans, partially offset by a decline in the subscriber base.

*Pandora and Off-platform advertising revenue* is generated primarily from audio, display and video advertising from on-platform and off-platform advertising. Pandora and Off-platform advertising revenue was flat and increased 4% during the three and six months ended June 30, 2024, respectively, as compared to the corresponding periods in the prior year, primarily driven by higher podcasting revenue and tech fees as well as higher sell-through on the Pandora ad-supported service.

*SiriusXM Cost of services* includes revenue share and royalties, programming and content costs, customer service and billing expenses and other ancillary costs associated with providing the satellite radio service.

- *Revenue Share and Royalties* include royalties for transmitting content, including streaming royalties, as well as automaker, content provider and advertising revenue share. Revenue share and royalties decreased 4% and 1% for the three and six months ended June 30, 2024, respectively, as compared to the corresponding periods in the prior year, driven by lower revenue, partially offset by higher web streaming royalty rates.
- *Programming and Content* includes costs to acquire, create, promote and produce content. Programming and content costs were relatively flat and increased 1% for the three and six months ended June 30, 2024, respectively, as compared to the corresponding periods in the prior year. The increase for the six months ended June 30, 2024 was primarily driven by higher personnel-related costs.
- *Customer Service and Billing* includes costs associated with the operation and management of SiriusXM's internal and third party customer service centers and SiriusXM's subscriber management systems as well as billing and collection costs, bad debt expense and transaction fees. Customer service and billing costs decreased 12% and 9% for the three and six months ended June 30, 2024, respectively, as compared to the corresponding periods in the prior year, driven by lower call center costs, transaction and payment process fees, bad debt expense and personnel-related costs.
- *Other* includes costs associated with the operation and maintenance of SiriusXM's terrestrial repeater networks; satellites; satellite telemetry, tracking and control systems; satellite uplink facilities; studios; and delivery of SiriusXM's Internet and 360L streaming and connected vehicle services as well as costs from the sale of satellite radios, components and accessories and provisions for inventory allowance attributable to products purchased for resale in SiriusXM's direct to consumer distribution channels. Other costs of services increased 16% and 17% during the three and six months ended June 30, 2024, respectively, as compared to the corresponding periods in the prior year, driven by higher hosting costs associated with SiriusXM's streaming platform, partially offset by lower equipment sales and lower shipping costs.

*Pandora and Off-platform Cost of services* includes revenue share and royalties, programming and content costs, customer service and billing expenses and other ancillary costs. Pandora and Off-platform costs of services decreased 5% and 2% for the three and six months ended June 30, 2024, as compared to the corresponding periods in the prior year.

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- *Revenue share and royalties* include licensing fees paid for streaming music or other content costs related to podcasts as well as revenue share paid to third party ad servers. Pandora makes payments to third party ad servers for the period the advertising impressions are delivered or click-through actions occur, and accordingly, Pandora records this as a cost of service in the related period. Revenue share and royalties decreased 3% and 2% during the three and six months ended June 30, 2024, respectively, as compared to the corresponding periods in the prior year, primarily due to lower revenue share related to podcasts.
- *Programming and content* includes costs to produce owned and operated podcasts, live listener events and promote content. Programming and content costs decreased 19 % and 6% during the three and six months ended June 30, 2024, respectively, as compared to the corresponding periods in the prior year, due to lower license fee and personnel-related costs. The decrease for the three months ended June 30, 2024 was also driven by lower live event costs.
- *Customer service and billing* includes transaction fees on subscription purchases through mobile app stores and bad debt expense. Customer service and billing costs decreased 13% and 7% during the three and six months ended June 30, 2024, respectively, as compared to the corresponding periods in the prior year, driven by lower bad debt expense, primarily during the second quarter.
- *Other* includes costs associated with content streaming, maintaining Pandora's streaming radio and on-demand subscription services and creating and serving advertisements through third party ad servers. Other costs decreased 33% and 12% during the three and six months ended June 30, 2024, respectively, as compared to the corresponding periods in the prior year, driven by lower bandwidth costs.

*Subscriber acquisition costs* are costs only associated with SiriusXM's satellite radio and include hardware subsidies paid to radio manufacturers, distributors and automakers; subsidies paid for chipsets and certain other components used in manufacturing radios; device royalties for certain radios and chipsets; product warranty obligations; and freight. The majority of subscriber acquisition costs are incurred and expensed in advance of acquiring a subscriber. Subscriber acquisition costs do not include advertising costs, marketing, loyalty payments to distributors and dealers of satellite radios or revenue share payments to automakers and retailers of satellite radios. For both the three and six months ended June 30, 2024, subscriber acquisition costs decreased 1%, as compared to the corresponding periods in the prior year, due to lower hardware subsidies driven by installations as well as lower commission and hardware subsidy rates.

*Selling, general and administrative expenses* includes costs of marketing, advertising, media and production, including promotional events and sponsorships; cooperative and artist marketing; personnel costs; facilities costs, finance, legal, human resources and information technology costs. For both the three and six months ended June 30, 2024, selling, general and administrative expense decreased 2%, as compared to the corresponding periods in the prior year, primarily due lower personnel-related costs, partially offset by costs related to the Liberty Sirius XM Holdings Split-Off incurred during the three and six months ended June 30, 2024 and an increase in brand and content marketing.

*Other operating expenses* include engineering, design and development costs consisting primarily of compensation and related costs to develop chipsets and new products and services, including streaming and connected vehicle services, research and development for broadcast information systems and costs associated with the incorporation of SiriusXM's radios into new vehicles manufactured by automakers. For the three and six months ended June 30, 2024, other operating expenses decreased 17% and 4%, respectively, as compared to the corresponding periods in the prior year, driven by higher capitalized personnel-related costs, partially offset by higher personnel-related and cloud hosting costs.

*Impairment, restructuring and acquisition costs* include impairment charges associated with the carrying amount of an asset exceeding the asset's fair value, restructuring expenses associated with the abandonment of certain leased office spaces, employee severance charges associated with organizational changes and acquisition costs. During the three months ended June 30, 2024, Sirius XM Holdings recorded \$3 million associated with severance and other employee costs and \$1 million of impairments, primarily related to vacated office space. During the six months ended June 30, 2024, Sirius XM Holdings recorded \$15 million associated with severance and other employee costs and \$2 million of impairments, primarily related to terminated software projects and vacated office space. During the three months ended June 30, 2023, Sirius XM Holdings recorded impairments primarily related to terminated software projects of \$10 million, restructuring costs of \$5 million and a cost-method investment impairment of \$2 million. During the six months ended June 30, 2023,

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Sirius XM Holdings recorded \$23 million associated with severance and other related costs, impairments primarily related to terminated software projects of \$13 million, vacated office space impairments of \$7 million, restructuring costs of \$5 million and a cost-method investment impairment of \$2 million.

*Stock-based compensation* increased 10% and 5% during the three and six months ended June 30, 2024, respectively, as compared to the corresponding periods in the prior year, driven by the cancellation of options during the prior year periods primarily due to a reduction in Sirius XM Holdings' workforce.

*Depreciation and amortization* expense increased 1% and decreased 1% for the three and six months ended June 30, 2024, respectively, as compared to the corresponding periods in the prior year. The increase for the three months ended June 30, 2024 was primarily due to the write-down of certain property and equipment recorded in the acquisition of Sirius XM Holdings by Liberty and an increase in capitalized software and hardware, partially offset by certain intangible assets that reached the end of their useful lives. The decrease for the six months ended June 30, 2024 was primarily due to the retirement of a satellite during the six months ended June 30, 2023 and certain assets that reached the end of their useful lives, partially offset by the write-down of certain property and equipment recorded in the acquisition of Sirius XM Holdings by Liberty and an increase in capitalized software and hardware.

**Formula 1.** Formula 1 is a global motorsports business that holds exclusive commercial rights with respect to the World Championship, an annual, approximately nine-month long, motor race-based competition in which teams compete for the Constructors' Championship and drivers compete for the Drivers' Championship. The World Championship takes place on various circuits throughout the world. Formula 1 derives its primary revenue from the commercial exploitation and development of the World Championship through a combination of race promotion, media rights and sponsorship arrangements. A significant majority of the race promotion, media rights and sponsorship contracts specify payments in advance and annual increases in the fees payable over the course of the contracts. The 2024 World Championship calendar is scheduled to have 24 Events. The 2023 World Championship calendar was originally scheduled to have 23 Events. However, following the cancellation of the Emilia-Romagna Grand Prix at Imola due to severe flooding in the region, and confirmation that it would not be replaced in May 2023, 22 Events took place, with income and cost recognition adjusted to reflect the revised 22 Event calendar during the second quarter of 2023.

Following the acquisition of QuintEvents, Formula 1's results include intergroup revenue that is eliminated in consolidation.

Formula 1's operating results were as follows:

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
	amounts in millions			
Primary Formula 1 revenue	\$ 739	618	1,202	932
Other Formula 1 revenue	132	106	222	173
Total Formula 1 revenue	871	724	1,424	1,105
Operating expenses (excluding stock-based compensation):				
Cost of Formula 1 revenue	(645)	(519)	(931)	(725)
Selling, general and administrative expenses	(66)	(50)	(125)	(108)
Adjusted OIBDA	160	155	368	272
Stock-based compensation	(1)	(1)	(1)	(1)
Depreciation and amortization	(75)	(82)	(147)	(164)
Operating income (loss)	\$ 84	72	220	107
Number of Events	8	6	11	8

*Primary Formula 1 revenue* is derived from the commercial exploitation and development of the World Championship through a combination of race promotion fees (earned from granting the rights to host, stage and promote each Event on the World Championship calendar, fees from certain race promoters to license additional commercial rights from Formula

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1 to secure Formula 2, Formula 3 and F1 Academy races at their Events, technical service fees from promoters to support the origination of program footage and ticketing revenue from Formula 1's direct promotion of the Las Vegas Grand Prix), media rights fees (earned from licensing the right to broadcast Events and Formula 2 and Formula 3 races on television and other platforms, F1 TV subscriptions and other related services, the origination of program footage, footage from Formula 1's archives and the licensing of radio broadcast and other ancillary media rights) and sponsorship fees (earned from the sale of World Championship and Event-related advertising and sponsorship rights and the servicing of such rights, rights to advertise on Formula 1's digital platforms and at non-Championship related events).

Primary Formula 1 revenue increased \$121 million and \$270 million during the three and six months ended June 30, 2024, respectively, as compared to the corresponding periods in the prior year, driven by the calendar variance, with two and three more Events, respectively. Media rights revenue increased during the three and six months ended June 30, 2024 due to the impact of the calendar variance on revenue recognition, contractual increases in fees and continued growth in F1 TV subscription revenue. Sponsorship revenue increased during the three and six months ended June 30, 2024 due to the impact of the calendar variance on Event specific and season-based fees, revenue from new sponsors and contractual increases in fees from existing sponsors. Race promotion revenue was relatively flat during the three months ended June 30, 2024 as compared to the corresponding period in the prior year, as the revenue from two more Events was offset by the different mix of Events held. Race promotion revenue increased during the six months ended June 30, 2024, as compared to the corresponding period in the prior year, driven by three more Events, contractual increases in fees, and new Sprint and F1 Academy race fees, partially offset by the calendar mix variance.

*Other Formula 1 revenue* is generated from miscellaneous and ancillary sources primarily related to the sale of tickets to the Formula One Paddock Club at most Events, facilitating the shipment of cars and equipment to and from Events outside of Europe, the sale of hospitality and experiences at the Las Vegas Grand Prix, the operation of the Formula 2, Formula 3 and the new F1 Academy series, other licensing opportunities, various television production activities and other ancillary operations. Other Formula 1 revenue increased \$26 million and \$49 million during the three and six months ended June 30, 2024, respectively, as compared to the corresponding periods in the prior year, driven by the impact of more Events during the current year periods, resulting in higher hospitality, freight, travel, technical services and Formula 2 and Formula 3 income. The increase during the six months ended June 30, 2024 was also driven by the sale of new Formula 2 cars and associated parts at the beginning of the new Formula 2 vehicle cycle.

*Cost of Formula 1 revenue*

	Three months ended		Six months ended	
	June 30,		June 30,	
	2024	2023	2024	2023
	amounts in millions			
Team payments	\$ (435)	(344)	(598)	(456)
Other costs of Formula 1 revenue	(210)	(175)	(333)	(269)
Cost of Formula 1 revenue	\$ (645)	(519)	(931)	(725)

Cost of Formula 1 revenue increased \$126 million and \$206 million during the three and six months ended June 30, 2024, respectively, as compared to the corresponding periods in the prior year.

Team payments are recognized on a pro-rata basis across the Events of the World Championship calendar. The increases in team payments during the three and six months ended June 30, 2024, as compared to the corresponding periods in the prior year, were attributable to the pro rata recognition of expected increased team payments.

Other costs of Formula 1 revenue are largely variable in nature and relate to both primary and other Formula 1 revenue. On an annual basis, the largest components of other costs of Formula 1 revenue are costs related to promoting, organizing and delivering the Las Vegas Grand Prix, hospitality costs, which are principally related to catering and other aspects of the production and delivery of hospitality offerings at the Las Vegas Grand Prix and the Paddock Club at other Events, and costs incurred in the provision and sale of freight, travel and logistical services. Other costs of Formula 1 revenue also include sponsorship and digital product sales' commissions, circuit rights' fees payable under various agreements with race promoters to acquire certain commercial rights at Events, including the right to sell advertising, hospitality and support race opportunities, annual Federation Internationale de l'Automobile ("FIA") regulatory fees, Formula 2 and Formula 3 cars, parts and maintenance services, costs related to the F1 Academy series, television production and post-production

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services, advertising production services and digital and social media activities. Other costs increased \$35 million and \$64 million during the three and six months ended June 30, 2024, respectively, as compared to the corresponding periods in the prior year, primarily due to higher commissions and partner servicing costs associated with increased Primary Formula 1 revenue streams and higher hospitality, FIA regulatory, digital, technical and travel costs related to the additional Events in the current year periods, higher costs of the F1 Academy series and Las Vegas Grand Prix related lease costs. The increase for the six months ended June 30, 2024 was also driven by the costs of supplying the new Formula 2 cars and associated parts at the start of the new vehicle cycle and higher freight costs related to the additional Events in the current year period.

*Selling, general and administrative expenses* include personnel costs, legal, professional and other advisory fees, bad debt expense, rental expense, information technology costs, insurance premiums, maintenance and utility costs and other general office administration costs. Selling, general and administrative expenses increased \$16 million and \$17 million during the three and six months ended June 30, 2024, respectively, as compared to the corresponding periods in the prior year, primarily due to higher personnel, information technology, property, legal and other professional fee costs, partially offset by lower marketing costs, lower foreign currency exchange losses and bad debt recoveries.

*Stock-based compensation* was flat during the both the three and six months ended June 30, 2024, as compared to the corresponding periods in the prior year.

*Depreciation and amortization* includes depreciation of property and equipment and amortization of intangible assets. Depreciation and amortization decreased \$7 million and \$17 million during the three and six months ended June 30, 2024, respectively, as compared to the corresponding periods in the prior year primarily due to a decrease in amortization expense related to certain intangible assets acquired in the acquisition of Formula 1 by Liberty.

**Item 3. Quantitative and Qualitative Disclosures about Market Risk**

We are exposed to market risk in the normal course of business due to our ongoing investing and financial activities. Market risk refers to the risk of loss arising from adverse changes in stock prices and interest rates. The risk of loss can be assessed from the perspective of adverse changes in fair values, cash flows and future earnings. We have established policies, procedures and internal processes governing our management of market risks and the use of financial instruments to manage our exposure to such risks.

We are exposed to changes in interest rates primarily as a result of our borrowing and investment activities, which include investments in fixed and floating rate debt instruments and borrowings used to maintain liquidity and to fund business operations. The nature and amount of our long-term and short-term debt are expected to vary as a result of future requirements, market conditions and other factors. We manage our exposure to interest rates by maintaining what we believe is an appropriate mix of fixed and variable rate debt. We believe this best protects us from interest rate risk. We have achieved this mix by (i) issuing fixed rate debt that we believe has a low stated interest rate and significant term to maturity, (ii) issuing variable rate debt with appropriate maturities and interest rates and (iii) entering into interest rate swap arrangements when we deem appropriate. As of June 30, 2024, our debt is comprised of the following amounts:

	Variable rate debt		Fixed rate debt	
	Principal amount	Weighted avg interest rate	Principal amount	Weighted avg interest rate
	dollar amounts in millions			
Liberty SiriusXM Group	\$ 945	7.3 %	\$ 9,910	4.2 %
Formula One Group	\$ 739	7.4 %	\$ 2,181	4.3 %
Liberty Live Group	NA	NA	\$ 1,212	2.3 %

The Company is exposed to changes in stock prices primarily as a result of our significant holdings in publicly traded securities. We continually monitor changes in stock markets, in general, and changes in the stock prices of our holdings, specifically. We believe that changes in stock prices can be expected to vary as a result of general market conditions, technological changes, specific industry changes and other factors. We periodically use equity collars and other financial instruments to manage market risk associated with certain investment positions. These instruments are recorded at fair value based on option pricing models and other appropriate methods.

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Additionally, our stock in Live Nation (one of our equity method affiliates), a publicly traded security, is not reflected at fair value in our balance sheet. This security is also subject to market risk that is not directly reflected in our condensed consolidated statement of operations, and had the market price of such security been 10% lower at June 30, 2024 the aggregate value of such security would have been \$653 million lower.

**Item 4. Controls and Procedures**

In accordance with Rules 13a-15 and 15d-15 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the Company carried out an evaluation, under the supervision and with the participation of management, including its chief executive officer and principal accounting and financial officer (the "Executives"), of the effectiveness of its disclosure controls and procedures as of the end of the period covered by this Quarterly Report. Based on that evaluation, the Executives concluded that the Company's disclosure controls and procedures were effective as of June 30, 2024 to provide reasonable assurance that information required to be disclosed in its reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.

There has been no change in the Company's internal control over financial reporting that occurred during the three months ended June 30, 2024 that has materially affected, or is reasonably likely to materially affect, its internal control over financial reporting.

## **PART II—OTHER INFORMATION**

### **Item 1. Legal Proceedings**

Our Annual Report on Form 10-K for the year ended December 31, 2023 includes “Legal Proceedings” under Item 3 of Part I. Refer to note 8 in the accompanying notes to the condensed consolidated financial statements for changes in the legal proceedings described in the Form 10-K.

### **Item 2. Unregistered Sales of Equity Securities, Use of Proceeds, and Issuer Purchases of Equity Securities**

#### *Share Repurchase Programs*

In November 2019, our board of directors authorized the repurchase of \$1 billion of the Company’s common stock. In May 2022, our board of directors authorized the repurchase of an additional \$1 billion of the Company’s common stock.

There were no repurchases of Liberty SiriusXM common stock, Liberty Formula One common stock or Liberty Live common stock during the three months ended June 30, 2024. As of June 30, 2024, approximately \$1.1 billion was available for future share repurchase under our share repurchase program.

During the three months ended June 30, 2024, no shares of Liberty SiriusXM common stock, Liberty Formula One common stock or Liberty Live common stock were surrendered by our officers and employees to pay withholding taxes and other deductions in connection with the vesting of their restricted stock, restricted stock units and options.

### **Item 5. Other Information**

None of the Company’s directors or officers adopted or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement during the Company’s fiscal quarter ended June 30, 2024.

**Item 6. Exhibits**

(a) Exhibits

Listed below are the exhibits which are filed as a part of this Quarterly Report (according to the number assigned to them in Item 601 of Regulation S-K):

<u>Exhibit No.</u>	<u>Name</u>
2.1	<a href="#">First Amendment to Agreement and Plan of Merger, dated as of June 16, 2024, by and among Liberty Media Corporation, Sirius XM Holdings Inc., Liberty Sirius XM Holdings Inc. and Radio Merger Sub, LLC (incorporated by reference to Exhibit 2.1 of the Registrant's Current Report on Form 8-K filed by the Registrant on June 17, 2024 (File No. 001-35707))</a>
10.1	<a href="#">First Amendment to Reorganization Agreement, dated as of June 16, 2024, by and among Liberty Media Corporation, Sirius XM Holdings Inc. and Liberty Sirius XM Holdings Inc. (incorporated by reference to Exhibit 10.1 of the Registrant's Current Report on Form 8-K filed by the Registrant on June 17, 2024 (File No. 001-35707))</a>
31.1	<a href="#">Rule 13a-14(a)/15d-14(a) Certification*</a>
31.2	<a href="#">Rule 13a-14(a)/15d-14(a) Certification*</a>
32	<a href="#">Section 1350 Certification**</a>
99.1	<a href="#">Unaudited Attributed Financial Information for Tracking Stock Groups*</a>
101.INS	Inline XBRL Instance Document* - The instance document does not appear in the interactive data file because its XBRL tags are embedded within the inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document*
101.CAL	Inline XBRL Taxonomy Calculation Linkbase Document*
101.LAB	Inline XBRL Taxonomy Label Linkbase Document*
101.PRE	Inline XBRL Taxonomy Presentation Linkbase Document*
101.DEF	Inline XBRL Taxonomy Definition Document*
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

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\* Filed herewith

\*\* Furnished herewith



**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

LIBERTY MEDIA CORPORATION

Date: August 8, 2024

By: /s/ GREGORY B. MAFFEI

Gregory B. Maffei  
*President and Chief Executive Officer*

Date: August 8, 2024

By: /s/ BRIAN J. WENDLING

Brian J. Wendling  
*Chief Accounting Officer and Principal Financial Officer*

## CERTIFICATION

I, Gregory B. Maffei, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Liberty Media Corporation;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements and other financial information included in this quarterly report fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this quarterly report based on such evaluation; and
  - d) disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 8, 2024

/s/ GREGORY B. MAFFEI

Gregory B. Maffei  
*President and Chief Executive Officer*

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## CERTIFICATION

I, Brian J. Wendling, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Liberty Media Corporation;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements and other financial information included in this quarterly report fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this quarterly report based on such evaluation; and
  - d) disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 8, 2024

/s/ BRIAN J. WENDLING

Brian J. Wendling

*Chief Accounting Officer and Principal Financial Officer*

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**Certification**

**Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002  
(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)**

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), each of the undersigned officers of Liberty Media Corporation, a Delaware corporation (the "Company"), does hereby certify, to such officer's knowledge, that:

The Quarterly Report on Form 10-Q for the period ended June 30, 2024 (the "Form 10-Q") of the Company fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 and information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 8, 2024

/s/ GREGORY B. MAFFEI

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Gregory B. Maffei  
*President and Chief Executive Officer*

Dated: August 8, 2024

/s/ BRIAN J. WENDLING

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Brian J. Wendling  
*Chief Accounting Officer and Principal Financial Officer*

The foregoing certification is being furnished solely pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code) and is not being filed as part of the Form 10-Q or as a separate disclosure document.

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**Unaudited Attributed Financial Information for Tracking Stock Groups**

The following tables present our assets and liabilities as of June 30, 2024 and revenue and expenses for the three and six months ended June 30, 2024 and 2023 and cash flows for the six months ended June 30, 2024 and 2023. The tables further present our assets, liabilities, revenue, expenses and cash flows that are intended to be attributed to the Liberty SiriusXM Group, the Liberty Formula One Group (the “Formula One Group”), the Liberty Live Group and the Liberty Braves Group (the “Braves Group”) (prior to the Split-Off, as defined in note 1), respectively. The Reclassification, as described in note 1, is reflected in the attributed financial statements on a prospective basis from August 3, 2023. The financial information should be read in conjunction with our condensed consolidated financial statements for the six months ended June 30, 2024 included in this Quarterly Report on Form 10-Q.

Notwithstanding the following attribution of assets, liabilities, revenue, expenses and cash flows to the Liberty SiriusXM Group, the Formula One Group, the Liberty Live Group and the Braves Group (prior to the Split-Off, as defined in note 1), our tracking stock capital structure does not affect the ownership or the respective legal title to our assets or responsibility for our liabilities. We and our subsidiaries are each responsible for our respective liabilities. Holders of Liberty SiriusXM common stock, Liberty Formula One common stock and Liberty Live common stock are holders of our common stock and are subject to risks associated with an investment in our company and all of our businesses, assets and liabilities. The issuance of Liberty SiriusXM common stock, Liberty Formula One common stock and Liberty Live common stock does not affect the rights of our creditors.

**SUMMARY ATTRIBUTED FINANCIAL DATA**

**Liberty SiriusXM Group**

*Summary Balance Sheet Data:*

	<u>June 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>
	<b>amounts in millions</b>	
Cash and cash equivalents	\$ 188	306
Investments in affiliates, accounted for using the equity method	\$ 1,601	715
Intangible assets not subject to amortization	\$ 25,051	25,051
Intangible assets subject to amortization, net	\$ 1,001	1,014
Total assets	\$ 30,821	29,901
Deferred revenue	\$ 1,128	1,195
Long-term debt, including current portion	\$ 10,813	11,137
Deferred tax liabilities	\$ 2,371	2,245
Attributed net assets	\$ 10,682	10,165
Noncontrolling interest	\$ 3,124	3,026

*Summary Statement of Operations Data:*

	<u>Three months ended</u> <u>June 30,</u>		<u>Six months ended</u> <u>June 30,</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	<b>amounts in millions</b>			
Revenue	\$ 2,178	2,250	4,340	4,394
Cost of Sirius XM Holdings services (1)	\$ (1,023)	(1,063)	(2,060)	(2,087)
Other operating expenses (1)	\$ (71)	(83)	(157)	(162)
Selling, general and administrative expense (1)	\$ (361)	(387)	(733)	(772)
Operating income (loss)	\$ 471	452	880	825
Interest expense	\$ (126)	(137)	(255)	(273)
Income tax (expense) benefit	\$ (81)	(46)	(149)	(115)
Net earnings (loss) attributable to noncontrolling interests	\$ 50	51	92	88
Earnings (loss) attributable to Liberty stockholders	\$ 299	166	498	349

(1) Includes stock-based compensation expense as follows:

	<u>Three months ended</u> <u>June 30,</u>		<u>Six months ended</u> <u>June 30,</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	<b>amounts in millions</b>			
Cost of services	\$ 11	11	22	20
Other operating expenses	\$ 11	11	23	22
Selling, general and administrative expense	\$ 26	24	51	52
	\$ 48	46	96	94

## Formula One Group

### Summary Balance Sheet Data:

	June 30, 2024	December 31, 2023
	amounts in millions	
Cash and cash equivalents	\$ 1,491	1,408
Investments in affiliates, accounted for using the equity method	\$ 37	41
Intangible assets not subject to amortization	\$ 4,191	3,956
Intangible assets subject to amortization, net	\$ 2,827	2,858
Total assets	\$ 10,810	10,267
Long-term debt, including current portion	\$ 2,912	2,906
Attributed net assets	\$ 6,548	6,419

### Summary Statement of Operations Data:

	Three months ended		Six months ended	
	June 30,		June 30,	
	2024	2023	2024	2023
	amounts in millions			
Revenue	\$ 988	724	1,575	1,105
Cost of Formula 1 revenue	\$ (639)	(519)	(918)	(725)
Selling, general and administrative expense (1)	\$ (91)	(69)	(182)	(144)
Operating income (loss)	\$ 59	52	154	68
Interest expense	\$ (53)	(54)	(108)	(105)
Share of earnings (losses) of affiliates, net	\$ (2)	(1)	(5)	(3)
Realized and unrealized gains (losses) on financial instruments, net	\$ (1)	64	47	17
Unrealized gains (losses) on intergroup interest	\$ —	40	—	(1)
Income tax (expense) benefit	\$ 1	(10)	(22)	(4)
Earnings (loss) attributable to Liberty stockholders	\$ 24	116	101	7

(1) Includes stock-based compensation of \$6 million and \$5 million for the three months ended June 30, 2024 and 2023, respectively, and \$18 million and \$10 million for the six months ended June 30, 2024 and 2023, respectively.

## Liberty Live Group

### Summary Balance Sheet Data:

	<u>June 30,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>
	amounts in millions	
Cash and cash equivalents	\$ 406	305
Investments in affiliates, accounted for using the equity method	\$ 345	333
Total assets	\$ 1,000	1,162
Long-term debt, including current portion	\$ 1,303	1,317
Attributed net assets	\$ (170)	(188)

### Summary Statement of Operations Data:

	<u>Three months ended</u> <u>June 30,</u>		<u>Six months ended</u> <u>June 30,</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Selling, general and administrative expense (1)	\$ (2)	NA	(4)	NA
Operating income (loss)	\$ (2)	NA	(4)	NA
Share of earnings (losses) of affiliates, net	\$ 85	NA	64	NA
Income tax (expense) benefit	\$ (36)	NA	(16)	NA
Earnings (loss) attributable to Liberty stockholders	\$ 134	NA	61	NA

(1) Includes stock-based compensation expense of \$1 million and \$2 million for the three and six months ended June 30, 2024, respectively.



**BALANCE SHEET INFORMATION**

**June 30, 2024**  
**(unaudited)**

	Attributed (note 1)				Consolidated Liberty
	Liberty		Liberty		
	SiriusXM Group	Formula One Group	Live Group	Inter-Group Eliminations	
	amounts in millions				
<i>Assets</i>					
Current assets:					
Cash and cash equivalents	\$ 188	1,491	406	—	2,085
Trade and other receivables, net	644	182	—	—	826
Other current assets	365	363	—	—	728
Total current assets	1,197	2,036	406	—	3,639
Investments in affiliates, accounted for using the equity method (note 1)	1,601	37	345	—	1,983
Property and equipment, at cost	3,299	991	—	—	4,290
Accumulated depreciation	(2,001)	(166)	—	—	(2,167)
	1,298	825	—	—	2,123
Intangible assets not subject to amortization					
Goodwill	15,209	4,191	—	—	19,400
FCC licenses	8,600	—	—	—	8,600
Other	1,242	—	—	—	1,242
	25,051	4,191	—	—	29,242
Intangible assets subject to amortization, net	1,001	2,827	—	—	3,828
Other assets	673	894	249	1	1,817
Total assets	\$ 30,821	10,810	1,000	1	42,632
<i>Liabilities and Equity</i>					
Current liabilities:					
Intergroup payable (receivable) (note 3)	\$ 38	(44)	6	—	—
Accounts payable and accrued liabilities	1,296	472	—	—	1,768
Current portion of debt	581	37	67	—	685
Deferred revenue	1,128	712	—	—	1,840
Other current liabilities	142	37	—	—	179
Total current liabilities	3,185	1,214	73	—	4,472
Long-term debt (note 1)	10,232	2,875	1,236	—	14,343
Deferred income tax liabilities	2,371	—	(162)	1	2,210
Other liabilities	1,227	173	—	—	1,400
Total liabilities	17,015	4,262	1,147	1	22,425
Equity / Attributed net assets	10,682	6,548	(170)	—	17,060
Noncontrolling interests in equity of subsidiaries	3,124	—	23	—	3,147
Total liabilities and equity	\$ 30,821	10,810	1,000	1	42,632

**STATEMENT OF OPERATIONS INFORMATION**  
**Three months ended June 30, 2024**  
(unaudited)

	Attributed (note 1)			Consolidated Liberty
	Liberty SiriusXM Group	Formula One Group	Liberty Live Group	
	amounts in millions			
<b>Revenue:</b>				
Sirius XM Holdings revenue	\$ 2,178	—	—	2,178
Formula 1 revenue	—	853	—	853
Other revenue	—	135	—	135
<b>Total revenue</b>	<b>2,178</b>	<b>988</b>	<b>—</b>	<b>3,166</b>
<b>Operating costs and expenses, including stock-based compensation (note 2):</b>				
<b>Cost of Sirius XM Holdings services (exclusive of depreciation shown separately below):</b>				
Revenue share and royalties	708	—	—	708
Programming and content	148	—	—	148
Customer service and billing	108	—	—	108
Other	59	—	—	59
<b>Cost of Formula 1 revenue (exclusive of depreciation shown separately below)</b>				
Other cost of sales	—	639	—	639
Subscriber acquisition costs	92	—	—	92
Other operating expenses	71	5	—	76
Selling, general and administrative	361	91	2	454
Impairment, restructuring and acquisition costs	4	11	—	15
Depreciation and amortization	156	89	—	245
	<u>1,707</u>	<u>929</u>	<u>2</u>	<u>2,638</u>
Operating income (loss)	471	59	(2)	528
<b>Other income (expense):</b>				
Interest expense	(126)	(53)	(7)	(186)
Share of earnings (losses) of affiliates, net	1	(2)	85	84
Realized and unrealized gains (losses) on financial instruments, net	82	(1)	88	169
Other, net	2	20	6	28
	<u>(41)</u>	<u>(36)</u>	<u>172</u>	<u>95</u>
Earnings (loss) before income taxes	430	23	170	623
Income tax (expense) benefit	(81)	1	(36)	(116)
Net earnings (loss)	349	24	134	507
Less net earnings (loss) attributable to the noncontrolling interests	50	—	—	50
Net earnings (loss) attributable to Liberty stockholders	<u>\$ 299</u>	<u>24</u>	<u>134</u>	<u>457</u>

**STATEMENT OF OPERATIONS INFORMATION**  
**Six months ended June 30, 2024**  
(unaudited)

	Attributed (note 1)			Consolidated Liberty
	Liberty SiriusXM Group	Formula One Group	Liberty Live Group	
	amounts in millions			
<b>Revenue:</b>				
Sirius XM Holdings revenue	\$ 4,340	—	—	4,340
Formula 1 revenue	—	1,403	—	1,403
Other revenue	—	172	—	172
<b>Total revenue</b>	<b>4,340</b>	<b>1,575</b>	<b>—</b>	<b>5,915</b>
<b>Operating costs and expenses, including stock-based compensation (note 2):</b>				
<b>Cost of Sirius XM Holdings services (exclusive of depreciation shown separately below):</b>				
Revenue share and royalties	1,411	—	—	1,411
Programming and content	305	—	—	305
Customer service and billing	224	—	—	224
Other	120	—	—	120
<b>Cost of Formula 1 revenue (exclusive of depreciation shown separately below)</b>				
Other cost of sales	—	120	—	120
Subscriber acquisition costs	182	—	—	182
Other operating expenses	157	6	—	163
Selling, general and administrative	733	182	4	919
Impairment, restructuring and acquisition costs	17	20	—	37
Depreciation and amortization	311	175	—	486
	<u>3,460</u>	<u>1,421</u>	<u>4</u>	<u>4,885</u>
Operating income (loss)	880	154	(4)	1,030
<b>Other income (expense):</b>				
Interest expense	(255)	(108)	(14)	(377)
Share of earnings (losses) of affiliates, net	6	(5)	64	65
Realized and unrealized gains (losses) on financial instruments, net	100	47	19	166
Other, net	8	35	12	55
	<u>(141)</u>	<u>(31)</u>	<u>81</u>	<u>(91)</u>
Earnings (loss) before income taxes	739	123	77	939
Income tax (expense) benefit	(149)	(22)	(16)	(187)
Net earnings (loss)	590	101	61	752
Less net earnings (loss) attributable to the noncontrolling interests	92	—	—	92
Net earnings (loss) attributable to Liberty stockholders	<u>\$ 498</u>	<u>101</u>	<u>61</u>	<u>660</u>

**STATEMENT OF OPERATIONS INFORMATION**  
**Three months ended June 30, 2023**  
(unaudited)

	Attributed (note 1)			Consolidated Liberty
	Liberty			
	SiriusXM Group	Formula One Group	Braves Group	
	amounts in millions			
<b>Revenue:</b>				
Sirius XM Holdings revenue	\$ 2,250	—	—	2,250
Formula 1 revenue	—	724	—	724
Other revenue	—	—	270	270
<b>Total revenue</b>	<b>2,250</b>	<b>724</b>	<b>270</b>	<b>3,244</b>
<b>Operating costs and expenses, including stock-based compensation (note 2):</b>				
<b>Cost of Sirius XM Holdings services (exclusive of depreciation shown separately below):</b>				
Revenue share and royalties	732	—	—	732
Programming and content	153	—	—	153
Customer service and billing	124	—	—	124
Other	54	—	—	54
<b>Cost of Formula 1 revenue (exclusive of depreciation shown separately below)</b>				
	—	519	—	519
Subscriber acquisition costs	93	—	—	93
Other operating expenses	83	—	197	280
Selling, general and administrative	387	69	34	490
Impairment, restructuring and acquisition costs	18	—	1	19
Depreciation and amortization	154	84	19	257
	1,798	672	251	2,721
<b>Operating income (loss)</b>	<b>452</b>	<b>52</b>	<b>19</b>	<b>523</b>
<b>Other income (expense):</b>				
Interest expense	(137)	(54)	(9)	(200)
Share of earnings (losses) of affiliates, net	79	(1)	12	90
Realized and unrealized gains (losses) on financial instruments, net	(164)	64	4	(96)
Unrealized gains (losses) on intergroup interests (note 1)	10	40	(50)	—
Other, net	23	24	3	50
	(189)	73	(40)	(156)
<b>Earnings (loss) before income taxes</b>	<b>263</b>	<b>125</b>	<b>(21)</b>	<b>367</b>
Income tax (expense) benefit	(46)	(10)	(8)	(64)
<b>Net earnings (loss)</b>	<b>217</b>	<b>115</b>	<b>(29)</b>	<b>303</b>
Less net earnings (loss) attributable to the noncontrolling interests	51	(1)	—	50
<b>Net earnings (loss) attributable to Liberty stockholders</b>	<b>\$ 166</b>	<b>116</b>	<b>(29)</b>	<b>253</b>

**STATEMENT OF OPERATIONS INFORMATION**  
**Six months ended June 30, 2023**  
(unaudited)

	Attributed (note 1)			
	Liberty			
	SiriusXM Group	Formula One Group	Braves Group	Consolidated Liberty
	amounts in millions			
<b>Revenue:</b>				
Sirius XM Holdings revenue	\$ 4,394	—	—	4,394
Formula 1 revenue	—	1,105	—	1,105
Other revenue	—	—	301	301
<b>Total revenue</b>	<b>4,394</b>	<b>1,105</b>	<b>301</b>	<b>5,800</b>
Operating costs and expenses, including stock-based compensation (note 2):				
Cost of Sirius XM Holdings services (exclusive of depreciation shown separately below):				
Revenue share and royalties	1,432	—	—	1,432
Programming and content	303	—	—	303
Customer service and billing	246	—	—	246
Other	106	—	—	106
Cost of Formula 1 revenue (exclusive of depreciation shown separately below)				
Subscriber acquisition costs	183	—	—	183
Other operating expenses	162	—	236	398
Selling, general and administrative	772	144	60	976
Impairment, restructuring and acquisition costs	50	—	1	51
Depreciation and amortization	315	168	34	517
	3,569	1,037	331	4,937
<b>Operating income (loss)</b>	<b>825</b>	<b>68</b>	<b>(30)</b>	<b>863</b>
Other income (expense):				
Interest expense	(273)	(105)	(18)	(396)
Share of earnings (losses) of affiliates, net	72	(3)	11	80
Realized and unrealized gains (losses) on financial instruments, net	(162)	17	3	(142)
Unrealized gains (losses) on intergroup interests (note 1)	64	(1)	(63)	—
Other, net	26	34	4	64
	(273)	(58)	(63)	(394)
<b>Earnings (loss) before income taxes</b>	<b>552</b>	<b>10</b>	<b>(93)</b>	<b>469</b>
Income tax (expense) benefit	(115)	(4)	5	(114)
<b>Net earnings (loss)</b>	<b>437</b>	<b>6</b>	<b>(88)</b>	<b>355</b>
Less net earnings (loss) attributable to the noncontrolling interests	88	(1)	—	87
<b>Net earnings (loss) attributable to Liberty stockholders</b>	<b>\$ 349</b>	<b>7</b>	<b>(88)</b>	<b>268</b>

**STATEMENT OF CASH FLOWS INFORMATION**  
**Six months ended June 30, 2024**  
(unaudited)

	Attributed (note 1)			Consolidated Liberty
	Liberty		Liberty	
	SiriusXM Group	Formula One Group	Live Group	
	amounts in millions			
<b>Cash flows from operating activities:</b>				
Net earnings (loss)	\$ 590	101	61	752
Adjustments to reconcile net earnings (loss) to net cash provided by operating activities:				
Depreciation and amortization	311	175	—	486
Stock-based compensation	96	18	2	116
Non-cash impairment and restructuring costs	1	—	—	1
Share of (earnings) loss of affiliates, net	(6)	5	(64)	(65)
Realized and unrealized (gains) losses on financial instruments, net	(100)	(47)	(19)	(166)
Deferred income tax expense (benefit)	(19)	2	13	(4)
Intergroup tax allocation	59	(62)	3	—
Intergroup tax (payments) receipts	(83)	80	3	—
Other charges (credits), net	73	5	(4)	74
<b>Changes in operating assets and liabilities</b>				
Current and other assets	74	(79)	2	(3)
Payables and other liabilities	(243)	203	(4)	(44)
Net cash provided (used) by operating activities	<u>753</u>	<u>401</u>	<u>(7)</u>	<u>1,147</u>
<b>Cash flows from investing activities:</b>				
Investments in equity method affiliates and debt and equity securities	(202)	(1)	—	(203)
Cash proceeds from dispositions	—	—	107	107
Cash (paid) received for acquisitions, net of cash acquired	—	(205)	—	(205)
Capital expended for property and equipment, including internal-use software and website development	(347)	(40)	—	(387)
Other investing activities, net	(1)	(62)	1	(62)
Net cash provided (used) by investing activities	<u>(550)</u>	<u>(308)</u>	<u>108</u>	<u>(750)</u>
<b>Cash flows from financing activities:</b>				
Borrowings of debt	1,352	10	—	1,362
Repayments of debt	(1,605)	(31)	—	(1,636)
Cash dividends paid by subsidiary	(34)	—	—	(34)
Taxes paid in lieu of shares issued for stock-based compensation	(23)	(7)	(1)	(31)
Other financing activities, net	(4)	34	1	31
Net cash provided (used) by financing activities	<u>(314)</u>	<u>6</u>	<u>—</u>	<u>(308)</u>
<b>Effect of foreign exchange rate changes on cash, cash equivalents and restricted cash</b>				
Net increase (decrease) in cash, cash equivalents and restricted cash	(111)	91	101	81
Cash, cash equivalents and restricted cash at beginning of period	315	1,408	305	2,028
Cash, cash equivalents and restricted cash at end of period	<u>\$ 204</u>	<u>1,499</u>	<u>406</u>	<u>2,109</u>

**STATEMENT OF CASH FLOWS INFORMATION**  
**Six months ended June 30, 2023**  
(unaudited)

	Attributed (note 1)			Consolidated Liberty
	Liberty			
	SiriusXM Group	Formula One Group	Braves Group	
	amounts in millions			
Cash flows from operating activities:				
Net earnings (loss)	\$ 437	6	(88)	355
Adjustments to reconcile net earnings (loss) to net cash provided by operating activities:				
Depreciation and amortization	315	168	34	517
Stock-based compensation	94	10	6	110
Non-cash impairment and restructuring costs	21	—	—	21
Share of (earnings) loss of affiliates, net	(72)	3	(11)	(80)
Unrealized (gains) losses on intergroup interests, net	(64)	1	63	—
Realized and unrealized (gains) losses on financial instruments, net	162	(17)	(3)	142
Deferred income tax expense (benefit)	(33)	1	(3)	(35)
Intergroup tax allocation	86	(84)	(2)	—
Intergroup tax (payments) receipts	(33)	36	(3)	—
Other charges (credits), net	(12)	—	4	(8)
Changes in operating assets and liabilities				
Current and other assets	1	(91)	(5)	(95)
Payables and other liabilities	(48)	275	44	271
Net cash provided (used) by operating activities	<u>854</u>	<u>308</u>	<u>36</u>	<u>1,198</u>
Cash flows from investing activities:				
Investments in equity method affiliates and debt and equity securities	(41)	(173)	—	(214)
Cash proceeds from dispositions	(1)	68	—	67
Capital expended for property and equipment, including internal-use software and website development	(334)	(180)	(30)	(544)
Other investing activities, net	(1)	(19)	—	(20)
Net cash provided (used) by investing activities	<u>(377)</u>	<u>(304)</u>	<u>(30)</u>	<u>(711)</u>
Cash flows from financing activities:				
Borrowings of debt	2,048	—	16	2,064
Repayments of debt	(2,563)	(59)	(19)	(2,641)
Settlement of intergroup interests	202	(202)	—	—
Subsidiary shares repurchased by subsidiary	(199)	—	—	(199)
Cash dividends paid by subsidiary	(33)	—	—	(33)
Taxes paid in lieu of shares issued for stock-based compensation	(19)	(8)	(1)	(28)
Other financing activities, net	36	19	8	63
Net cash provided (used) by financing activities	<u>(528)</u>	<u>(250)</u>	<u>4</u>	<u>(774)</u>
Effect of foreign exchange rate changes on cash, cash equivalents and restricted cash				
Net increase (decrease) in cash, cash equivalents and restricted cash	—	2	—	2
Cash, cash equivalents and restricted cash at beginning of period	370	1,733	173	2,276
Cash, cash equivalents and restricted cash at end of period	<u>\$ 319</u>	<u>1,489</u>	<u>183</u>	<u>1,991</u>

**Notes to Attributed Financial Information (Continued)**  
**(unaudited)**

- (1) A tracking stock is a type of common stock that the issuing company intends to reflect or "track" the economic performance of a particular business or "group," rather than the economic performance of the company as a whole.

On July 18, 2023, the Company completed the split-off (the "Split-Off") of its wholly owned subsidiary, Atlanta Braves Holdings, Inc ("Atlanta Braves Holdings"). The Split-Off was accomplished by a redemption by the Company of each outstanding share of Liberty Braves common stock in exchange for one share of the corresponding series of Atlanta Braves Holdings common stock. Atlanta Braves Holdings is comprised of the businesses, assets and liabilities attributed to the Braves Group immediately prior to the Split-Off, except for the intergroup interests in the Braves Group attributed to the Liberty SiriusXM Group and the Formula One Group, which were settled and extinguished in connection with the Split-Off.

On August 3, 2023, the Company reclassified its then-outstanding shares of common stock into three new tracking stocks — Liberty SiriusXM common stock, Liberty Formula One common stock and Liberty Live common stock, and, in connection therewith, provided for the attribution of the businesses, assets and liabilities of the Company's remaining tracking stock groups among its newly created Liberty SiriusXM Group, Formula One Group and Liberty Live Group (the "Reclassification"). As a result of the Reclassification, each then-outstanding share of Liberty SiriusXM common stock was reclassified into one share of the corresponding series of new Liberty SiriusXM common stock and 0.2500 of a share of the corresponding series of Liberty Live common stock and each outstanding share of Liberty Formula One common stock was reclassified into one share of the corresponding series of new Liberty Formula One common stock and 0.0428 of a share of the corresponding series of Liberty Live common stock.

Each of the Split-Off and the Reclassification were intended to be tax-free to stockholders of the Company, except with respect to the receipt of cash in lieu of fractional shares. In July 2024, the IRS completed its review of the Reclassification and notified the Company that it agreed with the nontaxable characterization of the transaction. The Split-Off and the Reclassification are reflected in the Company's consolidated financial statements and these attributed financial statements on a prospective basis.

While the Liberty SiriusXM Group, Formula One Group and Liberty Live Group have separate collections of businesses, assets and liabilities attributed to them, no group is a separate legal entity and therefore cannot own assets, issue securities or enter into legally binding agreements. Holders of tracking stock have no direct claim to the group's stock or assets and therefore, do not own, by virtue of their ownership of a Liberty tracking stock, any equity or voting interest in a public company, such as Sirius XM Holdings Inc. ("Sirius XM Holdings"), in which Liberty holds an interest and that is attributed to a Liberty tracking stock group, the Liberty SiriusXM Group. Holders of tracking stock are also not represented by separate boards of directors. Instead, holders of tracking stock are stockholders of the parent corporation, with a single board of directors and subject to all of the risks and liabilities of the parent corporation.

As of June 30, 2024, the Liberty SiriusXM Group was primarily comprised of Liberty's interest in Sirius XM Holdings, corporate cash, Liberty's 3.75% Convertible Senior Notes due 2028, Liberty's 2.75% Exchangeable Senior Debentures due 2049 and a margin loan obligation incurred by a wholly-owned special purpose subsidiary of Liberty. As of June 30, 2024, the Liberty SiriusXM Group had cash and cash equivalents of approximately \$188 million, which included \$100 million of subsidiary cash.

As of June 30, 2024, the Formula One Group was primarily comprised of Liberty's interests in Formula 1 and QuintEvents, LLC, cash and Liberty's 2.25% Convertible Senior Notes due 2027. As of June 30, 2024, the Formula One Group had cash and cash equivalents of approximately \$1,491 million, which included \$1,303 million of subsidiary cash.

As of June 30, 2024, the Liberty Live Group is primarily comprised of Liberty's interest in Live Nation Entertainment, Inc., cash, certain public and private assets, Liberty's 0.5% Exchangeable Senior Debentures due 2050, Liberty's 2.375% Exchangeable Senior Debentures due 2053 and a margin loan obligation incurred by a wholly-owned special purpose subsidiary of Liberty.



**Notes to Attributed Financial Information (Continued)**  
**(unaudited)**

Prior to the Split-Off, the Braves Group was primarily comprised of Braves Holdings, which indirectly owns the Atlanta Braves Major League Baseball Club (“ANLBC”) and certain assets and liabilities associated with ANLBC’s stadium and mixed-use development and cash.

As of December 31, 2022, 6,792,903 notional shares represented an 11.0% intergroup interest in the Braves Group previously held by the Formula One Group, 1,811,066 notional shares represented a 2.9% intergroup interest in the Braves Group previously held by the Liberty SiriusXM Group and 4,165,288 notional shares represented a 1.7% intergroup interest in the Formula One Group previously held by the Liberty SiriusXM Group.

The intergroup interests represented quasi-equity interests which were not represented by outstanding shares of common stock; rather, the Formula One Group and Liberty SiriusXM Group had attributed interests in the Braves Group, which were generally stated in terms of a number of shares of Liberty Braves common stock, and the Liberty SiriusXM Group also had an attributed interest in the Formula One Group, which was generally stated in terms of a number of shares of Liberty Formula One common stock. Each reporting period, the notional shares representing the intergroup interests were marked to fair value. The changes in fair value were recorded in the Unrealized gain (loss) on intergroup interests line item in the unaudited attributed condensed consolidated statements of operations.

The Braves Group intergroup interests attributable to the Formula One Group and the Liberty SiriusXM Group were reflected in the Investment in intergroup interests line item, and the Braves Group liabilities for the intergroup interests were reflected in the Redeemable intergroup interests line item in the unaudited attributed condensed consolidated balance sheets. Similarly, the Formula One Group intergroup interest attributable to the Liberty SiriusXM Group was reflected in the Investment in intergroup interests line item, and the Formula One Group liability for the intergroup interest was reflected in the Redeemable intergroup interests line item in the unaudited attributed condensed consolidated balance sheets. Both accounts were presented as noncurrent, as cash settlement of the intergroup interests was not required. Appropriate eliminating entries were recorded in the Company’s condensed consolidated financial statements.

During March 2023, the Formula One Group paid approximately \$202 million to the Liberty SiriusXM Group to settle a portion of the intergroup interest in the Formula One Group held by the Liberty SiriusXM Group, as a result of the repurchase of a portion of Liberty’s 1.375% Cash Convertible Notes due 2023. On July 12, 2023, the Formula One Group paid approximately \$71 million to the Liberty SiriusXM Group to settle and extinguish the remaining intergroup interest in the Formula One Group held by the Liberty SiriusXM Group.

In connection with the Split-Off, the intergroup interests in the Braves Group attributed to the Liberty SiriusXM Group and Formula One Group were settled and extinguished through the attribution, to the respective tracking stock group, of Atlanta Braves Holdings Series C common stock on a one-for-one basis equal to the number of notional shares representing the intergroup interest. On July 19, 2023, the shares of Atlanta Braves Holdings Series C common stock attributed to the Formula One Group to settle and extinguish the intergroup interest in connection with the Split-Off were distributed on a pro rata basis to holders of Liberty Formula One common stock. During November 2023, Liberty exchanged the shares of Atlanta Braves Holdings Series C common stock attributed to the Liberty SiriusXM Group with a third party to satisfy certain debt obligations attributed to the Liberty SiriusXM Group.

On December 11, 2023, Liberty entered into definitive agreements, subject to the terms thereof, to redeem each outstanding share of its Liberty SiriusXM common stock in exchange for a number of shares of common stock of a newly formed entity (the “Liberty Sirius XM Holdings Split-Off”), Liberty Sirius XM Holdings Inc. (“Liberty Sirius XM Holdings”) equal to the Exchange Ratio (as defined in the Reorganization Agreement, dated as of December 11, 2023, and as amended by the First Amendment to the Reorganization Agreement, dated as of June 16, 2024, in each case, by and among Liberty, Liberty Sirius XM Holdings and Sirius XM Holdings (as may be amended from time to time, the “Reorganization Agreement”). The Exchange Ratio will be calculated prior to the effective time of the redemption and is estimated to be approximately 0.83 of a share of Liberty Sirius XM Holdings common stock. Liberty Sirius XM Holdings will be comprised of the businesses, assets and liabilities attributed to the Liberty SiriusXM Group. The Liberty Sirius XM Holdings Split-Off is intended to be tax-free to holders of Liberty SiriusXM common stock (except with respect to cash received in

**Notes to Attributed Financial Information (Continued)**  
**(unaudited)**

lieu of fractional shares) and the completion of the Liberty Sirius XM Holdings Split-Off will be subject to various conditions, including the receipt of opinions of tax counsel. On December 11, 2023, Liberty also entered into an Agreement and Plan of Merger (as amended by the First Amendment to the Agreement and Plan of Merger, dated as of June 16, 2024), pursuant to which Radio Merger Sub, LLC, a wholly owned subsidiary of Liberty Sirius XM Holdings, will merge with and into Sirius XM Holdings, with Sirius XM Holdings surviving the merger as a wholly owned subsidiary of Liberty Sirius XM Holdings (the “Merger” and, together with the Liberty Sirius XM Holdings Split-Off, the “Transactions”), subject to the satisfaction of certain conditions. The Merger is dependent and conditioned on the approval and completion of the Liberty Sirius XM Holdings Split-Off, and the Merger will not be completed unless the Liberty Sirius XM Holdings Split-Off is completed. If the Liberty Sirius XM Holdings Split-Off is completed, the Merger will also be completed. Subject to the satisfaction of various conditions, the Company expects to complete the Transactions on September 9, 2024.

For information relating to investments in affiliates accounted for using the equity method and debt, see notes 6 and 7, respectively, of the accompanying condensed consolidated financial statements.

- (2) Cash compensation expense for our corporate employees is allocated among the Liberty SiriusXM Group, the Formula One Group and Liberty Live Group and was allocated to the Braves Group prior to the Split-Off, based on the estimated percentage of time spent providing services for each group. On an annual basis, estimated time spent is determined through an interview process and a review of personnel duties unless transactions significantly change the composition of companies and investments in either respective group which would require a timelier reevaluation of estimated time spent. Other general and administrative expenses are charged directly to the groups whenever possible and are otherwise allocated based on estimated usage or some other reasonably determined methodology. Stock compensation related to each tracking stock is calculated based on actual awards outstanding.

While we believe that this allocation method is reasonable and fair to each group, we may elect to change the allocation methodology or percentages used to allocate general and administrative expenses in the future.

- (3) The intergroup balance at June 30, 2024 and December 31, 2023 is primarily a result of timing of tax benefits.
- (4) The Liberty SiriusXM common stock, Liberty Formula One common stock and Liberty Live common stock have voting and conversion rights under our restated charter. Following is a summary of those rights. Holders of Series A common stock of each group are entitled to one vote per share, and holders of Series B common stock of each group are entitled to ten votes per share. Holders of Series C common stock of each group are entitled to 1/100th of a vote per share in certain limited cases and will otherwise not be entitled to vote. In general, holders of Series A and Series B common stock vote as a single class. In certain limited circumstances, the board may elect to seek the approval of the holders of only Series A and Series B Liberty SiriusXM common stock, only Series A and Series B Liberty Formula One common stock, or only Series A and Series B Liberty Live common stock.

At the option of the holder, each share of Series B common stock of each group will be converted into one share of Series A common stock of the same group. At the discretion of our board, the common stock related to one group may be converted into common stock of the same series that is related to another other group.