

Risk Factors Comparison 2024-02-28 to 2023-03-01 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text **Moved Text** Section

An investment in our common stock involves risk. Before investing in our common stock, in addition to the other information described in Item 7 (“ Management ’ s Discussion and Analysis of Financial Condition and Results of Operations ”) of Part II, ²² you should carefully consider the following risks. Such risks are not the only ones that relate to our businesses and capitalization. The risks described below are considered to be the most material. However, there may be other unknown or unpredictable economic, business, competitive, regulatory or other factors that also could have material adverse effects on our businesses. Past financial performance may not be a reliable indicator of future performance and historical trends should not be used to anticipate results or trends in future periods. If any of the events described below or in the documents incorporated by reference herein were to occur, our businesses, prospects, financial condition, results of operations and / or cash flows could be materially adversely affected, which in turn could have a material adverse effect on the value of our common stock. Risks Relating to our Company, as a Whole The historical financial information of the Liberty SiriusXM Group, the **Braves Formula One** Group and the ~~Formula One Liberty Live~~ Group included in this Annual Report on Form 10- K may not necessarily reflect their results had they been separate companies. One of the reasons for the creation of a tracking stock is to permit equity investors to apply more specific criteria in valuing the shares of a particular group, such as comparisons of earnings multiples with those of other companies in the same business sector. In valuing shares of Liberty SiriusXM **common** Group tracking stock, ~~Braves Group tracking Liberty Formula One common~~ stock and **Liberty Live common** Formula One Group tracking stock, investors should recognize that the historical financial information of the Liberty SiriusXM Group, the ~~Braves Formula One~~ Group and the ~~Formula One Liberty Live~~ Group has been extracted from our consolidated financial statements and may not necessarily reflect what the Liberty SiriusXM Group’ s, the ~~Braves Formula One~~ Group’ s and the ~~Formula One Liberty Live~~ Group’ s results of operations, financial condition and cash flows would have been had each of these groups been separate, stand- alone entities pursuing independent strategies during the periods presented. We may have future capital needs and may not be able to obtain additional financing on acceptable terms. As of December 31, ~~2022~~ **2023**, we had outstanding corporate- level indebtedness in the principal amount of \$ ~~4.3~~ **4.6** billion. At December 31, ~~2022~~ **2023**, our only wholly owned consolidated ~~subsidiaries subsidiary is~~ **are** ~~Braves Holdings and Formula 1~~ **Braves Holdings**, ~~due to its size and current level of indebtedness, together with its assets and operating cash flow, would be insufficient to support any significant financing in the future~~. Our ability to access the cash flow of Formula 1 is subject to covenant restrictions set forth in the debt instruments of certain subsidiaries of Delta Topco, the parent company of Formula 1. In addition, although we consolidate Sirius XM Holdings, we do not have ready access to the cash flow of Sirius XM Holdings due to Sirius XM Holdings being a separate public company and the presence of a significant non- controlling interest. Accordingly, our ability to obtain significant financing in the future, on favorable terms or at all, may be limited. If debt financing is not available to us in the future, we may obtain liquidity through the sale or monetization of our debt or equity securities, or we may issue equity securities. If additional funds are raised through the issuance of equity securities, our stockholders may experience significant dilution. If we are unable to obtain sufficient liquidity in the future, we may be unable to develop our businesses properly, complete acquisitions or otherwise take advantage of business opportunities or respond to competitive pressures, any of which could have a material adverse effect on our business, financial condition and results of operations and those attributed to our groups. A substantial portion of our consolidated debt is held above the operating subsidiary level, and we could be unable in the future to obtain cash in amounts sufficient to service that debt and our other financial obligations. As of December 31, ~~2022~~ **2023**, we had approximately \$ ~~4.3~~ **4.6** billion principal amount of corporate- level debt outstanding, consisting of \$ ~~790 million outstanding under our 1.375 % cash convertible senior notes due 2023~~, \$ ~~27 million outstanding under our 1 % cash convertible senior notes due 2023~~, \$ ~~475 million outstanding under our 2.25 % exchangeable Convertible senior Senior debentures Notes due 2027~~, \$ ~~387.575 million outstanding under our 2.3~~ **125.75** % exchangeable **Convertible senior Senior debentures Notes** due ~~2048~~ **2028**, \$ ~~586 million outstanding under our 2.75 % exchangeable Exchangeable senior Senior debentures Debentures due 2049~~, \$ ~~920.62 million outstanding under our 0.5 % exchangeable Exchangeable senior Senior debentures Debentures due 2050~~, \$ ~~875.1.15 billion outstanding under our 2.375 % Exchangeable Senior Debentures due 2053~~, \$ ~~695~~ **695** million outstanding under a margin loan obligation incurred by our ~~1-28 wholly~~ **wholly** owned special purpose subsidiary attributed to the Liberty SiriusXM Group and \$ ~~63.58~~ **63.58** million of other obligations. Our ability to meet our financial obligations will depend on our ability to access cash. Our primary sources of cash include our available cash balances, dividends and interest from our investments, monetization ~~of I-260f~~ our public investment portfolio and proceeds from asset sales. Further, our ability to receive dividends or payments or advances from our businesses depends on their individual operating results, any statutory, regulatory or contractual restrictions to which they may be or may become subject and the terms of their own indebtedness, including Sirius XM Holdings’ senior notes and credit facility and Formula 1’ s subsidiary debt. The agreements governing such indebtedness restrict sales of assets and prohibit or limit the payment of dividends or the making of distributions, loans or advances to stockholders, non- wholly owned subsidiaries or our partners. We generally do not receive cash, in the form of dividends (other than quarterly dividends generally payable to Sirius XM Holdings stockholders pursuant to Sirius XM Holdings’ dividend policy, which is subject to change at any time and is at the discretion of Sirius XM Holdings’ board of directors in accordance with applicable law and after taking into account various factors affecting Sirius XM Holdings), loans, advances or otherwise, from any of our subsidiaries or business affiliates ~~. In addition, our Company’ s borrowings under margin loans, Sirius XM Holdings’ borrowings under its credit facility (except for the incremental term loan, which carries a variable interest rate based on the Secured Overnight~~

Financing Rate (“SOFR”)) and Braves Holdings’ borrowings under its mixed-use credit facilities carry a variable interest rate based on London Inter-bank Offered Rate (“LIBOR”) as a benchmark for establishing the rate of interest. In 2017, the U. K.’s Financial Conduct Authority (the “FCA”), which regulates LIBOR, announced that it intends to phase out LIBOR. On March 5, 2021, the FCA announced that all LIBOR settings will either cease to be provided by any administrator or no longer be representative: (a) immediately after December 31, 2021, in the case of the one week and two month U. S. dollar settings; and (b) immediately after June 30, 2023, in the case of the remaining U. S. dollar settings. The U. S. Federal Reserve has also advised banks to cease entering into new contracts that use USD LIBOR as a reference rate. The Alternative Reference Rate Committee, a committee convened by the Federal Reserve that includes major market participants, has identified the SOFR, a new index calculated by short-term repurchase agreements, backed by Treasury securities, as its preferred alternative rate for LIBOR. Accordingly, any changes in the methods by which LIBOR is determined or regulatory activity related to LIBOR’s phaseout could cause LIBOR to perform differently than in the past or cease to exist. The consequences of these developments cannot be entirely predicted, but could include an increase in the cost of borrowings under the aforementioned debt instruments. To the extent alternate reference rates were not included in existing debt agreements, Liberty, Sirius XM Holdings and Formula 1 have incorporated, and expect to incorporate in the near term, alternative reference rates when amending these facilities, as applicable. In addition, we may, in the future, hedge against interest rate fluctuations by using hedging instruments such as swaps, caps, options, forwards, futures or other similar products. These instruments may be used to selectively manage risks, but there can be no assurance that we will be fully protected against material interest rate fluctuations. The success of businesses attributed to each of our tracking stock groups, in part, depends on their popularity with audiences, which is difficult to predict. Entertainment content production, satellite radio services and live entertainment events, including sporting events, are inherently risky businesses because the revenue derived from these businesses depends primarily upon their popularity with public audiences, which is difficult to predict. The commercial success of a satellite radio program or live entertainment depends upon the quality and acceptance of competing programs, the availability of alternative forms of entertainment and leisure time activities, general economic conditions and other tangible and intangible factors, many of which are difficult to predict. In the case of ad-supported programming, events and satellite radio service, audience size is an important factor when advertising rates are negotiated. Audience size is also an important factor when determining ticket pricing for live entertainment events and the value of broadcast rights. Consequently, low public acceptance of the programs, services and events provided by companies such as Sirius XM Holdings, Braves Holdings, Formula 1 and Live Nation and Formula 1 could hurt the ability of these companies to maintain or grow revenue, which would adversely impact the financial performance of the groups to which these companies are attributed. I-29 Our businesses attributed to the Liberty SiriusXM Group and, the Formula One Group and the Liberty Live Group, such as Sirius XM Holdings, Formula 1 and Live Nation, may not realize the benefits of acquisitions or other strategic investments and initiatives. Our business strategy and that of our subsidiaries and business affiliates, including Sirius XM Holdings, Formula 1 and Live Nation, may include selective acquisitions, other strategic investments and initiatives that allow them to expand their business. The success of any acquisition depends upon effective integration and management of acquired businesses and assets into the acquirer’s operations, which is subject to risks and uncertainties, including the realization of the growth potential, any anticipated synergies and cost savings, the ability to retain and attract personnel, the diversion of management’s attention from other business concerns and undisclosed or potential legal liabilities of acquired businesses or assets. Weak and uncertain economic conditions may reduce consumer demand for products, services and events offered by our businesses attributed to each of our groups. A weak or uncertain economy in the U. S. or, in the case of the Formula One Group, abroad, could adversely affect demand for our products, services and events. A substantial portion of our revenue is derived from discretionary spending by individuals, which typically falls during times of economic recession or instability. A reduction in discretionary spending could adversely affect revenue through potential downgrades by satellite radio subscribers and could overall affect subscriber churn, conversion rates and vehicle sales (in the case of Sirius XM Holdings) or reduced live-entertainment and sporting event expenditures (in the case of Live Nation, Braves Holdings and Formula 1). Accordingly, the ability of our businesses attributed to each of our groups to increase or maintain revenue and earnings could be adversely affected to the extent that relevant economic environments remain weak or decline further. In addition, inflation, which has significantly risen, may increase operational costs, including labor costs, and continued increases in interest rates in response to concerns about inflation may have the effect of further increasing economic uncertainty and heightening these risks. We currently are unable to predict the extent of any of these potential adverse effects. I- Our 27 Our Company has overlapping directors and management with Qurate Retail, Liberty Broadband, TripCo and ABH, which may lead to conflicting interests. (“As a result of transactions between 2011 and 2023 that resulted in the separate corporate existence of our Company, Qurate Retail”), Liberty Broadband Corporation (“Liberty Broadband”) and Liberty TripAdvisor Holdings, Inc. (“TripCo”) and, following as well as the completion of the proposed Split-Off, is expected to have overlapping directors and officers with ABH, which may lead to conflicting interests. As a result of transactions between 2011 and 2014 that resulted in the separate corporate existence of our Company, Qurate Retail, Liberty Broadband and TripCo, as well as the completion of the proposed Split-Off, all or most of the executive officers of Liberty also serve (or will serve in the case of ABH) as executive officers of Qurate Retail, Liberty Broadband, TripCo and ABH, and there are overlapping directors. Our executive officers and members of the Board of Directors have fiduciary duties to our stockholders. Likewise, any such persons who serve (or will serve in the case of ABH) in similar capacities at Qurate Retail, Liberty Broadband, TripCo or ABH have fiduciary duties to that company’s stockholders. For example, there may be the potential for a conflict of interest when our Company, Qurate Retail, Liberty Broadband, TripCo or ABH pursues acquisitions and other business opportunities that may be suitable for each of them. Therefore, such persons may have conflicts of interest or the appearance of conflicts of interest with respect to matters involving or affecting more than one of the companies to which they owe fiduciary duties. Moreover, most of our Company’s directors and officers continue to own (or will own in the case of ABH) Qurate Retail,

Liberty Broadband, TripCo and /or ABH stock and options to purchase stock in those companies. These ownership interests could create, or appear to create, potential conflicts of interest when the applicable individuals are faced with decisions that could have different implications for our Company, Qurate Retail, Liberty Broadband, TripCo and / or ABH. Any potential conflict that qualifies as a “ related party transaction ” (as defined in Item 404 of Regulation S- K under the Securities Act of 1933, as amended) is subject to review by an independent committee of the applicable issuer’ s board of directors in accordance with its corporate governance guidelines. Each of Liberty Broadband and, TripCo and ABH has renounced its rights to certain business opportunities and its respective restated certificate of incorporation contains provisions deeming directors and officers not in breach of their fiduciary duties in certain cases for directing a corporate opportunity to another person or entity (including our Company, Qurate Retail, Liberty Broadband and, TripCo and ABH) instead of such company . ~~In addition, we understand that ABH is expected to adopt similar renouncement and waiver provisions in its restated articles of incorporation in connection with the closing of the proposed Split-Off.~~ Other potential conflicts that arise will be addressed on a case- by- case basis, keeping in mind the applicable fiduciary duties owed by the executive officers and directors of each issuer. From time to time, we may ~~I- 30~~enter into transactions with Qurate Retail, Liberty Broadband, TripCo, ABH and / or their respective subsidiaries or other affiliates. There can be no assurance that the terms of any such transactions will be as favorable to our Company, Qurate Retail, Liberty Broadband, TripCo, ABH or any of their respective subsidiaries or affiliates as would be the case where there is no overlapping officer or director. The unfavorable outcome of pending or future litigation could have a material adverse impact on the operations and financial condition of businesses attributed to each of our groups. Our subsidiaries and business affiliates are parties to several legal proceedings arising out of various aspects of their businesses, including class actions arising out of their marketing practices. The outcome of these proceedings may not be favorable, and one or more unfavorable outcomes could have a material adverse impact on their financial condition, which can impact the financial performance of the group to which they are attributed. Certain of our subsidiaries and business affiliates have operations outside of the U. S. that are subject to numerous operational risks. Certain of our subsidiaries and business affiliates have operations in countries other than the U. S. In many foreign countries, particularly in certain developing economies, it is not uncommon to encounter business practices that are prohibited by certain regulations, such as the Foreign Corrupt Practices Act and similar laws. Although certain of our subsidiaries and business affiliates have undertaken compliance efforts with respect to these laws, their respective employees, contractors and agents, as well as those companies to which they outsource certain of their business operations, may take actions in violation of their policies and procedures. Any such violation, even if prohibited by the policies and procedures of these subsidiaries and business affiliates or the law, could have certain adverse effects on the financial condition and reputation of these subsidiaries and business affiliates. Any failure by these subsidiaries and business affiliates to effectively manage the challenges associated with the international operation of their businesses could materially adversely affect their, and hence our, financial condition. ~~I- Our 28~~Our ability to use net operating loss, disallowed business interest and tax credit carryforwards to reduce future tax payments could be negatively impacted if there is an “ ownership change, ” as defined under Section 382 of the Internal Revenue Code of 1986, as amended (the “ Code ”) of our Company. At December 31, ~~2022~~ 2023 , we had a deferred tax asset attributable to federal and state net operating losses, disallowed business interest carryforwards and tax credit carryforwards of \$ ~~547-452~~ million and, under the Code, we may carry forward our federal net operating losses, disallowed business interest deductions and tax credits in certain circumstances to offset current and future taxable income and reduce our federal income tax liability, subject to certain requirements and restrictions. If we experience an “ ownership change, ” as defined in Section 382 of the Code and related Treasury regulations (generally, a cumulative change in ownership that exceeds 50 % of the value of a corporation’ s stock over a rolling three- year period), at a time when our market capitalization is below a certain level or proposed Treasury regulations under Section 382 of the Code issued during 2019 have become final and are applicable (taking into account the delayed effective date of such regulations), our ability to use our federal net operating loss, disallowed business interest and tax credit carryforwards could be substantially limited. This limit could impact the timing of the usage of our federal net operating loss, disallowed business interest and tax credit carryforwards, thus accelerating federal cash tax payments or causing certain federal net operating loss and tax credit carryforwards to expire prior to their use, which could affect the ultimate realization of that deferred tax asset. Similar limitations may also apply at the state level. **We may be subject to significant tax liabilities related to the Split- Off Transactions. In connection with the Split- Off, the Formula One Distribution, and the Liberty Exchange (together, the “ Split- Off Transactions ”), we received an opinion of our tax counsel to the effect that, for U. S. federal income tax purposes, the Split- Off Transactions will qualify as a tax- free transaction under Section 355, Section 368 (a) (1) (D) and related provisions of the Code to Liberty and to former holders of Liberty Braves common stock and holders of Liberty Formula One common stock (except with respect to the receipt of cash in lieu of fractional shares). Additionally, it is a condition to the completion of the Liberty Sirius XM Holdings Split- Off that we receive an opinion of our tax counsel, to the effect that, for U. S. federal income tax purposes, the Liberty Sirius XM Holdings Split- Off will not cause the Split- Off Transactions to fail to qualify as a tax- free transaction under Section 355, Section 368 (a) (1) (D) and related provisions of the Code (except with respect to the receipt of cash in lieu of fractional shares). We did not obtain a private letter ruling from the Internal Revenue Service (the “ IRS ”) regarding the U. S. federal income tax treatment of the Split- Off Transactions. Opinions of counsel are not binding on the IRS or the courts, and there can be no assurance that the IRS will not challenge the conclusions reached in such opinions or that a court would not sustain such a challenge. If, for any reason, it is determined that the Split- Off Transactions do not qualify for tax- free treatment under Section 355, Section 368 (a) (1) (D) and related provisions of the Code, we and the former holders of Liberty Braves common stock and holders of Liberty Formula One common stock who received ABH stock in the Split- Off Transactions could incur significant tax liabilities. Even if the Split- Off Transactions otherwise qualify under Section 355, Section 368 (a) (1) (D), and related provisions of the Code, the Split- Off Transactions would result in a significant U. S. federal income tax liability to us (but not to former holders**

of Liberty Braves common stock or holders of Liberty Formula One common stock) under Section 355 (e) of the Code if one or more persons acquire, directly or indirectly, a 50 % or greater interest (measured by vote or value) in the stock of our company or in the stock of ABH (or any successor corporation) as part of a plan or series of related transactions that includes the Split- Off Transactions. The process for determining whether an acquisition is part of a plan under these rules is complex, inherently factual in nature, and subject to a comprehensive analysis of the facts and circumstances of the particular case. Notwithstanding the opinion of tax counsel described above, we or ABH might inadvertently cause or permit a prohibited change in our or ABH' s ownership to occur, thereby triggering tax liability to us. Prior to the Split- Off, we entered into a tax sharing agreement with ABH. Under this agreement, our Company is generally responsible for taxes and losses resulting from the Split- Off Transactions; however, ABH is required to indemnify us for any taxes and losses resulting from the failure of the Split- Off Transactions to qualify as a tax- free transaction under Section 355, Section 368 (a) (1) (D) and related provisions of the Code, to the extent such taxes or losses (i) result primarily from, individually or in the aggregate, the breach of certain covenants made by ABH (applicable to actions or failures to act by ABH and its subsidiaries following the completion of the Split- Off), (ii) result from the application of Section 355 (e) of the Code to the Split- Off Transactions as a result of the treatment of the Split- Off I- 29 Transactions as part of a plan (or series of related transactions) pursuant to which one or more persons acquire, directly or indirectly, a 50 % or greater interest (measured by vote or value) in the stock of ABH (or any successor corporation), or (iii) result from any excess loss account (within the meaning of applicable U. S. Treasury Regulations) in the ABH common stock, or gain recognized under Section 361 (b) of the Code due to the application of the basis limitation in the last sentence of Section 361 (b) (3) of the Code. As the taxpaying entity, however, we are subject to the risk of non- payment by ABH of its indemnification obligations under the tax sharing agreement. Cash for the payment of any taxes and losses resulting from the Split- Off Transactions which are not allocated to and paid by ABH pursuant to our tax sharing agreement with ABH generally would be drawn proportionately from funds attributed to the Liberty SiriusXM Group, the Formula One Group, and the Liberty Live Group based upon the relative market capitalizations of the tracking stock of each group over the first three trading days following the Reclassification as determined in accordance with our tax sharing policies, except that any taxes or losses resulting from (i) the Liberty Exchange would be allocated to the Liberty SiriusXM Group and (ii) the Formula One Distribution would be allocated to the Formula One Group. Under the tax sharing agreement that is intended to be entered into between our company and Liberty Sirius XM Holdings in connection with the Liberty Sirius XM Holdings Split- Off, Liberty Sirius XM Holdings would generally be responsible for any taxes or losses related to the Split- Off Transactions that otherwise would have been allocated to the Liberty SiriusXM Group under our tax sharing policies. To preserve the tax- free treatment of the Split- Off Transactions, we may determine to forgo certain transactions that might have otherwise been advantageous to our company, including certain asset dispositions or other strategic transactions for some period of time following the Split- Off. In addition, our potential tax liabilities related to the Split- Off Transactions might discourage, delay or prevent a change of control transaction for some period of time following the Split- Off. The degradation, failure or misuse of the Company' s information systems could cause a disruption of services or improper loss, use and disclosure of personal data or other confidential information, resulting in increased costs, liabilities or loss of revenue. Cloud services, information systems and other technologies that we or our vendors or other partners use are critical to our business activities, and shutdowns or disruptions of, and cybersecurity threats and cybersecurity incidents on, such systems pose increasing Risks risks Relating. Disruptions, such as computer hacking and phishing, theft, computer viruses, ransomware, worms or other destructive software, process breakdowns, denial of service attacks or other malicious activities, as well as power outages, natural or other disasters (including extreme weather), terrorist activities or human error, may affect the systems and services we utilize and could result in disruption of our services, misappropriation, misuse, alteration, theft, loss, leakage, falsification, and accidental or premature release or improper disclosure of confidential or other information, including intellectual property and personal data (of third parties or employees) contained on such information systems. The techniques used to access, disable or degrade service or sabotage systems change frequently and continue to become more sophisticated and targeted, and the increasing use of artificial intelligence may intensify the risks of cybersecurity threats and cybersecurity incidents. While we and our vendors and partners continue to develop, implement and maintain security measures seeking to identify and mitigate the risks of cybersecurity threats and cybersecurity incidents, including unauthorized access or misuse, as discussed under Item 1C of this Annual Report on Form 10- K, such efforts are costly, require ongoing monitoring and updating and may not be successful in preventing these events from occurring. In addition, the Company' s recovery and business continuity plans may not be adequate to address any cybersecurity incidents that occur. Although no cybersecurity incident has been material to the Company' s businesses to date, we expect to continue to be subject to cybersecurity threats and cybersecurity incidents and there can be no assurance that we will not experience a material cybersecurity incident. Any cybersecurity incidents could result in a disruption of our operations, customer or advertiser dissatisfaction, damage to our reputation or brands, regulatory investigations, claims, lawsuits or loss of customers or revenue of Sirius XM Holdings, Formula 1 and Live Nation, and the Company may also be subject to liability under relevant contractual obligations and laws and regulations protecting personal data and may be required to expend significant resources to defend, remedy and / or address any cybersecurity incidents and claims, investigations, penalties, fines, damages or settlements arising from cybersecurity incidents. The Company may not have adequate insurance coverage to compensate it for any losses that may occur. I- 30 Sirius XM Holdings, Formula 1 and Live Nation have been, and may in the future be, materially impacted by a pandemic or epidemic, such as COVID- 19 The ongoing 19. Although Sirius XM Holdings, Formula 1, and Live Nation saw a return to normal business operations, schedules and events following the COVID- 19 pandemic, and a future pandemic or epidemic,

has introduced and may continue to introduce significant uncertainty to Sirius XM Holdings' business. The COVID-19 pandemic has also introduced significant uncertainties to Sirius XM Holdings' business. The extent to which the COVID-19 pandemic may impact Sirius XM Holdings' results depends on future developments, which are highly uncertain, including the resurgence of COVID-19 and its variants that may be occurring. Another broad I-31 shutdown of businesses, either in the U.S. or globally, as a result of the COVID-19 pandemic would likely have an adverse effect on Sirius XM Holdings' business. Formula 1, Braves Holdings and Live Nation have been, and may continue to be, materially impacted by COVID-19 and may be materially impacted by a future pandemic or epidemic. Although Formula 1, Braves Holdings and Live Nation saw a more complete return to normal business operations, schedules and events in 2022, it is unclear whether and to what extent COVID-19 concerns, or a future pandemic or epidemic, will impact the use of and / or demand for the entertainment, events and services provided by these businesses and demand for sponsorship and advertising assets. If these businesses face cancelled events, closed venues and reduced attendance, **as was the result of the COVID-19 pandemic,** the impact may substantially decrease our revenue. **Due For example, due** to the revenue reductions caused by COVID-19 in 2020 and 2021, these businesses ~~have~~ looked to reduce expenses, but should such impacts resume, the businesses may not be able to reduce expenses to the same degree as any decline in revenue, which may adversely affect our results of operations and cash flow. In addition, our businesses are particularly sensitive to reductions in travel and discretionary consumer spending. We cannot predict the time period over which our businesses ~~will~~ **would** be impacted by ~~COVID-19 or~~ a future pandemic or epidemic. Over the long-term, ~~COVID-19 or~~ a future pandemic or epidemic could impede economic activity in impacted regions or globally, causing a global recession, leading to a further decline in discretionary spending on sports and entertainment events and other leisure activities, which could result in long-term effects on our businesses. ~~Even as our businesses resume more normal operations, there can be no assurances that fans attending events or vendors and employees working at our events will not contract COVID-19 or another illness in the course of attending or providing services. Any such occurrence could result in litigation, legal and other costs and reputational risk that could materially and adversely impact our businesses and results of operations. Even after the COVID-19 pandemic subsides, the U.S. economy may experience a recession, and we anticipate our businesses and operations could be materially adversely affected by a prolonged recession in the U.S.~~ For the reasons set forth above and other reasons that may come to light as a result of ~~the ongoing COVID-19 pandemic or~~ a future pandemic or epidemic, we cannot reasonably estimate the impact to our future revenue, results of operations, cash flows or financial condition, but such impacts have been, **and will continue to may in the future** be, significant and could have a material adverse effect on our business, revenue, results of operations, cash flows and financial condition. Risks Relating to the Liberty SiriusXM Group Sirius XM Holdings ~~has been, and may continue to be, adversely affected by supply chain issues. The issues associated with the global supply chain for parts and components is having wide-ranging effects across multiple industries, including direct and indirect effects on Sirius XM Holdings' business. Automakers are experiencing, and may continue to experience, delays in securing certain components that are essential to the production of new vehicles for a variety of reasons, including due to the global semiconductor supply shortage and the war in Ukraine. These affected automakers manufacture and sell vehicles that include Sirius XM Holdings' satellite radios. For example, some automobile plants in North America and elsewhere have at times halted or reduced vehicle production due to the shortage of certain components used in the production of their vehicles. As a result, these supply chain shortages have had, and may continue to have, an impact on new vehicle production and deliveries, which in turn may affect Sirius XM Holdings' subscriber acquisition efforts. Sirius XM Holdings also has experienced, and may continue to experience, delays in securing certain application specific integrated circuits (which are commonly referred to as "chipssets") that are essential components of its satellite radios. Delays or the unavailability of these components could have an adverse impact on Sirius XM Holdings' operations and financial conditions. I-32~~ Sirius XM Holdings may be adversely affected by the war in Ukraine. The war in Ukraine, and any expansion of the war in Ukraine to surrounding areas, could adversely affect Sirius XM Holdings' business and operations. The war in Ukraine could affect the supply of certain components that Sirius XM Holdings relies on in connection with its business and operations, such as software and certain subsystems that may be planned to be integrated as part of Sirius XM Holdings' satellites currently under construction for its system. In addition, AdsWizz is headquartered in Romania and Sirius XM Holdings relies on other contractors in Eastern European countries, such as Poland. An expansion of the war in Ukraine to other countries, particularly Romania, could materially affect Sirius XM Holdings' ability to deliver advertisements on its Pandora services and for third parties. Sirius XM Holdings faces substantial competition and that competition is likely to increase over time. Sirius XM Holdings competes for the time and attention of its listeners with other content providers on the basis of a number of factors, including quality of experience, relevance, acceptance and perception of content quality, ease of use, price, accessibility, brand awareness, reputation and, in the case of its ad-supported Pandora service, perception of ad load, features and functionality. As consumer tastes and preferences change on the internet and with mobile and other connected products, including cars, in-home, and wearable devices, Sirius XM Holdings will need to enhance and improve its existing services, introduce new services and features, and attempt to maintain its competitive position with additional technological advances and adaptable platforms. **The Neither the Sirius XM App nor the Pandora App has not** been significantly updated in several years. If Sirius XM Holdings fails to keep pace with technological advances or fails to offer compelling product offerings and state-of-the-art delivery platforms to meet consumer demands, its ability to grow or maintain the reach of its services, attract and retain users, and attract listeners and subscribers across its services will be adversely affected. Sirius XM Holdings' ability to attract and retain subscribers and listeners also depends on its success in creating and providing popular or unique programming. A summary of certain services that compete with Sirius XM Holdings is contained in the section entitled "Item 1. Business- Competition" of this Annual Report on Form 10-K. Sirius XM Holdings' subscribers and listeners can obtain similar content for free through terrestrial radio stations, **Spotify,** YouTube and other internet services. Sirius XM Holdings also competes for the time and attention of its listeners with providers of other in-home and mobile entertainment services, and it competes for advertising sales with large scale online advertising platforms, such as

Amazon, Facebook and Google, and with traditional media outlets. Sirius XM Holdings' streaming services also compete for listeners on the basis of the presence and visibility of its apps, which are distributed via app stores operated by Apple and Google. Sirius XM Holdings faces significant competition for listeners from these companies, which also promote their own music and content. In addition, Sirius XM Holdings' competitors' streaming products may be pre-loaded or integrated into consumer electronics products or automobiles, more broadly than Sirius XM Holdings' streaming products, creating a visibility advantage. If Sirius XM Holdings is unable to compete successfully for listeners against other media providers, then its business may suffer. Additionally, the operator of an app store may reject Sirius XM Holdings' app or amend the terms of their license in a way ~~I- that~~ **31 that** inhibits Sirius XM Holdings' ability to distribute its apps, negatively affects its business, or limits its ability to increase subscribers and listeners. Competition could result in lower subscription, advertising or other revenue and an increase in Sirius XM Holdings' expenses and, consequently, lower its earnings and free cash flow. Sirius XM Holdings cannot provide assurance that it will be able to compete successfully with its existing or future competitors or that competition will not have an adverse impact on its operations and financial condition. If Sirius XM Holdings' efforts to attract and retain subscribers and listeners, or convert listeners into subscribers, are not successful, its business will be adversely affected. Sirius XM Holdings' business will be adversely affected if it is unable to attract new subscribers and listeners and retain its current subscribers and listeners. ~~I- 33 Sirius~~ **Sirius XM Holdings' ability to increase the number of subscribers and listeners to its services, retain its subscribers and listeners or convert listeners into subscribers, is uncertain and subject to many factors, including:**

- the price of Sirius XM Holdings' **service services**;
- the ease of use of Sirius XM Holdings' **service services**;
- the effectiveness of Sirius XM Holdings' marketing programs;
- with respect to its Sirius XM service, the sale or lease rate of new vehicles in the U. S.;
- the rate at which Sirius XM Holdings' self-pay subscribers to its Sirius XM service buy and sell new and used vehicles in the U. S.;
- Sirius XM Holdings' ability to convince owners and lessees of new and used vehicles that include satellite radios to purchase subscriptions to its Sirius XM service;
- the perceived value of Sirius XM Holdings' programming and the packages and services it offers;
- Sirius XM Holdings' ability to introduce features in a manner that is favorably received by its consumers;
- Sirius XM Holdings' ability to keep up with rapidly evolving technology and features in audio entertainment;
- Sirius XM Holdings' ability to respond to evolving consumer tastes; and
- actions by Sirius XM Holdings' competitors, such as Spotify, Apple, Google, Amazon, ~~Facebook~~ and other audio entertainment and information providers.

Sirius XM Holdings engages in extensive marketing efforts and the continued effectiveness of those efforts is an important part of its business. Sirius XM Holdings engages in extensive marketing efforts across a broad range of media to attract and retain subscribers and listeners to its services. Sirius XM Holdings employs a wide variety of communications tools as part of its marketing campaigns, including telemarketing efforts and email solicitations. The effectiveness of its marketing efforts is affected by a broad range of factors, including creative and execution factors. Sirius XM Holdings' ability to reach consumers with radio and television advertising, **performance and digital media**, direct mail materials, email solicitations and telephone calls is an important part of its efforts and a significant factor in the effectiveness of its marketing. If Sirius XM Holdings is unable to reach consumers through email solicitations or telemarketing, including as a result of "spam" and email filters, call blocking technologies, **restriction in digital media on identifying users, such as limits on "cookies,"** consumer privacy regulations or "do-not-call" or other marketing regulations, its marketing efforts will be adversely affected. A decline in the effectiveness of its marketing efforts could have an adverse impact on its operations and financial condition. ~~I- Sirius~~ **32 Sirius XM Holdings relies on third parties for the operation of its business, and the failure of third parties to perform could adversely affect its business. Sirius XM Holdings' business depends, in part, on various third parties, including:**

- **creators and licensors of software that support Sirius XM Holdings' apps and services;**
- **programming providers, including agreements with owners of various copyrights in music, and on-air talent;**
- manufacturers that build and distribute satellite radios;
- companies that manufacture and sell integrated circuits for satellite radios;
- ~~third-party software that supports Sirius XM Holdings' apps and services;~~
- **programming providers, including agreements with owners of various copyrights in music, and on-air talent;**
- vendors that operate its call centers;
- vendors that have designed or built, and vendors that support or operate, other important elements of Sirius XM Holdings' systems, including its satellites and ~~the~~ "cloud"-based systems **it uses**;
- ~~I- 34~~ • Apple, who distributes Sirius XM Holdings' apps through its App Store and **on who whom**, in the case of the Pandora service, Sirius XM Holdings relies ~~on~~ to collect fees and approve the terms of its consumer offers; and
- Google, who distributes Sirius XM Holdings' apps through its App Store and **on who whom** Sirius XM Holdings, in the case of the Pandora service, relies ~~on~~ to collect fees and approve the terms of its consumer offers, and who plays an important role in the fulfillment of the ads Sirius XM Holdings sells on its Pandora platform. If one or more of these third parties do not perform in a satisfactory or timely manner, including complying with Sirius XM Holdings' standards and practices relating to business integrity, personnel and cybersecurity, its business could be adversely affected. The operation of Sirius XM Holdings' apps and service offerings could be impaired if errors occur in the third party software that supports Sirius XM Holdings' apps and services. It ~~is~~ **may be** difficult for Sirius XM Holdings to correct any defects in third party software because the development and maintenance of the software is not within its control. Sirius XM Holdings' third party licensors may not continue to make their software available to Sirius XM Holdings on acceptable terms, invest the appropriate levels of resources in their software to maintain and enhance its capabilities, or remain in business. Failure of these third-party licensors could harm Sirius XM Holdings' streaming services. In addition, a number of third parties on which Sirius XM Holdings depends have experienced, and may in the future experience, financial difficulties or file for bankruptcy protection. Such third parties may not be able to perform their obligations to Sirius XM Holdings in a timely manner, if at all, as a result of their financial condition or may be relieved of their obligations to Sirius XM Holdings as part of seeking bankruptcy protection. **Sirius XM Holdings is migrating its billing system and payment processing functions to a new service provider. Sirius XM Holdings is migrating its payment processing and related billing functions from a large multinational bank to a private company that offers online payment processing and commerce solutions for digital and internet businesses. Sirius XM Holdings' new vendor is not a bank, bank holding**

company or affiliated with a large multi-national bank. In addition, financial statements for Sirius XM Holdings' new payment processor are not publicly available and nationally recognized statistical rating organizations (such as Standard & Poor's) have not issued ratings evaluating its creditworthiness and ability to pay. Sirius XM Holdings is subject to various risks associated with its new payment processor, including the risks of being an unsecured creditor, actions by credit card issuers (such as Visa, MasterCard and American Express) that could adversely affect its operations and payment processing functions, actions by government authorities that regulate financial transactions that may affect Sirius XM Holdings' new vendor's business, operations and financial condition, and general data privacy and cybersecurity risks associated with its systems and operations. The new payment processor commingles Sirius XM Holdings' funds arising from credit and debit card transactions with other amounts owing to third parties and I-33 those commingled accounts are subject to the claims of third parties, it does not pay Sirius XM Holdings interest on amounts it holds for Sirius XM Holdings' benefit, including funds held overnight, and it has broad rights to establish reserves and debit Sirius XM Holdings' bank accounts to pay itself fees and reimburse itself and customers in the event of disputes. In addition, Sirius XM Holdings is subject to the general risk that the new vendor may not comply with its obligations relating to the settlement of transactions or the investment of Sirius XM Holdings' funds held on an intra-day and overnight basis. If the new payment processing and commerce solution does not function as provided in Sirius XM Holdings' agreement or access to these new systems are disrupted, Sirius XM Holdings' business could be adversely affected.

Failure to successfully monetize and generate revenue from podcasts and other non-music content could adversely affect Sirius XM Holdings' business, operating results, and financial condition. Delivering podcasts and other non-music content involves risks and challenges, including increased competition and the need to develop new relationships with creators. Sirius XM Holdings has entered into multi-year commitments for original podcast content that is produced by third parties. These agreements generally provide Sirius XM Holdings the right to distribute the content and act as the exclusive agent for the sale of advertising in the podcasts. Payment terms for certain podcast content typically requires more upfront cash payments, including minimum guarantees to the owner or creator of the podcast, than other content licenses or arrangements. Given the multiple-year duration and largely fixed-cost nature of such commitments, if the attractiveness of such podcast content to Sirius XM Holdings' listeners and subscribers do not meet its expectations, Sirius XM Holdings' margins could be adversely impacted. In addition, the advertising market for podcasts is still developing, including the advertising technology necessary to efficiently sell podcast audio advertising within podcasts at scale. As a result, Sirius XM Holdings' ability to profitably monetize the available advertising opportunities in podcasts remains uncertain. Growing Sirius XM Holdings' podcasting business may require additional changes to its business model and cost structure, modifications to its infrastructure, and could expose us Sirius XM Holdings to new regulatory, legal and reputational risks, including infringement liability. There is no guarantee that Sirius XM Holdings will be able to generate sufficient revenue from podcasts to offset the costs of creating or acquiring this content. Sirius XM Holdings' failure to successfully monetize and generate revenue from such content, including failure to obtain or retain rights to podcasts or other non-music content on acceptable terms, or at all, or to effectively manage the numerous risks and challenges associated with such expansion, could adversely affect Sirius XM Holdings' business, operating results, and financial condition. Sirius XM Holdings may not realize the benefits of acquisitions or other strategic investments and initiatives. Sirius XM Holdings' strategy has included and may include selective acquisitions, other strategic investments and initiatives in an effort to expand its business. The success of any acquisition depends upon effective integration, cultural assimilation and management of acquired businesses and assets into its operations, which is subject to risks and uncertainties, including realizing the growth potential, the anticipated synergies and cost savings, the ability to retain and attract personnel, the I-35 diversion-- diversion of management's attention for other business concerns, and undisclosed or potential legal liabilities of the acquired business or assets. The integration process could distract Sirius XM Holdings' management, disrupt its ongoing business or result in inconsistencies in Sirius XM Holdings' services, standards, controls, procedures and policies, any of which could adversely affect its ability to maintain relationships with customers, vendors and employees or to achieve the anticipated benefits of the acquisition. The impact of economic conditions may adversely affect Sirius XM Holdings' business, operating results, and financial condition. Sirius XM Holdings' success depends to a significant extent on discretionary consumer spending. Some of the factors that may influence consumer spending on entertainment include general economic conditions, the availability of I- discretionary-34 discretionary income, consumer confidence, interest rates, inflationary pressure, and general uncertainty regarding the overall economic environment. The demand for entertainment generally is sensitive to downturns in the economy and the corresponding impact on discretionary consumer spending. Any actual or perceived deterioration or weakness in general, regional or local economic conditions, as well as other adverse economic or market conditions due to COVID-19 or otherwise, could reduce Sirius XM Holdings' subscribers' or potential subscribers' discretionary income. To the extent that overall economic conditions reduce spending on discretionary items, Sirius XM Holdings' ability to attract and retain subscribers could be hindered, which could reduce its subscription revenue and negatively impact its business. Additionally, Sirius XM Holdings' financial performance is subject to economic conditions and their impact on levels of advertising spending. Expenditures by advertisers generally tend to reflect overall economic conditions, and reductions in spending by advertisers could have an adverse impact on Sirius XM Holdings' revenue and business. See "Pandora generates a significant portion of its revenue from advertising, and reduced spending by advertisers could harm its business." Sirius XM Holdings may be adversely affected by the war in Ukraine. The war in Ukraine, and any expansion of the war in Ukraine to surrounding areas, could adversely affect Sirius XM Holdings' business and operations. In addition, AdsWizz is headquartered in Romania and Sirius XM Holdings relies on other contractors in Eastern European countries, such as Poland. An expansion of the war in Ukraine to other countries, particularly Romania, could materially affect Sirius XM Holdings' ability to deliver advertisements on its Pandora services and for third parties. A substantial number of Sirius XM service subscribers periodically cancel their subscriptions and Sirius XM Holdings cannot

predict how successful it will be at retaining customers. As part of Sirius XM Holdings' business, it experiences, and expects to experience in the future, subscriber turnover (i. e., churn). **The number of subscribers to the Sirius XM service declined in 2023 and may further contract in the future.** If Sirius XM Holdings is unable to retain current subscribers at expected rates, or the costs of retaining subscribers are higher than expected, its financial performance and operating results could be adversely affected. Sirius XM Holdings cannot predict how successful it will be at retaining customers who purchase or lease vehicles that include a subscription to its Sirius XM service. A substantial percentage of Sirius XM subscribers are on **discounted promotional** pricing plans and Sirius XM Holdings' ability to retain these subscribers or migrate them to higher priced plans is uncertain. Sirius XM Holdings' **discounted promotional** pricing strategy is widely known, and this may interfere with its ability to collect its ordinary subscription prices. In addition, a substantial number of those subscribers periodically cancel their subscriptions when offered a subscription at a higher price. Sirius XM Holdings' ability to profitably attract and retain subscribers to its Sirius XM service is uncertain. A number of factors may affect Sirius XM Holdings' ability to attract and retain subscribers to its Sirius XM service. **The Over time, the** changing demographics of **trialers to** Sirius XM Holdings' **service subscriber base**, such as the increase in " Millennial generation customers, " may increase the number of subscribers accustomed to consuming entertainment through ad- supported products. These changing demographics may affect Sirius XM Holdings' ability to convert trial subscribers into self- paying subscribers. Similarly, Sirius XM Holdings' efforts to acquire subscribers purchasing or leasing used vehicles may attract price sensitive consumers. Consumers purchasing or leasing used vehicles may be more price sensitive than consumers purchasing or leasing new vehicles, **may** convert from trial subscribers to self- paying subscribers at a lower rate, and **may** cancel their subscriptions more frequently than consumers purchasing or leasing new vehicles. Some of Sirius XM Holdings' marketing efforts may also attract more price sensitive subscribers, and its efforts to increase the **I-36 penetration-- penetration** of satellite radios in new, lower- priced vehicle lines may result in the growth of more economy- minded subscribers. Each of these factors may harm Sirius XM Holdings' revenue or require additional spending on marketing efforts to demonstrate the value of its Sirius XM service. **I- Sirius 35** Sirius XM Holdings' business depends in part upon the auto industry. A substantial portion of the subscription growth for Sirius XM Holdings' satellite radio service has come from purchasers and lessees of new and used automobiles in the U. S., and Sirius XM Holdings expects this to be an important source of subscribers for its satellite radio service in the future. Sirius XM Holdings has agreements with major automakers to include satellite radios in new vehicles, although these agreements do not require automakers to install specific or minimum quantities of radios in any given period. **Many of These these** agreements also require automakers to provide Sirius XM Holdings data on sales of satellite radio enabled vehicles, including in many cases the consumer' s name and address. Sirius XM Holdings' business could be adversely affected if automakers do not continue to include its Sirius XM service in their products or provide Sirius XM Holdings with such data. Automotive production and sales are dependent on many factors, including **labor relations matters**, the availability of vehicle components, consumer credit, general economic conditions, consumer confidence and fuel costs. To the extent vehicle sales by automakers decline, or the penetration of factory- installed satellite radios in those vehicles is reduced, **subscriber growth for** Sirius XM Holdings' satellite radio service may be adversely impacted. Sales of used vehicles represent a significant source of new subscribers for Sirius XM Holdings' satellite radio service. Sirius XM Holdings has agreements with auto dealers and companies operating in the used vehicle market to provide it with data on sales of used satellite radio enabled vehicles, including in many cases the consumer' s name and address. The continuing availability of this data is important and the loss of such data may harm its revenue and business. Failure of Sirius XM Holdings' satellites would significantly damage its business. The lives of the satellites required to operate the Sirius XM service vary depending on a number of factors, including: ● degradation and durability of solar panels; ● quality of construction; ● random failure of satellite components, which could result in significant damage to or loss of a satellite; ● amount of fuel the satellite consumes; ● the performance of third parties that manage the operation of its satellites; and ● damage or destruction as a result of electrostatic storms, terrorist attacks, collisions with other objects in space or other events, such as nuclear detonations, occurring in space. In the ordinary course of operation, satellites experience failures of component parts and operational and performance anomalies. Components on several of Sirius XM Holdings' in- orbit satellites have failed, and from time to time it has experienced anomalies in the operation and performance of these satellites. These failures and anomalies are expected to continue in the ordinary course, and Sirius XM Holdings cannot predict if any of these possible future events will have a material adverse effect on its operations or the life of its existing in- orbit satellites. In addition, **Sirius XM Holdings has entered into agreements for the construction and launch of four new satellites that are expected to be launched over the next four years, and material delays in the deployment of the these satellites could be harmful to its business. The** Sirius network of terrestrial repeaters communicates with a single third- party satellite. The XM network of terrestrial repeaters communicates with a single XM satellite. If the satellites communicating with the applicable repeater network fail unexpectedly, the services would be disrupted for several hours or longer. Any material failure of Sirius XM Holdings' operating satellites could cause it to lose customers for its Sirius XM service and could materially harm its reputation and its operating results. Sirius XM Holdings does not have insurance **I-37 for-- for** its in- orbit satellites. Additional information regarding Sirius XM Holdings' fleet of satellites is contained in the section **I- entitled 36** entitled " Item 1. Business — Sirius XM Holdings — Satellites, Terrestrial Repeaters and Other Satellite Facilities " of this Annual Report on Form 10- K. The Sirius XM service may experience harmful interference from wireless operations. The development of applications and services in spectrum adjacent to the frequencies licensed to Sirius XM Holdings, as well as the combination of signals in other frequencies, may cause harmful interference to its satellite radio service in certain areas of the U. S. **Certain operations or combination of operations permitted by the FCC in spectrum, other than Sirius XM Holdings' licensed frequencies, results in the loss of signal to its service, and the reception of its satellite radio service can be adversely affected in certain areas.** Elimination of this interference may not be possible in all cases. In other cases, Sirius XM Holdings' efforts to reduce this interference may require extensive engineering efforts and additions to its terrestrial infrastructure. These mitigation efforts may

be costly and take several years to implement and may not be entirely effective. In certain cases, Sirius XM Holdings is dependent on the FCC to assist it in preventing harmful interference to its service. Pandora's ad-supported **business service** has suffered a substantial and consistent loss of monthly active users, which may adversely affect **its the Pandora and Off-platform** business. The number of monthly active users to Sirius XM Holdings' ad-supported Pandora **business service** has declined consistently for several years, including in **2022-2023**, and is likely to further contract in the future. The size of Sirius XM Holdings' ad-supported listener base is an important element of its Pandora **business service**. The decline in Sirius XM Holdings' listener base has resulted in fewer listener hours and available advertising spots on its Pandora service, which ultimately may result in declines in advertising revenue, and adversely affect its Pandora **and Off-platform** business. The contraction of Sirius XM Holdings' ad-supported listener base also decreases the size of demographic groups targeted by advertisers, which may hurt Sirius XM Holdings' ability to deliver advertising in a manner that maximizes advertisers' return on investment and compete with other streaming advertising platforms. **The Pandora and Off-platform business** generates a significant portion of its revenue from advertising, and reduced spending by advertisers could harm its business. **The Pandora and Off-platform business** currently generates a majority of its revenue from third parties advertising on **its the Pandora** ad-supported service **and other platforms**. As is common in the audio entertainment industry, **these Pandora's** advertisers do not have long-term advertising commitments with Pandora and can terminate their contracts at any time. Expenditures by advertisers tend to be cyclical, reflecting overall economic conditions and budgeting and buying patterns. Adverse macroeconomic conditions have affected, and may **continue to in the future** affect, the demand for audio advertising, resulting in fluctuations in the amounts advertisers spend on advertising, which could harm Sirius XM Holdings' financial condition and operating results. Sirius XM Holdings' failure to convince advertisers of the benefits of its Pandora ad-supported service could harm its business. Sirius XM Holdings' ability to attract and retain advertisers, and ultimately to sell its advertising inventory, depends on a number of factors, including: • the number of listener hours on the Pandora ad-supported service, particularly the number of listener hours attributable to high-value demographics; • keeping pace with changes in technology and its competitors, some of which have significant influence over the distribution of the Pandora app; • competing effectively for advertising with other dominant online services, such as Spotify, Google **and**, Facebook **and YouTube**, as well as other marketing and media outlets; **I-38** • successfully competing for local radio advertising; **I-37** • demonstrating the ability of advertisements to reach targeted audiences, including the value of mobile digital advertising; • ensuring that new ad formats and ad product offerings are attractive to advertisers and that inventory management decisions (such as changes to ad load, frequency, prominence and quality of ads that Sirius XM Holdings serves listeners) do not have a negative impact on listener hours; and • adapting to technologies designed to block the display of its ads. Advertisers may leave Sirius XM Holdings for competing alternatives at any time. Failure to demonstrate to advertisers the value of its Pandora service would result in reduced spending by, or loss of, advertisers, which would harm its revenue and business. If Sirius XM Holdings is unable to maintain revenue growth from its advertising products, its results of operations will be adversely affected. In order to effectively monetize listener hours, Sirius XM Holdings must, among other things, penetrate local advertising markets and develop compelling ad product solutions. The substantial majority of the total listening to the Pandora service occurs on mobile devices. Sirius XM Holdings is engaged in efforts to continue to convince advertisers of the capabilities and value of mobile digital advertising and to direct an increasing portion of their advertising spend to its ad-supported Pandora service. Sirius XM Holdings is continuing to build its sales capability to penetrate local advertising markets, which places Sirius XM Holdings in competition with terrestrial radio. Sirius XM Holdings may not be able to capture an increasing share of local and audio advertising revenue, which may have an adverse impact on its future revenue. Changes to mobile operating systems and browsers may hinder Sirius XM Holdings' ability to sell advertising and market its services. Sirius XM Holdings uses shared common device identifiers that are universal in the advertising technology ecosystem, such as Apple's Identifier for Advertisers, a random device identifier assigned by Apple to a user's device. Sirius XM Holdings uses these common device identifiers for targeting, advertising effectiveness and measurement of the Pandora's advertising business and for Pandora's consumer marketing purposes. These common device identifiers enable Sirius XM Holdings to match audiences, including with second- and third-party data providers and measurement vendors and enhance Pandora's advertising targeting segments with additional data. In its programmatic advertising business, Sirius XM Holdings uses common identifiers for several important functions, such as targeting and bidding. Sirius XM Holdings also uses common device identifiers to evaluate the success of its Pandora brand consumer marketing campaigns. Apple, as well as mobile operating system and browser providers, have implemented product features and plans that may adversely impact Sirius XM Holdings' ability to use these common identifiers and data collected in connection with these common identifiers in its Pandora business. If Sirius XM Holdings fails to accurately predict and play music, comedy or other content that its Pandora listeners enjoy, it may fail to retain existing and attract new listeners. A key differentiating factor between the Pandora service and other music content providers is its ability to predict music that its listeners will enjoy. The effectiveness of Sirius XM Holdings' personalized playlist generating system depends, in part, on its ability to gather and effectively analyze large amounts of listener data and feedback. Sirius XM Holdings may not continue to be successful in enticing listeners to its Pandora service to give a thumbs-up or thumbs-down to enough songs to effectively predict and select new and existing songs. In addition, Sirius XM Holdings' ability to offer listeners songs that they have not previously heard and impart a sense of discovery depends on its ability to acquire and appropriately categorize additional tracks that will appeal to its listeners' diverse and changing tastes. Many of Sirius **XM I-39XM** Holdings' competitors currently have larger music and content catalogs than it offers and they may be more effective in providing their listeners with an appealing listener experience. **I-38 Sirius** Sirius XM Holdings also provides comedy and podcast content on its Pandora service, and it tries to predict what its listeners will enjoy using technology similar to the technology that it uses to generate personalized playlists for music. The risks that apply to Sirius XM Holdings' ability to satisfy its listeners' musical tastes apply to comedy, podcasts and other content to an even greater extent, particularly since Sirius XM Holdings does not yet have as large a data set

on listener preferences for comedy, podcasts and other content, and have a smaller catalog of such content as compared to music. Sirius XM Holdings' ability to predict and select music, comedy, podcasts and other content that its listeners enjoy is important to the perceived value of its Pandora service to consumers and the failure to make accurate predictions would adversely affect its ability to attract and retain subscribers and listeners, increase listener hours and sell advertising. Privacy and data security laws and regulations may hinder Sirius XM Holdings' ability to market its services, sell advertising and impose legal liabilities. Sirius XM Holdings receives a substantial amount of personal data on purchasers and lessees of new and used vehicles from third parties. Sirius XM Holdings uses this personal data to market its services. Sirius XM Holdings collects and uses demographic, service usage, purchase history and other information, including location information, from and about its listeners through the internet. Further, Sirius XM Holdings and third parties use tracking technologies, including "cookies" and related technologies, to help it manage and track its listeners' interactions with its services and deliver relevant advertising. Various federal and state laws and regulations, as well as the laws of foreign jurisdictions, govern the collection, use, retention, sharing and security of the personal data Sirius XM Holdings receives. Privacy groups and government authorities have increasingly scrutinized the ways in which companies collect and share personal data, including linking personal identities and data associated with particular users or devices with data collected through the internet, and Sirius XM Holdings expects such scrutiny to increase. Alleged violations of laws and regulations relating to privacy and personal data may expose Sirius XM Holdings to potential liability, may require Sirius XM Holdings to expend significant resources in responding to and defending such allegations and claims and could in the future result in negative publicity and a loss of confidence in Sirius XM Holdings by its subscribers, listeners, advertisers and other third parties with whom it does business. Privacy-related laws and regulations, such as the California Consumer Privacy Act and the European General Data Protection Regulation, are evolving and subject to potentially differing interpretations. Various federal and state legislative and regulatory bodies as well as foreign legislative and regulatory bodies may expand current or enact new laws regarding privacy and data security-related matters. New laws, amendments to or re-interpretations of existing laws and contractual obligations, as well as changes in Sirius XM Holdings' listeners' expectations and demands regarding privacy and data security, may limit its ability to collect and use consumer data. Restrictions on Sirius XM Holdings' ability to receive, collect and use consumer data could limit its ability to attract and retain subscribers and listeners to its services. In addition, restrictions on Sirius XM Holdings' ability to collect, access and process listener data, or to use or disclose listener data or profiles that it develops using such data, could limit Sirius XM Holdings' ability to market its content and services to its potential listeners and offer targeted advertising opportunities to its advertisers, each of which are important to its business. Increased regulation of personal data utilization practices and compliance administration could increase Sirius XM Holdings' costs of operation or otherwise adversely affect its business. Consumer protection laws and Sirius XM Holdings' failure to comply with them could damage its business. Federal and state consumer protection laws, rules and regulations cover nearly all aspects of Sirius XM Holdings' marketing efforts, including the content of its advertising, the terms of consumer offers and the manner in which it communicates with consumers. **A number of** **The State of New York has filed a suit against Sirius XM Holdings relating to its subscription cancellation practices and other** governmental authorities have commenced investigations into Sirius XM Holdings' consumer practices, including the manner in which it allows consumers to cancel subscriptions to its services. The nature of Sirius XM Holdings' business requires it to expend significant resources to try to ensure that its marketing ~~I-40activities~~ **activities** comply with consumer protection laws, including laws relating to telemarketing activities and privacy. These efforts may not be successful and Sirius XM Holdings may have to expend even greater resources in its compliance efforts. ~~I- Modifications~~ **39Modifications** to consumer protection laws, including **laws regarding the pricing of Sirius XM Holdings' services and the manner in which consumers can cancel its services as well as** decisions by courts and administrative agencies interpreting these laws, could have an adverse impact on Sirius XM Holdings' ability to attract and retain subscribers and listeners to its services. There can be no assurance that new laws or regulations will not be enacted or adopted, preexisting laws or regulations will not be more strictly enforced or that its operations will comply with all applicable laws, which could have an adverse impact on its operations and financial condition. Failure to comply with FCC requirements could damage Sirius XM Holdings' business. Sirius XM Holdings holds FCC licenses and authorizations to operate commercial satellite radio services in the U. S., including satellites, terrestrial repeaters, and related authorizations. The FCC generally grants licenses and authorizations for a fixed term. Although Sirius XM Holdings expects its licenses and authorizations to be renewed in the ordinary course upon their expiration, there can be no assurance that this will be the case. Any assignment or transfer of control of any of Sirius XM Holdings' FCC licenses or authorizations must be approved in advance by the FCC. The operation of Sirius XM Holdings' satellite radio systems is subject to significant regulation by the FCC under authority granted through the Communications Act of 1934 and related federal law. Sirius XM Holdings is required, among other things, to operate only within specified frequencies; to coordinate its satellite radio services with radio systems operating in the same range of frequencies in neighboring countries; and to coordinate its communications links to its satellites with other systems that operate in the same frequency band. Noncompliance by Sirius XM Holdings with these requirements or other conditions or with other applicable FCC rules and regulations could result in fines, additional license conditions, license revocation or other detrimental FCC actions. There is no guarantee that Congress will not modify the statutory framework governing Sirius XM Holdings' services, or that the FCC will not modify its rules and regulations in a manner that would have an adverse impact on Sirius XM Holdings' operations. **Environmental, social and governance expectations and related reporting obligations may expose Sirius XM Holdings to potential liabilities, increased costs, reputational harm and other adverse effects. Many governments, regulators, investors, employees, customers and other stakeholders are focused on environmental, social and governance (or "ESG") considerations, including climate change and greenhouse gas emissions; human capital management, including diversity, equity and inclusion; cybersecurity; content moderation; and human and civil rights. Sirius XM Holdings' reporting and disclosures in response to these expectations may require additional investments and reporting processes, introduce**

additional compliance risk, and depend in part on third- party performance or data that is outside its control. Related initiatives, and implementation of these initiatives, also involve risks and uncertainties, and Sirius XM Holdings cannot guarantee that it will achieve any announced environmental, social and governance objectives. In addition, some stakeholders may disagree with Sirius XM Holdings' initiatives and objectives. Any failure, or perceived failure, to further our initiatives, adhere to public statements, comply with federal or state ESG laws and regulations, or meet evolving and varied stakeholder expectations and standards could result in legal and regulatory proceedings against Sirius XM Holdings and adversely affect its business, reputation, financial condition, and operations results. Sirius XM Holdings may face lawsuits, incur liability or suffer reputational harm as a result of content published or made available through its services. The nature of Sirius XM Holdings' business could expose it to claims or public criticism related to defamation, illegal content, misinformation, and content regulation. Sirius XM Holdings could incur costs investigating and defending any such claims. In addition, some stakeholders may disagree with third- party content provided through Sirius XM Holdings' services, and negative public criticism of this content could damage its reputation and brands. If Sirius XM Holdings incurs material costs, liability, or negative consumer reaction as a result of these occurrences, its business, financial condition and operating results could be adversely impacted. I- 40

If Sirius XM Holdings fails to protect the security of personal information about its customers, it could be subject to costly government enforcement actions and private litigation and its reputation could suffer. The nature of Sirius XM Holdings' business involves the receipt and storage of personal information about its subscribers and listeners, including, in many cases, credit and debit card information. Sirius XM Holdings has a program in place to detect and respond to data security incidents. However, the techniques used to gain unauthorized access to data systems are constantly evolving and may not be difficult to detect detected for long periods of time. Sirius XM Holdings may be unable to anticipate or prevent unauthorized access to data pertaining to its customers, including credit card and debit card information and other personally identifiable information. Sirius XM Holdings' services, which are supported by its own systems and those of third- party vendors, could be subject to computer malware and attacks, as well as to catastrophic events (such as fires, floods, hurricanes or tornadoes), any of which could lead to system interruptions, delays, or shutdowns, causing loss of critical data or the unauthorized access to personally identifiable information. If Sirius XM Holdings fails to protect the security of personal information about its customers or if an actual or perceived breach of security occurs on its systems or a vendor' s systems, Sirius XM Holdings could be exposed to costly government enforcement actions and private litigation and its reputation could suffer. Sirius XM Holdings may also be required to expend significant resources to address these problems, including notification under various data privacy regulations, and its reputation and operating results could suffer. In addition, Sirius XM Holdings' subscribers and listeners, as well as potential customers, could lose confidence in its ability to protect their personal information, which could cause them to discontinue the use of Sirius XM Holdings' services. This loss of confidence would also harm Sirius XM Holdings' efforts to attract and retain advertisers and to obtain personal information from third parties, and unauthorized access to its programming would potentially create additional royalty expense with no corresponding revenue. Such events could adversely affect its results of operations. The costs of maintaining adequate protection, including insurance protection, against such threats as they develop in the future (or as legal requirements related to data security increase) could be material. In I- 41

In addition, hardware, software, or applications Sirius XM Holdings develops or procures from third parties may contain defects in design or manufacture or other problems that could unexpectedly compromise information security. Unauthorized parties may also attempt to gain access to Sirius XM Holdings' systems or facilities, or those of third parties with whom it does business, through fraud, trickery, or other forms of deceiving its employees, contractors or other agents. Sirius XM Holdings may not be able to effectively control the unauthorized actions of third parties who may have access to the data it collects. ~~Sirius XM Holdings may integrate the Pandora service with apps provided by third parties. In such case, Sirius XM Holdings may not be able to control such third parties' use of listeners' data, ensure their compliance with the terms of its contracts and privacy policies, or prevent unauthorized access to, or use or disclosure of, information, any of which could expose Sirius XM Holdings to potential liability and negative publicity and could cause its listeners and advertisers to discontinue use of its services.~~ To date, Sirius XM Holdings is not aware that it has had a significant cyber- attack or breach that has had a material impact on its business or results of operations. Sirius XM Holdings has implemented systems and processes intended to secure its IT information technology systems and prevent unauthorized access to or loss of sensitive, confidential and personal data, including through the use of encryption and authentication technologies. Additionally, Sirius XM Holdings has increased its monitoring capabilities to enhance early detection and timely response to potential security anomalies. The cyber security measures Sirius XM Holdings has implemented, however, may not be sufficient to prevent all possible attacks and may be vulnerable to hacking, employee error, ransom attacks, malfeasance, system error, faulty password management or other irregularities. Further, the development and maintenance of these measures are costly and require ongoing monitoring and updating as technologies change and efforts to overcome security measures become increasingly sophisticated. **Sirius XM Holdings uses AI in its business, and challenges with properly managing its use could result in reputational harm, competitive harm, and legal liability, and adversely affect Sirius XM Holdings' results of operations. Sirius XM Holdings incorporates AI solutions into its digital infrastructure, services, offerings and features, and these applications may become important in Sirius XM Holdings' operations over time. Competitors or other third parties may incorporate AI into their products more quickly or more successfully than Sirius XM Holdings, which could impair its ability to compete effectively and adversely affect its results of operations. Additionally, if the content, analyses, search results or recommendations that AI applications assist in producing are, or are alleged to be, deficient, inaccurate, or biased, Sirius XM Holdings' business, reputation, financial condition, and results of operations could be adversely affected. I- 41**

The use of AI applications may result in cybersecurity incidents that implicate the personal data of consumers. Any such cybersecurity incidents related to Sirius XM Holdings' use of AI applications could adversely affect its reputation and results of operations. AI also presents emerging ethical issues, such as the proper use of

copyrighted material with AI applications, and if Sirius XM Holdings' use of AI becomes controversial, it may experience brand or reputational harm, competitive harm, or legal liability. The rapid evolution of AI, including potential government regulation of AI, will require significant resources to develop, test and maintain Sirius XM Holdings' platform, offerings, services, and features to help it implement AI ethically in order to minimize unintended, harmful impact.

Interruption or failure of Sirius XM Holdings' ~~IT information technology~~ and communications systems could impair the delivery of its service and harm its business. Sirius XM Holdings relies on ~~its own~~ systems housed at its own premises and ~~systems at those~~ of third party vendors to enable subscribers and listeners to access its Pandora and Sirius XM services in a dependable and efficient manner. Any degradation in the quality, or any failure, of Sirius XM Holdings' systems could reduce its revenue, cause it to lose customers and damage its brands. Although Sirius XM Holdings has implemented practices designed to maintain the availability of the ~~information technology~~ **IT and service delivery** systems it relies on and mitigate the harm of any unplanned interruptions, Sirius XM Holdings cannot anticipate all eventualities. Sirius XM Holdings occasionally experience unplanned outages or technical difficulties. Sirius XM Holdings could also experience loss of data or processing capabilities, which could cause it to lose customers and could harm its reputation and operating results. Sirius XM Holdings relies on internal systems and external systems maintained by manufacturers, distributors and service providers to take, fulfill and handle customer service requests and host certain online activities. Any interruption or failure of Sirius XM Holdings' internal or external systems could prevent it from servicing customers or cause data to be unintentionally disclosed. Sirius XM Holdings' services have experienced, and are expected to continue to experience, periodic service interruptions and delays involving its own systems and those of its vendors. Sirius XM Holdings' data centers and its ~~IT information technology~~ and communications systems are vulnerable to damage or interruption from natural disasters, malicious attacks, fire, power loss, telecommunications failures, computer viruses or other attempts to harm its systems. The occurrence of any of these events could result in interruptions in Sirius XM Holdings' services and unauthorized access to, or alteration of, the content and data contained on its systems and that these third- party vendors store and deliver on its behalf. Damage or interruption to ~~Sirius XM Holdings' data centers and IT information technology~~ and communications centers could expose ~~it~~ **Sirius XM Holdings** to data loss or manipulation, disruption of service, monetary and reputational damages, competitive disadvantage and significant increases in compliance costs and costs to improve the security and resiliency of its computer systems. The compromise of personal, confidential or proprietary information could also subject Sirius XM Holdings to legal liability or regulatory action under evolving cybersecurity, data protection and privacy laws and regulations enacted ~~by 1-42~~ by the U. S. federal and state governments or other foreign jurisdictions or by various regulatory organizations. As a result, Sirius XM Holdings' ability to conduct its business and its results of operations might be adversely affected. The market for music rights is changing and is subject to significant uncertainties. Sirius XM Holdings must maintain music programming royalty arrangements with, and pay license fees to, owners of rights in musical works in order to operate its services. Traditionally, BMI, ASCAP, SESAC and GMR have negotiated for these copyright users, collected royalties and distributed them to songwriters and music publishers. These traditional arrangements are changing. The fracturing of the traditional system for licensing rights in musical works may have significant consequences to Sirius XM Holdings' business, including increasing licensing costs and reducing the availability of certain pieces for use on its services. Under the Copyright Act, Sirius XM Holdings also must pay royalties to copyright owners of sound recordings for the performance of such sound recordings on its Sirius XM service. Those royalty rates may be established through negotiation or, if negotiation is unsuccessful, by the CRB. Owners of copyrights in sound recordings have created SoundExchange, ~~an a collective organization, to which negotiates licenses and collect collects~~ and ~~distribute distributes~~ royalties ~~on behalf of record companies and performing artists~~. SoundExchange is exempt by statute from certain U. S. antitrust laws and exercises ~~1- significant~~ **42significant** market power in the licensing of sound recordings. Under the terms of the CRB' s existing decision governing sound recording royalties for satellite radio, Sirius XM Holdings is required to pay a royalty based on its gross revenue associated with its satellite radio service, subject to certain exclusions, of 15. 5 % per year through December 31, 2027. Pandora' s services depend upon maintaining complex licenses with copyright owners, and these licenses contain onerous terms. Pandora has direct license agreements with many sound recording copyright and musical work copyright owners. These agreements grant Sirius XM Holdings the right to operate Pandora Premium, and add interactive features, such as replays, additional skips and offline play, to Pandora' s ad- supported service and to Pandora Plus. The economic terms of these direct licenses are onerous and, as a result, Sirius XM Holdings may not be able to profitably operate the Pandora services. However, the economic terms of these direct licenses may be " market, " given the rates paid by Pandora' s competitors. Competition for Pandora' s services are primarily offered by entities that provide music and entertainment services as a small part of a larger business, such as Apple, Google and Amazon. These competitors have the ability to bear these onerous economic provisions to a much greater extent than the Pandora business. Sirius XM Holdings may not be able to negotiate or obtain lower royalty rates under these direct licenses. These direct licenses are complex. Sirius XM Holdings may not be in compliance with the terms of these licenses, which could result in the loss of some or all of these licenses and some or all of the rights they convey. Similarly, many of these licenses provide that if the licensor loses rights in a portion of the content licensed under the agreement, that content may be removed from the license going- forward. If Pandora fails to maintain these direct licenses, or if rights to certain music were no longer available under these licenses, then Sirius XM Holdings may have to remove the affected music from Pandora' s services, or discontinue certain interactive features for such music, and it might become commercially impractical for Sirius XM Holdings to operate Pandora Premium, Pandora Plus or certain features of its advertising supported service. Any of these occurrences could have an adverse effect on Sirius XM Holdings' business, financial condition and results of operations. Several of these direct licenses also include provisions related to the terms of those agreements relative to other content licensing arrangements, which are commonly referred to as " most favored nation " clauses. These provisions have caused, and may in the future cause, Sirius XM Holdings' payments under those agreements to escalate substantially. In addition, **SoundExchange**, many record labels, music publishers and performing rights organizations have the

right to audit Sirius XM's royalty payments, and these audits often result in disputes over whether it has paid the proper amounts. As a result of such audits, Sirius XM Holdings could be required to pay additional amounts, audit fees and interest or penalties, and the amounts involved could adversely affect its business, financial condition and results of operations. ~~I- 43~~ **There** is no guarantee that these direct licenses will be renewed in the future or that such licenses will be available on the economic terms associated with the current licenses. If Sirius XM Holdings is unable to secure and maintain direct licenses for the rights to provide music on its Pandora services on terms similar to those under its current direct licenses, Sirius XM Holdings' content costs could rise and adversely affect its business, financial condition and results of operations. ~~The rates Sirius XM Holdings must pay for "mechanical rights" to use musical works on its Pandora service have increased substantially and these rates may adversely affect its business. Pandora has direct licenses with thousands of music publishers. Those licenses provide that the royalty rate for "reproduction rights" or "mechanical rights", which are required to offer the interactive features of its Pandora services, are determined by the rate formula set by the CRB for the compulsory license made available by Section 115 of the Copyright Act. These royalty rates also apply to Pandora's use of musical works for which Sirius XM Holdings does not have a direct license with the copyright owners. The CRB significantly increased the rates for these rights for the period commencing January 1, 2018 through December 31, 2022, and the participating music publishers and digital music services, including Pandora, have reached a settlement for the period commencing January 1, 2023 through December 31, 2027 which will further significantly increase these rates. These higher rates for mechanical rights may have an adverse effect on the business, financial condition and results of operations of Pandora.~~ Failure to protect Sirius XM Holdings' intellectual property or actions by third- parties to enforce their intellectual property rights could substantially harm its business and operating results. Development of Sirius XM Holdings' systems has depended upon the intellectual property that it has developed, as well as intellectual property licensed from third parties. If the intellectual property that Sirius XM Holdings has developed or used is not adequately protected, others will be permitted to and may duplicate portions of its systems or services without liability. In addition, others may challenge, invalidate, render unenforceable or circumvent Sirius XM Holdings' intellectual property rights, patents or existing licenses or it may face significant legal costs in connection with defending and enforcing those intellectual property rights. Some of the know- how and technology Sirius XM Holdings has developed, and plans to develop, is not now, nor will it be, covered by U. S. patents or trade secret protections. Trade secret protection and contractual agreements may not provide adequate protection if there is any unauthorized use or ~~I- disclosure- 43~~ **disclosure**. The loss of necessary technologies could require Sirius XM Holdings to substitute technologies of lower quality performance standards, at greater cost or on a delayed basis, which could harm Sirius XM Holdings. Other parties may have patents or pending patent applications, which will later mature into patents or inventions that may block or put limits on Sirius XM Holdings' ability to operate its system or license its technologies. Sirius XM Holdings may have to resort to litigation to enforce its rights under license agreements or to determine the scope and validity of other parties' proprietary rights in the subject matter of those licenses. This may be expensive and Sirius XM Holdings may not succeed in any such litigation. Third parties may assert claims or bring suit against Sirius XM Holdings for patent, trademark or copyright infringement, or for other infringement or misappropriation of intellectual property rights. Any such litigation could be costly, divert Sirius XM' s efforts from its business, subject it to significant liabilities to third parties, require it to seek licenses from third parties, block its ability to operate its services or license its technology, or otherwise adversely affect its ability to successfully develop and market its services. Some of Sirius XM Holdings' services and technologies may use " open source " software, which may restrict how Sirius XM Holdings uses or distributes its services or require that it release the source code subject to those licenses. Sirius XM Holdings may incorporate in some products software licensed under " open source " licenses. Open source licenses often require that the source code be made available to the public and that any modifications or derivative works to the open source software continue to be licensed under open source licenses. Few courts have interpreted open source licenses, and the manner in which these licenses may be interpreted and enforced is therefore subject to uncertainty. In the event that portions of Sirius XM Holdings' proprietary technology are determined to be subject to an open source ~~I- 44~~ **license**, Sirius XM Holdings may be required to publicly release portions of its source code, be forced to re- engineer all or a portion of its technologies, or otherwise be limited in the licensing of its technologies, each of which could adversely affect its ability to sustain and grow its business. Rapid technological and industry changes and new entrants could adversely impact Sirius XM Holdings' services. The audio entertainment industry is characterized by rapid technological change, frequent product and feature innovations, changes in customer requirements and expectations, evolving standards and new entrants offering products and services. If Sirius XM Holdings is unable to keep pace with these changes, its business may not succeed. Products using new technologies could make Sirius XM Holdings' services less competitive in the marketplace. Sirius XM Holdings has a significant amount of indebtedness, and its debt contains certain covenants that restrict its operations. As of December 31, 2022- **2023**, Sirius XM Holdings had an aggregate principal amount of approximately \$ 9. ~~5- 3~~ **5.3** billion of indebtedness outstanding. Sirius XM Holdings' indebtedness increases its vulnerability to general adverse economic and industry conditions; requires it to dedicate a portion of its cash flow from operations to payments on indebtedness, reducing the availability of cash flow to fund capital expenditures, marketing and other general corporate activities; limits its ability to borrow additional funds; and may limit its flexibility in planning for, or reacting to, changes in its business and the audio entertainment industry. ~~If~~ **In addition, Sirius XM Holdings' borrowings under its Senior Secured Revolving Credit Facility carry a variable interest rate based on the Secured Overnight Financing Rate (" SOFR "). Sirius XM Holdings may, in the future, hedge against interest rate fluctuations by using hedging instruments such as swaps, caps, options, forwards, futures or other similar products. These instruments may be used to selectively manage risks, but there can be no assurance that Sirius XM Holdings will be fully protected against material interest rate fluctuations.** ~~I- 44~~ **If** Sirius XM Holdings is unable to attract and retain qualified personnel, its business could be harmed. Sirius XM Holdings believes that its success depends on its continued ability to attract and retain qualified management, sales, technical and other personnel. All of Sirius XM Holdings' employees, including its executive officers, are

free to terminate their employment with Sirius XM Holdings at any time, and their knowledge of its business may be difficult to replace. Qualified individuals are in high demand, particularly in the media and technology industries, and Sirius XM Holdings may incur significant costs to attract and retain employees. If Sirius XM Holdings is unable to attract and retain its key employees, it may not be able to achieve its objectives, and its business could be harmed. Sirius XM Holdings' facilities could be damaged by natural catastrophes or terrorist activities. An earthquake, hurricane, tornado, flood, cyber- attack, terrorist attack, civil unrest or other catastrophic event could damage Sirius XM Holdings' data centers, studios, terrestrial repeater networks or satellite uplink facilities, interrupt its services and harm its business. Sirius XM Holdings also has significant operations in the San Francisco Bay Area, a region known for seismic activity. Natural disasters and ~~adverse~~ **extreme** weather conditions can be caused or exacerbated by climate change. Any damage to the satellites that transmit to Sirius XM Holdings' terrestrial repeater networks would likely result in degradation of the affected service for some Sirius XM subscribers and could result in complete loss of Sirius XM satellite service in certain or all areas. Damage to Sirius XM Holdings' satellite uplink facilities could result in a complete loss of its Sirius XM satellite service until it could transfer operations to suitable back-up facilities. The unfavorable outcome of pending or future litigation could have an adverse impact on Sirius XM Holdings' operations and financial condition. Sirius XM Holdings is party to several legal proceedings arising out of various aspects of its business, including possible class actions arising out of its marketing **practices and governmental actions and possible class actions and mass arbitrations arising from its pricing and cancellation** practices. The outcome of these proceedings may not be favorable, and one or more unfavorable outcomes could have an adverse impact on its financial condition. ~~1- 45~~ **Sirius XM Holdings** may be exposed to liabilities that other entertainment service providers would not customarily be subject to. Sirius XM Holdings designs, establishes specifications, sources or specifies parts and components, and manages various aspects of the logistics of the production of satellite radios and its apps. As a result of these activities, Sirius XM Holdings may be exposed to liabilities associated with the design, manufacture and distribution of radios and apps that the providers of an entertainment service would not customarily be subject to, such as liabilities for design defects, patent infringement and compliance with applicable laws, as well as the costs of returned product. Sirius XM Holdings' business and prospects depend on the strength of its brands. Maintaining and enhancing Sirius XM Holdings' brands is an important part of its strategy to expand its base of subscribers, listeners and advertisers. Sirius XM Holdings' brands may be impaired by a number of factors, including service outages, data privacy and security issues and exploitation of its trademarks by others without permission. Sirius XM Holdings' ability to maintain and enhance its brands also depends in part on its ability to continue to develop and provide an innovative and high- quality entertainment experience, which Sirius XM Holdings may not do successfully. **Other Risks Relating to the Liberty SiriusXM..... and its reputation could suffer;** ~~1- 46~~ **“ Interruption or failure of Sirius XM Holdings’ information technology and communications systems could impair the delivery of its service and harm its business;” and** ~~●~~ **“ Failure to protect Sirius XM Holdings’ intellectual property or actions by third- parties to enforce their intellectual property rights could substantially harm its business and operating results.”** **Risks 45Risks** Relating to the Formula One Group Risks Relating to the Formula 1 Business There could be a decline in the popularity of Formula 1, which may have a material adverse effect on Formula 1' s ability to exploit its commercial rights to the World Championship. The success of Formula 1' s business and its ability to profitably renew or enter into beneficial new commercial arrangements, including race promotion, media rights and sponsorship contracts, is largely dependent upon the continued popularity of the World Championship. Similarly, the sponsorship and other revenue generation of the Teams are dependent on such continued popularity and, if such revenue decreased, it may impact their ability or willingness to continue participating in the World Championship. The popularity of Formula 1, globally and in particular countries and regions, may be influenced by competition from any rival championship and other forms of motor sport or similar entertainment which challenge Formula 1' s position and reputation as the pinnacle of world motor sport, the continued participation of the leading Teams, the perceived entertainment value of the World Championship, changes in societal views on automobiles more generally and an unfavorable economic climate which may discourage fans from attending Events or make it more difficult to expand into new markets, all of which could change rapidly and cannot be predicted. See “ — Rival motor sport events could be established involving existing Teams or different teams, or existing Teams may divert their resources to participate in another motor sport event, which could lead to fewer Teams and race circuits being involved in Formula 1, or a Team' s primary engagement in motor sport being in another motor sport event, either of which could diminish the competitive position of Formula 1. ” Formula 1 also faces stiff competition from other live sporting events, and with sporting events delivered over television networks, radio, the Internet and online services, mobile applications and other alternative sources, as well as from the availability of alternative forms of entertainment and leisure activities. Formula 1 competes for attendance, viewership and advertising with a wide range of alternatives, such as top flight soccer leagues in many of its non- U. S. markets. As a result of the large number of options available, Formula 1 faces strong competition for the attention of sports fans. Further, a scandal which undermines the credibility of the sport, such as a race fixing scandal, or accident could also impact the popularity of Formula 1. In particular regions, the popularity of the World Championship varies depending upon the participation and performance of drivers and Teams from that region. There is no assurance that Formula 1 will be able to compete effectively with other forms of sports or entertainment or that the World Championship will maintain its popularity either globally or in any particular country or region. Any decrease in the continued popularity of the World Championship may affect Formula 1' s ability to enter into or renew race promotion, media rights, advertising, sponsorship or other commercial agreements which may materially adversely affect Formula 1' s business, financial condition, results of operations and prospects, and in turn materially adversely impact the Formula One Group. Termination of the 100- Year Agreements could cause Formula 1 to discontinue its operations. Under the 100- Year Agreements, entered into by Formula 1 and the FIA in 2001, Formula 1 was granted an exclusive license with respect to all of the commercial rights to the World Championship, including its trademarks. This license, which took effect on January 1, 2011 and ~~will expires~~ **expire** on December 31, 2110, maintains Formula 1' s exclusive commercial rights to the World Championship which Formula 1 held

under previous agreements with the FIA, among other things. The license under the 100- Year Agreements is critical to the ongoing operation of Formula 1's business. Formula 1's rights under these agreements can be terminated by the FIA if Formula 1 materially breaches the relevant agreements (with certain of such breaches subject to certain cure rights), undergoes an unpermitted change of control, interferes with certain of the FIA's rights under the 100- Year Agreements or experiences certain insolvency events. If Formula 1's license under the 100- Year Agreements was terminated in accordance with its terms or the FIA or another person successfully challenged the validity of that license (or the 100- Year Agreements as a whole), it could cause Formula 1 to discontinue its operations, lead to the termination of substantially all of Formula 1's commercial contracts, ~~I- 47prevent~~ **prevent** Formula 1 from exploiting the commercial rights to the World Championship and require Formula 1 to discontinue use of the World Championship trademarks and other intellectual property rights, which would materially adversely impact the Formula One Group. ~~I- Teams- 46Teams~~ **Teams** may, in certain circumstances, terminate their existing commitment to participate in the World Championship until (and including) 2025 or breach their obligations and withdraw. Formula 1's ability to effectively stage the World Championship depends on the ongoing involvement of its participants. Pursuant to the 2021 Concorde Agreement, each of the current 10 Teams have committed to participate in the World Championship until December 31, 2025, subject to earlier termination upon the occurrence of certain events. Formula 1 cannot provide assurance that any of the Teams will commit to participate in the World Championship beyond 2025, or that the FIA will enter into a subsequent Concorde Agreement beyond 2030. If any of the current Teams cease to participate in the World Championship, Formula 1 may attempt to encourage new entrants to the World Championship; however, there is no assurance Formula 1 will be able to do this. If such Teams were not replaced, it could result in fewer competitors in the World Championship as compared to recent seasons which may impact the perceived entertainment value of Events. In addition, any negotiation for an extension to the term of the Team Agreements or the Concorde Arrangements could result in less favorable terms to Formula 1. Even if a Team has committed to participate in the World Championship it may be able to exercise termination rights under the 2021 Concorde Agreement in certain circumstances and withdraw. For additional information regarding the 2021 Concorde Agreement, see "Item 1. Business — Formula 1 — Key Commercial Agreements — Key Provisions." A lesser number of teams may reduce the popularity of Formula 1 which may affect its ability to enter into or renew race promotion, media rights, advertising, sponsorship or other commercial agreements, which may materially and adversely affect Formula 1's business, financial condition, results of operations and prospects, and in turn may materially adversely impact the Formula One Group. The FIA may take actions which are not in Formula 1's interest. The FIA is the governing body of the World Championship and a party to the 100- Year Agreements and the 2013 Concorde Implementation Agreement. In its capacity as the governing body of the World Championship, the FIA must place safety and other sporting concerns over Formula 1's commercial interests. As a result, the FIA may take actions with respect to safety and sporting standards and regulations which conflict with Formula 1's interests as the commercial rights holder, including by increasing the cost to Teams of participating in the World Championship, diminishing the visual and sonic spectacle of Events, imposing fines on or excluding Teams, cancelling or delaying an Event, withholding approval for the staging of an Event, a new circuit or Formula 1's proposed season calendar or establishing regulations without the support of the Teams. As a party to the 100- Year Agreements and the 2021 Concorde Governance Agreement, the FIA has certain rights, and the exercise or purported exercise of the FIA's rights thereunder may conflict with Formula 1's interests. Any actions taken by the FIA which conflict with Formula 1's interests may adversely impact Formula 1's operations and revenue, and in turn may materially adversely impact the Formula One Group. Formula 1 may be subject to enforcement actions under competition laws. As further described in "Item 1. Business — Regulatory Matters — Competition Laws and Formula 1," following an investigation by the E. C. in 1999 in relation to Formula 1's compliance with competition laws, Formula 1 modified certain of its business practices and changed the terms of a number of Formula 1's commercial contracts. Following these modifications and changes, the E. C. issued two comfort letters to Formula 1 in October 2001 stating that Formula 1 was no longer under investigation. Comfort letters are not binding on the E. C. and if it believes there has been a material change in circumstances, it could take further enforcement action. The E. C. issued a press release in October 2003 stating that it was satisfied that Formula 1 had complied with the modified practices and terms that had led to its issuing its comfort letters and that it had ended its monitoring of Formula 1's compliance. In adopting practices and concluding commercial contracts (including as to contracts with broadcasters (and the manner in which these rights are offered), contracts with Teams and contracts with promoters), Formula 1 takes into account the modified practices that formed the basis of the EC's comfort letters. ~~I- 48Formula~~ **Formula** 1 is also required to comply with general European Union and national competition laws, which require Formula 1 at all times to ensure its business practices and agreements are consistent with the operation of competitive markets. Failure to comply with the relevant practices, terms, laws and rules can give rise to challenges by the EC, national ~~I- competition- 47competition~~ **competition** regulators and other interested parties. In addition, they could cause or deem certain of Formula 1's commercial contracts (including the Team Agreements) to be unenforceable in whole or in part and / or require various terms (including duration, scope and exclusivity) to be modified, and / or Formula 1 could be liable for damages or other sanctions. Formula 1 has sought to adopt practices and conclude commercial contracts that take into account competition law as it applies to the specific nature of Formula 1's sporting and entertainment businesses, Formula 1's role within those businesses and the roles of the counterparties to Formula 1's commercial contracts. However given the uncertainty of the law in this area, and the possibility of third parties instigating action, there is a risk of further E. C. investigations, challenges or proceedings against Formula 1. For example, two Teams made a complaint against Formula 1 to the E. C. in September 2015 regarding the distribution of the Prize Fund and current sporting governance arrangements (though Formula 1 rejected the complaint as being without merit and believed it was in any event, a commercial dispute and not one that involved any breach of competition law). Although this particular complaint was withdrawn by the two Teams in early 2018, for the reasons set out above, no assurance can be given that there will be no future E. C. investigations, challenges or proceedings regarding unasserted matters. Any of the foregoing could materially and adversely affect Formula 1's business, financial condition, results of operations and prospects,

which in turn could materially adversely impact the Formula One Group. Formula 1 may be unable to renew, replace or renegotiate on favorable terms one or more of Formula 1's race promotion, media rights or sponsorship contracts. Formula 1's race promotion, media rights and sponsorship contracts typically have terms of three to seven years, three to five years and three to five years, respectively, but may on occasion be of longer duration. When these contracts expire, Formula 1 may not be able to renew or replace them with contracts on similar terms or at all. Further, counterparties to ~~our Formula 1~~ **Formula 1** contracts may seek to terminate or renegotiate them, and ~~we Formula 1~~ **Formula 1** may not be able to replace terminated contracts with contracts on similar terms or at all or renegotiate contracts on terms that are as favorable to us. Formula 1's ability to renew, replace or renegotiate its contracts on similar terms, or at all, is dependent on a number of factors which Formula 1 may not be able to control or predict including the popularity of Formula 1, the value of live sports rights generally, relevant regulations, economic conditions in the relevant countries and the spending capacity and priorities of Formula 1's counterparties. Additionally, many of Formula 1's race promotion and media rights contracts are directly or indirectly with, or guaranteed by, governmental bodies or agencies and a change in their spending capacity or priorities could impact Formula 1's negotiations with them. A failure to renew, replace or renegotiate Formula 1's existing contracts on similar or improved terms could result in, among other things, the cancellation of an Event, the payments Formula 1 receives decreasing, the term of the contracts being shortened, termination rights being granted to Formula 1's counterparties and other contractual terms and conditions being introduced which could materially and adversely affect Formula 1's business, financial condition, results of operations and prospects, and in turn could materially adversely impact the Formula One Group. Formula 1 is exposed to credit-related losses in the event of non-performance by counterparties to Formula 1's key commercial contracts. Future payments under Formula 1's core commercial contracts, including Formula 1's race promotion, media rights and sponsorship contracts are typically made periodically over the course of several years. Formula 1's ability to generate cash flow is heavily dependent on collecting amounts owed to it under these contracts. A change in the credit quality of one or more of Formula 1's counterparties over the term of their contract with Formula 1 may increase the risk of non-payment. Certain of Formula 1's counterparties are directly or indirectly governments or agencies thereof, some of which have recently experienced a deterioration in their credit quality. Formula 1 may also generally experience difficulties or be unable to recover payments owed to it by governments or agencies thereof because of their sovereign or semi-sovereign status. Additionally, an appreciation of the U. S. dollar against the functional currencies of Formula 1's counterparties increases the risk of non-payment. See "— Fluctuations in the value of the U. S. dollar against the functional ~~1-49 currencies~~ **currencies** of Formula 1's business and Formula 1's counterparties' business could adversely affect Formula 1's profitability and the Formula One Group." The failure of one or more of Formula 1's counterparties to pay outstanding ~~1- amounts~~ **amounts** owed to it could have a material adverse effect on Formula 1's cash flows and results of operation, and in turn could materially adversely impact the Formula One Group. Potential challenges by tax authorities in the jurisdictions in which Formula 1 operates could adversely affect Formula 1's financial results and position and in turn, the Formula One Group. Formula 1's taxes are based upon the applicable tax laws and tax rates in effect in the jurisdictions in which it operates and upon the nature of Formula 1's business arrangements and activities with and in such jurisdictions. When computing its tax obligations in these jurisdictions, Formula 1 endeavors to apply national and international tax rules consistently and in accordance with generally accepted interpretations and practice. However, such rules, and their application to Formula 1's business, may not be entirely clear in all cases and may be interpreted differently by the applicable tax authorities. There can be no assurance that, upon review of Formula 1's positions, the applicable tax authorities will agree with such positions. If a tax authority successfully challenges Formula 1's positions with respect to its business arrangements, intercompany pricing policies, or the taxable presence of subsidiaries in certain jurisdictions, or if Formula 1 loses a material tax dispute in any jurisdiction, then Formula 1 may be exposed to additional tax liabilities and penalties, which may adversely affect its financial condition, results of operations and prospects, and in turn may materially adversely impact the Formula One Group. Changes in tax laws could adversely affect Formula 1 and the Formula One Group. Formula 1 operates in various jurisdictions and is subject to changes in applicable tax laws, treaties or regulations in those jurisdictions. A material change in the tax laws, treaties or regulations, or their interpretation, of any jurisdiction with which Formula 1 does business, or in which Formula 1 has significant operations, could adversely affect Formula 1. For example, during October 2021, the Organisation for Economic Cooperation and Development (the "OECD") announced that 136 countries and tax jurisdictions ~~have had~~ **have had** agreed to implement a new "Two Pillar" approach to international taxation. ~~The first detailed draft rules under that~~ **Several countries have now enacted new legislation consistent with this** approach, ~~which takes effect~~ **which takes effect** were published in December 2021. ~~Most countries are expected to introduce new rules in line with the Two Pillar approach for the first time in 2024.~~ **More**, although different countries are likely ~~have committed~~ **have committed** to implement these changes ~~introduce similar legislation~~, at different times and in different ways, through their individual agreement to tax treaty changes and through changes to their own domestic tax laws. The first ~~of the OECD's "pillar-pillars"~~ **of the OECD's "pillar-pillars"** will first establish ~~establishes~~ **establishes** a new taxing right for countries in which a business has a significant economic presence, even though it may not have the degree of physical presence in that country needed to establish a taxing right under existing tax treaties. This new taxing right is subject to several conditions, exclusions and exceptions, and will initially affect only multinational enterprises with global turnover above 20 billion euros. The second pillar ~~will establish~~ **establishes** a Global Minimum Tax Rate of 15 %, such that multinational enterprises with an effective tax rate in a jurisdiction below this minimum rate will need to pay additional tax, which could be collected by the parent company's tax authorities or by those in other countries, depending on whether and how each country implements the OECD's approach in its tax treaties and domestic tax legislation. **In an initial transition period from 2024 to 2026, enterprises are exempt from this additional tax if certain "Safe Harbour" tests are met.** Depending on how the jurisdictions in which Formula 1 operates, and those in which Liberty and its subsidiaries are based, choose to implement the OECD's approach in their tax treaties and domestic tax laws, **and depending on the future evolution of the OECD's "Two Pillar" approach.** Formula 1 could be adversely affected due to its income being taxed at higher effective rates, ~~once these new rules come into force.~~ Formula 1 may

face difficulties expanding into new markets, including as a result of being unable to attract race promoters for new Events. Formula 1 has recently staged Events in a number of new markets and intends to explore further opportunities for expansion. Attracting the relevant race promoters to the World Championship in these markets on terms that are attractive to Formula 1 will be largely dependent on the popularity of the Formula 1 brand in these markets and Formula 1's perceived ability to deliver the benefits that race promoters desire, such as publicity for the host city / region, economic ~~I-50impact--~~ **impact** or tourism. See “ — There could be a decline in the popularity of Formula 1 which may have a material adverse ~~I- effect-49~~ **effect** on Formula 1's ability to exploit its commercial rights to the World Championship. ” Additionally, Formula 1 may have difficulties entering into agreements with race promoters that have the necessary resources and experience to obtain all the necessary FIA, governmental and sporting approvals and successfully stage an Event. Events in new markets also require significant investments in circuit infrastructure and other administrative costs by Formula 1's race promoters which may not be recouped and may generate fees below those received from Formula 1's Events staged in more developed markets. In addition, under the 2021 Concorde Agreement, the consent of 70 % of the Teams is required if there are more than 24 Events in a season or if there are fewer than **8-eight** Events across Europe and North America combined. See “ Item 1. Business — Formula 1 — Key Commercial Agreements — Key Provisions. ” Also, under the 100- Year Agreements as amended by the 2013 Concorde Implementation Agreement, Formula 1 must obtain the FIA's approval to stage more than 25 Events (or beginning in 2031, more than 17 Events unless the FIA and Formula 1 make a new agreement on this point), and there is no assurance such approval will be obtained. Formula 1's business is subject to laws and regulations including with respect to advertising, media rights and the environment, and changes in and judicial interpretations of such laws and regulations could have a material adverse effect on Formula 1 and the Formula One Group. Formula 1's business is subject to laws and regulations including advertising, media rights, environmental and health and safety laws and regulations. Such regimes are subject to periodic governmental review, legislative initiatives and judicial interpretations, any of which could adversely affect Formula 1's business and its profitability. A substantial part of Formula 1's, broadcasters' and the Teams' revenue come from sponsorship contracts. If new restrictions or bans on advertising specific products or services which are advertised in Formula 1 are introduced, it may reduce Formula 1's or the Teams' sponsorship revenue or advertising revenue of Formula 1's broadcasters, which in turn may reduce the value of Formula 1's media rights contracts and impact the Teams' desire to continue participating in Formula 1. For example, advertising of alcohol is restricted in certain countries where Events are held. Advertising laws could also be introduced which prevent the broadcast of images which include a restricted brand, thereby preventing Formula 1 from licensing the television rights in an affected country. Additionally, as Formula 1 expands into new markets, local customs, practices and cultural sensitivities may require Formula 1 and the Teams to restrict advertising of certain products even if not required by law. Broadcasting laws could be introduced which require that Events be broadcast only on free- to- air television which would prevent Formula 1 from entering into pay television contracts in the relevant jurisdiction. Additionally, judicial decisions or other governmental action could interfere with the manner in which Formula 1 exploits its media rights, including in relation to Formula 1's segmentation of such rights among different geographic regions. Environmental laws could also be introduced which place limits on engine design and Event activities. Motor sport has also been banned in certain countries. For example, Switzerland banned motor sport from 1955 to 2007 following an accident at the 24 Hours of Le Mans that killed spectators and a driver. A ban on motor sport in any country where Formula 1 holds an Event could result in a reduction in Formula 1's revenue and as a consequence, may materially and adversely affect Formula 1's business, financial condition and prospects, which in turn may materially adversely impact the Formula One Group. The ~~new~~ economic and security relationship between the U. K. and the E. U. following Brexit could have a material adverse effect on our business. Following the withdrawal of the U. K. from the E. U., commonly referred to as “ Brexit, ” the E. U. reached a trade agreement with the U. K. on the terms of its future cooperation with the E. U., effective as of January 1, 2021 (the “ Trade Agreement ”). The Trade Agreement offers U. K. and E. U. companies preferential access to each other's markets, ensuring imported goods will be free of tariffs and quotas; however, economic relations between the U. K. and the E. U. are now more restricted than they were previously. The Trade Agreement does not incorporate the full scope of the services sector, and businesses such as banking and finance face a more uncertain future. The U. K. and E. U. concluded technical discussions on a separate memorandum of understanding in March 2021, creating a framework for dialogue between the U. K. and the E. U. on financial services regulation. ~~I- 51As-50As~~ **Formula 1** operates its business principally through U. K.- based subsidiaries and a number of Events take place within the E. U., Brexit and the terms of the Trade Agreement may have negative impacts that could adversely affect our business, financial condition and operating results. We therefore continue to monitor any effects of Brexit and the Trade Agreement on our operations, and to identify appropriate mitigating actions to prevent significant disruption to our operations. Events beyond Formula 1's control may cause one or more Events to be cancelled or postponed or prevent Formula 1 from providing an international television feed, each of which could result in the loss of revenue under Formula 1's commercial contracts. An Event may have to be postponed or cancelled, or Formula 1 may be unable to provide an international television feed of an Event, due to factors beyond its control, including an inability to transport Formula 1's and the Teams' equipment to an Event, power failures, parties to ~~our~~ **Formula 1** race promotion contracts terminating those contracts, embargoes or sanctions, cancellation of large- scale public events by a competent authority due to a security or terrorism risk, or outbreak of disease, which could result in the loss of revenue under Formula 1's commercial contracts. Most recently, **the 2023 Emilia- Romagna Grand Prix was cancelled due to severe flooding in the region. Additionally** ~~circumstances arising from Russia's invasion of Ukraine~~, the 2022 Russian Grand Prix was cancelled **due to circumstances arising from Russia's invasion of Ukraine**. During the 2021 and 2020 seasons, a ~~numbers-~~ **number** of Events were cancelled and / or replaced due to the COVID- 19 pandemic **. As a general matter, Formula 1's insurance policies do not cover the cancellation of an Event**. Whether a race promoter is required to pay Formula 1 the race promotion fee with respect to an Event that is cancelled due to any factor beyond the control of Formula 1 depends on the terms and provisions of the applicable promoter agreement. In addition, Formula 1's broadcast contracts

include a provision to reduce the fee payable to Formula 1 if there are fewer than a specified number of Events in a season for reasons other than a force majeure event. The minimum number of Events varies by broadcast contract but is typically between 14 and 16 Events. However, if an Event were to be cancelled due to the race promoter failing to meet its obligations under the race promotion contract, then Formula 1 may be entitled to indemnification from the race promoter for any lost media rights revenue. If an Event is not held, cancelled or does not receive international television coverage (for example, as a result of a technical problem), Formula 1's fees under the relevant sponsorship contract are likely to be reduced unless the sponsorship contract allows Formula 1 to substitute another Event for the cancelled Event and Formula 1 does so. If an Event is cancelled, Formula 1 will also be required to refund amounts paid under other arrangements, including amounts paid for tickets to the Paddock Club, the principal high end corporate hospitality offering at certain Event weekends. Accidents during Events may cause losses that are not covered by insurance, disrupt an Event and cause Formula 1 reputational damage. Racing accidents occur in Formula 1 and its support races. The last racing accident to cause the death of a driver was in 2019 during a Formula 2 support race at the Belgian Grand Prix and there have also been two fatalities involving race marshals since 1994. Fatal accidents, particularly if they involve public spectators, could damage the reputation of Formula 1 and decrease its popularity, any of which could have a material adverse effect on Formula 1. Accidents can also result in the cancellation of a practice, a qualifying session or a race. Additionally, persons harmed in any accident could seek compensation from Formula 1. Formula 1 and its promoters purchase insurance coverage for each Event. However, there can be no assurance that such insurance policies will provide adequate coverage at all times and in all circumstances. If Formula 1 is held liable for damages beyond the scope of the insurance coverage available to Formula 1 (including the insurance contract procured by the race promoter to include coverage for Formula 1), Formula 1's business, financial condition and results of operations could be materially and adversely affected, which in turn could materially adversely affect the Formula One Group. Terrorist acts during Events may cause Formula 1 damage and losses that are not covered by insurance. Formula 1 is a high profile sport with a global fan base and Events are attended by a large number of spectators. An Event, like any other major sporting event, could be the target of an actual or threatened terrorist act, either of which could disrupt Formula 1 and lead to the cancellation of Events, increase security requirements and result in a decline of spectator attendance at Events. Additionally, persons harmed in any terrorist act may attempt to seek compensation from Formula 1. The general risk of a terror attack has increased recently in a number of the countries in which Events are held. ~~Formula 1~~ Formula 1 purchases annual insurance policies covering all Events, and individual race promoters purchase insurance coverage for their own Events under which Formula 1 is also covered, which provide coverage for third party liability ~~covering~~ covering personal injury, equipment and property damage. However, there can be no assurance that this insurance will be adequate at all times and in all circumstances. Terrorism is expressly excluded from the public liability coverage arranged by the race promoters, although Formula 1's own insurance policies cover both its broadcast and Event systems equipment and its employer and public liabilities exposures for terrorism risks. However, attacks involving an active assailant are not covered by insurance policies for terrorism, and would require supplemental coverage. If Formula 1 is held liable for damages beyond the scope of the insurance coverage (its own and that arranged by the race promoter) and / or is unable to obtain indemnification from the relevant insurer (s), Formula 1's business, financial condition and results of operations could be materially and adversely affected, which in turn could materially adversely affect the Formula One Group. Rival motor sport events could be established involving existing Teams or different teams, or existing Teams may divert their resources to participate in another motor sport event, which could lead to fewer Teams and race circuits being involved in Formula 1, or a Team's primary engagement in motor sport being in another motor sport event, either of which could diminish the competitive position of Formula 1. In the future, it is possible that a rival motor racing series similar to Formula 1 could be established, involving existing Teams and / or different teams or an existing motor sport event could become more popular and become a rival series to Formula 1. Such a rival series could lead to fewer Teams and race circuits in Formula 1, reduce the budget that a Team is willing to spend on its participation in Formula 1, or diminish the competitive position of Formula 1 and have a material adverse effect on Formula 1's results of operations and business and the Formula One Group. In addition, certain of Formula 1's commercial contracts could be terminated if Formula 1 ceased to be the premier motor racing series for open wheel single-seater cars. Pursuant to the 2021 Concorde Agreement, each of the 10 Teams have committed to participate in the World Championship until December 31, 2025. If a rival motor racing series is established (or if an existing series develops into a rival series), this may reduce the popularity of Formula 1 leading to a decline in the value of Formula 1's commercial contracts which may materially adversely affect Formula 1's business, financial condition, results of operations and prospects, and in turn may materially adversely affect the Formula One Group. See " — There could be a decline in the popularity of Formula 1 which may have a material adverse effect on Formula 1's ability to exploit its commercial rights to the World Championship " and " — Teams may, in certain circumstances, terminate their existing commitment to participate in the World Championship until (and including) 2025 or breach their obligations and withdraw. " Changes in consumer viewing habits and the emergence of new content distribution platforms could adversely affect Formula 1's business and the Formula One Group. The manner in which consumers view televised sporting events is changing rapidly with the emergence of alternative distribution platforms. Digital cable, internet and wireless content providers are continuing to improve technologies, content offerings, user interface and business models that allow consumers to access video-on-demand or internet-based tools with interactive capabilities including start, stop and rewind. Formula 1's exclusive commercial rights place no limits on the platforms on which it can operate, including online. However, such developments may impact the profitability or effectiveness of Formula 1's existing licensing practices and there is no guarantee that Formula 1 will be successful in adapting its licensing practices and / or media platform as consumer viewing habits change. If Formula 1 is unsuccessful in adapting its licensing practices and / or media platform as consumer viewing habits change, Formula 1's viewership levels (whether on traditional or new platforms) may decrease and / or its licensing practices may become less profitable leading to the possibility of a reduction in the value of its media rights and sponsorship contracts. Any reduction in the value of Formula 1's commercial rights and / or

contracts may materially and adversely affect its revenue, business, financial condition, results of operations and prospects, which in turn may materially adversely affect the Formula One Group. While Formula 1's monetization of its television rights has increased in recent years, there can be no assurance that such increases will continue or that Formula 1's level of such monetization will be comparable to that of other sporting events. I- 53ff 521f confidential information regarding Formula 1's business arrangements is disclosed or leaked, it could affect Formula 1's relationships with counterparties and / or Teams and result in less favorable commercial contracts and adversely affect Formula 1's business and the Formula One Group. The success of Formula 1's business depends on maintaining good relationships with Formula 1's counterparties (including race promoters, broadcasters and sponsors) and the Teams and entering into race promotion, media rights, sponsorship and other commercial contracts on favorable terms. If confidential information regarding Formula 1's business arrangements with its counterparties and / or the Teams were to be disclosed or leaked, it could harm Formula 1's relationships with those parties and result in less favorable terms in its commercial contracts, including with respect to pricing and adversely affect its business, results of operation, financial condition and prospects, which in turn could materially adversely affect the Formula One Group. Formula 1 depends on trademarks, copyrights and intellectual property. Formula 1 relies on certain trademarks, copyrights and other intellectual property to protect its rights, including its brands, logos and television footage. The existence of complex factual and legal issues may give rise to uncertainty as to the validity or subsistence, scope and enforceability of a particular trademark, copyright or other intellectual property or contractual right in a particular jurisdiction. While historically Formula 1 has been widely transmitted by free- to- air television which reduced its attractiveness as a target for piracy and other infringement, Formula 1 is increasingly transmitted by pay TV operators that are greater targets for piracy. In any event, Formula 1's intellectual property, and in particular the Formula 1 brand (including the F1 logo) and television footage are potential targets for counterfeiting, piracy and other infringement. New technologies such as the convergence of computing, communication, and entertainment devices, the falling prices of devices incorporating such technologies, increased broadband internet speed and penetration and increased availability and speed of mobile data transmission have made the unauthorized digital pirating and distribution of televised sporting events easier and faster and enforcement of intellectual property rights more challenging. The unauthorized use of intellectual property in the entertainment industry generally continues to be a significant challenge for intellectual property rights holders. If Formula 1 is unsuccessful in preventing widespread piracy and illegal live streaming of Events in the future, these activities could result in lost revenue and a reduction in the value of Formula 1's media rights which may materially and adversely affect Formula 1's business, results of operation, financial condition and prospects, and in turn may materially adversely affect the Formula One Group. The terms of Formula 1's indebtedness may limit its financial and operating flexibility. Covenants contained in the agreements governing Formula 1's credit facilities will restrict the ability of its subsidiaries to, among other things: • incur or guarantee additional indebtedness or be a creditor in respect of financial indebtedness; • pay dividends, redeem their share capital, purchase capital stock, make investments or other restricted payments; • make any payment in respect, or on account of, indebtedness owing to Liberty or certain of its affiliates; • in certain circumstances, make any payment or distribution in respect, or on account of, intra- group debt; • issue or sell capital stock; • acquire assets or make investments; • sell assets (including capital stock of subsidiaries); • create liens; • enter into sale and leaseback or finance lease transactions; • acquire an interest in or invest in any joint venture; I- 54-53 • enter into transactions with shareholders or affiliates except on arm's length terms for full market value, including in relation to the provision of goods or services; • enter into any contractual or similar restriction which restricts their ability to pay dividends or other distributions, make intra- group loan repayments, loan repayments or loans; • effect a consolidation or merger; • amend material commercial contracts; and • enter into derivative transactions in respect of exposures which are unconnected to Formula 1's credit facilities. In addition, those covenants restrict certain holding companies in Formula 1 from trading, carrying on business, owning assets or incurring liabilities. Formula 1 may also be required to repay its credit facilities upon the occurrence of certain events and Formula 1 cannot give any assurance that it will be able to finance such a repayment. Failure to comply with an obligation to repay the credit facilities would result in an event of default which could have a material adverse effect on Formula 1 and the Formula One Group. These restrictive covenants could limit Formula 1's ability to pursue Formula 1's growth plans, restrict Formula 1's flexibility in planning for, or reacting to, changes in Formula 1's business and industry and increase Formula 1's vulnerability to adverse economic and industry conditions. Formula 1 may enter into additional financing arrangements in the future, which could further restrict Formula 1's flexibility. Fluctuations in the value of the U. S. dollar against the functional currencies of Formula 1's business and Formula 1's counterparties' business could adversely affect Formula 1's profitability and the Formula One Group. In 2022-2023, a significant proportion of Formula 1's revenue and costs were denominated in U. S. dollars. Formula 1 also operates in a number of other currencies, most notably the pound sterling and Euro. There may be a mismatch between the amount of a local currency Formula 1 generates in revenue and incurs in expenses. Our financial statements translate local currency transactions into U. S. dollars. Formula 1 occasionally uses derivatives to hedge its exposure to more significant foreign currency risk. There is no assurance that such measures will be successful and fluctuations in the value of the U. S. dollar against Formula 1's functional currencies could affect its profitability. Additionally, most payments Formula 1 receives from Formula 1's counterparties under Formula 1's commercial contracts are denominated in U. S. dollars while their revenue is typically denominated in other currencies, most notably the Euro or the local currency in the country where the relevant Event is held. An appreciation of the U. S. dollar, against the functional currencies of Formula 1's counterparties whose revenue is denominated in a currency other than U. S. dollars, increases the cost of their payments to Formula 1 in their functional currencies and the risk that they will not make their payments to Formula 1 or cause them to request Formula 1 to enter into a new contract with such counterparty, which could affect Formula 1's profitability and financial position, and in turn could impact the Formula One Group. See " — Formula 1 is exposed to credit- related losses in the event of non- performance by counterparties to Formula 1's key commercial contracts. " Formula 1 is reliant upon the retention of certain key personnel and the hiring of strategically valuable personnel, and Formula 1 may lose or be unable to hire one or more

of such personnel. Formula 1's commercial success is dependent to a considerable extent on the abilities and reputation of Formula 1's management. Formula 1's senior management team has a wealth of experience both in Formula 1 and in the media sector more widely. Stefano Domenicali, Formula 1's Chief Executive Officer, brings his history of success in Formula 1 racing at Ferrari and the broader auto industry at Audi and Lamborghini. Formula 1's Chief Financial Officer, Duncan Llowarch, and ~~the General Counsel~~ **Chief Legal Officer and Chief Administrative Officer**, Sacha Woodward Hill, have ~~26 years and 27 years~~ **and 28 years** of experience in Formula 1, respectively. ~~Ross Brawn, who retired at the end of 2022 as Managing Director of Motor Sports, has over 40 years of experience in motor racing, holding senior positions in several leading Formula 1 teams including his own, Brawn GP, which won the Formula 1 Constructors' title in 2009.~~ While Formula 1 has the benefit of a strong management team and contracted revenue which provide Formula 1 stability in the near term, the voluntary departure of any key personnel could ~~disrupt~~ **disrupt** Formula 1's operations and have a material adverse effect on Formula 1's business and results of operations, which in turn could materially adversely impact the Formula One Group. Liberty and Formula 1 continue to take steps to hire ~~I- new~~ **54 new** members of management for the Formula 1 team as Liberty continues to expand the Formula 1 business. If Liberty and Formula 1 are unable to make strategic hires to strengthen the management of Formula 1, or if we are unable to retain these strategic hires over the long-term, the Formula 1 business may suffer, ~~and Liberty may be unable to recognize the anticipated benefits of the acquisition of Formula 1.~~ The Teams have certain governance rights under the 2021 Concorde Agreement that may limit or, at a minimum, influence actions that Liberty may seek to cause Formula 1 to take. The Teams are entitled to certain consent rights under the 2021 Concorde Agreement, including in relation to the number of Events in a season exceeding 24 or if there are fewer than ~~8~~ **eight** Events across Europe and North America combined and the introduction of new sporting and technical regulations applying to the World Championship. The interests or opinions of the Teams with regard to certain actions proposed to be taken by Formula 1 may differ from those of Liberty. In such event, the Teams may be able to block these actions. Risks Relating to the ~~Braves Liberty Live Group~~ **The Group** ~~We~~ **financial success of** ~~do not have~~ the **Braves right to manage** our business affiliate, Live Nation, which means we are not able to cause it to operate in a manner that is favorable to us. We do not have the right to manage the businesses or affairs of our business affiliate Live Nation, ~~which currently is attributed to the Liberty SiriusXM Group.~~ Rather, our rights take the form of representation on the board of directors and board committees **of Live Nation**. Although our board representation rights may enable us to exercise influence over the management or policies of Live Nation, ~~they~~ **such representation** will not enable us to cause Live Nation to take any actions we believe are favorable to us (such as paying dividends or distributions). Our equity method investment in Live Nation may have a material impact on net earnings of Liberty and ~~the Liberty Live Group will depend, in large part, on the Braves achieving on-field success.~~ **We have a significant investment in Live Nation that is attributed to** the ~~Braves Liberty Live Group~~ **Liberty Live Group** depend in large part on the ability of the Braves to achieve on-field success. The team's successes generate significant fan enthusiasm, resulting in sustained ticket ~~which we account for under the equity method of accounting. Under the equity method,~~ **premium seating and concession and merchandise sales, and greater shares** ~~share~~ of local television and radio audiences during that period. Furthermore, participation in MLB's postseason provides the franchise with additional revenue and ~~net earnings or losses of our equity affiliates in our statement of operations under "share of earnings (losses) of affiliates," which contributes to our earnings (loss) before~~ **income taxes**. ~~Due~~ **Additional revenue and income in the postseason are derived primarily from** ~~postseason games played at the Braves' home stadium. Although the Braves did not generate material revenue from participation in the 2020 postseason since games were played without fans in attendance due to~~ **the impact of** ~~COVID-19, Live~~ **the Braves appeared in 16 out of 16 potential postseason games in 2021 and 4 out of 17 potential postseason games in 2022.** ~~Potential postseason games do not include games played in the National~~ **League Wild Card Series, in which the Braves were not eligible to participate because of their high seeding in the National League. Income from postseason play (after reduction for allocable postseason share payments) contributed approximately \$ 8 million and \$ 68 million and of revenue in 2022 and 2021, respectively. While the Braves have made the MLB postseason during seven of the past eleven seasons, and were the 2021 World Series Champions, there **can be no assurance that the team will perform well or qualify for postseason play during the next season or any season thereafter. Poor on-field performance by the Braves is likely to adversely affect the financial performance of the Braves Group. The success of the Braves will depend largely on their ability to develop, obtain and retain talented players. The success of the Braves depends, in large part, on the ability to develop, obtain and retain talented players. The Braves compete with other MLB baseball teams and teams in other countries for available professional players and top player prospects. There can be no assurance that the Braves will be able to retain players upon expiration of their contracts or identify and obtain or develop new players of adequate talent to replace players who retire or are injured, traded, released or lost to free agency. Even if the Braves are able to retain or obtain players who have had successful amateur or professional careers, or develop talented players through the Braves' minor league affiliates or otherwise, there can be no assurance that such players will perform successfully for the Braves. The 2017 penalties handed down by MLB against the Braves in the international market limited the Braves' ability to recruit players internationally through the 2021 season, and could have an impact on the future pipeline of talent going forward. The risk of injuries to key or popular players creates uncertainty and could negatively impact financial results. A significant portion of the financial results of the Braves Group will be dependent upon the on-field success of the Braves and injuries to players pose risk to that success. In addition, the Braves are currently scheduled to play 81 regular season road games each year** ~~years ended~~, requiring players and members of the coaching staff to travel using charter carriers. The Braves' extensive travel schedule exposes its players and coaching staff to the risk of travel-related accidents and injuries. An injury sustained by a key player, or an injury occurring at a key point in the season, could negatively impact ~~I- 56~~ **the team's performance and decrease the likelihood of postseason play. An injury sustained by a popular player could negatively impact fan enthusiasm, which could negatively impact ticket sales and other sources of revenue. Furthermore, after the start of each season, all MLB players under contract are generally entitled to all of****

their contract salary for the season, even after sustaining an injury (subject to certain rights of the Braves). Having to compensate a player who is unable to perform for a substantial period of the season, as well as the replacement for the injured player, could create a significant financial burden for the Braves. Long-term employment contracts provide for, among other items, annual compensation for certain players (current and former) and other employees. Amounts due under such contracts as of December 31, 2022 aggregated \$ 868 million, which is payable as follows: \$ 184 million in 2023, \$ 132 million in 2024, \$ 115 million in 2025, \$ 114 million in 2026, \$ 90 million in 2027 and \$ 233 million thereafter. **If the earnings** The Braves may or may not elect to obtain disability insurance for **or losses** their players signed to multiyear contracts to partially mitigate these risks, but there can be no assurance that even if obtained that such insurance will compensate for all or substantially all of **Live Nation are material in** the costs associated with player injuries and such insurance would not serve to mitigate any potential negative impact on the team's performance and revenue. Focus on team performance, and decisions by management of Braves Holdings may negatively impact financial results in the short-term. Management of Braves Holdings focuses on making operational and business decisions that enhance the on-field performance of the Braves and this may sometimes require implementing strategies and making investments that may negatively impact short-term profit for the sake of immediate on-field success. For example, in order to improve the short-term performance of the team, management may decide to make trades for highly compensated players and sign free agents or current players to high value contracts, which could significantly increase operating expenses for a given year, and which could adversely impact the **those earnings or losses** trading price of the Liberty Braves common stock. In addition, to the extent higher salaries must be paid in order to retain talented players, the Braves may be subject to a tax, imposed by the CBA, if the Braves' aggregate average payroll exceeds the predetermined thresholds contained in the CBA. Alternatively, management may decide to focus on longer-term success by investing more heavily in the recruiting and development of younger and less expensive talent, which may negatively affect the team's current on-field success and in turn could have a negative impact on ticket sales and other sources of revenue. Braves Holdings must also comply with all MLB rules and decisions, which has significant authority over MLB teams and must act in the best interests of MLB as a whole. Such rules and decisions may be inconsistent with strategies adopted by management and may have a negative effect on the near-term value of the Braves Group. The organizational structure of MLB and its rules and regulations impose substantial restrictions on the operations of Braves Holdings and its subsidiaries. As a condition to maintaining its MLB membership, each MLB Club must comply with the MLB Rules and Regulations. See "Description of Business — MLB Rules and Regulations." For example, each MLB Club is subject to the Major League Constitution, the Major League Rules and the CBA. In addition, each MLB Club is required to appoint one "Control Person" who is acceptable to MLB and the other MLB Clubs and who has significant authority over club operations and the club's interaction with MLB. Pursuant to the MLB Rules and Regulations and the CBA, an MLB Club must comply with, among other things, limitations on the amount of debt it can incur, revenue sharing arrangements with other MLB Clubs, commercial arrangements with regard to the national broadcasting of its games and other programming and commercial arrangements relating to the use of its intellectual property. Additionally, the vote of 75 % of the MLB Clubs is required for the approval of the sale of any MLB Club or relocation of a franchise to another city. The Braves will be required to abide by any changes to the MLB Rules and Regulations and the adoption of any new MLB Rules and Regulations, irrespective of whether such changes or new arrangements negatively impact the Braves, proportionately or disproportionately, as compared with the other MLB Clubs. Further, the Commissioner of Baseball (the "Commissioner") interprets the MLB Rules and Regulations, and Braves Holdings (and certain of its affiliates) has agreed to submit any and all disputes related to the MLB Rules and Regulations, or disputes involving another MLB Club, to the Commissioner as sole arbitrator. The decisions of the Commissioner are binding and not appealable, and therefore Braves Holdings may not resort to the courts or any other means to enforce its rights or contest the application of the MLB Rules and Regulations. No assurance can be given that any changes to the MLB Rules and Regulations, adoption of new MLB I-57 Rules and Regulations or decisions made by the Commissioner will not adversely affect the Braves Group and its financial results and have a negative impact upon the value of the Liberty Braves common stock. Organized labor matters could have an adverse effect on the Braves Group's financial results. The Braves Group is dependent upon the efforts of unionized workers. MLB players are covered by the CBA. MLB has experienced labor difficulties in the past and may have labor issues in the future. Labor difficulties may include players' strikes or protests or management lockouts. MLB has also had disputes with the labor union representing the major league umpires, which have resulted in strikes and the need to use replacement umpires. MLB experienced a players strike during the 1994 season, which resulted in a regular season that was shortened and the cancellation of the World Series. In December 2021, the previous collective bargaining agreement expired and MLB commenced a lockout of the Major League players. As a result of the lockout, the start of the 2022 regular season was delayed until the MLB Clubs reached a tentative agreement in March 2022 on the terms of the CBA in a Memorandum of Understanding and the regular season began in April. See "Description of Business — MLB Rules and Regulations — Collective Bargaining Agreement." The CBA covers the 2022 through 2026 MLB seasons. Any labor disputes, such as players' strikes, protests or lockouts, could postpone or cancel MLB games. No revenue will be recognized for cancelled games and the impact may have a material negative effect on our **net earnings or losses and those attributed to the Liberty Live Group. Notwithstanding the impact on our net earnings or losses and those attributed to the Liberty Live Group, we do not have the ability to cause Live Nation to pay dividends or make other payments or advances to its stockholders, including us. In addition, our investment in Live Nation is in publicly traded securities, which is not reflected at fair value on our balance sheet and is subject to market risk that is not directly reflected in our statement of operations. The business and results of operations. The possibility Live Nation is subject to a number of MLB expansion could create increased risks and uncertainties, including many of which are similar to those above with respect to Sirius XM Holdings, such as:** • "Sirius XM Holdings faces substantial competition". The most recent MLB expansion occurred in 1998. MLB continues to evaluate opportunities to expand into new markets across North America. Because revenue from national broadcasting and **that competition is likely to**

licensing agreements are divided equally among all MLB Clubs, any such expansion could dilute the revenue realized by the Braves Group from such agreements and increase competition over time;” • “ Sirius XM Holdings relies on third parties for talented players among MLB Clubs. Historically, expansion teams have been permitted to select in an expansion draft certain unprotected players from the rosters of various MLB teams. There can be no assurance that the Braves will be able to retain key players during future expansion drafts or that the rules regarding expansion drafts will not change to the detriment of the Braves. Any expansion in the Southeast region of the U. S., in particular, could also draw fan, consumer and viewership interest away from the Braves. Viewership, and interest in baseball generally, may fluctuate due to factors outside of our control. Viewership of professional baseball has decreased in recent years and any future decline in television ratings or attendance for MLB as a whole could have an adverse effect on the Braves Group’s financial results. The Braves compete for entertainment and advertising dollars with other the sports and entertainment activities. During parts of the MLB regular season, the Braves experience competition from college football, professional basketball (the Atlanta Hawks) and professional football (the Atlanta Falcons). As sporting and entertainment trends change, fans may be drawn to other spectator sports and entertainment options operation, in spite of on-field success by the Braves. Broadcasting rights, both national and local, present an important source of revenue for Braves Holdings, and decreases in this broadcasting revenue could have an adverse effect on the Braves Group’s financial results. Braves Holdings derives revenue directly from the sale of their local broadcasting rights through an individually negotiated carriage or license agreement. The sale of their national broadcasting rights, together with those of all other MLB Clubs, is its organized through MLB with all such revenue allocated consistent with the MLB Rules and Regulations. A majority of this revenue is reliant on a limited number of broadcasting partners. Solvency and business disruptions impacting our broadcasting, and the failure of third parties parties to perform, as well as any decline in television ratings, carriage disputes popularity of the Braves specifically, or even MLB as a whole, could adversely affect its business;” • “ If Sirius XM Holdings fails to protect the revenue that can security of personal information about its customers, it could be derived from the sale subject to costly government enforcement actions and private litigation and its reputation could suffer;” • “ Interruption or failure of Sirius XM Holdings’ IT and communications systems could impair these the broadcasting delivery of its service and harm its business;” and • “ Failure to protect Sirius XM Holdings’ intellectual property or actions by third parties to enforce their intellectual property rights could substantially harm its business and operating results.” I- 55 Risks Relating 58 Braves Holdings’ need for capital to fund its operations and recent borrowings used or to be used to finance construction and development of the Braves’ stadium, the Mixed-Use Development and a spring training facility could negatively impact the Braves Group’s financial condition. Braves Holdings generally funds its operating activities through cash flow from operations and two to credit facilities, with a combined borrowing capacity of \$ 275 million. As of December 31, 2022, Braves Holdings did not have any borrowings under its operating credit facilities. If cash flows become insufficient to cover capital needs, Braves Holdings may be required to take on additional indebtedness, but applicable MLB rules limit the Ownership aggregate amount of Our Common Stock Due to Our Tracking Stock Capitalization The following risks indebtedness that Braves Holdings may incur. Braves Holdings has, directly or indirectly through subsidiaries, taken on a significant level of debt and increased expenses related relate to the development of the Braves’ stadium, the Mixed-Use Development and a spring training facility. As of December 31, 2022, Braves Holdings had approximately \$ 216 million outstanding under various debt instruments for construction and other the ownership stadium-related costs, \$ 300 million outstanding under various credit facilities and loans for the Mixed-Use Development and \$ 30 million outstanding under a credit facility for the spring training facility. As of our December 31, 2022, approximately \$ 403 million of capacity remained available under the credit facilities and loans. These construction and development expenditures will increase the Braves Group’s costs and indebtedness in the near term, which could have a negative impact on Braves Holdings’ credit worthiness and the value of the Liberty Braves common stock due. Certain covenants included in the documents governing indebtedness impose limitations on the liquidity of the Braves Group. In addition to the Debt Service Rule limitations imposed by the CBA limiting the amount of indebtedness that may be incurred by the Braves, the agreements governing the indebtedness incurred, directly or our indirectly tracking stock capitalization. However, by Braves Holdings while the Transactions are pending, include Liberty is currently subject to certain covenants that limit the ability of Braves Holdings to sell or otherwise transfer control over certain assets or equity interests of affiliated entities. These covenants could limit the flexibility of Braves Holdings to react to changing or adverse market conditions, which could have an adverse effect on the financial condition of the Braves Group and could suppress the value of the Liberty Braves common stock. The financial performance of the Braves Group may be materially adversely affected if it does not experience the anticipated benefits of the Mixed-Use Development in the near term or at all. The Braves Group is incurring a significant amount of capital expenditures and indebtedness in connection with the construction and development of the Mixed-Use Development. Although the Braves Group believes that the new stadium and mixed use development will result in a material increase in revenue over the short and long term, including as a result of increased game attendance and rental income from the Mixed-Use Development, no assurance can be given that attendance will increase as anticipated or that the potential benefits of the Mixed-Use Development will be fully realized. To the extent that the long-term anticipated benefits of the Mixed-Use Development do not materialize and the Braves Group does not experience sustained revenue, the Braves Group’s increased costs, including its new debt service obligations, could materially adversely affect the Braves Group’s financial results, which is likely to suppress the value of the Liberty Braves common stock. Development activities, such as those associated with the Mixed-Use Development, are subject to significant risks. Risks associated with real estate development projects, such as the Mixed-Use Development, relate to, among other items, adverse changes in national market conditions (which can result from political, regulatory, economic or other factors), increases in interest rates, competition for, and the financial condition of, tenants, the cyclical nature of property markets, adverse local market conditions, changes in the availability of debt financing, real estate tax rates and other operating expenses, zoning laws and other governmental rules and

fiscal policies, energy prices, population trends, risks and operating problems arising out of the presence of certain construction materials, acts of God, uninsurable losses and other factors which are beyond the control of the developer and may make the underlying investments economically unattractive. Development activities also involve the risk that construction may not be completed within budget or on I-59 schedule because of cost overruns, work stoppages, shortages of building materials, the inability of contractors to perform their obligations under construction contracts **contractual restrictions**, defects in plans and **therefore** specifications or various other factors, including natural disasters, which may be exacerbated by climate change. In addition, Braves Holdings has only been managing the Mixed-Use Development since 2017 and although real estate developers and other real estate experts have been engaged to assist in its efforts, Braves Holdings may not be able to fully realize **take some or all of** the projected long **actions described below. See “ — Risks Relating to the proposed Liberty Sirius XM Holdings Split - Off term returns and Merger – “ We (** benefits of its real estate development efforts. Any of these risks could result in substantial unanticipated delays or expenses associated with **respect to** the Mixed-Use Development **Liberty SiriusXM Group) and Liberty Sirius XM Holdings are subject to contractual restrictions while the Transactions are pending**, which could have an adverse effect on the Braves Group’s financial condition and suppress the value of the Liberty Braves common stock. Additionally, the real estate development projects require Braves Holdings to comply with various federal, state and local environmental, health, safety and land use laws and regulations. The properties are subject to such laws and regulations relating to the use, storage, disposal, emission and release of hazardous and non-hazardous substances and employee health and safety as well as zoning restrictions. Additional laws which may be passed in the future, or a finding of a violation of or liability under existing laws, could require us to make significant expenditures and otherwise limit or restrict some of our operations or developments. Climate change may also have indirect effects on the Mixed-Use Development by increasing the cost of, or making unavailable, property insurance on terms we find acceptable. To the extent that significant changes in the climate occur where the Mixed-Use Development is located, we may experience more frequent extreme weather events, which may result in physical damage to our or our lessees’ facilities and may adversely affect our business (, results of operations and financial condition. Failure of lessees of the Mixed-Use Development to renew their leases as they expire and improvement costs associated with **respect to** new leases may adversely impact the Braves **Liberty SiriusXM Group**’s cash flow from operations, which could negatively impact its financial condition. If Mixed-Use Development lessees do not renew their leases as they expire, Braves Holdings may not be able to re-lease that space in the Mixed-Use Development. In addition, in connection with securing lease renewals or re-leasing properties, Braves Holdings may agree to terms that are less economically favorable than expiring lease terms, or may be required to incur significant costs, such as renovations and **Liberty Sirius XM Holdings)** improvements on behalf of the lessee. Furthermore, a significant portion of the costs of owning property, such as real estate taxes, insurance and maintenance, are not necessarily reduced when circumstances cause a decrease in rental revenue from the properties. Any of these events could adversely affect **Liberty Sirius XM** the Braves Group’s cash flow from operations and its ability to service its indebtedness, which could negatively impact its financial condition. Negative market conditions or adverse events affecting existing or potential lessees of the Mixed-Use Development or the industries in which they operate, could have an adverse impact on Braves Holdings’ ability to attract new lessees, collect rent or renew leases at the Mixed-Use Development, which could adversely affect the Braves Group’s cash flow from operations and inhibit growth. ” **Holders** Cash flow from operations depends in part on Braves Holdings’ ability to lease space in the Mixed-Use Development on economically favorable terms and to collect rent from lessees on a timely basis. Braves Holdings could be adversely affected by various facts and events over which it has limited or no control, such as: • Lack of or loss of demand for the amount of commercial and retail space developed and being developed at the Mixed-Use Development; • Inability to retain existing lessees and attract new lessees; • Changes in market rental rates; • Declines in lessees’ creditworthiness and ability to pay rent, which may be affected by their operations, economic downturns and competition within their industries from other operators; • Defaults by and bankruptcies of lessees, failure of lessees to pay rent on a timely basis, or failure of lessees to comply with their contractual obligations; I-60 • Economic or physical decline of the areas around Truist Park and the Mixed-Use Development; and • Deterioration of the physical condition of properties in the Mixed-Use Development. At any time, any Mixed-Use Development lessee may experience a downturn in its business that may weaken its operating results or overall financial condition. As a result, such lessee may delay lease commencement, fail to make rental payments when due, decline to extend a lease upon its expiration, become insolvent or declare bankruptcy. The bankruptcy or insolvency of a Mixed-Use Development lessee could diminish the revenue Braves Holdings receives as a result of a lease termination or other concessions, such as reduced rent payable, and Braves Holdings’ ability to seek payment for unpaid future rent would be substantially limited, if not eliminated. Any lessee bankruptcy or insolvency, leasing delay or failure to make rental payments when due could result in material losses to Braves Holdings and could adversely affect the Braves Group’s cash flow from operations and its ability to service its indebtedness. Fans attending professional baseball games risk personal injury or accident, which could subject Braves Holdings to personal injury or other claims and could increase the Braves Group’s expenses. Personal injuries and accidents involving fans attending professional baseball games have occurred, and may in the future occur, which could subject Braves Holdings to claims and liabilities for personal injuries which could increase expenses. While Braves Holdings maintains insurance policies that provide coverage within limits that are sufficient, in management’s judgment, to protect Braves Holdings from material financial loss for personal injuries sustained by persons at its venues, there can be no assurance that such insurance will be adequate at all times and in all circumstances. The Braves Group may be adversely affected by the occurrence of extraordinary events, such as terrorist attacks. The occurrence and threat of extraordinary events, such as terrorist attacks, intentional or unintentional mass-casualty incidents, natural disasters or similar events, may substantially decrease the attendance at professional baseball games, which may decrease the Braves Group’s revenue or expose it to substantial liability. While Braves Holdings constantly evaluates the security precautions for its events, no security measures can guarantee safety. Despite Braves Holdings’ best efforts, some occurrences or actions are difficult to foresee and adequately plan for, which could

lead to fan, vendor and/or employee harm resulting in fines, penalties, legal costs and reputational risk that could materially and adversely impact the Braves Group's business and results of operations. Poor weather may adversely affect attendance at professional baseball games. Due to weather conditions, Braves Holdings may be required to cancel or reschedule one or more baseball games to another available day, which could increase its costs and could negatively impact attendance, as well as concession and merchandise sales, which could negatively impact the Braves Group's financial performance. Data loss or other breaches of Braves Holdings' network security could materially harm its business and results of operations. Penetration of Braves Holdings' network or other misappropriation or misuse of personal or sensitive information and data, including credit card information and other personally identifiable information, could subject it to increased costs, litigation, actions from governmental authorities and financial or other liabilities. In addition, security breaches, incidents or the inability to protect information could lead to ticketing fraud and counterfeit tickets. Security breaches and incidents could also result in significant costs related to remediation efforts. Any of the foregoing could adversely affect the Braves Group's business, financial condition and results of operations. A chapter 11 bankruptcy filing by Diamond Sports Group may interrupt the regional broadcasting of Braves games, which may adversely impact the Braves' fan base and results of operations. Recent news reports have speculated that Diamond Sports Group, a subsidiary of Sinclair Broadcasting Group which licenses and distributes sports content in various regional markets, including the Braves games (other than nationally televised games) in the Braves home television territory, is in financial distress and may file for chapter 11 protection. If Diamond Sports Group files for chapter 11 protection, Braves Holdings may not receive the unpaid amounts (including any accounts receivable and contract assets) owed prior to the chapter 11 bankruptcy under the regional sports broadcasting license with Sportsouth Network II, LLC, a subsidiary of Diamond Sports Group, and Braves Holdings may be required to repay amounts remitted during the 90-day preference period preceding the filing. Further, any interruption of the regional broadcasting of Braves games due to the chapter 11 bankruptcy may adversely impact the Braves' fan base and Braves Holdings' results of operations. In addition to any lost broadcast revenue or incurred credit losses, Braves Holdings may also incur additional expenses in negotiating a replacement regional broadcast license or an alternative arrangement. Braves Holdings cannot predict the outcome of any bankruptcy proceeding or its full impact on the Braves Group's business and results of operations.

Risks Relating to the Ownership of Our Common Stock Due to Our Tracking Stock Capitalization

Holders of Liberty SiriusXM common stock, Liberty Braves **Formula One** common stock and Liberty **Live Formula One** common stock are common stockholders of our Company and, therefore, are subject to risks associated with an investment in our Company as a whole, even if a holder does not own shares of common stock of all of our groups. Even though we have attributed, for financial reporting purposes, all of our consolidated assets, liabilities, revenue, expenses and cash flows among the Liberty SiriusXM Group, the Braves **Formula One** Group and the **Formula One Liberty Live** Group in order to prepare the separate financial statement schedules for each of those groups, we will retain legal title to all of our assets and our tracking stock capitalization does not limit our legal responsibility, or that of our subsidiaries, for the liabilities included in any set of financial statement schedules. Holders of Liberty SiriusXM common stock, Liberty **Braves Formula One** common stock and Liberty **Live Formula One** common stock do not have any legal rights related to specific assets attributed to their associated group and, in any liquidation, holders of Liberty SiriusXM common stock, holders of Liberty **Braves Formula One** common stock and holders of Liberty **Live Formula One** common stock will be entitled to receive a pro rata share of our available net assets based on their respective numbers of liquidation units. Possible market confusion may result from holders of our tracking stocks mistakenly believing that they (i) directly own stock of a company that is attributed to one of our tracking stocks and (ii) have any equity or voting interests with respect to companies attributed to one of our tracking stocks. Our company holds interests in various companies, including public companies, and these interests are attributed to our tracking stock groups. In particular, **following the Reclassification**, the assets of the Liberty SiriusXM Group are primarily comprised of our company's ownership interests in Sirius XM Holdings and **Live Nation** and corporate cash. **Similarly, since the completion of our acquisition of Formula 1 in January 2017**, the Formula One Group is now comprised of our subsidiary that owns the Formula 1 business **and the Liberty Live Group is primarily comprised of our interest in Live Nation**.

Depending on the composition of the assets underlying our tracking stock groups from time to time, confusion in the marketplace may occur if holders of our tracking stock mistakenly believe they own stock of a company attributed to the applicable tracking stock group. This may especially be true in cases where a tracking stock group has a name that is similar to the publicly traded company attributed to the applicable tracking stock group, as is the case of the Liberty SiriusXM Group and Sirius XM Holdings. As described above, holders of Liberty SiriusXM common stock, Liberty **Braves Formula One** common stock and Liberty **Live Formula One** common stock do not have any legal rights related to specific assets attributed to their associated tracking stock group. Similarly, holders of these tracking stocks do not, by virtue of their ownership of our tracking stock, own any equity or voting interest in any company attributed to one of our tracking stock groups, including any public companies. We may split off, spin off or reattribute assets, liabilities and businesses attributed to our tracking stock groups in a manner that may disparately impact some of our stockholders if our **board Board** of **directors Directors** determines such transaction to be in the best interest of all of our stockholders, and in some cases, not all of our stockholders would be entitled to vote on such a transaction. Pursuant to the terms of Liberty's restated certificate of incorporation (its "**charter Charter**"), **the Liberty's board Board** of **directors Directors** may determine that it is in the best interest of all of Liberty's stockholders to effect a redemptive split-off whereby all or a portion of the outstanding shares of a particular tracking stock would be redeemed for shares of common stock of a subsidiary ("Splitco") that holds all or a portion of the assets and liabilities attributed to such tracking stock group subject to the approval of only the holders of the tracking stock to be redeemed. However, the vote of holders of Liberty's other **I- 62tracking- 56tracking** stocks would not be required, unless Splitco also held assets and liabilities of such other tracking stock group (s). If Liberty were to effect a redemptive split-off, then, pursuant to the terms of its **charter Charter**, Liberty would be required to redeem the outstanding shares of the affected tracking stock from its holders on an equal per share basis (i. e., it could not redeem shares from holders of only certain series of the affected tracking stock or redeem from

all holders of the affected tracking stock on a non- pro rata basis). Following a redemptive split- off, holders of the other tracking stock (s) would continue to hold stock tracking the performance of Liberty’ s remaining assets and liabilities which would not have changed after the redemptive split- off, unless a reattribution among the tracking ~~stocks~~ **stock groups** occurred in connection with the redemptive split- off (as discussed below). In addition, in the case of a partial redemptive split- off, holders of the affected tracking stock would hold shares of Splitco and continue to hold a reduced number of shares of the affected tracking stock which would track the remaining assets and liabilities retained by Liberty and attributed to such tracking stock **group** after the split- off. Liberty is also permitted, pursuant to the terms of its ~~charter~~ **Charter**, to effect a spin- off of certain of its assets and liabilities through the dividend of shares of a subsidiary holding such assets and liabilities, and the spin- off would not be subject to prior stockholder approval. In this situation, a tracking stock holder would retain their tracking stock shares and receive shares of the spun- off entity. Furthermore, in structuring these transactions, ~~the Liberty’s board~~ **Board** of ~~directors~~ **Directors** may determine to alter the composition of the assets and liabilities underlying its tracking stock groups through a reattribution. As contemplated by both the ~~charter~~ **Charter** and the management and allocation policies designed to assist Liberty in managing and separately presenting the businesses and operations attributed to our tracking stock groups, ~~the Liberty’s board~~ **Board** of ~~directors~~ **Directors** is vested with the discretion to reattribute assets and liabilities from one tracking stock group to another tracking stock group without the approval of any of its stockholders, and the only limitations on its exercise of such discretion are that the reattribution be in the best interest of all of Liberty’ s stockholders and that the reattribution be done on a fair value basis. Holders of the affected tracking stock groups will not be entitled to a separate vote to approve a reattribution, even if such reattribution is occurring in connection with a redemptive split- off and such stockholders would otherwise be entitled to vote on the redemptive split- off itself. Our ~~board~~ **Board** of ~~directors~~ **Directors**’ ability to reattribute businesses, assets and expenses between and among tracking stock groups may make it difficult to assess the future prospects of our tracking stock groups based on past performance. Any reattribution made by ~~our the board~~ **Board** of ~~directors~~ **Directors** (as discussed above), as well as the existence, in and of itself, of the right to effect a reattribution may impact the ability of investors to assess the future prospects of the businesses and assets attributed to a tracking stock group, including liquidity and capital resource needs, based on past performance. Stockholders may also have difficulty evaluating the liquidity and capital resources of the businesses and assets attributed to each group based on past performance, as ~~our the board~~ **Board** of ~~directors~~ **Directors** may use one group’ s liquidity to fund another group’ s liquidity and capital expenditure requirements through the use of inter- group loans and inter- group interests. We could be required to use assets attributed to one group to pay liabilities attributed to another group. The assets attributed to one group are potentially subject to the liabilities attributed to another group, even if those liabilities arise from lawsuits, contracts or indebtedness that are attributed to such other group. While our current management and allocation policies provide that reattributions of assets between groups will result in the creation of an inter- group loan or an inter- group interest or an offsetting reattribution of cash or other assets, no provision of our current ~~charter~~ **Charter** prevents us from satisfying liabilities of one group with assets of another group, and our creditors are not in any way limited by our tracking stock capitalization from proceeding against any assets they could have proceeded against if we did not have a tracking stock capitalization. The market price of Liberty SiriusXM common stock, Liberty ~~Braves~~ **Formula One** common stock and Liberty ~~Live~~ **Formula One** common stock may not reflect the performance of the businesses and assets attributed to the Liberty SiriusXM Group, the ~~Braves~~ **Formula One** Group and the ~~Formula One~~ **Liberty Live** Group, respectively, as we intend. We cannot assure you that the market price of the common stock related to a group will, in fact, reflect the performance of the group of businesses, assets and liabilities attributed to that group. Holders of Liberty SiriusXM common stock, Liberty ~~Braves~~ **Formula One** common stock and Liberty ~~Live~~ **Formula One** common stock are common stockholders of our Company ~~as I- 57a 63 as a~~ whole and, as such, are subject to all risks associated with an investment in our Company and all of our businesses, assets and liabilities. As a result, the market price of each tracking stock may, in part, reflect events that are intended to be reflected or tracked by a different tracking stock of our Company. In addition, investors may discount the value of the stock related to a group because it is part of a common enterprise rather than a stand- alone entity. The market price of Liberty SiriusXM common stock, Liberty ~~Braves~~ **Formula One** common stock and Liberty ~~Live~~ **Formula One** common stock may be volatile, could fluctuate substantially and could be affected by factors that do not affect traditional common stock. The market prices of Liberty SiriusXM common stock, Liberty ~~Braves~~ **Formula One** common stock and Liberty ~~Live~~ **Formula One** common stock ~~and Liberty Live common stock and~~ may be materially affected by, among other things: • actual or anticipated fluctuations in a group’ s operating results or in the operating results of particular companies attributable to such group; • potential acquisition activity by our Company (regardless of the group to which it is attributed) or the companies in which we invest; • issuances of debt or equity securities to raise capital by our Company or the companies in which we invest and the manner in which that debt or the proceeds of an equity issuance are attributed to each of the groups; • changes in financial estimates by securities analysts regarding Liberty SiriusXM common stock, Liberty ~~Braves~~ **Formula One** common stock or Liberty ~~Live~~ **Formula One** common stock or the companies attributable to our tracking stock groups; • the complex nature and the potential difficulties investors may have in understanding the terms of our three tracking stocks, as well as concerns regarding the possible effect of certain of those terms on an investment in our stocks; and • general market conditions. The market value of Liberty SiriusXM common stock, Liberty ~~Braves~~ **Formula One** common stock or Liberty ~~Live~~ **Formula One** common stock could be adversely affected by events involving the assets and businesses attributed to one or more of the other groups. Because we are the issuer of Liberty SiriusXM common stock, Liberty ~~Braves~~ **Formula One** common stock and Liberty ~~Live~~ **Formula One** common stock, an adverse market reaction to events relating to the assets and businesses attributed to one of our groups, such as earnings announcements, announcements of new products or services or acquisitions or dispositions that the market does not view favorably, may cause an adverse market reaction in the common stock of the other groups. This could occur even if the triggering event is not material to us as a whole. Certain events may also have a greater impact on one group than the same triggering event would have on another group due to the asset composition of the affected group. In

addition, the incurrence of significant indebtedness by us or any of our subsidiaries on behalf of one group, including indebtedness incurred or assumed in connection with acquisitions of or investments in businesses, could affect our credit rating and that of our subsidiaries and, therefore, could increase the borrowing costs of businesses attributable to our other groups or the borrowing costs of our Company as a whole. We may not pay dividends equally or at all on Liberty SiriusXM common stock, Liberty ~~Braves~~ **Formula One** common stock or Liberty ~~Live~~ **Formula One** common stock. We do not presently intend to pay cash dividends on Liberty SiriusXM common stock, Liberty ~~Braves~~ **Formula One** common stock or Liberty ~~Live~~ **Formula One** common stock for the foreseeable future. However, we have the right to pay dividends on the shares of common stock related to each group in equal or unequal amounts, and we may pay dividends on the shares of common stock related to one group and not pay dividends on shares of common stock related to another group. In addition, any dividends or distributions on, or repurchases of, shares relating to a group will reduce our assets legally available to be paid as dividends on the shares relating to another group. I- ~~64~~ **Our 58** ~~Our~~ tracking stock capital structure could create conflicts of interest, and our ~~board~~ **Board** of ~~directors~~ **Directors** may make decisions that could adversely affect only some holders of our common stock. Our tracking stock capital structure could give rise to occasions when the interests of holders of stock related to one group might diverge or appear to diverge from the interests of holders of stock related to one or both of the other groups. In addition, given the nature of their businesses, there may be inherent conflicts of interests between the Liberty SiriusXM Group, the ~~Braves~~ **Formula One** Group and the ~~Formula One~~ **Liberty Live** Group. Our tracking stock groups are not separate entities and thus holders of Liberty SiriusXM common stock, Liberty ~~Braves~~ **Formula One** common stock and Liberty ~~Live~~ **Formula One** common stock do not have the right to elect separate boards of directors. As a result, our Company's officers and directors owe fiduciary duties to our Company as a whole and all of our stockholders as opposed to only holders of a particular group. Decisions deemed to be in the best interest of our Company and all of our stockholders may not be in the best interest of a particular group or groups when considered independently. Examples include: • decisions as to the terms of any business relationships that may be created between groups, such as between the Liberty SiriusXM Group and the ~~Braves~~ **Liberty Live** Group or between the Liberty SiriusXM Group and the ~~Formula One~~ **Liberty Live** Group; • the terms of any reattributions of assets between one or more groups; • decisions as to the allocation of consideration among the holders of Liberty SiriusXM common stock, Liberty ~~Braves~~ **Formula One** common stock and Liberty ~~Live~~ **Formula One** common stock, or among the series of stocks relating to our groups, to be received in connection with a merger involving our Company; • decisions as to the allocation of corporate opportunities between the groups, especially where the opportunities might meet the strategic business objectives of more than one group; • decisions as to operational and financial matters that could be considered detrimental to one or more groups but beneficial to another; • decisions as to the conversion of shares of common stock of one group into shares of common stock of another; • decisions regarding the creation of, and, if created, the subsequent increase or decrease of any inter- group interest that one group may own in another group; • decisions as to the internal or external financing attributable to businesses or assets attributed to any of our groups; • decisions as to the dispositions of assets of any of our groups; and • decisions as to the payment of dividends on the stock relating to any of our groups. Our directors' or officers' equity ownership may create or appear to create conflicts of interest. If directors or officers own disproportionate interests (in percentage or value terms) in Liberty SiriusXM common stock, Liberty ~~Braves~~ **Formula One** common stock or Liberty ~~Live~~ **Formula One** common stock, that disparity could create or appear to create conflicts of interest when they are faced with decisions that could have different implications for the holders of Liberty SiriusXM common stock, Liberty ~~Braves~~ **Formula One** common stock or Liberty ~~Live~~ **Formula One** common stock. Other than pursuant to our management and allocation policies, we have not adopted any specific procedures for consideration of matters involving a divergence of interests among holders of shares of stock relating to our three groups, or among holders of different series of stock relating to a specific group. Rather than develop additional specific procedures in advance, ~~our the board~~ **Board** of ~~directors~~ **Directors** intends to exercise its judgment from time to time, depending on the circumstances, as to how best to: • obtain information regarding the divergence (or potential divergence) of interests; I- ~~65~~ **59** • determine under what circumstances to seek the assistance of outside advisers; • determine whether a committee of ~~our the board~~ **Board** of ~~directors~~ **Directors** should be appointed to address a specific matter and the appropriate members of that committee; and • assess what is in our best interests and the best interests of all of our stockholders. ~~Our The board~~ **Board** of ~~directors~~ **Directors** believes the advantage of retaining flexibility in determining how to fulfill its responsibilities in any such circumstances as they may arise outweighs any perceived advantages of adopting additional specific procedures in advance. Our ~~board~~ **Board** of ~~directors~~ **Directors** may change the management and allocation policies to the detriment of one or more groups without stockholder approval. ~~Our The board~~ **Board** of ~~directors~~ **Directors** has adopted certain management and allocation policies to serve as guidelines in making decisions regarding the relationships among the Liberty SiriusXM Group, the ~~Braves~~ **Formula One** Group and the ~~Formula One~~ **Liberty Live** Group with respect to matters such as tax liabilities and benefits, inter- group loans, inter- group interests, attribution of assets, financing alternatives, corporate opportunities and similar items. These policies also set forth the initial focuses and strategies of these groups and the initial attribution of our businesses, assets and liabilities among them. These policies are not included in the current ~~charter~~ **Charter**. ~~Our The board~~ **Board** of ~~directors~~ **Directors** may at any time change or make exceptions to these policies. Because these policies relate to matters concerning the day- to- day management of our Company as opposed to significant corporate actions, such as a merger involving our Company or a sale of substantially all of our assets, no stockholder approval is required with respect to their adoption or amendment. A decision to change, or make exceptions to, these policies or adopt additional policies could disadvantage one or more groups while advantaging the other (s). Holders of shares of stock relating to a particular group may not have any remedies if any action by our directors or officers has an adverse effect on only that stock, or on a particular series of that stock. Principles of Delaware law and the provisions of our current ~~charter~~ **Charter** may protect decisions of ~~our the board~~ **Board** of ~~directors~~ **Directors** that have a disparate impact upon holders of shares of stock relating to a particular group, or upon holders of any series of stock relating to a particular group. Under Delaware law, the ~~board~~ **Board** of ~~directors~~ **Directors** has a duty to act with due care and in

the best interests of all of our stockholders, regardless of the stock, or series, they hold. Principles of Delaware law established in cases involving differing treatment of multiple classes or series of stock provide that a board of directors owes an equal duty to all stockholders and does not have separate or additional duties to any subset of stockholders. Judicial opinions in Delaware involving tracking stocks have established that decisions by directors or officers involving differing treatment of holders of tracking stocks may be judged under the business judgment rule. In some circumstances, our directors or officers may be required to make a decision that is viewed as adverse to the holders of shares relating to a particular group or to the holders of a particular series of that stock. Under the principles of Delaware law and the business judgment rule referred to above, a stockholder may not be able to successfully challenge decisions that they believe have a disparate impact upon the stockholders of one of our groups if a majority of ~~our the board Board~~ **Board of directors-Directors** is disinterested and independent with respect to the action taken, is adequately informed with respect to the action taken and acts in good faith and in the honest belief that the ~~board Board~~ **Board of directors-Directors** is acting in the best interest of Liberty and all of our stockholders. Stockholders will not vote on how to attribute consideration received in connection with a merger involving our Company among holders of Liberty SiriusXM common stock, Liberty ~~Braves common stock and Liberty~~ **Braves common stock and Liberty** ~~Formula One common stock~~ **Formula One common stock** ~~and Liberty Live common stock~~ **and Liberty Live common stock**. Our current ~~charter Charter~~ **Charter** does not contain any provisions governing how consideration received in connection with a merger or consolidation involving our Company is to be attributed to the holders of Liberty SiriusXM common stock, holders of Liberty ~~Braves Formula One~~ **Braves Formula One** common stock and holders of Liberty ~~Live Formula One~~ **Live Formula One** common stock or to the holders of different series of stock, and none of the holders of Liberty SiriusXM common stock, Liberty ~~Braves Formula One~~ **Braves Formula One** common stock or Liberty ~~Live Formula One~~ **Live Formula One** common stock will have a separate class vote in the event of such a merger or consolidation. Consistent with applicable principles of Delaware law, ~~our the board Board~~ **Board of directors-Directors** will seek to divide the type and amount of consideration received in a merger or consolidation involving our Company among holders of Liberty SiriusXM common stock, Liberty ~~Braves common stock and Liberty~~ **Braves common stock and Liberty** ~~Formula One common stock~~ **Formula One common stock** ~~and Liberty Live common stock~~ **and Liberty Live common stock** in a fair manner. As the different ways the ~~board Board~~ **Board of Directors** ~~I- 66~~ **directors may 60** may divide the consideration between holders of stock relating to the different groups, and among holders of different series of a particular stock, might have materially different results, the consideration to be received by holders of Liberty SiriusXM common stock, Liberty ~~Braves Formula One~~ **Braves Formula One** common stock and Liberty ~~Live Formula One~~ **Live Formula One** common stock in any such merger or consolidation may be materially less valuable than the consideration they would have received if they had a separate class vote on such merger or consolidation. We may dispose of assets of the Liberty SiriusXM Group, the ~~Braves Formula One~~ **Braves Formula One** Group or the ~~Formula One Liberty Live~~ **Formula One Liberty Live** Group without stockholder approval. Delaware law requires stockholder approval only for a sale or other disposition of all or substantially all of the assets of our Company taken as a whole, and our current ~~charter Charter~~ **Charter** does not require a separate class vote in the case of a sale of a significant amount of assets of any of our groups. As long as the assets attributed to the Liberty SiriusXM Group, the ~~Braves Formula One~~ **Braves Formula One** Group or the ~~Formula One Liberty Live~~ **Formula One Liberty Live** Group proposed to be disposed of represent less than substantially all of our assets, we may approve sales and other dispositions of any amount of the assets of such group without any stockholder approval. If we dispose of all or substantially all of the assets attributed to any group (which means, for this purpose, assets representing 80 % of the fair market value of the total assets of the disposing group, as determined by ~~our the board Board~~ **Board of directors-Directors**), we would be required under the terms of our current ~~charter Charter~~ **Charter**, if the disposition is not an exempt disposition under the terms of our current charter, to choose one or more of the following three alternatives: • declare and pay a dividend on the disposing group's common stock; • redeem shares of the disposing group's common stock in exchange for cash, securities or other property; and / or • convert all or a portion of the disposing group's outstanding common stock into common stock of another group. In this type of a transaction, holders of the disposing group's common stock may receive less value than the value that a third- party buyer might pay for all or substantially all of the assets of the disposing group. ~~Our The board Board~~ **Board of directors-Directors** will decide, in its sole discretion, how to proceed and is not required to select the option that would result in the highest value to holders of any stock related to a particular group. Holders of Liberty SiriusXM common stock, Liberty ~~Braves Formula One~~ **Braves Formula One** common stock or Liberty ~~Live Formula One~~ **Live Formula One** common stock may receive less consideration upon a sale of the assets attributed to that group than if that group were a separate company. If the Liberty SiriusXM Group, the ~~Braves Formula One~~ **Braves Formula One** Group or the ~~Formula One Liberty Live~~ **Formula One Liberty Live** Group were a separate, independent company and its shares were acquired by another person, certain costs of that sale, including corporate level taxes, might not be payable in connection with that acquisition. As a result, stockholders of a separate, independent company with the same assets might receive a greater amount of proceeds than the holders of Liberty SiriusXM common stock, Liberty ~~Braves Formula One~~ **Braves Formula One** common stock or Liberty ~~Live Formula One~~ **Live Formula One** common stock would receive upon a sale of all or substantially all of the assets of the group to which their shares relate. In addition, we cannot assure you that in the event of such a sale the per share consideration to be paid to holders of Liberty SiriusXM common stock, Liberty ~~Braves Formula One~~ **Braves Formula One** common stock or Liberty ~~Live Formula One~~ **Live Formula One** common stock, as the case may be, will be equal to or more than the per share value of that share of stock prior to or after the announcement of a sale of all or substantially all of the assets of the applicable group. Further, there is no requirement that the consideration paid be tax- free to the holders of the shares of common stock related to that group. Accordingly, if we sell all or substantially all of the assets attributed to the Liberty SiriusXM Group, the ~~Braves Formula One~~ **Braves Formula One** Group or the ~~Formula One Liberty Live~~ **Formula One Liberty Live** Group, our stockholders could suffer a loss in the value of their investment in our stock. ~~I- 67~~ **In 61** ~~In~~ **In** the event of a liquidation of Liberty, holders of Liberty SiriusXM common stock, Liberty ~~Braves Formula One~~ **Braves Formula One** common stock and Liberty ~~Live Formula One~~ **Live Formula One** common stock will not have a priority with respect to the assets attributed to the related tracking stock group remaining for distribution to stockholders. Under our current ~~charter Charter~~ **Charter**, upon Liberty's liquidation, dissolution or winding up, holders of Liberty SiriusXM common stock, Liberty ~~Braves Formula One~~ **Braves Formula One** common stock and Liberty ~~Live Formula One~~ **Live Formula One** common stock will be entitled to receive, in respect of their shares of such stock, their proportionate interest in all of Liberty's assets, if any, remaining for distribution to holders of common stock in proportion to their respective number of "liquidation units" per share, **as previously determined in**

connection with the Reclassification. Hence, the assets to be distributed to a holder of any of our tracking stocks upon a liquidation units were initially determined based on, dissolution or winding up of Liberty will have nothing to do with the volume weighted average prices value of the assets attributed to the related tracking stock group or to changes in the relative value of the Liberty SiriusXM common stock, Liberty Braves common stock and Liberty Formula One common stock over the 20 trading day period which commenced shortly after the filing of our restated charter on April 15, 2016 and the fraction of a liquidation unit related to each share of Liberty Live Braves common stock and Liberty SiriusXM common stock was further adjusted in connection with the rights distribution in May 2016 and the rights distribution in May 2020, respectively. Hence, the assets to be distributed to a holder of any of our tracking stocks upon a liquidation, dissolution or winding up of Liberty will have nothing to do with the value of the assets attributed to the related tracking stock group or to changes in the relative value of the Liberty SiriusXM common stock, Liberty Braves common stock and Liberty Formula One common stock over time. Our **The board Board** of directors **Directors** may elect to convert the common stock relating to one group into common stock relating to another group, thereby changing the nature of a stockholder's investment and possibly diluting their economic interest in our Company, which could result in a loss in value to them. Our current **charter Charter** permits our **the board Board** of directors **Directors** to convert all of the outstanding shares of common stock relating to any of our groups into shares of common stock of another group on specified terms. A conversion would preclude the holders of stock related to each group involved in such conversion from retaining their investment in a security that is intended to reflect separately the performance of the relevant group. We cannot predict the impact on the market value of our stock of (1) our **the board Board** of directors **Directors**' ability to effect any such conversion or (2) the exercise of this conversion right by our **the board Board** of directors **Directors**. In addition, our **the board Board** of directors **Directors** may effect such a conversion at a time when the market value of our different stocks could cause the stockholders of one group to be disadvantaged. Holders of Liberty SiriusXM common stock, Liberty Braves **Formula One** common stock and Liberty **Live Formula One** common stock vote together and have limited separate voting rights. Holders of Series A and Series B Liberty SiriusXM common stock, Liberty Braves **Formula One** common stock and Liberty **Live Formula One** common stock vote together as a single class, except in certain limited circumstances prescribed by our current **charter Charter** and under Delaware law. Each share of Series B common stock of each group has ten votes per share, and each share of Series A common stock of each group has one vote per share. Holders of Series C common stock of each group have no voting rights, other than those required under Delaware law. When holders of Liberty SiriusXM common stock, Liberty Braves **Formula One** common stock and Liberty **Live Formula One** common stock vote together as a single class, holders having a majority of the votes are in a position to control the outcome of the vote even if the matter involves a conflict of interest among our stockholders or has a greater impact on one group than another. Transactions in Liberty SiriusXM common stock, Liberty Braves **Formula One** common stock and Liberty **Live Formula One** common stock by our insiders could depress the market price of those stocks. Sales of, or hedging transactions such as collars relating to, shares of Liberty SiriusXM common stock, Liberty Braves **Formula One** common stock or Liberty **Live Formula One** common stock by our Chairman of the Board **of Directors**, or any of our other directors or executive officers, could cause a perception in the marketplace that the stock price of the relevant shares has peaked or that adverse events or trends have occurred or may be occurring at our Company or the group to which the shares relates. This perception can result notwithstanding any personal financial motivation for these transactions. As a result, insider transactions could depress the market price for shares of the Liberty SiriusXM common stock, Liberty Braves common stock or Liberty Formula One common stock **or Liberty Live common stock**. I- 68Our **62Our capital structure** current charter includes restrictions on the share ownership of Liberty Braves common stock by certain persons, which if triggered would result in an immediate transfer of the applicable number of shares to a trust for the benefit of the holder. To comply with the policies of MLB, our current charter provides that (i) employees of MLB and related entities may not own Liberty Braves common stock, (ii) persons who are employed by or otherwise associated with an MLB club other than the Braves may not own 5% or more of the number of outstanding shares of Liberty Braves common stock, and (iii) no person may own 10% or more of the number of outstanding shares of Liberty Braves common stock unless, in the case of this clause (iii), such person is expressly approved by the Commissioner or qualifies as an exempt person (which is generally defined to include our Chairman John C. Malone, Chief Executive Officer Gregory B. Maffei, the Chairman of Braves Holdings, LLC Terence McGuirk and certain of their related persons). In the event that a holder attempts to acquire shares of Liberty Braves common stock in violation of this charter provision, the applicable shares will automatically be transferred to a trust which will sell the shares for the benefit of the holder (subject to certain exceptions, such as in the event of an inadvertent violation of the restrictions described in clause (ii) or (iii) above which is cured within the applicable time frame). No assurance can be given that the trust will be able to sell the shares at a price that is equal to or greater than the price paid by the holder. In addition, the holder's right to receive the net proceeds of the sale, as well as any dividends or other distributions to which the holder would otherwise be entitled, will be subject to the holder's compliance with the applicable mechanics included in our current charter. Our capital structure, as well as the fact that the Liberty SiriusXM Group, the Braves **Formula One** Group and the **Formula One Liberty Live** Group are not independent companies, may inhibit or prevent acquisition bids for the businesses attributed to the Liberty SiriusXM Group, the Braves **Formula One** Group or the **Formula One Liberty Live** Group and may make it difficult for a third party to acquire us, even if doing so may be beneficial to our stockholders. If the Liberty SiriusXM Group, the Braves **Formula One** Group and the **Formula One Liberty Live** Group were separate independent companies, any person interested in acquiring the Liberty SiriusXM Group, the Braves **Formula One** Group or the **Formula One Liberty Live** Group without negotiating with management could seek control of that group by obtaining control of its outstanding voting stock, by means of a tender offer or a proxy contest. Although we intend Liberty SiriusXM common stock, Liberty Braves common stock and Liberty Formula One common stock **and Liberty Live common stock** to reflect the separate economic performance of the Liberty SiriusXM Group, the Braves **Formula One** Group and the **Formula One Liberty Live** Group, respectively, those groups are not separate entities

and a person interested in acquiring only one group without negotiation with our management could obtain control of that group only by obtaining control of a majority in voting power of all of the outstanding voting shares of our Company. The existence of shares of common stock, and different series of shares, relating to different groups could present complexities and in certain circumstances pose obstacles, financial and otherwise, to an acquiring person that are not present in companies that do not have a capital structure similar to ours. Certain provisions of our current ~~charter~~ **Charter** and bylaws may discourage, delay or prevent a change in control of our Company that a stockholder may consider favorable. These provisions include: • authorizing a capital structure with multiple series of common stock: a Series B common stock related to each group that entitles the holders to ten votes per share, a Series A common stock related to each group that entitles the holder to one vote per share, and a Series C common stock related to each group that, except as otherwise required by Delaware law, entitles the holder to no voting rights; • classifying ~~our the board Board~~ of ~~directors Directors~~ with staggered three- year terms, which may lengthen the time required to gain control of ~~our the board Board~~ of ~~directors Directors~~; • limiting who may call special meetings of stockholders; • prohibiting stockholder action by written consent, thereby requiring all stockholder actions to be taken at a meeting of the stockholders; • establishing advance notice requirements for nominations of candidates for election to the ~~board Board~~ of ~~directors Directors~~ or for proposing matters that can be acted upon by stockholders at stockholder meetings; ~~I-69~~ • requiring stockholder approval by holders of at least 66⅔ % of our aggregate voting power or the approval by at least 75 % of ~~our the board Board~~ of ~~directors Directors~~ with respect to certain extraordinary matters, such as a merger or consolidation of our Company, a sale of all or substantially all of our assets or an amendment to our current ~~charter~~ **Charter**; and • the existence of authorized and unissued stock, including “ blank check ” preferred stock, which could be issued by ~~our the board Board~~ of ~~directors Directors~~ to persons friendly to our then current management, thereby protecting the continuity of our management, or which could be used to dilute the stock ownership of persons seeking to obtain control of our Company. Liberty’s Chairman, John C. Malone, beneficially owns shares (based on outstanding share information as of January 31, ~~2023~~ **2024**) representing the power to direct approximately 49 % of the aggregate voting power in Liberty, due to his beneficial ownership of approximately ~~96-97~~ % of the outstanding shares of each of the Series B Liberty SiriusXM common stock, the Series B Liberty ~~Braves Formula One~~ common stock and the Series B Liberty ~~Live Formula One~~ common stock. ~~I-69~~ **Risks** Relating to the proposed ~~Liberty Sirius XM Holdings~~ Split- Off and ~~Reclassification We Merger We~~ intend to split- off our ~~Braves~~ **Liberty SiriusXM** Group into an independent, publicly- traded company **which will combine with Sirius XM Holdings** in the first half of ~~2023~~ and to create a new Liberty Live Group tracking stock. The proposed ~~transactions~~ **Transactions** may not be completed on the currently contemplated timeline or at all and may not achieve the intended benefits. We have announced our intention to split- off our ~~Braves Liberty SiriusXM~~ Group (the “ ~~Liberty Sirius XM Holdings Split- Off~~ ”) into an independent, publicly- traded company and to create a new third tracking stock group, Liberty Live Group ~~Sirius XM Holdings~~, and combine it with Sirius XM Holdings through the reclassification a merger of all of our remaining common stock ~~Merger Sub with and into Sirius XM Holdings~~, which includes ~~with Sirius XM Holdings surviving the merger as a wholly owned subsidiary of Liberty SiriusXM--~~ **Sirius XM Holdings** Group and the Formula One Group (the “ ~~Reclassification Merger~~ ” and, together with the ~~Liberty Sirius XM Holdings~~ Split- Off, the “ ~~Transactions~~ ”) **early** in the ~~first half~~ **third quarter** of ~~2023-2024~~, subject to the satisfaction of certain conditions, including obtaining certain requisite approvals of the holders of ~~our Series A and Series B Liberty SiriusXM~~ common stock, the receipt of opinions of tax counsel and other, **certain regulatory approvals and other customary closing conditions**. In addition, the **Merger is dependent and conditioned on the approval and completion of the Liberty Sirius XM Holdings** Split- Off, is conditioned on the requisite approval of Major League Baseball and the receipt of an ~~and~~ IRS ruling. Further, the ~~Merger~~ **Reclassification** is dependent and conditioned on the approval and completion of the Split- Off, and will not be ~~implemented~~ **completed** unless the **Liberty Sirius XM Holdings** Split- Off is completed. ~~If~~; however, the **Liberty Sirius XM Holdings** Split- Off is **completed**, not dependent upon the **Merger will also** approval of the **Reclassification** and may be **completed** ~~implemented even if the Reclassification is not approved~~. Unanticipated developments, including possible delays in obtaining requisite ~~rulings and~~ approvals could delay or prevent the proposed **Liberty Sirius XM Holdings** Split- Off and / or ~~Reclassification~~ **Merger from occurring** or cause the proposed **Liberty Sirius XM Holdings** Split- Off and / or ~~Reclassification~~ **Merger** to occur on terms or conditions that are less favorable and / or different than expected. Even if the **Transactions** are completed, we may not realize some or all of the anticipated benefits from the **Transactions**. We expect to incur costs and expenses in connection with the **Transactions**. We expect that we will incur certain nonrecurring costs in connection with the consummation of the **Transactions**, including ~~advisory~~ **investment banking**, legal and **accounting fees and financial printing and** other ~~transaction costs~~ **related charges**. A majority of these costs have already been incurred or will be incurred regardless of whether the **Transactions** are completed. While many of the expenses that will be incurred, by their nature, are difficult to estimate accurately at the present time, our management continues to assess the magnitude of these costs, and additional unanticipated costs may be incurred in connection with the **Transactions**. Although we expect that the realization of benefits related to the **Transactions** will offset such costs and expenses over time, no assurances can be made that this net benefit will be achieved in the near term, or at all. **The announcement and pendency of the Transactions could divert the attention of management and cause disruptions in our businesses as a whole and in the Liberty SiriusXM Group, which could have an adverse effect on our business and financial results. Our management may be required to divert a disproportionate amount of attention away from their day- to- day activities and operations, and devote time and effort to consummating the Transactions. The risks, and adverse effects, of such disruptions and diversions could be exacerbated by a delay in the completion of the Transactions. These factors could adversely affect our financial position or results of operations, regardless of whether the Transactions are completed. We (with respect to the Liberty SiriusXM Group) and Liberty Sirius XM Holdings are subject to contractual restrictions while the Transactions are pending, which could adversely affect our business (with respect to the Liberty SiriusXM Group and Liberty Sirius XM Holdings) and could adversely affect Liberty Sirius XM**

Holdings. The Agreement and Plan of Merger, dated December 11, 2023, by and among us, Liberty Sirius XM Holdings, Sirius XM Holdings and Merger Sub (the “ Merger Agreement ”) imposes certain restrictive interim covenants on us (with respect to the Liberty SiriusXM Group and Liberty Sirius XM Holdings) and Liberty Sirius XM Holdings during the pendency of the Merger Agreement. For instance, subject to certain exceptions set forth in the Merger Agreement, the consent of the special committee of the board of directors of Sirius XM Holdings (the “ Special Committee ”) (on behalf of Sirius XM Holdings) is required in respect of, among other things, amendments to our (with respect to the Liberty SiriusXM Group) or Liberty Sirius XM Holdings’ organizational documents, the incurrence of debt for borrowed money, payments of certain dividends with respect to Liberty SiriusXM common stock and common stock of Liberty Sirius XM Holdings, certain issuances of shares of Liberty SiriusXM common stock and common stock of Liberty Sirius XM Holdings and payments of certain liabilities. These restrictions may prevent us and Liberty Sirius XM Holdings from taking certain actions during the period from the date of the Merger Agreement to the effective time of the Merger, including making certain acquisitions or otherwise pursuing certain business opportunities, or making certain changes to shares of Liberty SiriusXM common stock or common stock of Liberty Sirius XM Holdings, that our and the Liberty Sirius XM Holdings board of directors, respectively, may deem beneficial. The Transactions are subject to conditions, some or all of which may not be satisfied, or completed on a timely basis, if at all. Failure to complete the Transactions could negatively impact our business and / or financial results and cause the stock price of Liberty SiriusXM common stock to decline, perhaps significantly. The completion of the Transactions is subject to a number of conditions, including obtaining certain requisite approvals of the holders of Series A and Series B Liberty SiriusXM common stock, the receipt of opinions of tax counsel, certain regulatory approvals and other customary closing conditions. We cannot make any assurances that the Transactions will be completed on the terms or timeline currently contemplated, or at all. Some of the conditions to the completion of the Transactions are outside our control and outside the control of other parties to the Transactions. We have and will continue to expend time and resources and incur expenses related to the proposed Transactions. If the Transactions are not completed for any reason, our ongoing business may be adversely affected and we will be subject to several risks and consequences, including the following: • we may be required, under certain circumstances, to pay Sirius XM Holdings a termination fee of \$ 450 million in cash; • we will be required to pay certain costs relating to the Transactions, whether or not the Transactions are completed, such as significant fees and expenses relating to financial advisory, legal, accounting, consulting and other advisory fees and expenses, employee- benefit and related expenses, regulatory filings and filing and printing fees; and • matters relating to the Transactions may require substantial commitments of time and resources by our management and the expenditure of significant funds in the form of fees and expenses, which could otherwise have been devoted to day- to- day operations and other opportunities that may have been beneficial to us. In addition, if the Transactions are not completed, we may experience negative reactions from the financial markets and from our employees, commercial partners and customers. We could also be subject to litigation, including litigation related to failure to complete the Merger or to enforce obligations under the Merger Agreement. If the Merger is not consummated, there can be no assurance that the risks described above will not materially affect our business, financial results and stock prices. The stock price of Liberty SiriusXM common stock may decline, perhaps significantly, to the extent such stock price reflects a market assumption that the Transactions will be completed, or based on the market’ s perception as to why the Transactions were not completed. The Merger Agreement contains provisions that could discourage a potential competing acquiror of us (with respect to the Liberty SiriusXM Group) or Liberty Sirius XM Holdings, or could result in any competing proposal being at a lower price than it otherwise might be. Pursuant to the terms, and during the pendency, of the Merger Agreement, we (with respect to the Liberty SiriusXM Group) and Liberty Sirius XM Holdings have agreed to non- solicitation obligations with respect to third- party acquisition proposals (including provisions restricting our and Liberty Sirius XM Holdings’ ability to provide confidential information to third parties) and have agreed to certain restrictions on us, Liberty Sirius XM Holdings and our and their representatives’ ability to respond to any such proposals. However, subject to the terms of the Merger Agreement, Liberty Media’ s board of directors may make a Liberty Adverse Recommendation Change (as defined in the Merger Agreement), in which case, Sirius XM Holdings may terminate the Merger Agreement and receive a termination fee from us in an amount equal to \$ 450 million in cash. I- 65