Risk Factors Comparison 2023-08-22 to 2022-08-19 Form: 10-K

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The following is a summary of the principal risks that could adversely affect our business, operations and financial results. For a more complete discussion of the material risks facing our business, please see below. ~~General Risk Factors • Our operations and operating results have been, and may in the future be, materially impacted by the COVID- 19 pandemic and actions taken in response by governmental authorities and certain professional sports leagues. • All of our businesses face intense and wide- ranging competition that may have a material negative effect on our business and results of operations.~~ Risks Related to Our ~~Entertainment~~ **Sphere** Business • The success of our ~~Entertainment~~ **Sphere** business depends on the ~~continued~~ popularity of ~~our live productions~~ **The Sphere Experience** , ~~particularly~~ **as well as our ability to attract advertisers and marketing partners, and audiences and artists to concerts, residencies and** ~~the~~ **other** ~~Christmas Spectacular, and the sporting~~ events ~~we host~~ at ~~our venues~~ **Sphere in Las Vegas** . • The Company is ~~moving forward with~~ **completing construction of** its ~~MSG~~ **first state- of- the- art venue in Las Vegas. Our** Sphere **business** ~~initiative which will use~~ **uses** cutting- edge technologies and ~~will require~~ **requires** significant investments, including for ~~new content,~~ **The Sphere Experience (and related original immersive** productions **)** ~~, attractions~~ and other ~~events~~ **offerings** . There can be no assurance that ~~MSG~~ Sphere will be successful. • We depend on licenses from third parties for the performance of musical works at our ~~venues~~ - **venue** . • Our properties are subject to, and benefit from, certain easements, the availability of which may not continue on terms favorable to us or at all. **Risks Related to Our MSG Networks Business** • ~~A change to~~ **The success of** ~~or~~ **our** ~~withdrawal~~ **MSG Networks business depends on affiliation fees we receive under our affiliation agreements, the loss** of **which** ~~a New York City real estate tax exemption for~~ - **or** ~~the Madison Square Garden Complex~~ **renewal of which on less favorable terms** may have a material negative effect on our business and results of operations. ~~Risks Related to Our~~ **• Given that we depend on a limited number of distributors for a significant portion of our** MSG Networks **revenues, further industry consolidation could adversely affect our** ~~Business~~ **business and results of operations** .• We may not be able to adapt to new content distribution platforms ~~and~~ **or** to changes in consumer behavior resulting from emerging technologies,which may have a material negative effect on our business and results of operations.• If the rate of decline in the number of subscribers to traditional MVPD services ~~increases~~ **continues** or these subscribers shift to other services or bundles that do not include the Company' s programming networks,there may be a material negative effect on the Company' s affiliation revenues.• We derive substantial revenues from the sale of advertising ~~time~~ and those revenues are subject to a number of factors,many of which are beyond our control. ~~We may be~~ • Our MSG Networks business depends on ~~our affiliation~~ **media rights** agreements **with professional sports teams that have varying durations and terms and include significant obligations** , **and our inability to renew those agreements on acceptable terms, or** the loss of ~~which~~ **such rights** ~~or~~ **for other reasons,** ~~renewal of which on less favorable terms~~ may have a material negative effect on our ~~business and results of operations. • Given that we depend on a limited number of distributors for a significant portion of our~~ MSG Networks ~~revenues, further industry consolidation could adversely affect our~~ business and results of operations . • We may not be able...... rights may be lost for other reasons . • Our MSG Networks business is substantially dependent on the popularity of the NBA and NHL teams whose media rights we control. The actions of the NBA and NHL may have a material negative effect on our MSG Networks business and results of operations. **•** ~~Risks Related to~~ Our **MSG Networks** ~~Tao Group Hospitality Business~~ **business** ~~• Tao Group Hospitality' s revenue growth~~ depends ~~upon adding new branded locations~~ **on the appeal of its programming,** which **may** ~~will require additional capital and there can~~ be **unpredictable** ~~no guarantee of success. • A lack of availability of future~~ , **and increased programming costs** ~~or a decline in the quality of existing locations for Tao Group Hospitality venues~~ may have a material negative effect on our business and results of operations. **Operational and Economic Risks** • **Our businesses face intense and wide- ranging competition that may** ~~Negative publicity with respect to, or reduced popularity of, any of the existing or future Tao Group Hospitality branded locations could~~ have a material negative effect on our business and results of operations. ~~Economic and~~ **• Our** ~~Operational~~ **operations** ~~Risks~~ **and operating results were materially impacted by the COVID- 19 pandemic and actions taken in response by governmental authorities and certain professional sports leagues, and a resurgence of the COVID- 19 pandemic or another pandemic or public health emergency could adversely affect our business and results of operations.** • Our business has been adversely impacted and may, in the future, be materially adversely impacted by an economic downturn, recession, financial instability, inflation or changes in consumer tastes and preferences ~~. • We do not own all of our venues and our failure to renew our leases on economically attractive terms may have a material negative effect on our business and results of operations~~ . • The geographic concentration of our businesses could subject us to greater risk than our competitors and have a material negative effect on our business and results of operations. • Our business could be adversely affected by terrorist activity or the threat of terrorist activity, weather and other conditions that discourage congregation at prominent places of public assembly. • We are subject to extensive governmental regulation and **changes in these regulations and** our failure to comply with **them** ~~these regulations~~ may have a material negative effect on our business and results of operations. • Labor matters may have a material negative effect on our business and results of operations. • The unavailability of systems upon which we rely may have a material negative effect on our business and results of operations. • **There is a risk of injuries and accidents in connection with Sphere, which could subject us to personal injury or other claims; we are subject to the risk of adverse outcomes in other types of litigation. •** We face ~~continually evolving cybersecurity and similar~~ risks **from doing** ~~, which could cause disruption of our~~ business **internationally** ~~, damage to our brands and reputation, legal exposure and financial losses~~ . Risks Related to Our Indebtedness, Financial Condition, and Internal Control • We have substantial indebtedness and are highly leveraged, which could adversely affect our business **if our subsidiaries are not able to make payments on, or repay or refinance, such debt under their respective credit facilities (including refinancing the MSG Networks debt prior to its maturity in October 2024), or if we are not able to obtain additional financing, to the extent required** . • We may require additional financing to fund ~~our planned construction of MSG Sphere in Las Vegas, as well as~~ certain of our obligations, ongoing operations, and capital expenditures, the availability of which is uncertain. • We have ~~and could in the future incur~~ **incurred** substantial operating losses, adjusted operating losses and negative cash flow **and there is no assurance we will have operating income, adjusted operating income or positive cash flow in the future** . • Material weaknesses or adverse findings in our internal control over financial reporting in the future could have an adverse effect on the market price of our common stock **. Risks Related to Cybersecurity and Intellectual Property • We face continually evolving cybersecurity and similar risks, which could result in loss, disclosure, theft, destruction or misappropriation of, or access to, our confidential information and cause disruption of our business, damage to our brands and reputation, legal exposure and financial losses. • We may become subject to infringement or other claims relating to our content or technology. • Theft of our intellectual property may have a material negative effect on our business and results of operations** . Risks Related to Governance and Our Controlled Ownership • We are materially dependent on ~~MSG Sports~~ **our affiliated entities** ' ~~performance~~ **performances** under various agreements **. • The MSGE Distribution could result in significant tax liability. We may have a significant indemnity obligation to MSG Entertainment if the MSGE Distribution is treated as a taxable transaction** . • We are controlled by the Dolan family. As a result of their control, the Dolan family has the ability to prevent or cause a change in control or approve, prevent or influence certain actions by the Company. • We share certain ~~key~~ directors, ~~and~~ officers and employees with MSG Sports **, MSG Entertainment** and / or AMC Networks, which means those ~~officers~~ **individuals** do not devote their full time and attention to our affairs. Additionally, our overlapping directors and officers with MSG Sports **, MSG Entertainment** and / or AMC Networks may result in the diversion of corporate opportunities and other conflicts. **The Success of** Our **Sphere Business Depends on** ~~Operations and Operating Results Have Been, and May in~~ the **Popularity of** ~~Future be, Materially Impacted by the COVID- 19 Pandemic and Actions Taken in Response by Governmental Authorities and Certain Professional Sports Leagues.~~ The **Sphere Experience** ~~Company' s operations and operating results have been materially impacted by the COVID- 19 pandemic (including COVID- 19 variants) and actions taken in response by governmental authorities and certain professional sports leagues during Fiscal Years 2020~~ , ~~2021 and 2022. Entertainment business. As a result of government- mandated assembly limitations and closures, all of our performance venues were closed beginning in March 2020 and substantially all operations of the Entertainment business were suspended for the majority of Fiscal Year 2021. Use of The Garden resumed for Knicks and Rangers home games without fans in December 2020 and January 2021, respectively, and was~~ - **as** ~~available~~ **Well as Our Ability to Attract Advertisers and Marketing Partners, and Audiences and Artists to Concerts, Residencies and Other Events** at ~~10 % seating capacity from February through May 2021 with certain safety protocols and social distancing. As a result, the payments we received under the Arena License Agreements during this period were materially impacted. Beginning in May 2021, all of our New York performance venues were permitted to host guests at full capacity, subject to certain restrictions, and effective June 2021, The Chicago Theatre was permitted to host events without restrictions. Guests of our Chicago and New York venues were also subject to certain vaccination requirements until February and March 2022, respectively. During Fiscal Year 2022, we had fewer ticketed events at our venues in the first half of the fiscal year as compared with Fiscal Year 2019 (the last full fiscal year not impacted by COVID- 19) due to the lead- time required to book touring acts and artists, and an increase in COVID- 19 cases due to a new variant, which resulted in a number of events at our venues being cancelled or postponed in the second and third quarters. The impact of the COVID- 19 pandemic on our operations also included (i) the partial cancellation of the 2021 production of the Christmas Spectacular, (ii) the cancellation of the 2020 production of the Christmas Spectacular, and (iii) the cancellation of both the 2020 and 2021 Boston Calling Music Festival. In April 2020, the Company announced that it was suspending construction of MSG~~ Sphere ~~at The Venetian due to COVID- 19 related factors that were outside of its control, including supply chain issues. This is a complex construction project with cutting- edge technology that relies on subcontractors obtaining components from a variety of sources around the world. As the ongoing effects of the pandemic continued to impact its business operations,~~ in ~~August 2020, the Company disclosed that it resumed full construction with a lengthened timetable in order to better preserve cash through the COVID- 19 pandemic. The Company remains committed to bringing MSG Sphere to~~ Las Vegas ~~and expects to open the venue in the second half of calendar year 2023~~ . **If** ~~MSG Networks business. As a result of the COVID- 19 pandemic and league and government actions relating thereto, MSG Networks aired substantially fewer NBA and NHL telecasts during Fiscal Year 2021, as compared with Fiscal Year 2019 (the last full fiscal year not impacted by COVID- 19), and consequently experienced a decrease in revenues, including a material decrease in advertising revenue.~~ The **Sphere Experience Does Not Appeal to Customers** ~~absence of live sports games also resulted in a decrease in certain MSG Networks expenses, including rights fees, variable production expenses, and advertising sales commissions. MSG Networks resumed airing full regular season telecast schedules in Fiscal Year 2022 for~~ - **or** ~~its five professional teams across both the NBA and NHL, and, as a result, its advertising revenue and certain operating expenses, including rights fees expense, reflect the same. Tao Group Hospitality business. Due to government actions taken in response to the COVID- 19 pandemic, virtually all of Tao Group Hospitality' s venues were closed for approximately three months starting in March 2020. Additionally, three venues were permanently closed. Throughout Fiscal Year 2021, Tao Group Hospitality operated at significantly reduced capacity and demand and conducted limited operations at certain venues, subject to significant regulatory requirements, including capacity limits, curfews and social distancing requirements for outdoor and indoor dining. During Fiscal Year 2022, Tao Group Hospitality' s operations were also impacted by an increase in COVID- 19 cases due to a new variant, which resulted in reduced operating schedules and reduced demand from guests, including corporate and private event cancellations and postponements in the second and third quarters. As of the date of this filing, Tao Group Hospitality is operating without capacity restrictions in all markets. It is unclear to what extent ongoing COVID- 19 concerns,~~

~~including with respect to new variants, could result in renewed government or league- mandated capacity restrictions or vaccination / mask requirements or impact the use of and / or demand for our performance, entertainment dining and nightlife venues, demand for our sponsorship and advertising assets, deter our employees and vendors from working at our venues (which may lead to difficulties in staffing) or otherwise materially impact our operations. Governmental regulations enacted in response to the COVID- 19 pandemic may impact the revenue we derive and / or the expenses we incur from events that we choose to host such that events that were historically profitable would instead result in losses. Concerns about the COVID- 19 pandemic could deter artists from touring and / or substantially decrease the use of and demand for our performance, entertainment dining and nightlife venues. Both the NBA and NHL determined to complete their 2019- 20 seasons with games away from home arenas, reduce the number of regular season games for the 2020- 21 seasons, and conduct the majority of the shortened 2020- 21 seasons without fans in attendance, and it is possible that concerns related to COVID- 19 could cause professional sports teams in the United States to play games without an audience during future seasons or to suspend, cancel or otherwise reduce the number of games scheduled in the regular reason or playoffs, which could have a material impact on the distribution and / or advertising revenues of our MSG Networks segment and the payments we receive under the Arena License Agreements. See " — Economic and Operational Risks —~~ We Are ~~Subject~~ **Unable** to **Attract Advertisers** ~~Extensive Governmental Regulation~~ and **Marketing Partners,** ~~Our Failure to Comply with These~~ **There Will be** ~~Regulations May Have~~ a Material Negative Effect on Our Business and Results of Operations ~~" and " Part II — Item 7~~ . **The** ~~Management' s Discussion and Analysis of Financial Condition and Results of Operations — Introduction — Business Overview — Impact of the COVID- 19 Pandemic on Our Business. " Our business is particularly sensitive to reductions in travel and discretionary consumer spending. A pandemic, such as COVID- 19, could also impede economic activity in impacted regions and globally over the long term, potentially causing a global recession and 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 business. To the extent the COVID- 19 pandemic adversely affects our business and~~ financial results ~~, it may also have the effect~~ of ~~heightening many of the other risks described in this " Risk Factors " section, such as those relating to~~ our **Sphere** ~~liquidity, indebtedness, and our ability to comply with the covenants contained in the agreements that govern our indebtedness. All of Our Businesses Face Intense and Wide- Ranging Competition That May Have a Material Negative Effect on Our Business and Results of Operations. Our~~ business **are** ~~competes, in certain respects and to varying degrees, with other leisure- time activities such as television, radio, motion pictures, sporting events and other live performances, restaurants and nightlife venues, the Internet, social media and social networking platforms, and online and mobile services, including sites for online content distribution, video on demand and other alternative sources of entertainment and information, in addition to competing for concerts with other event venues, and other restaurants and nightlife venues, for total entertainment dollars in our marketplace. Entertainment business. The success of our Entertainment business is~~ largely dependent on the **popularity** ~~continued success~~ of ~~the Christmas Spectacular~~ **The Sphere Experience** , ~~and the availability of~~ **which will feature original immersive productions that can run multiple times per day** , **year- round** and ~~our~~ **are designed to utilize the full breadth of the** ~~venues~~ - **venue** ' ~~ability to attract, concerts, family shows, sporting events~~ **s next- generation technologies. The Sphere Experience will employ novel** and **transformative technologies** ~~other events, competition~~ for which **there** is **no established basis** ~~intense, and the ability~~ of **comparison** ~~performers to attract strong attendance at our venues. For example~~ , ~~The Garden, Hulu Theater, Radio City Music Hall~~ and ~~the Beacon Theatre all compete with other~~ - **there** ~~entertainment options in the New York City metropolitan area. The Chicago Theatre faces similar competition from other entertainment options in its market and elsewhere. In addition, our Entertainment business~~ is ~~highly sensitive to customer tastes and~~ - **an inherent risk** ~~depends on our ability to attract artists and events. The success of our Entertainment business depends in part upon our ability to offer live entertainment~~ that **we** ~~is popular with customers. We contract with promoters and others to provide performers and events at our venues. There~~ may be ~~a limited number of popular artists, groups or events that can attract audiences to our venues, and our business would suffer to the extent that we are~~ unable to **achieve** ~~continue to attract such artists, groups and events to perform at our venues. See " — Our Operations and Operating Results Have Been, and May in the Future be, Materially Impacted by the COVID- 19 Pandemic and Actions Taken in Response by Governmental Authorities and Certain Professional Sports Leagues. " In order to maintain the competitive positions of The Garden and our other~~ - **the level** ~~venues, we must invest on a continuous basis in state-~~ of **success appropriate** ~~- the- art technology. In addition, we must maintain a competitive pricing structure~~ for ~~events that may be held in our venues, many of which have alternative venue options available to them~~ - **the significant** ~~in New York and other cities. We invest a substantial amount in our Christmas Spectacular and in new content and productions to continue to attract audiences. We cannot be assured that such investments will generate revenues that are sufficient to justify our~~ investment **involved** or even that exceed our expenses....... of our revenues in Fiscal Year 2020 . Fan and consumer tastes also change frequently and it is a challenge to anticipate what will be successful at any point in time. Should the popularity of **The Sphere Experience not meet** ~~the Christmas Spectacular decline (including, for example, due to customer unwillingness to travel to New York City, purchase tickets to a full- capacity indoor event, comply with safety protocols or~~ **our expectations** ~~satisfy vaccination requirements to the extent applicable, all as a result of the COVID- 19 pandemic)~~ , our revenues from ticket sales, and concession and merchandise sales would ~~likely decline~~ **be adversely affected** , and we might not be able to replace the lost revenue with revenues from other sources. As a result of **any of the foregoing, we may not be able to generate sufficient revenues to cover our costs, which could adversely impact our business and results of operations and the price of our Class A Common Stock. Initially, our Sphere business will only have access to one original immersive production, called Postcard from Earth. The risk of reliance on The Sphere Experience described above is exacerbated by the lack of availability of alternative content if Postcard from Earth is not successful in attracting guests. If The Sphere Experience is not successful, we will not have sufficient capital to develop a second original immersive production. In that event, Sphere in Las Vegas will need to rely on live entertainment offerings to be successful and to generate enough capital to develop a second original immersive production** ~~our~~ - **or**

partner ~~commercial agreements~~ with ~~MSG Sports~~ **third parties. Additionally** , ~~the success of~~ our **Sphere** business is also **dependent on our ability to attract advertisers and marketing partners to our signage, digital advertising and partnership offerings. Advertising revenues depend on a number of factors, such as the reach and popularity of our venue (including risks around consumer reactions to advertisers and marketing partners), the health of the economy in the markets our businesses serve and in the nation as a whole, general economic trends in the advertising industry and competition with respect to such offerings. Should the popularity of our advertising assets not meet our expectations, our revenues would be adversely affected, and we might not be able to replace the lost revenue with revenues from other sources, which could adversely** ~~impacted~~ -- **impact our business and results of operations and the price of our Class A Common Stock. The success of our Sphere business will also depend upon our ability to offer live entertainment that is popular with guests. While the Company believes that these next- generation venues will enable new experiences and innovative opportunities to engage with audiences, there can be no assurance that guests, artists, promoters, advertisers and marketing partners will embrace this new platform. We contract with promoters and others to provide performers and events at Sphere and Sphere grounds. There may be a limited number of popular artists, groups or events that are willing to take advantage of the immersive experiences and next generation technologies (which cannot be re- used** in ~~part~~ **other venues) or that can attract audiences to Sphere, and our business would suffer to the extent that we are unable to attract such artists, groups and events willing to perform at our venue. The Company Is Completing Construction of its First State- of- the- Art Venue in Las Vegas, While Pursuing a Potential Venue in London. Sphere Uses Cutting- Edge Technologies and Requires Significant Capital Investment** by the **Company** ~~popularity of MSG Sports' Knicks and Rangers franchises with their fan bases and, in varying degrees, the teams achieving on- court and on- ice success, which can generate fan enthusiasm, resulting in additional suite, sponsorship, food and beverage and merchandise sales during the teams' regular seasons~~ . ~~Furthermore, success in the regular season may qualify the Knicks and Rangers for participation in post- season playoffs, which provides us with additional revenue by increasing the number of games played by the teams at The~~ **There Can Be No Assurance That Sphere Will Be Successful** ~~Garden, potentially helping improve attendance in subsequent seasons and increasing the popularity of our suites and sponsorships~~ . The Company is progressing with its venue strategy to create, build and operate new music and entertainment- focused venues — called ~~MSG~~ Sphere — that ~~will~~ use cutting- edge technologies to create the next generation of immersive experiences. There is no assurance that the ~~MSG~~ Sphere initiative will be successful. We are **completing construction** ~~in the midst~~ of **our** ~~building the~~ first ~~MSG~~ Sphere in Las Vegas ~~, called MSG Sphere at The Venetian~~ . See " ~~Part I —~~ Item 1. Our Business — ~~MSG~~ **—** Sphere. " ~~We expect MSG~~ **The costs to build** Sphere **have been** ~~costs to be~~ substantial. While it is always difficult to provide a definitive construction cost estimate for large- scale construction projects, it ~~is~~ **has been** particularly challenging for one as unique as ~~MSG~~ Sphere. In May 2019, the Company' s preliminary cost estimate for ~~MSG~~ Sphere ~~at The Venetian~~ **in Las Vegas** was approximately $ 1. 2 billion. This estimate was based only upon schematic designs for purposes of developing the Company' s budget and financial projections. In February 2020, we announced that our cost estimate, inclusive of core technology and soft costs, for ~~MSG~~ Sphere ~~at The Venetian~~ **in Las Vegas** was approximately $ 1. 66 billion **and subsequently increased** ~~. We then announced in May 2021~~ that ~~numerous factors had impacted and will continue to impact the~~ cost estimate, **which** ~~including the ongoing effects of the COVID- 19 pandemic and its impact on the global supply chain and associated costs of materials and labor, as well as changes to project design, scope and schedule — and that, as a result, we estimated the cost of the venue had increased by approximately 10 %. As of June 30, 2022, our cost estimate, inclusive of core technology and soft costs, for MSG Sphere at The Venetian was approximately $ 2 billion. Both our current and prior cost estimates are net of $ 75 million that The Venetian has agreed to pay to defray certain construction costs and also excludes~~ **excluded** significant capitalized and non- capitalized costs for items such as content creation, internal labor, capitalized interest, and furniture and equipment. **As** ~~Given the complexity~~ of the **date of this filing, we estimate that the final** project **construction costs for Sphere in Las Vegas will be approximately $ 2. 3 billion. This** ~~, the time remaining until the venue' s planned opening and the impacts of the global pandemic, our~~ cost estimate is ~~subject~~ **net of $ 75 million that the Venetian has agreed** to **pay to defray** ~~uncertainty~~ ---- **certain construction costs** . ~~MSG~~ **Relative to our cost estimate above, our actual construction costs for** Sphere in Las Vegas **paid through August 18, 2023 were approximately $ 2. 25 billion, which** is **net of $ 65 million received** ~~a complex construction project that relies on subcontractors obtaining components~~ from ~~a variety of sources around the world.~~ The **Venetian** ~~Company initially engaged Hunt Construction Group Inc. (d / b / a AECOM Hunt) (" AECOM ") to oversee and perform construction work for the project (on a cost- plus basis). In December 2020, the Company terminated its construction agreement with AECOM and assumed the role of construction manager to gain greater transparency and control over the construction process, including direct engagement and supervision of subcontractors. In our capacity as construction manager for the project we aim to aggressively manage the cost of the project in this volatile environment to minimize any potential cost increases. While we believe our decision to serve as construction manager will allow greater cost control, it may increase the risks of delays and higher than anticipated costs~~ . For more information regarding the costs of ~~MSG Spheres~~ - **Sphere** , see " Part II — Item 7. Management' s Discussion and Analysis of Financial Condition and Results of Operations — Liquidity and Capital Resources — ~~MSG Spheres~~ - **Sphere** . " In light of the ambitious and unique design of ~~MSG~~ Sphere, including the use of technologies that have not previously been employed in major entertainment venues, the risk of delays and higher than anticipated costs are elevated. **As** ~~In addition to this, as~~ the Company **completes** ~~continues with the~~ construction of its Las Vegas venue, **which is expected to open in September 2023,** the Company may **still** face unexpected project delays ~~, costs~~ and other complications ~~. In April 2020, the Company announced that it was suspending construction of MSG Sphere in Las Vegas due to COVID- 19 related factors that were outside of its control, including supply chain issues. This was followed in August 2020, by the Company disclosing that it had resumed full construction with a lengthened timetable in order to better preserve cash through the COVID- 19 pandemic. The Company remains committed to bringing MSG Sphere to Las Vegas and expects to open the venue in calendar year 2023. Our ground~~

~~lease with The Venetian, as amended, for the land where MSG Sphere in Las Vegas is being constructed requires that we achieve substantial completion of the project no later than September 30, 2023, subject to certain permitted extensions. If we do not achieve this outside completion date, The Venetian could terminate the lease~~ . We may also continue to explore additional domestic and international markets where these next- generation venues ~~can~~ **are expected to** be successful. The design of future ~~MSG~~ Spheres will be flexible to accommodate a wide range of sizes and capacities – from large- scale to smaller and more intimate – based on the needs of any individual market. In connection with the construction of **future** ~~the MSG~~ Sphere venues, the Company may need to obtain additional capital beyond what is available from cash- on- hand and cash flows from operations. ~~With regard to MSG~~ **While the Company has self- funded the construction of** Sphere ~~at The Venetian~~ **in Las Vegas** , ~~the Company plans to finance the construction of the venue from cash- on- hand and cash flows from operations. If~~ the Company' s ~~cash~~ **intention for future venues is to utilize several options, such as joint ventures, equity partners, a managed venue model and non** - **recourse** ~~on- hand and cash flows from operations are not sufficient to finance the remaining construction costs of MSG Sphere at The Venetian, the Company would need to access additional capital including potential incremental~~ debt **financing** . There is no assurance that we would be able to obtain ~~that capital. The NBA and NHL have imposed restrictions on~~ financing ~~transactions that require a secured interest in The Garden. While the Company plans to self- fund the construction of MSG Sphere at The Venetian, the Company' s intention~~ for **any costs relating to any** future venues ~~is to utilize several options, such as non~~ - **on terms favorable to us or at all** ~~- recourse debt financing, joint ventures, equity partners and a managed venue model~~ . In February 2018, we announced the purchase of land in Stratford, London, which we expect will become home to a future ~~MSG~~ Sphere. The Company submitted a planning application to the local planning authority in March 2019 and that process, which requires various stages of review to be completed and approvals to be granted, is ongoing. Therefore, we do not have a definitive timeline at this time. ~~MSG~~ Sphere ~~will employ~~ **employs** novel and transformative technologies and new applications of existing technologies. As a result, there can be no assurance that ~~MSG~~ Sphere will achieve the technical, operational and artistic goals the Company is seeking. Any failure to do so could have a material negative effect on our business and results of operations. While the Company believes that these next- generation venues will enable new experiences and innovative opportunities to engage with audiences, there can be no assurance that ~~customers~~ **guests** , artists, promoters, advertisers and marketing partners will embrace this new platform. The substantial cost of building ~~MSG~~ Sphere in Las Vegas, as well as the costs and / or financing needs with respect to ~~MSG~~ Sphere in London, may constrain the Company' s ability to undertake other initiatives during these multi- year construction periods. **Given our strategy of using original immersive productions across multiple venues, our Sphere initiative may not be successful unless we can develop additional venues.** Our ~~Entertainment~~ **Sphere** Business Strategy Includes the Development of ~~New Content,~~ **The Sphere Experience and Related Original Immersive** Productions, ~~Attractions and Other Events~~ Which Could Require Us to Make Considerable Investments for Which There Can Be No Guarantee of Success. As part of our ~~Entertainment~~ **Sphere** business strategy, we intend to develop ~~new content,~~ **The Sphere Experience and related original immersive** productions, ~~attractions and live entertainment events, for our existing and planned venues, including MSG Sphere,~~ which ~~may include expansions or enhancements of our existing productions or relationships or the creation of entirely new productions and attractions. Expansion or enhancement of productions and / or the development of new content, productions, attractions and live entertainment events~~ could require significant upfront expense that may never result in a viable **production** ~~show or attraction~~ , as well as investment in ~~sets, staging,~~ creative processes, commissioning and / or licensing of intellectual property, casting and advertising and may lead to dislocation of other alternative sources of entertainment that may have played in our ~~venues~~ - **venue** absent these productions **. As of June 30** , ~~attractions~~ **2023, we had invested approximately $ 61 million in developing the first original immersive production called Postcard from Earth,** and ~~events~~ **there can be no assurances as to the cost of future immersive productions, which we expect to be significant** . To the extent that any efforts at ~~expanding or enhancing productions or~~ creating new **immersive** productions ~~or content~~ do not result in a viable **offering** ~~show or attraction~~ , or to the extent that any such productions do not achieve expected levels of popularity among audiences, we may not recover the substantial expenses we previously incurred for non- capitalized investments, or may need to write- off all or a portion of capitalized investments. In addition, any delay in launching such productions ~~or enhancements~~ could result in the incurrence of operating costs which may not be recouped. **The incurrence of such expenses** ~~For~~ - **or the** ~~example, we wrote~~ **write -** off ~~approximately $ 75. 4 million~~ of ~~deferred production costs across Fiscal Years 2016~~ **capitalized investments could adversely impact our business** and ~~2017 related to~~ **results of operations and** the **price of our Class A Common Stock** ~~New York Spectacular Starring the Radio City Rockettes~~ . We Depend on Licenses from Third Parties for the Performance of Musical Works at Our ~~Venues~~ - **Venue** , the Loss of Which or Renewal of Which on Less Favorable Terms May Have a Negative Effect on Our Business and Results of Operations. We ~~are~~ **have obtained and will be** required to obtain public performance licenses from music performing rights organizations, commonly known as " PROs, " in connection with the performance of musical works at concerts and certain other live events held at **Sphere** ~~our venues~~ . In exchange for public performance licenses, PROs are paid a per- event royalty, traditionally calculated either as a percentage of ticket revenue or a per- ticket amount. The PRO royalty obligation of any individual event is generally paid by, or charged to, the promoter of the event. If we are unable to obtain these licenses, or are unable to obtain them on favorable terms consistent with past practice, it may have a negative effect on our business and results of operations. An increase in the royalty rate and / or the revenue base on which the royalty rate is applied could substantially increase the cost of presenting concerts and certain other live events at our ~~venues~~ - **venue** . If we are no longer able to pass all or a portion of these royalties on to promoters (or other venue licensees), it may have a negative effect on our business and results of operations. Our Properties Are Subject to, and Benefit from, Certain Easements, the Availability of Which May Not Continue on Terms Favorable to Us or at All. ~~Our properties are subject to, and benefit from, certain easements. For example, the " breezeway " into the Madison Square Garden Complex from Seventh Avenue in New York City is a significant easement that we share with other property owners. Additionally, our planned MSG~~ Sphere in Las Vegas will have the benefit of easements with respect to the planned pedestrian bridge to The Venetian. Our ability to continue to utilize these and other easements, including for advertising and promotional purposes, requires us to comply with a number of conditions. Certain adjoining property owners have easements over our property, which we are required to maintain so long as those property owners meet certain conditions. It is possible that we will be unable to continue to access or maintain any easements on terms favorable to us, or at all, ~~which could have a material negative effect on our business and results of operations. A Change to or Withdrawal of a New York City Real Estate Tax Exemption for the Madison Square Garden Complex May Have a Material Negative Effect on Our Business and Results of Operations. Many arenas, ballparks and stadiums nationally and in New York City have received significant public support, such as tax exempt financing, other tax benefits, direct subsidies and other contributions, including for public infrastructure critical to the facilities such as parking lots and transit improvements. Our Madison Square Garden Complex benefits from a more limited real estate tax exemption pursuant to an agreement with the City of New York, subject to certain conditions, and legislation enacted by the State of New York in 1982. For Fiscal Year 2022, the tax exemption was $ 41. 9 million. From time to time there have been calls to repeal or amend the tax exemption. Repeal or amendment would require legislative action by New York State. We are party to Arena License Agreements with subsidiaries of MSG Sports that require two of MSG Sports' professional sports teams – the Knicks and Rangers – to play all of their home games at The Garden. Under the Arena License Agreements, which each have a term of 35 years (unless extended), the Knicks and the Rangers pay an annual license fee in connection with their respective use of The Garden. In addition, the Arena License Agreements provide us with additional revenue opportunities. Under the Arena License Agreements, the teams are responsible for 100 % of any real property or similar taxes applicable to The Garden. If the tax exemption is repealed or the teams are otherwise subject to the property tax due to no fault of the teams, the revenue that we generate from team events will be reduced on a percentage basis as set forth in the Arena License Agreements. The value of any such revenue reduction could be significant but is expected to be substantially less than the property tax paid by the teams. See " — Risks Related to Governance and Our Controlled Ownership — We Are Materially Dependent on MSG Sports' Performance Under Various Agreements. " There can be no assurance that the tax exemption will not be amended in a manner that imposes property tax or repealed in its entirety, either of~~ which could have a material negative effect on our business and results of operations. The Success of Our MSG Networks Business Depends on Affiliation Fees We Receive Under Our Affiliation Agreements, the Loss of Which or Renewal of Which on Less Favorable Terms May Have a Material Negative Effect on Our Business and Results of Operations. MSG Networks' success is dependent upon affiliation relationships with a limited number of Distributors. Existing affiliation agreements of our programming networks expire during each of the next several years and we cannot provide assurances that we will be able to renew these affiliation agreements or obtain terms as attractive as our existing agreements in the event of a renewal. For example, we ~~have~~ **were** not ~~been~~ able to ~~successfully~~ renew our affiliation agreement with Comcast ~~since~~ **when** ~~its~~ **it** ~~expiration~~ **expired** in September 2021. Affiliation fees constitute a significant majority of our MSG Networks revenues. Changes in affiliation fee revenues generally result from a combination of changes in rates and / or changes in subscriber counts. Reductions in the license fees that we receive per subscriber or in the number of subscribers for which we are paid, including as a result of a loss of or reduction in carriage of our programming networks or a loss of subscribers by one or more of our Distributors, ~~would~~ **have in the past adversely affected (e. g., the non- renewal with Comcast) and will in the future** adversely affect our affiliation fee revenue. For example, our affiliation fee revenue declined $ ~~18~~ **67** . 3 million in ~~the fourth quarter of~~ **Fiscal Year 2023 compared to** Fiscal Year 2022 ~~compared to the fourth quarter of Fiscal Year 2021~~ . Subject to the terms of our affiliation agreements, Distributors ~~may~~ **from time to time** introduce, market and / or modify tiers of programming networks that ~~could~~ impact the number of subscribers that receive our programming networks, including tiers of programming that may exclude our networks. Any loss or reduction in carriage would also decrease the potential audience for our programming, which may adversely affect our advertising revenues. See " — If the Rate of Decline in the Number of Subscribers to Traditional MVPDs Services Increases or These Subscribers Shift to Other Services or Bundles That Do Not Include the Company' s Programming Networks, There May Be a Material Negative Effect on the Company' s Affiliation Revenues. " Our affiliation agreements generally require us to meet certain content criteria, such as minimum thresholds for professional event telecasts throughout the calendar year on our networks. If we do not meet these criteria, remedies may be available to our Distributors, such as fee reductions, rebates or refunds and / or termination of these agreements in some cases. For example, we recorded $ 10. 7 million in Fiscal Year 2022 for affiliate rebates. In addition, under certain circumstances, an existing affiliation agreement may expire and we and the Distributor may not have finalized negotiations of either a renewal of that agreement or a new agreement for certain periods of time. In certain of these circumstances, Distributors may continue to carry the service (s) until the execution of definitive renewal or replacement agreements (or until we or the Distributor determine that carriage should cease). Occasionally **,** we may have disputes with Distributors over the terms of our affiliation agreements. If not resolved through business discussions, such disputes could result in **administrative complaints,** litigation and / or actual or threatened termination of an existing agreement. The loss of any of our significant Distributors, the failure to renew on terms as attractive as our existing agreements (or to do so in a timely manner) or disputes with our counterparties relating to the interpretation of their agreements with us, could **result in our inability to generate sufficient revenues to perform our obligations under our agreements or otherwise** materially negatively affect our business and results of operations. Given That We Depend on a Limited Number of Distributors for a Significant Portion of Our MSG Networks Revenues, Further Industry Consolidation Could Adversely Affect Our Business and Results of Operations. The pay television industry is highly concentrated, with a relatively small number of Distributors serving a significant percentage of pay television subscribers that receive our programming networks, thereby affording the largest Distributors significant leverage in their relationship with programming networks, including ours. Substantially all of our affiliation fee revenue comes from our top four Distributors. Further consolidation in the industry could reduce the number of Distributors available to distribute our programming networks and increase the negotiating leverage of certain Distributors, which could adversely affect our revenue.

In some cases, if a Distributor is acquired, the affiliation agreement of the acquiring Distributor will govern following the acquisition. In those circumstances, the acquisition of a Distributor that is a party to one or more affiliation agreements with us on terms that are more favorable to us than that of the acquirer could have a material negative impact on our business and results of operations. We May Not Be Able to Adapt to New Content Distribution Platforms ~~and~~ **or** to Changes in Consumer Behavior Resulting From Emerging Technologies, Which May Have a Material Negative Effect on Our Business and Results of Operations. We must successfully adapt to technological advances in our industry and the manner in which consumers watch sporting events, including the emergence of alternative distribution platforms. Our ability to exploit new distribution platforms and viewing technologies may affect our ability to maintain and / or grow our business. Emerging forms of content distribution provide different economic models and compete with current distribution methods in ways that are not entirely predictable. Such competition has reduced and could continue to reduce demand for our programming networks or for the offerings of our Distributors and, in turn, reduce our revenue from these sources. Content providers (such as certain broadcast and cable networks) and new content developers, Distributors and syndicators are distributing programming directly to consumers on ~~an OTT~~ **a DTC** basis. In addition to existing **subscription** direct- to- consumer streaming services such as Amazon Prime, Hulu, Netflix, Apple TV , Disney , ESPN , ~~HBO~~ Max and Peacock **and free advertiser- supported streaming television (“ FAST ”) channels that are offered directly to consumers at no cost** , additional services have launched and more will likely launch in the near term, which may include sports- focused services that may compete with our networks for viewers and advertising revenue. Such **DTC** ~~direct- to- consumer OTT~~ distribution of content has contributed to consumers eliminating or downgrading their pay television subscription, which results in certain consumers not receiving our programming networks. If we are unable to offset this loss of subscribers through incremental distribution of our networks **(including through our own direct- to- consumer offering)** or through rate increases **or other revenue opportunities** , our business and results of operations will be adversely affected. Gaming, television and other console and device manufacturers, Distributors and others, such as Microsoft, Apple and Roku, are offering and / or developing technology to offer video programming, including in some cases, various ~~OTT~~ **DTC** platforms. Such changes have **impacted** and may continue to impact the revenues we are able to generate from our traditional distribution methods, by decreasing the viewership of our programming networks and / or by making advertising on our programming networks less valuable to advertisers. In order to respond to these developments, we **have in the past needed, and** may **in the future** need **,** to implement changes to our business models and strategies and there can be no assurance that any such changes will prove to be successful or that the business models and strategies we develop will be as profitable as our current business models and strategies. For example, we ~~intend to~~ **introduced MSG SportsZone, a FAST channel which** ~~launch~~ **launched** ~~a direct- to- consumer offering~~ in ~~the future and~~ **January 2023. We also recently launched our DTC product, MSG , but** there can be no assurance that we will successfully ~~develop and~~ execute our strategy for such offering ~~,~~ **. Our DTC offering represents a new consumer offering for which we have limited prior experience** and **we may not be able to successfully predict the demand for such DTC product** ~~our~~ - **or the impact such DTC product may have on our traditional distribution business, including with respect to renewals of our affiliation agreements with Distributors. In addition, the** success **of our DTC product** may depend on a number of factors, including our ability to: (i) acquire **and maintain** direct- to- consumer rights from the professional sports teams and / or leagues we currently ~~broadcast~~ **air** on our networks; (ii) appropriately price our offering; (iii) offer competitive content and programming and (iv) ensure our direct- to- consumer technology operates efficiently. If we fail to adapt to emerging technologies, our appeal to Distributors and our targeted audiences might decline ~~and there~~ **, which** could ~~be~~ **have** a material ~~negative effect~~ **adverse impact** on our business and results of operations. If the Rate of Decline in the Number of Subscribers to Traditional MVPD Services ~~Increases~~ **Continues** or These Subscribers Shift to Other Services or Bundles That Do Not Include the Company’ s Programming Networks, There May Be a Material Negative Effect on the Company’ s Affiliation Revenues. During the last few years, the number of subscribers to traditional MVPD services in the U. S. has been declining. In addition, Distributors have introduced, marketed and / or modified tiers or bundles of programming that have impacted the number of subscribers that receive our programming networks, including tiers or bundles of programming that exclude our programming networks. As a result of these factors, the Company has experienced a decrease in subscribers in each of the last several fiscal years, which has adversely affected our operating results. If traditional MVPD service offerings are not attractive to consumers due to pricing, increased competition from ~~OTT~~ **DTC and other** services, ~~increased~~ dissatisfaction with the quality of traditional MVPD services, poor economic conditions or other factors, more consumers may (i) cancel their traditional MVPD service subscriptions or choose not to subscribe to traditional MVPD services, (ii) elect to instead subscribe to ~~OTT~~ **DTC** services, which in some cases may be offered at a lower price- point and may not include our programming networks or (iii) elect to subscribe to smaller bundles of programming which may not include our programming networks. If the rate of decline in the number of traditional MVPD service subscribers ~~increases~~ **continues** or if subscribers shift to ~~OTT~~ **DTC** services or smaller bundles of programming that do not include the Company’ s programming networks, this may have a material negative effect on the Company’ s revenues. ~~See “ — General Risk Factors — Our Operations and Operating Results Have Been, and May in the Future be, Materially Impacted by the COVID- 19 Pandemic and Actions Taken in Response by Governmental Authorities and Certain Professional Sports Leagues. ”~~ We Derive Substantial Revenues From the Sale of Advertising ~~Time~~ and Those Revenues Are Subject to a Number of Factors, Many of Which Are Beyond Our Control. Advertising revenues depend on a number of factors, many of which are beyond our control, such as: (i) team performance; (ii) whether live sports games are being played; (iii) the popularity of our programming; (iv) the activities of our competitors, including increased competition from other forms of advertising- based media (such as Internet, mobile media, other programming networks, radio and print media) and an increasing shift of advertising expenditures to digital and mobile offerings; (v) shifts in consumer viewing patterns, including consumers watching more ad- free content, non- traditional and shorter- form video content online, and the increased use of ad skipping functionality; (vi) increasing audience fragmentation caused by increased availability of alternative forms of leisure and entertainment activities, such as social networking platforms and video games; (vii) consumer budgeting and buying patterns; (viii) the extent of the distribution of our networks; (ix) changes in the audience demographic for our programming; (x) the ability of third parties to successfully and accurately measure audiences due to changes in emerging technologies and otherwise; (xi) the health of the economy in the markets our businesses serve and in the nation as a whole; and (xii) general economic trends in the advertising industry. A decline in the economic prospects of advertisers or the economy in general **has in the past altered, and** could **in the future** alter **,** current or prospective advertisers' spending priorities, which could cause our revenues and operating results to decline significantly in any given period. Even in the absence of a general recession or downturn in the economy, an individual business sector that tends to spend more on advertising than other sectors ~~might~~ **may** be forced to reduce its advertising expenditures if that sector experiences a downturn. In such case, a reduction in advertising expenditures by such a sector may adversely affect our revenues. See " — ~~General~~ **Operational and Economic** ~~Risk~~ **Risks** ~~Factors~~ — Our Operations and Operating Results **Were** ~~Have Been, and May in the Future be,~~ Materially Impacted by the COVID- 19 Pandemic and Actions Taken in Response by Governmental Authorities and Certain Professional Sports Leagues **, and a Resurgence of the COVID- 19 Pandemic or Another Pandemic or Public Health Emergency Could Adversely Affect Our Business and Results of Operations** . " The pricing and volume of advertising ~~may be~~ **has been** affected by shifts in spending away from more traditional media toward online and mobile offerings or towards new ways of purchasing advertising, such as through automated purchasing, dynamic advertising insertion, third parties selling local advertising spots and advertising exchanges, some or all of which may not be as advantageous to the Company as current advertising methods. In addition, we cannot ensure that our programming will achieve favorable ratings. Our ratings depend partly upon unpredictable and volatile factors, many of which are beyond our control, such as team performance, whether live sports games are being played, viewer preferences, the level of distribution of our programming, competing programming and the availability of other entertainment options. A shift in viewer preferences could cause our advertising revenues to decline as a result of changes to the ratings for our programming and materially negatively affect our business and results of operations. Our **MSG Networks Business Depends on** Media Rights Agreements With Professional Sports Teams **that** Have Varying Durations and Terms and ~~We May Be Unable~~ **Include Significant Obligations, and Our Inability** to Renew Those Agreements on Acceptable Terms **,** or **the Loss of** Such Rights ~~May Be Lost~~ for Other Reasons, ~~and the Actions of the NBA and NHL~~ May Have a Material Negative Effect on Our MSG Networks Business and Results of Operations. Our **MSG Networks** business is dependent upon media rights agreements with professional sports teams. **Our existing media rights agreements are generally long term, except a media rights agreement with one of our NHL teams expires following the end of the 2023- 24 NHL season.** Upon expiration, we may seek renewal of these agreements and, if we do, we may be outbid by competing programming networks or others for these agreements or the renewal costs could substantially exceed our costs under the current agreements. **In addition, one or more of these teams may seek to establish their own programming offering or join one of our competitor' s offerings and, in certain circumstances, we may not have an opportunity to bid for the media rights.** Even if we are able to renew such **media rights** agreements, the Company' s results could be adversely affected if ~~escalations in~~ **our obligations under our media rights agreements prove to be outsized relative to the revenues our MSG Networks segment is able to generate. Our media rights agreements with professional** sports **teams have varying terms and include significant obligations, which increase annually, without regard to the number of subscribers to our** programming **networks or the level of our** ~~rights costs are unmatched by increases in~~ affiliation and **/ or** advertising revenues. ~~In addition~~ **If we are not able to generate sufficient revenues** , ~~one~~ **including due to a loss of any of** ~~or~~ **our significant Distributors** ~~more of these teams may seek to establish their own programming offering or join one of our~~ - **or** ~~competitor' s offerings and, in certain circumstances~~ **failure to renew affiliation agreements on terms as attractive as our existing agreements** , we may **be unable** ~~not have an opportunity~~ to **renew** ~~bid for the~~ media rights **agreements on acceptable terms, or to perform our obligations under our existing media rights agreements, which could lead to a default under those agreements and the potential loss of such media rights, which could materially negatively affect our business and results of operations. In recent years, certain regional sports networks have experienced financial difficulties. For example, Diamond Sports Group, LLC, an unconsolidated subsidiary of Sinclair Broadcast Group, Inc., which licenses and distributes sports content in a number of regional markets, filed for protection under Chapter 11 of the bankruptcy code in March 2023** . Moreover, the **value** ~~governing bodies~~ of **our media rights agreements** ~~the NBA and the NHL have imposed, and~~ may **also be affected by** ~~impose in the future,~~ various **league decisions** ~~rules, regulations, guidelines, bulletins, directives, policies~~ and **/ or league** agreements ~~(collectively, " League Rules ")~~ that we may not be able to control, ~~which could affect the value of these agreements,~~ including a decision to alter the number of games played during a season. In addition, due to the COVID...... our business and results of operations. The value of ~~these~~ **our** media rights ~~can~~ **could** also be affected, or we could lose such rights entirely, if a team is liquidated, undergoes reorganization in bankruptcy or relocates to an area where it is not possible or commercially feasible for us to continue to distribute games. Any loss or diminution in the value of rights could impact the extent of the sports coverage offered by us and could materially negatively affect our business and results of operations. In addition, our affiliation agreements generally include certain remedies in the event our networks fail to include a minimum number of professional event telecasts, and, accordingly, any loss of rights could materially negatively affect our business and results of operations. See " — The Success of Our MSG Networks Business Depends on Affiliation Fees We Receive Under Our Affiliation Agreements, the Loss of Which or Renewal of Which on Less Favorable Terms May Have a Material Negative Effect on Our Business and Results of Operations ~~.~~ " **In addition,due to** the COVID- 19 pandemic and related government actions,decisions made by the NBA and NHL **have** affected,and in the future ~~could~~ **may continue to** affect,our ability to produce and distribute live sports games on our networks.See " — **General** ~~Operational and Economic Risks~~ - **Risk Factors** — Our Operations and Operating Results ~~Were~~ **Have Been,and May in the Future be,** Materially Impacted by the COVID- 19 Pandemic and Actions Taken in Response by Governmental Authorities and Certain Professional Sports Leagues **.** ~~,and a Resurgence of the COVID- 19 Pandemic or Another Pandemic or Public Health~~

~~Emergency Could Adversely Affect Our Business and Results of Operations~~ " Additionally,each league imposes rules that define the territories in which we may distribute games of the teams in the applicable league.Changes to these rules or other League Rules,or the adoption of new League Rules,could have a material negative **effect on our business and results of operations.** Our MSG Networks Business is Substantially Dependent on the Popularity of the NBA and NHL Teams Whose Media Rights We Control. Our MSG Networks ~~business~~ **segment** has historically been, and we expect will continue to be, dependent on the popularity of the NBA and NHL teams whose local media rights we control and, in varying degrees, those teams achieving on- court and on- ice success, which can generate fan enthusiasm, resulting in increased viewership and advertising revenues. Furthermore, success in the regular season may qualify a team for participation in the post- season, which generates increased excitement and interest in the teams, which can improve viewership and advertising revenues. Some of our teams have not participated in the post- season for extended periods of time, and may not participate in the post- season in the future. For example, the Knicks **have** qualified for the post- season ~~during~~ **twice in** the **past 10** ~~2020- 21~~ NBA ~~season~~ **seasons** ~~for the first time since the 2012- 13 NBA season~~ and the Sabres have not qualified for the post- season since the 2010- 11 NHL season. In addition, if a team declines in popularity or fails to generate fan enthusiasm, this may negatively impact the terms on which our affiliate agreements are renewed. There can be no assurance that any sports team will generate fan enthusiasm or compete in post- season play and the failure to do so could result in a material negative effect on our business and results of operations. Our MSG Networks Business Depends on the Appeal of Its Programming, Which May Be Unpredictable, and Increased Programming Costs May Have a Material Negative Effect on Our Business and Results of Operations. Our MSG Networks business depends, in part, upon viewer preferences and audience acceptance of the programming on our networks. These factors are often unpredictable and subject to influences that are beyond our control, such as the quality and appeal of competing programming, general economic conditions and the availability of other entertainment options. We may not be able to successfully predict interest in proposed new programming and viewer preferences could cause new programming not to be successful or cause our existing programming to decline in popularity. If our programming does not gain or maintain the level of audience acceptance we, our advertisers **,** or Distributors expect, it could negatively affect advertising or affiliation fee revenues. In addition, we rely on third parties for sports and other programming for our networks. We compete with other providers of programming to acquire the rights to distribute such programming. If we fail to continue to obtain sports and other programming for our networks on reasonable terms for any reason, including as a result of competition, we could be forced to incur additional costs to acquire such programming or look for or develop alternative programming. An increase in our costs associated with programming, including original programming, may materially negatively affect our business and results of operations. The ~~FCC' s Changes to the Spectrum Used by Satellites to Deliver Programming Networks to Distributors, As Well As The~~ Unavailability of ~~Satellites,~~ **Third Party** Facilities, Systems and / or Software Upon Which ~~We Rely,~~ **Our MSG Networks Business Relies** May Have a Material Negative Effect on Our Business and Results of Operations. ~~Our~~ **During Fiscal Year 2023, our** MSG Networks business **completed a transition of its signal transmission method from satellite delivery to a terrestrial, internet- protocol based transmission method, which** uses third- party ~~satellites and other~~ **IP- based fiber transmission** systems to transmit our programming services to Distributors ~~. We use distribution facilities that include uplinks, communications, satellites, and downlinks~~ . Notwithstanding certain back- up and redundant systems and facilities maintained by our third- party providers, transmissions or quality of transmissions may be disrupted, including as a result of events that **may** impair **such terrestrial** ~~uplinks, downlinks or~~ transmission facilities ~~or the impairment of satellite or terrestrial facilities. In addition, the FCC has reallocated some of the spectrum on which these satellites operate for other uses, and satellite operators have begun to transition to use the resulting smaller amount of spectrum. This change in spectrum could cause our third- party providers to change the way they transmit our programming, including by using different satellites and potentially compressing the video, which could affect quality. It has also required many of our Distributors to acquire new equipment, or modify their current equipment, to receive our programming networks. If they fail to do so, or if there are any other disruptions in the transition process including by satellite operators transitioning to new transmission systems, our Distributors and their subscribers may no longer receive our programming. Part of the spectrum on which video programming networks were previously delivered has been and will be auctioned to wireless providers, for 5G and other services that could cause interference with the delivery of our programming. Currently, there are a limited number of communications satellites, which are operated by third parties, available for the transmission of programming, and their continued availability may depend upon a variety of factors including business conditions, technology issues, further changes in law or regulation that may limit the spectrum that these satellites and facilities depend upon to operate and our ability to access such satellites on reasonable terms~~ . In addition, we are party to an agreement with AMC Networks Inc. (" AMC Networks "), pursuant to which AMC Networks provides us with certain origination, master control and technical services which are necessary to distribute our programming networks. If a disruption occurs, we may not be able to secure alternate distribution facilities in a timely manner. In addition, such distribution facilities and / or internal or third- party services, systems or software could be adversely impacted by cybersecurity threats including unauthorized breaches. See " — Risks Related to Cybersecurity and Intellectual Property — We Face Continually Evolving Cybersecurity and Similar Risks, Which Could Result in Loss, Disclosure, Theft, Destruction or Misappropriation of, or Access to, Our Confidential Information and Cause Disruption of Our Business, Damage to Our Brands and Reputation, Legal Exposure and Financial Losses. " The failure or unavailability of distribution facilities or these internal and third- party services, systems or software, depending upon its severity and duration, could have a material negative effect on our business and results of operations. ~~Tao Group Hospitality' s Revenue Growth Depends Upon its Strategy of Adding New Branded Locations and Tao Group Hospitality Plans to Add a Significant Number of New Branded Locations. This Will Require Additional Capital and There Can Be No Guarantee of Success. Tao Group Hospitality' s ability to increase its revenues depends upon opening new branded locations. Tao Group Hospitality has plans to open new branded locations both domestically and internationally. For example, in April 2021, Tao Group Hospitality acquired Hakkasan, which includes a~~

~~global collection of hospitality assets including restaurants, bars, lounges and nightclubs. In pursuing its expansion strategy, Tao Group Hospitality faces risks associated with cost overruns and construction delays, obtaining financing and operating in new or existing markets. In addition, Tao Group Hospitality faces the risk that new branded locations may not be successful and that Tao Group Hospitality may lose all or a part of its investment in such new branded locations, which could have a material negative effect on our business and results of operations. Tao Group Hospitality has financed its operations under the Tao Senior Credit Agreement (as defined herein), which includes a $ 60 million revolving credit facility. See " — Risks Related to~~ Our ~~Indebtedness and Financial Condition — Tao Group Hospitality Has Incurred or May Incur Indebtedness, and the Occurrence of an Event of Default Under Tao Group Hospitality' s Credit Facilities or Our Inability to Repay Such Indebtedness When Due Could Substantially Impair the Assets of Tao Group Hospitality; Other of Our Subsidiaries and Joint Ventures May Incur Indebtedness in the Future and the Failure of Those Entities or Other Parties to Perform as Expected, Including the Repayment of Outstanding Loans, Could Have a Negative Effect on Our Business~~ **Businesses Face Intense** ~~." Throughout Fiscal Year 2021, Tao Group Hospitality conducted limited operations at certain venues, subject to significant regulatory requirements, including capacity limits, curfews and social distancing requirements for outdoor and indoor dining. During Fiscal Year 2022, Tao Group Hospitality' s operations were also impacted by an~~ **and Wide** ~~increase in COVID-~~ **Ranging Competition That** ~~19 cases due to a new variant, which resulted in reduced operating schedules and reduced demand from guests, including corporate and private event cancellations and postponements in the second and third quarters. Concerns regarding COVID- 19 (including new variants) may impact the use of and demand for Tao Group Hospitality' s venues, and Tao Group Hospitality may not have access to financing for its operations and expansion strategy. Any failure to maintain liquidity to finance its business operations could have a material adverse effect on the business and operations of Tao Group Hospitality. See " — General Risk Factors — Our Operations and Operating Results Have Been, and May in the Future be, Materially Impacted by the COVID- 19 Pandemic and Actions Taken in Response by Governmental Authorities and Certain Professional Sports Leagues. " A Lack of Availability of Suitable Locations for New Tao Group Hospitality Branded Locations or a Decline in the Quality of the Locations of Current Tao Group Hospitality Venues~~ May Have a Material Negative Effect on Our Business and Results of Operations. **Our businesses compete, in certain respects and to varying degrees, for guests, advertisers and viewers with other leisure-time activities such as television, radio, motion pictures, sporting events and other live performances, entertainment and nightlife venues, the Internet, social media and social networking platforms, and online and mobile services, including sites for online content distribution, video on demand and other alternative sources of entertainment and information, in addition to competing for concerts, residencies and performances with other event venues (including future venues and arenas) for total entertainment dollars in our marketplace. Sphere business.** The success of **our Sphere business is** ~~the existing Tao Group Hospitality venues depends in large~~ **largely** ~~part~~ **dependent** on ~~their~~ - **the** ~~locations. Possible declines in neighborhoods where Tao Group Hospitality venues~~ **success of The Sphere Experience, which will feature first- of- its- kind immersive productions that can run multiple times per day, year- round and** are **designed to utilize** ~~located or adverse economic conditions in areas surrounding those~~ - **the full breadth of** ~~neighborhoods could result in reduced sales in those~~ - **the** ~~venues~~ - **venue** ~~. Further, Tao Group Hospitality~~ ' s ~~growth strategy~~ **next- generation technologies. The Sphere Experience will employ novel and transformative technologies for which there** is ~~based~~ **no established basis of comparison** , ~~in part~~ **and there is an inherent risk that we may be unable to achieve the level of success we are expecting** , **which could have a material negative impact** on **our** ~~the expansion of Tao Group Hospitality branded locations into new geographic markets where its~~ business ~~has~~ **and results of operations. Additionally, our Sphere business is also dependent on our ability to attract advertisers and marketing partners and we compete with other venues and companies for signage and digital advertising dollars. The degree and extent of competition for advertising dollars will depend on our pricing, reach and audience demographics, among others. Should the popularity of The Sphere Experience or our advertising assets** not **meet** ~~previously operated. For example, in April 2021, Tao Group Hospitality acquired Hakkasan, which included a global collection of hospitality assets including restaurants, bars, lounges and nightclubs in 18 cities across four~~ - **our expectations,** ~~continents. Desirable locations for new openings or~~ **our** ~~for~~ **revenues from ticket sales, concession and merchandise sales and advertising would be adversely affected, and we might not be able to replace the lost revenue with revenues from** ~~the~~ **other** ~~relocation~~ **sources. As a result** of ~~existing branded locations~~ **any of the foregoing, we** may not be ~~available at an acceptable~~ **able to generate sufficient revenues to cover our** ~~cost~~ **costs , which could adversely impact** ~~when Tao Group Hospitality identifies a particular opportunity for a new venue or~~ **our** ~~relocation~~ **business and results of operations and the price of our Class A Common Stock** . In addition, **we expect** ~~or~~ **our Sphere business will be highly sensitive to customer tastes and will depend on our ability to attract concerts,residencies,marquee sporting** ~~even~~ **events** ~~that exceed~~ **,corporate and other events to** our ~~expenses~~ **venue,competition for which is intense,and in turn,the ability of performers to attract strong attendance** .For **example,** ~~a discussion of substantial investments in state- of- the- art technology by the Company in connection with the MSG~~ Sphere **will compete with other** ~~,see " — Risks Related to Our Entertainment~~ **entertainment options** ~~Business — The Company is Moving Forward With its MSG Sphere Initiative and Is Building and Plans to Operate its First State- of- the- Art Venue~~ in **the** Las Vegas **area** , ~~While Pursuing~~ **which is** a **popular entertainment destination** ~~Potential Venue in London~~ . ~~MSG~~ **In addition,we must maintain a competitive pricing structure for events that may be held at** Sphere **,many of which may have alternative venue options available to** ~~Will Use Cutting- Edge Technologies and Will Require Significant Capital Investment by the~~ **them** ~~Company~~ **in Las Vegas and other cities** . **We have and may continue to invest a substantial amount in** ~~There~~ - **The** ~~Can Be No Assurance That MSG~~ Sphere **Experience to continue to attract audiences.We cannot assure you that such investments** ~~Will~~ **will** ~~Be Successful~~ **generate revenues that are sufficient to justify our investment or even that exceed our expenses** . ~~"~~ MSG Networks business.Our MSG Networks business competes,in certain respects and to varying degrees,for viewers and advertisers with other programming networks,pay- per-view,video- on- demand,online streaming ~~or~~ **and** on- demand services and other content offered by Distributors and others.Additional companies,some with significant financial resources,continue to enter or are seeking to enter the video distribution market either by offering ~~OTT~~ **DTC** streaming services or selling devices that aggregate viewing of various ~~OTT~~ **DTC** services,which continues to put pressure on an already competitive landscape.We also compete for viewers and advertisers with content offered over the Internet,social media and social networking platforms,mobile media,radio,motion picture,home video and other sources of information and entertainment and advertising services.Important competitive factors are the prices we charge for our programming networks,the quantity,quality (in particular,the performance of the sports teams whose media rights we control),the variety of the programming offered on our networks,and the effectiveness of our marketing efforts.New or existing programming networks that are owned by or affiliated with broadcast networks such as NBC,ABC,CBS or Fox,or broadcast station owners,such as Sinclair,may have a competitive advantage over our networks in obtaining distribution through the " bundling " of agreements to carry those programming networks with the agreement giving the Distributor the right to carry a broadcast station owned by or affiliated with the network.For example,regional sports and entertainment networks affiliated with broadcast networks are carried by certain Distributors that do not currently carry our networks.Our business depends,in part,upon viewer preferences and audience acceptance of the programming on our networks.These factors are often unpredictable and subject to influences that are beyond our control,such as the quality and appeal of competing programming,the performance of the sports teams whose media rights we control,general economic conditions and the availability of other entertainment options.We may not be able to successfully predict interest in proposed new programming and viewer preferences could cause new programming not to be successful or cause our existing programming to decline in popularity.If our programming does not gain or maintain the level of audience acceptance we,our advertisers or Distributors expect,it could negatively affect advertising or affiliation fee revenues.An increase in our costs associated with programming,including original programming,may materially negatively affect our business and results of operations. ~~The extent to~~ **We recently launched a DTC streaming product,** which ~~competitive~~ **provides consumers an alternative to accessing our** programming **through our Distributors,but there can be no assurance that we will successfully execute our strategy for such offering.Our DTC offering represents a new consumer offering for which we have limited prior experience and we may not be able to successfully predict the demand for such DTC product or the impact such DTC product may have on our traditional distribution business** ,including ~~NBA and NHL games,are available on other programming networks and distribution platforms can adversely affect our competitive position.The competitive environment in which our MSG Networks business operates may also be affected by technological developments.It is difficult to predict the future effect of technology on our competitive position.With~~ **with** respect to **renewals** ~~advertising services,factors affecting the degree and extent~~ of ~~competition include prices,reach and audience demographics,among others.Some of~~ our **affiliation agreements** ~~competitors are large companies that have greater financial resources available to them than we do,which could impact our viewership and the resulting advertising revenues.Tao Group Hospitality business.The restaurant,nightlife and hospitality industries are intensely competitive~~ with ~~respect to~~ **Distributors.In addition** , ~~among other things,service,price,~~ the success of ~~new Tao Group Hospitality branded locations tends to expand or~~ **our** ~~revive interest~~ **DTC product will depend on a number of factors, including competition from other DTC products, such as offerings from other regional sports networks. The extent to which competitive programming, including NBA and NHL games, are available on other programming networks and distribution platforms can adversely affect our competitive position. The competitive environment** in ~~Tao Group Hospitality branded locations~~ **which our MSG Networks business operates may also be affected by technological developments. It is difficult to predict the future effect of technology on our competitive position. With respect to advertising services, factors affecting the degree and extent of competition include prices, reach and audience demographics, among others. Some of our competitors are large companies** that have **greater financial resources available to them than we do, which could impact our viewership and the resulting advertising revenues. The Company' s operations and operating results were materially impacted by the COVID- 19 pandemic (including COVID- 19 variants) and actions taken in response by governmental authorities and certain professional sports leagues during Fiscal Year 2021. MSG Networks business. As a result of the COVID- 19 pandemic, both the NBA and the NHL reduced the number of regular season games for their 2020- 21 seasons, resulting in MSG Networks airing substantially fewer NBA and NHL telecasts during Fiscal Year 2021, as compared with Fiscal Year 2019 (the last full fiscal year not impacted by COVID- 19 as the 2019- 20 seasons were temporarily suspended and subsequently shortened). Consequently, MSG Networks experienced a decrease in revenues, including a material decrease in advertising revenue. The absence of live sports games also resulted in a decrease in certain MSG Networks expenses, including rights fees, variable production expenses, and advertising sales commissions. MSG Networks aired full regular season telecast schedules in Fiscal Year 2022 and Fiscal Year 2023 for its five professional teams across both the NBA and NHL, and, as a result, its advertising revenue and certain operating expenses, including rights fees expense, reflect the same. Sphere business. In April 2020, the Company announced that it was suspending construction of Sphere in Las Vegas due to COVID- 19 related factors that were outside of its control, including supply chain issues. This is a complex construction project with cutting- edge technology that relied on subcontractors obtaining components from a variety of sources around the world. As the ongoing effects of the pandemic continued to impact its business operations, in August 2020, the Company disclosed that it had resumed full construction with a lengthened timetable in order to better preserve cash through the COVID- 19 pandemic. The Company expects to open the venue in September 2023. Although Sphere was not open during the pandemic, if it had** been ~~in~~ **, its** ~~operation~~ **operations would have been suspended** for **a** ~~an extended~~ period of time **and** ~~. Thus~~ , **similar to** ~~the~~ **other** ~~inability~~ **venues, its operations would have been subject** to ~~successfully open new Tao Group Hospitality branded locations~~ **safety protocols and social distancing upon reopening. It is unclear to what extent pandemic concerns, including with respect to COVID- 19 or other future pandemics,** could **result in professional sports leagues suspending, cancelling** ~~also negatively impact the existing Tao Group Hospitality business. The occurrence of~~

~~one~~ or ~~more of~~ **otherwise reducing** ~~these~~ -- **the** ~~events~~ **number of games scheduled in the regular reason or playoffs, which** could have a material **impact** ~~negative effect~~ on **the distribution and /** ~~our~~ - **or** ~~business and~~ **advertising revenues of our MSG Networks segment, or could** ~~results~~ - **result in new government- mandated capacity or other restrictions or vaccination / mask requirements or impact the use** of **and / or demand for Sphere in Las Vegas, impact demand for our sponsorship and advertising assets, deter our employees and vendors from working at Sphere in Las Vegas (which may lead to difficulties in staffing), deter artists from touring or otherwise materially impact our** operations. **See " —** ~~The Success of Tao Group Hospitality Depends in Part Upon the Continued Retention of Certain Key Personnel. The success of Tao Group Hospitality depends, in part, on certain key members of its management. The expertise of Tao Group Hospitality' s senior management team in developing, acquiring, reinventing, integrating and growing businesses, particularly those focused on entertainment and hospitality, has been and will continue to be a significant factor in the growth of Tao Group Hospitality' s business and the ability of Tao Group Hospitality to execute its business strategy. The loss of such key personnel could have a material negative effect on our business and results of operations~~ **Operational** ~~. Negative Publicity~~ **and Economic Risks — We Are Subject to Extensive Governmental Regulation and Changes in These Regulations and Our Failure to Comply** with **Them May** ~~Respect to, or Reduced Popularity of, Any of the Existing or Future Tao Group Hospitality Brands Could Reduce Sales at One or More of the Existing or Future Tao Group Hospitality Branded Locations and Make the Tao Group Hospitality Brands Less Valuable, Which Could~~ Have a Material Negative Effect on Our Business and Results of Operations. ~~The success of Tao Group Hospitality depends,~~ **" Our business is particularly sensitive to reductions** in **travel** ~~part, upon the reputation~~ and **discretionary consumer spending** ~~popularity of the Tao Group Hospitality venues and brands~~ . **A pandemic** ~~If customers have a poor experience at a restaurant or nightlife venue owned~~ , **such as COVID- 19** ~~operated or managed by Tao Group Hospitality~~ , **or** the **fear of** ~~Tao Group Hospitality branded locations may experience~~ a **new pandemic or** ~~decrease in customer traffic. Negative publicity~~ --- **public health emergency** ~~with respect to~~ , **has in** ~~or reduced popularity of, any of~~ the **past and** ~~Tao Group Hospitality brands~~ could ~~adversely affect Tao Group Hospitality. Such publicity~~ **in the future impede economic activity in impacted regions and globally over the long term, leading to a decline in discretionary spending on entertainment and sports events and other leisure activities, which** could **result in long- term effects on** ~~relate to food quality, illness, injury or~~ **our** ~~other health concerns, poor service, negative experiences or other problems and reduce demand in the Tao Group Hospitality~~ business. **To the extent effects** ~~For example, an outbreak or perceived outbreak~~ of the COVID- 19 pandemic ~~connected to one~~ or **another pandemic or** ~~more of Tao Group Hospitality' s branded locations could cause negative publicity~~ --- **public** ~~directed at any of its brands~~ **health emergency adversely affect our business** and **financial** ~~cause customers to avoid its branded locations. The risk of negative publicity is exacerbated by the growing influence of social media, which can result~~ **results , they** ~~in immediate and widespread dissemination of information (which~~ may ~~be false)~~ **also have the effect of heightening many of the other risks described in this " Risk Factors " section, such as those relating to our liquidity, indebtedness, and our ability to comply** with ~~limited ability on our part to respond to~~ **the covenants contained in the agreements that govern** ~~or~~ **our indebtedness** ~~correct such reports~~ . Our Business Has Been Adversely Impacted and May, in the Future, Be Materially Adversely Impacted by an Economic Downturn, Recession, Financial Instability, Inflation or Changes in Consumer Tastes and Preferences. Our business depends upon the ability and willingness of consumers and businesses to purchase tickets **and** ~~at our venues,~~ license suites ~~and club memberships~~ at **Sphere** ~~The Garden~~ , spend on food and beverages and merchandise, subscribe to packages of programming that includes our networks, and drive continued advertising, ~~sponsorship~~ **marketing partnership** and affiliate fee revenues, and these revenues are sensitive to general economic conditions, recession, fears of recession and consumer behavior. ~~For example, following the 2008 financial crisis, we experienced a lower level of event bookings, reduced renewals of certain of our suite licenses and a decrease in advertising which adversely affected the Company' s results of operations.~~ Further, the **live entertainment** ~~restaurant, nightlife and hospitality industries~~ **industry** ~~are~~ **is** often affected by changes in consumer tastes, national, regional and local economic conditions, discretionary spending priorities, demographic trends, traffic patterns and the type, number and location of competing businesses. **These risks are exacerbated in our business in light of the fact that we only have one venue in Las Vegas, which is dependent on tourism travel for its success.** Consumer and corporate spending **has in the past declined and** may **in the future** decline at any time for reasons beyond our control **. The** ~~, and the~~ risks associated with our businesses ~~may~~ **generally** become more acute in periods of a slowing economy or recession, which may be accompanied by reductions in corporate sponsorship and advertising and decreases in attendance at ~~live~~ events **at our** ~~and restaurant and nightlife venues~~ - **venue** , among other things. In addition, inflation, which has significantly risen, has **increased** and may continue to 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. As a result, instability and weakness of the U. S. and global economies, including due to the effects caused by disruptions to financial markets, inflation, recession, high unemployment, geopolitical events ~~and other~~ **, including any prolonged** effects caused by the COVID- 19 pandemic **or another future pandemic,** and the negative effects on consumers' and businesses' discretionary spending, have **in the past materially negatively affected,** and may ~~continue to~~ **in the future** materially negatively affect **,** our business and results of operations. A prolonged period of reduced consumer or corporate spending, including with respect to advertising, such as ~~those~~ during the COVID- 19 pandemic, could have an adverse effect on our business and our results of operations. See " — ~~General~~ **Operational and Economic** ~~Risk~~ **Risks** ~~Factors~~ — Our Operations and Operating Results **Were** ~~Have Been, and May in the Future be,~~ Materially Impacted by the COVID- 19 Pandemic and Actions Taken in Response by Governmental Authorities and Certain Professional Sports Leagues **, and a Resurgence of the COVID- 19 Pandemic or Another Pandemic or Public Health Emergency Could Adversely Affect Our Business and Results of Operations** . " **The Geographic Concentration** ~~We Do Not Own All~~ of Our ~~Venues and~~ **Businesses Could Subject Us to Greater Risk Than** Our **Competitors and** ~~Failure to Renew Our Leases on Economically Attractive Terms May~~ Have a Material Negative Effect on Our Business and Results of

Operations. ~~Our agreement with~~ The ~~Venetian for the land where MSG~~ Sphere **business initially operates only** in Las Vegas ~~is being constructed requires that we complete construction within specified time periods, subject to certain permitted extensions. The failure to meet these specified deadlines could result in a termination of the lease. We lease the Beacon Theatre and Radio City Music Hall under long- term leases that expire in 2036 and 2038. MSG Entertainment Group, LLC, the entity that guarantees the lease for Radio City Music Hall, is required to maintain a certain net worth that if not maintained would require the entity to post a letter of credit or provide cash collateral. Tao Group Hospitality operates branded locations under various agreements that include leases~~ with ~~third parties and management agreements. The long- term success of Tao Group Hospitality depends in part on~~ **one** ~~the availability of real estate, the ability to lease this real estate and the ability to enter into management agreements. As many of these agreements are with third parties over whom Tao Group Hospitality has little or no control, we may be unable to renew these agreements or enter into new agreements on acceptable terms or at all, and may be unable to obtain favorable agreements with venues~~ **venue** ~~generally, or in response to specific needs. Some of these agreements include conditions that, if not met, would permit the counterparty to terminate the management agreement under certain circumstances. The ability to renew these agreements and obtain new agreements on favorable terms depends on a number of other factors, many of which are beyond the control of us or Tao Group Hospitality, such as national and local business conditions and competition from other businesses. There can be no assurance that Tao Group Hospitality will be able to renew these agreements on acceptable terms or at all, or that they will be able to obtain attractive agreements with appropriate venues or real estate owners, which could have a material negative effect on our business and results of operations. The Geographic Concentration of Our Businesses Could Subject Us to Greater Risk Than Our Competitors and Have a Material Negative Effect on Our Business and Results of Operations. The Company primarily operates in four markets — New York City, Las Vegas, Southern California and London —~~ and, as a result, is subject to **significantly** greater degrees of risk than competitors with more operating properties or that operate in more markets. ~~The Garden, Hulu Theater, Radio City Music Hall and the Beacon Theatre are all located in New York City and~~ MSG Networks' **programming** networks are widely distributed throughout ~~all of~~ New York State and certain nearby areas ~~. Tao Group Hospitality has significant operations in New York City, Las Vegas, Southern California and London. Additionally, the Company is constructing its first MSG Sphere in Las Vegas~~. Therefore, the Company is particularly vulnerable to adverse events (including acts of terrorism, natural disasters, epidemics, pandemics, weather conditions, labor market disruptions and government actions) and economic conditions in **Las Vegas and** New York ~~City~~ **State** , ~~Las Vegas, Southern California and London~~ and surrounding areas. ~~For example, our operations and operating results have been materially impacted by the COVID- 19 pandemic. See " — General Risk Factors — Our Operations and Operating Results Have Been, and May in the Future be, Materially Impacted by the COVID- 19 Pandemic and Actions Taken in Response by Governmental Authorities and Certain Professional Sports Leagues " and " Part II — Item 7. Management' s Discussion and Analysis of Financial Condition and Results of Operations — Introduction — Business Overview — Impact of the COVID- 19 Pandemic on Our Business. "~~ Our Business Could Be Adversely Affected by Terrorist Activity or the Threat of Terrorist Activity, Weather and Other Conditions That Discourage Congregation at Prominent Places of Public Assembly. The success of our businesses is dependent upon the willingness and ability of patrons to attend events at our ~~venues~~ **venue** . The ~~venues~~ **venue** we operate, like all prominent places of public assembly, could be the target of terrorist activities, including acts of domestic terrorism, or other actions that discourage attendance. Any such activity or threatened activity at or near one of our ~~venues~~ **venue** or other similar venues, including those located elsewhere, could result in reduced attendance at our ~~venues~~ **venue** and a material negative effect on our business and results of operations **. If our venue was unable to operate for an extended period of time, our business and operations would be materially adversely affected** . Similarly, a major epidemic or pandemic, such as the COVID- 19 pandemic, or the threat or perceived threat of such an event, could adversely affect attendance at our events and venues by discouraging public assembly at our events and ~~venues~~ **venue** . Moreover, the costs of protecting against such incidents, including the costs of implementing additional protective measures for the health and safety of our guests, could reduce the profitability of our operations. See " — ~~General~~ **Operational and Economic** ~~Risk~~ **Risks** ~~Factors~~ — Our Operations and Operating Results **Were** ~~Have Been, and May in the Future be,~~ Materially Impacted by the COVID- 19 Pandemic and Actions Taken in Response by Governmental Authorities and Certain Professional Sports Leagues **, and a Resurgence of the COVID- 19 Pandemic or Another Pandemic or Public Health Emergency Could Adversely Affect Our Business and Results of Operations** . " Weather or other conditions, including natural disasters, in locations which we own or operate venues may affect patron attendance as well as sales of food and beverages and merchandise, among other things. Weather conditions may also require us to cancel or postpone events. Weather or other conditions may prevent us or our Distributors from providing our programming to customers or reduce advertising expenditures. Any of these events may have a material negative effect on our business and results of operations, and any such events may harm our ability to obtain or renew insurance coverage on favorable terms or at all. We May Pursue Acquisitions and Other Strategic Transactions and / or Investments to Complement or Expand Our Business That May Not Be Successful; We Have Significant Investments in Businesses We Do Not Control. From time to time, we may ~~continue to~~ explore opportunities to purchase or invest in other businesses, venues or assets that we believe will complement, enhance or expand our current business or that might otherwise offer us growth opportunities, including opportunities that may differ from the Company' s current businesses. Any transactions that we are able to identify and complete may involve risks, including the commitment of significant capital, the incurrence of indebtedness, the payment of advances, the diversion of management' s attention and resources from our existing business to develop and integrate the acquired or combined business, the inability to successfully integrate such business or assets into our operations, litigation or other claims in connection with acquisitions or against companies we invest in or acquire, our lack of control over certain companies, including joint ventures and other minority investments, the risk of not achieving the intended results and the exposure to losses if the underlying transactions or ventures are not successful. At times, we have had significant investments in businesses that we account for under the equity method of accounting, and we may again in the future. Certain of these investments have generated operating losses in the past and certain have required additional investments from us in the form of equity or loans **. For example, we currently have equity method investments in SACO Technologies and Holoplot** . There can be no assurance that these investments will become profitable individually or in the aggregate or that they will not require material additional funding from us in the future. We may not control the day- to- day operations of these investments. We have in the past written down and, to the extent that these investments are not successful in the future, we may write down all or a portion of such investments. Additionally, these businesses may be subject to laws, rules and other circumstances, and have risks in their operations, which may be similar to, or different from, those to which we are subject. Any of the foregoing risks could result in a material negative effect on our business and results of operations or adversely impact the value of our investments. ~~We Are Subject to Extensive Governmental Regulation and Our Failure to Comply with These Regulations May Have a Material Negative Effect on Our Business and Results of Operations.~~ Our business is subject to the general powers of federal, state and local governments, as well as foreign governmental authorities. ~~We~~ **Certain aspects of our MSG Networks business** are also subject to ~~the~~ **certain** rules, regulations and ~~decisions~~ **agreements** of the NBA and NHL. Some FCC regulations apply to ~~us~~ **our MSG Networks business** directly and other FCC regulations, although imposed on Distributors, affect programming networks indirectly. **• Venue- related Permits / Licenses. Sphere, like all public spaces, is subject to building and health codes and fire regulations imposed by state and local government as well as zoning and outdoor advertising and signage regulations. We also require a number of licenses to operate, including, but not limited to, occupancy permits, exhibition licenses, food and beverage permits, liquor licenses, signage entitlements and other authorizations. Failure to receive or retain, or the suspension of, liquor licenses or permits could interrupt or terminate our ability to serve alcoholic beverages at our venue. Additional regulation relating to liquor licenses may limit our activities in the future or significantly increase the cost of compliance, or both. We are subject to statutes that generally provide that serving alcohol to a visibly intoxicated or minor patron is a violation of the law and may provide for strict liability for certain damages arising out of such violations. Our liability insurance coverage may not be adequate or available to cover any or all such potential liability. Our failure to maintain these permits or licenses could have a material negative effect on our business and results of operations. •** Public Health and Safety. As a result of government mandated assembly limitations and closures implemented in response to the COVID- 19 pandemic ~~, our performance venues were unable to host events for the substantial majority of Fiscal Year 2021~~ , MSG Networks aired substantially fewer games **in Fiscal Year 2021** ~~and Tao Group Hospitality was operating at significantly reduced capacity and demand~~ . There can be no assurance that some or all of these restrictions will not be imposed again in the future due to **future outbreaks** ~~increased infection rates~~ of COVID- 19 **(including variants)** or another pandemic **or public health emergency** . We are unable to predict what the long- term effects of these events, including renewed government regulations or requirements, will be. For example, future governmental regulations adopted in response to **a** ~~the COVID- 19~~ pandemic may impact the revenue we derive and / or the expenses we incur from the events that we choose to host, such that events that were historically profitable would instead result in losses. See " — ~~General~~ **Operational and Economic** ~~Risk~~ **Risks** ~~Factors~~ — Our Operations and Operating Results **Were** ~~Have Been, and May in the Future be,~~ Materially Impacted by the COVID- 19 Pandemic and Actions Taken in Response by Governmental Authorities and Certain Professional Sports Leagues, ~~"~~ and **a Resurgence** ~~" Part II — Item 7. Management' s Discussion and Analysis of Financial Condition and Results of Operations — Introduction — Business Overview — Impact~~ of the COVID- 19 Pandemic ~~on~~ **or Another Pandemic or Public Health Emergency Could Adversely Affect** Our Business **and Results of Operations** . **• Environmental Laws** ~~" Hospitality- related Permits / Licenses~~ . We **and** ~~hold liquor licenses at each of~~ our ~~venues~~ - **venue** ~~and~~ are subject to ~~licensing requirements~~ **environmental laws and regulations relating to the use, disposal, storage, emission and release of hazardous and non- hazardous substances, as well as zoning and noise level restrictions which may affect, among other things, the operations of our venue. Compliance** with ~~respect to the sale of alcoholic beverages in the jurisdictions in which we serve those~~ **these** ~~beverages. Failure to receive~~ **regulations and the associated costs may be heightened as a result of the purchase, construction** or **renovation of a venue. Additionally,** ~~retain~~ - **certain laws and regulations** ~~, or the suspension of, liquor licenses or permits~~ could ~~interrupt~~ **hold us strictly, jointly and severally responsible** ~~or~~ **for the remediation of hazardous substance contamination** ~~terminate our ability to serve alcoholic beverages~~ at ~~the applicable venue and could have a material negative effect on our business and our results of operations. Additional regulation relating to liquor licenses may limit our activities in the future or~~ **our facilities** ~~significantly increase the cost of compliance, or both. In the jurisdictions in which our~~ - **or** ~~venues are located~~ **at third- party waste disposal sites** , **as well as** ~~we are subject to statutes that generally provide that serving alcohol to a visibly intoxicated or minor patron is a violation of the law and may provide~~ for ~~strict~~ **any personal injury or property damage related to any contamination. Our commercial general** liability **and /** ~~for~~ - **or the pollution legal** ~~certain damages arising out of such violations. Our~~ liability insurance coverage may not be adequate or available to cover any **or all such** potential liability. **•** ~~Environmental Laws. We and our venues are subject to environmental laws and regulations relating to the use, disposal, storage, emission and release of hazardous and non- hazardous substances, as well as zoning and noise level restrictions which may affect, among other things, the operations of our venues. Compliance with these regulations and the associated costs may be heightened as a result of the purchase, construction or renovation of a venue. Additionally, certain laws and regulations could hold us strictly, jointly and severally responsible for the remediation of hazardous substance contamination at our facilities or at third- party waste disposal sites, as well as for any personal injury or property damage related to any contamination. Zoning and Building Regulations. Our venues are subject to zoning and building regulations including permits relating to the operation of The Garden. The Garden requires a special zoning permit, which was originally granted by the New York City Planning Commission in 1963 and renewed in July 2013 for 10 years. Certain government officials and special interest groups sought to use the renewal process to pressure us to improve Penn Station or to relocate The Garden. There can be no assurance regarding the future renewal of the permit or the terms thereof, and the failure to obtain such renewal or to do so on favorable terms could have a negative effect on~~

~~our business.~~ Broadcasting. Legislative enactments, court actions, and federal **and state** regulatory proceedings could materially affect our programming business by modifying the rates, terms, and conditions under which we offer our content or programming networks to Distributors and the public, or otherwise materially affect the range of our activities or strategic business alternatives. We cannot predict the likelihood, results or impact on our business of any such legislative, judicial, or regulatory actions. Furthermore, to the extent that regulations and laws, either presently in force or proposed, hinder or stimulate the growth of Distributors, our business could be affected. The U. S. Congress and the FCC currently have under consideration, and may in the future adopt, amend, or repeal, laws, regulations and policies regarding a wide variety of matters that could, directly or indirectly, affect our business. The regulation of Distributors **and programming networks** is subject to the political process and has been in constant flux over the past two decades. Further material changes in the law and regulatory requirements may be proposed or adopted in the future. Our business and our results of operations may be materially negatively affected by future legislation, new regulation or deregulation. **•** Data Privacy. We are subject to various data privacy and protection laws, regulations, policies and contractual obligations that apply to the collection, transmission, storage, processing and use of personal information or personal data, which among other things, impose certain requirements relating to the privacy and security of personal information. The variety of laws and regulations governing data privacy and protection, and the use of the internet as a commercial medium, are rapidly evolving, extensive and complex, and may include provisions and obligations that are inconsistent with one another or uncertain in their scope or application. The data protection landscape is rapidly evolving in the United States. As our operations and business grow, we may become subject to or affected by new or additional data protection laws and regulations and face increased scrutiny or attention from regulatory authorities. For example, California has passed a comprehensive data privacy law, the California Consumer Privacy Act of 2018 (the " CCPA "), and **a number of** other states **,** including Virginia ~~and~~ **,** Colorado **, Utah and Connecticut,** have also passed similar laws **, and various additional states may do so in the near future** . Additionally, the California Privacy Rights Act (the " CPRA "), ~~will impose~~ **imposes** additional data protection obligations on covered businesses, including additional consumer rights procedures and obligations, limitations on data uses, new audit requirements for higher risk data, and constraints on certain uses of sensitive data. The majority of the CPRA provisions **went** ~~will go~~ into effect on January 1, 2023, and additional compliance investment and potential business process changes may be required. Further, there are several legislative proposals in the United States, at both the federal and state level, that could impose new privacy and security obligations. We cannot yet determine the impact that these future laws and regulations may have on our business. In addition, governmental authorities and private litigants continue to bring actions against companies for online collection, use, dissemination and security practices that are unfair or deceptive. Our business is, and may in the future be, subject to a variety of other laws and regulations, including licensing, permitting, ~~and historic designation and similar requirements;~~ working conditions, labor, immigration and employment laws; health, safety and sanitation requirements; and compliance with the Americans with Disabilities Act (and related state and local statutes). Any changes to the legal and regulatory framework applicable to our business could have an adverse impact on our businesses and our failure to comply with applicable governmental laws and regulations, or to maintain necessary permits or licenses, could result in liability or government actions that could have a material negative effect on our business and results of operations. Our Business ~~Is~~ **Has Been** Subject to Seasonal Fluctuations, and Our Operating Results and Cash Flow **Have In the Past Varied, and** Could **In the Future** Vary **,** Substantially from Period to Period. Our revenues and expenses have been seasonal and **may** ~~we expect they will~~ continue to be seasonal. For example, ~~17 % of~~ our **MSG Networks segment generally continues to expect to earn a higher share of its annual** revenues in **the second and third quarters of its** ~~Fiscal~~ **fiscal** ~~Year~~ **year** ~~2020 were~~ **as a result of MSG Networks' advertising revenue being largely** derived from the **sale** ~~Christmas Spectacular (the last production presented prior to the impact~~ of **inventory** ~~the COVID- 19 pandemic). Our revenues are highest~~ in ~~the second quarter of our fiscal year when these performances primarily occur. As a result, our business earns a disproportionate amount of~~ its ~~revenue~~ **live NBA** and **NHL professional sports programming** ~~operating income in the second quarter of each fiscal year~~ . Therefore, our operating results and cash flow reflect significant variation from period to period and will continue to do so in the future. Consequently, period- to- period comparisons of our operating results may not necessarily be meaningful and the operating results of one period are not indicative of our financial performance during a full fiscal year. This variability may adversely affect our business, results of operations and financial condition. Labor Matters May Have a Material Negative Effect on Our Business and Results of Operations. ~~As a result~~ **In the event** of ~~ongoing~~ labor market disruptions due to **renewed effects of** the COVID- 19 pandemic **or other future pandemics** and otherwise, we ~~have~~ **could** ~~faced -~~ **face** difficulty in maintaining staffing at our **Sphere** ~~Entertainment and Tao Group Hospitality venues -~~ **venue** and retaining talent in our corporate departments ~~. As a result, we have had to scale back hours and days of operations in certain markets and venues~~ . If we are unable to attract and retain qualified people or to do so on reasonable terms, **Sphere** ~~our performance, entertainment dining and nightlife venues~~ could be short **-** staffed or become more expensive to operate and our ability to meet our ~~customers~~ **guests** ' demand ~~or expand Tao Group Hospitality branded locations~~ could be limited, any of which could materially adversely affect our business and results of operations. ~~In addition, increases in labor costs could also slow the growth of, or harm, Tao Group Hospitality, which has a substantial number of hourly employees whose compensation may be impacted by increases in government- imposed minimum wage rates. In addition, Tao Group Hospitality employs a substantial number of employees whose income is supplemented through the receipt of gratuities. In certain jurisdictions in which Tao Group Hospitality operates, the minimum hourly wage to which gratuity- eligible employees are entitled under law is lower than the minimum wage required to be paid to other employees, subject to the former' s receipt of sufficient gratuities. The difference between the two minimum rates is referred to as a " tip credit. " Governmental entities, including in New York, Las Vegas and Chicago, have acted to increase minimum wage rates in jurisdictions where Tao Group Hospitality operates or may operate in the future. In addition, governmental entities have acted to eliminate, or considered the elimination of, tip credits in the application of minimum wage laws. As minimum wage rates increase, or if tip credits are reduced or eliminated, Tao Group Hospitality may need to increase~~

~~wages paid to a substantial number of employees, which could substantially increase the labor costs of Tao Group Hospitality. In addition, Tao Group Hospitality' s labor costs may increase if certain employees elect to be union represented and to collectively bargain their compensation. Tao Group Hospitality may be unable to offset these increased labor costs either through increased prices or changes to its operations, which could have a material negative effect on our business and results of operations.~~ Our business is dependent upon the efforts of unionized workers. As of June 30, ~~2022~~ **2023** , approximately ~~38~~ **29** % of our employees ~~are~~ **were** represented by unions. ~~Approximately~~ **Approximately10** ~~7~~ % of such union employees ~~are~~ **were** subject to CBAs that ~~were~~ **had** expired as of June 30, ~~2022~~ **2023** and approximately ~~44~~ **67** % ~~are~~ **were** subject to CBAs that will expire by June 30, ~~2023~~ **2024** if they are not extended prior thereto. Any labor disputes, such as strikes or lockouts, with the unions with which we have CBAs could have a material negative effect on our business and results of operations (including our ability to produce or present **immersive productions,** concerts, programming, theatrical productions, sporting events and other events) **. For example, members of the Writers Guild of America and SAG- AFTRA commenced a work stoppage in May and July, 2023, respectively. If these or other work stoppages by unions involved in the production of original immersive productions are prolonged and we are unable to secure waivers from the guild or union concerned, it could adversely affect our business** . Additionally, NBA and NHL players are covered by CBAs **and we may be impacted by union relationships of both such leagues** . Both ~~leagues~~ **the NBA and the NHL** have experienced labor difficulties in the past and may have labor issues in the future, such as player strikes or management lockouts. **For example, the NBA has experienced labor difficulties, including a lockout during the 2011- 12 NBA season, which resulted in a regular season that was shortened from 82 games to 66 games. In addition, the NHL has also experienced labor difficulties, including a lockout beginning in September 2004 that resulted in the cancellation of the entire 2004- 05 NHL season, and a lockout during the 2012- 13 NHL season, which resulted in a regular season that was shortened from 82 games to 48 games.** If any ~~Knicks~~ **NBA** or ~~Rangers~~ **NHL** games are cancelled because of any such labor difficulties, the loss of revenue, including from ~~customers who would have attended home games at The Garden and from~~ impacts to MSG Networks' ability to produce or present programming **,** would have a negative impact on our business and results of operations. The Unavailability of Systems Upon Which We Rely May Have a Material Negative Effect on Our Business and Results of Operations. We rely upon various internal and third- party software or systems in the operation of our business, including, with respect to ticket sales, credit card processing, email marketing, point of sale transactions, database, inventory, human resource management and financial systems **, and other systems used to present Sphere events and attractions, such as audio and video** . From time to time, certain of these arrangements may not be covered by long- term agreements. **System interruption and the lack of integration and redundancy in the information and other systems and infrastructure, both of our own websites and other computer systems and of affiliate and third- party software, computer networks, and other substructure and communications systems service providers on which we rely may adversely affect our ability to operate websites, applications, process and fulfill transactions, respond to customer inquiries, present events, and generally maintain cost- efficient operations. Such interruptions could occur by virtue of natural disaster, malicious actions, such as hacking or acts of terrorism or war, human error, or other factors affecting such third parties.** The failure or unavailability of these internal or third- party services or systems, depending upon its severity and duration, could have a material negative effect on our business and results of operations. **See also " — Risks Related to Governance and Our Controlled Ownership — We Rely on Affiliated Entities' Performance Under Various Agreements " for a discussion of services MSG Entertainment performs on our behalf. While we have backup systems and offsite data centers for certain aspects of our operations, disaster recovery planning by its nature cannot be for all eventualities. In addition, we may not have adequate insurance coverage to compensate for losses from a major interruption. If any of these adverse events were to occur, it could adversely affect our business, financial condition and results of operations.** There Is a Risk of Injuries and Accidents in Connection with **Sphere** ~~Our Venues~~ , Which Could Subject Us to Personal Injury or Other Claims; We Are Subject to the Risk of Adverse Outcomes in Other Types of Litigation. There are inherent risks associated with producing and hosting events and operating, maintaining, renovating or constructing our venues ~~and in operating our restaurant and nightlife venues~~ **(including as a result of Sphere' s unique features)** . As a result, personal injuries, accidents and other incidents **which may negatively affect guest satisfaction** have occurred and may occur from time to time, which could subject us to claims and liabilities. These risks may not be covered by insurance or could involve exposures that exceed the limits of any applicable insurance policy. Incidents in connection with events at **Sphere** ~~any of our venues~~ could also reduce attendance at our events and may have a negative impact on our revenue and results of operations. ~~We~~ **Although we** seek to obtain contractual indemnities for events at our venues that we do not promote ~~,~~ and ~~under the Arena License Agreements, MSG Sports and the Company have reciprocal indemnity obligations to each other in connection with the home games of the Knicks and Rangers held at The Garden. While~~ we also maintain insurance policies that provide coverage for incidents in the ordinary course of business, there can be no assurance that such indemnities or insurance will be adequate at all times and in all circumstances. From time to time, the Company and its subsidiaries are involved in various legal proceedings, including proceedings or lawsuits brought by governmental agencies, stockholders, customers, employees, private parties and other stakeholders, such as the litigations related to the **merger of a subsidiary of the Company with MSG Networks Inc. (the " Networks** Merger **")** . The outcome of litigation is inherently unpredictable and, regardless of the merits of the claims, litigation may be expensive, time- consuming, disruptive to our operations, harmful to our reputation and distracting to management. As a result, we may incur liability from litigation (including in connection with settling such litigation) which could be material and for which we may not have available or adequate insurance coverage, or be subject to other forms of non- monetary relief which may adversely affect the Company. By its nature, the outcome of litigation is difficult to assess and quantify, and its continuing defense is costly. The liabilities and any defense costs we incur in connection with any such litigation could have an adverse effect on our business and results of operations. We Face Risk from Doing Business Internationally. We have operations and own property outside of the United

States. As a result, our business is subject to certain risks inherent in international business, many of which are beyond our control. These risks include: • laws and policies affecting trade and taxes, including laws and policies relating to currency, the repatriation of funds and withholding taxes, and changes in these laws; • changes in local regulatory requirements, including restrictions on foreign ownership; • exchange rate fluctuation; • exchange controls, tariffs and other trade barriers; • differing degrees of protection for intellectual property and varying attitudes towards the piracy of intellectual property; • foreign privacy and data protection laws and regulations, such as the E. U. General Data Protection Regulation, and changes in these laws; • the instability of foreign economies and governments; • war, acts of terrorism and the outbreak of epidemics or pandemics abroad; • anti- corruption laws and regulations, such as the U. S. Foreign Corrupt Practices Act and the U. K. Bribery Act that impose stringent requirements on how we conduct our foreign operations, and changes in these laws and regulations; and • shifting consumer preferences regarding entertainment. Events or developments related to these and other risks associated with international operations could have a material negative effect on our business and results of operations. We Have Substantial Indebtedness and Are Highly Leveraged, Which Could Adversely Affect Our Business. We are highly leveraged with a significant amount of debt and we may continue to incur additional debt in the future. ~~On~~ **As of** June 30, ~~2022~~ **2023** , ~~MSG National Properties, LLC (“ MSG National Properties ”) and certain of~~ our **total indebtedness was** ~~other subsidiaries entered into a five- year $ 650 million senior secured term loan facility and a five- year $ 100 million revolving credit facility, which are guaranteed by MSG Entertainment Group, LLC, to fund working capital needs, for general corporate purposes of MSG National Properties and its subsidiaries, and to make distributions to MSG Entertainment Group, LLC (the “ National Properties Facilities ”). In September 2019, certain subsidiaries of MSG Networks Inc., including MSGN Holdings L. P. (“ MSGN L. P. ”), incurred $ 100 million of debt to finance a cash tender offer for shares of its Class A common stock and entered into a credit facility consisting of an initial five- year~~ $ 1. 1 billion **,** ~~term loan facility and a five- year~~ $ ~~250~~ **82. 5** million **of** ~~revolving credit facility, (the “ MSGN Credit Facilities ”). On June 9, 2022, TAO Group Operating LLC (“ TAOG ” or the “ Senior Borrower ”) and TAO Group Intermediate Holdings LLC (“ Intermediate Holdings ”), refinanced their existing credit facilities with a five- year $ 75 million term loan facility and a five- year $ 60 million revolving credit facility,~~ which **matures during Fiscal Year 2024** ~~are guaranteed by MSG Entertainment Group, LLC (the “ Tao Credit Facilities ”)~~ . As a result of our indebtedness, we are required to make interest and principal payments on our borrowings that are significant in relation to our revenues and cash flows. These payments reduce our earnings and cash available for other potential business purposes. Furthermore, our interest expense could increase if interest rates increase (including in connection with rising inflation) because our indebtedness bears interest at floating rates or to the extent we have to refinance existing debt with higher cost debt. In ~~addition~~ **September 2019** , ~~the ability~~ **certain subsidiaries** of MSG ~~National Properties~~ **Networks Inc.** , **including MSGN Holdings L. P. (“** MSGN L. P. **”), entered into a credit facility consisting of** ~~and~~ **an** ~~TAOG~~ **initial five- year $ 1. 1 billion term loan facility and a five- year $ 250 million revolving credit facility, (the “ MSGN Credit Facilities ”). On December 22, 2022, MSG Las Vegas, LLC (“ MSG LV ”), entered into a credit agreement providing for a five- year, $ 275 million senior secured term loan facility (the “ LV Sphere Facility ”). All obligations under the LV Sphere Facility are guaranteed by Sphere Entertainment Group, LLC (“ Sphere Entertainment Group ”). The MSGN Credit Facilities were obtained without recourse to the Company, Sphere Entertainment Group, or any of its subsidiaries, and the LV Sphere Facility was obtained without recourse to the Company, MSG Networks Inc., MSGN L. P., or any of its subsidiaries. We expect to refinance the MSG Networks Credit Facilities prior to their maturity in October 2024, including paying down a portion of the MSG Networks’ term loan in connection therewith. Our ability to have sufficient liquidity to fund our operations, including the creation of content, and refinance the MSG Networks Credit Facilities is dependent on the ability of Sphere in Las Vegas to generate significant positive cash flow during Fiscal Year 2024, as well as any proceeds from the sale of the MSGE Retained Interest. Although we anticipate that Sphere in Las Vegas will generate substantial revenue and adjusted operating income on an annual basis, there can be no assurances that guests, artists, promoters, advertisers and marketing partners will embrace this new platform. To the extent that our efforts do not result in a viable show or attraction, or to the extent that any such productions do not achieve expected levels of popularity among audiences, we may not generate the cash flows from operations necessary to fund our operations. Further, there can be no assurances that we will be able to dispose of all or a portion of the remainder of the MSGE Retained Interest on favorable terms due to market conditions or otherwise. There can be no assurances that MSG Networks’ lenders will refinance the MSG Networks’ term loan. If we were not able to refinance the MSG Networks’ term loan prior to its maturity in October 2024 or otherwise reach an agreement with such lenders, a default thereunder would be triggered, which could result in an acceleration of outstanding debt thereunder and a foreclosure upon the MSG Networks business. In addition, the ability of MSGN L. P.** to draw on **its** ~~their respective~~ revolving credit facilities will depend on ~~their~~ **its** ability to meet certain financial covenants and other conditions. This leverage also exposes us to significant risk by limiting our flexibility in planning for, or reacting to, changes in our business (whether through competitive pressure or otherwise), the entertainment ~~, hospitality, cable~~ and ~~telecommunications~~ **video programming** industries and the economy at large. Although our cash flows could decrease in these scenarios, our required payments in respect of indebtedness would not decrease. In addition, our ability to make payments on, or repay or refinance, ~~such~~ **our** debt, and to fund our operating and capital expenditures, depends largely upon our future operating performance **and our ability to access the credit markets** . Our future operating performance, to a certain extent, is subject to general economic conditions, recession, fears of recession, financial, competitive, regulatory and other factors that are beyond our control. **If we are unable to generate sufficient cash flow to service our debt and meet our other commitments, we may need to refinance all** ~~For~~ **or** ~~example~~ **a portion of our debt** , **sell material assets or** ~~Tao Group Hospitality’ s~~ operations ~~and financial performance during Fiscal Year 2021 were materially impacted by the COVID- 19 pandemic and as a result~~ , **or raise additional debt or equity capital. We cannot provide assurance** ~~in August 2020, (i) the Senior Borrower amended its existing senior credit agreement to suspend the application of certain financial covenants through~~

~~December 31, 2021, modify certain restrictive covenants therein, modify the applicable interest rates, and increase the minimum liquidity requirement and (ii) MSG Entertainment Group, LLC entered into a guarantee and reserve account agreement to guarantee the obligations of TAOG under the credit agreement, establish and grant a security interest in a reserve account and maintain a minimum liquidity requirement of no less than~~ **that** ~~$ 75 million~~ **we could affect any of these actions on a timely basis, on commercially reasonable terms or** at all ~~times~~ **, or that these actions would be sufficient to meet our capital requirements** . In addition, the **terms of our existing or future debt agreements may restrict us from effecting certain or any of these alternatives. Even if our future operating performance is strong, limitations on our ability to access** ~~then~~ **the capital or credit markets, including** ~~outstanding $ 49 million subordinated intercompany loan to Tao Group Hospitality was~~ **as** ~~increased by $ 22 million~~ **a result of general economic conditions, unfavorable terms or general reductions** in ~~June 2020~~ **liquidity may adversely and materially impact our business, financial condition, and results of operations** . The failure to satisfy the covenants, including any inability to attain a covenant waiver, and other requirements under each credit agreement could trigger a default thereunder, acceleration of outstanding debt thereunder and **, with respect to the LV Sphere Facility,** a demand for payment under the guarantee provided by ~~MSG~~ **Sphere** Entertainment Group **. Additionally** , ~~LLC~~ **the LV Sphere Facility and the MSGN Credit Facilities each restrict MSG LV and MSGN L. P.** , **respectively** ~~as applicable~~, ~~which~~ **from making cash distributions to us unless certain financial covenants are met. Any failure to satisfy the covenants under our credit facilities** ~~would~~ **could** negatively impact our liquidity and could have a negative effect on our businesses. In addition, we have made investments in, or otherwise extended loans to, one or more ~~of~~ **businesses that we believe complement, enhance** ~~our~~ **or expand** ~~joint ventures or~~ **our** ~~other parties~~ **current business or that might otherwise offer us growth opportunities** and may make additional investments in, or otherwise extend loans to, one or more of such parties in the future **. For example, have invested in and have extended financing to Holoplot in connection with Sphere' s advanced audio system** . To the extent that such parties do not perform as expected, including with respect to repayment of such loans, it could impair such assets or create losses related to such loans, and, as a result, have a negative effect on our business and results of operations. Our Variable Rate Indebtedness Subjects Us to Interest Rate Risk, Which ~~Could~~ **Has Caused, and May Continue to** Cause **,** Our Debt Service Obligations to Increase Significantly. Borrowings under our facilities are at variable rates of interest and expose us to interest rate risk. ~~If interest~~ **Interest** rates **have** ~~increase~~ **increased significantly** (including in connection with rising inflation), **and, as a result,** our debt service obligations on ~~certain of~~ our variable rate indebtedness ~~will~~ **have** ~~increase~~ **increased significantly** even though the amount borrowed remains the same, and our net income and cash flows, including cash available for servicing our indebtedness, ~~will~~ **have** correspondingly ~~decrease~~ **decreased** . **Further increases in** ~~The United Kingdom' s Financial Conduct Authority, which regulates the London Interbank Offered Rate (" LIBOR "), has announced that it will not compel banks to contribute to LIBOR after 2021. In November 2020, the ICE Benchmark Administration Limited announced a plan to extend the date as of which most U. S. LIBOR values would cease being computed from December 31, 2021 to June 30, 2023. On July 29, 2021 the Alternative Reference Rates Committee announced that it was formally recommending the forward- looking Secured Overnight Financing Rate (" SOFR ") term rate. Our National Properties Facilities and Tao Credit Facilities have been amended to adjust to SOFR- based rates. Our MSGN Credit Facilities provide mechanisms to adjust our base~~ interest rates **will cause additional** ~~in the event that LIBOR ceases~~ **increases in** ~~to exist, is replaced by a SOFR rate, or~~ **our** ~~in certain other related circumstances. The consequences of these developments with respect to LIBOR cannot be entirely predicted but may affect the level of interest payments on the portion of our indebtedness that bears interest at variable rates, which may adversely impact the amount of our interest payments under such~~ debt **service obligations** . We May Require Additional Financing to Fund ~~Our Planned Construction of MSG Sphere in Las Vegas, as Well as~~ Certain of Our Obligations, Ongoing Operations, and Capital Expenditures, the Availability of Which Is Uncertain. The capital and credit markets can experience volatility and disruption. Those markets can exert extreme downward pressure on stock prices and upward pressure on the cost of new debt capital and can severely restrict credit availability for most issuers. For example, the global economy, including credit and financial markets, has recently experienced extreme volatility and disruptions, including severely diminished liquidity and credit availability, rising interest and inflation rates, declines in consumer confidence, declines in economic growth, increases in unemployment rates and uncertainty about economic stability. If the equity and credit markets continue to deteriorate, or the United States enters a recession, it may make any necessary debt or equity financing more difficult to obtain in a timely manner or on favorable terms, more costly or more dilutive. Our ~~Entertainment~~ **Sphere** business has been characterized by significant expenditures for properties, businesses, renovations and productions. We may require additional financing to fund our planned capital expenditures, ~~including the construction and content of MSG Sphere in Las Vegas,~~ as well as other obligations and our ongoing operations. In the future, we may engage in transactions that depend on our ability to obtain funding. For example, as we extend ~~MSG~~ Sphere beyond Las Vegas, our intention is to utilize several options, such as **joint ventures, equity partners, a managed venue model and** non- recourse debt financing ~~, joint ventures, equity partners and a managed venue model~~ . There is no assurance that we will be able to successfully complete these plans. Depending upon conditions in the financial markets and / or the Company' s financial performance, we may not be able to raise additional capital on favorable terms, or at all. If we are unable to pursue our current and future spending programs, we may be forced to cancel or scale back those programs. Failure to successfully pursue our capital expenditure and other spending plans could negatively affect our ability to compete effectively and have a material negative effect on our business and results of operations. ~~In addition, the NBA and NHL have imposed restrictions on financing transactions that require a secured interest in The Garden.~~ We Have Incurred Substantial Operating Losses, Adjusted Operating Losses and Negative Cash Flow and There is No Assurance We Will Have Operating Income, ~~Positive~~ Adjusted Operating Income or Positive Cash Flow in the Future. We incurred operating losses of $ **273** ~~102. 7~~ million and $ **166** ~~188. 2~~ million for Fiscal Years **2023 and** 2022 ~~and 2021~~ , respectively ~~, and operating income of $ 235. 2 million for Fiscal Year 2020~~ . In addition, we have in prior periods incurred operating losses and negative cash flow and there is no assurance that we will have operating income, adjusted operating income, or positive cash flow in the future. Significant operating losses may limit our ability to raise necessary financing, or to do so on favorable terms, as such losses could be taken into account by potential investors ~~,~~ **and** lenders ~~and the organizations that issue investment ratings on indebtedness~~ . See " Part II — Item 7. Management' s Discussion and Analysis of Financial Condition and Results of Operations — Factors Affecting Operating Results. " We Are Required to Assess Our Internal Control Over Financial Reporting on an Annual Basis and Our Management Identified a Material Weakness During Fiscal Year 2022, Which Has Now Been Remediated. If We Identify Other Material Weaknesses or Adverse Findings in the Future, Our Ability to Report Our Financial Condition or Results of Operations Accurately or Timely May Be Adversely Affected, Which May Result in a Loss of Investor Confidence in Our Financial Reports, Significant Expenses to Remediate Any Internal Control Deficiencies, and Ultimately Have an Adverse Effect on the Market Price of Our Common Stock. Pursuant to Section 404 of the Sarbanes- Oxley Act of 2002, as amended, our management is required to report on, and our independent registered public accounting firm is required to attest to, the effectiveness of our internal control over financial reporting. The rules governing the standards that must be met for management to assess our internal control over financial reporting are complex and require significant documentation, testing and possible remediation. Annually, we perform activities that include reviewing, documenting and testing our internal control over financial reporting. In addition, if we fail to maintain the adequacy of our internal control over financial reporting, we will not be able to conclude on an ongoing basis that we have effective internal control over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act of 2002. If we fail to achieve and maintain an effective internal control environment, we could suffer misstatements in our financial statements and fail to meet our reporting obligations, which would likely cause investors to lose confidence in our reported financial information. This could result in significant expenses to remediate any internal control deficiencies and lead to a decline in our stock price. Subsequent to the filing of the Fiscal Year 2021 Form 10- K, management of the Company evaluated an immaterial accounting error related to interest costs that should have been capitalized for ~~the MSG~~ Sphere in Las Vegas in Fiscal Years 2021, 2020 and 2019 and in the fiscal quarter ended September 30, 2021, as prescribed by Accounting Standards Codification ~~(" ASC ")~~ Topic 835- 20 (Capitalization of Interest). As a result of the accounting error, the Company re-evaluated the effectiveness of the Company' s internal control over financial reporting and identified a material weakness as of June 30, 2021, September 30, 2021, December 31, 2021 and March 31, 2022. We undertook certain remediation efforts by implementing additional controls which were operating effectively as of June 30, 2022, and as a result, our management has concluded that the material weakness has been remediated and our internal control over financial reporting was effective as of June 30, 2022. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of a company' s annual or interim financial statements will not be prevented or detected on a timely basis. ~~For further discussion regarding the accounting error and the correction of such error to the Company' s previously issued consolidated and combined financial statements, see Note 23, Correction of Previously Issued Consolidated and Combined Financial Statements, to the consolidated and combined financial statements of the Company included in Part II- Item 8 of our 2021 Annual Report on Form 10- K / A, filed with the SEC.~~ Our management may be unable to conclude in future periods that our disclosure controls and procedures are effective due to the effects of various factors, which may, in part, include unremediated material weaknesses in internal controls over financial reporting. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in those reports is accumulated and communicated to the company' s management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure. In addition, we may not be able to identify and remediate other control deficiencies, including material weaknesses, in the future. Through our operations, we ~~may~~ collect and store, including by electronic means, certain personal, proprietary and other sensitive information, including payment card information, that is provided to us through purchases, registration on our websites, mobile applications, or otherwise in communication or interaction with us. These activities require the use of online services and centralized data storage, including through third- party service providers. Data maintained in electronic form is subject to the risk of security incidents, including breach, compromise, intrusion, tampering, theft, destruction, misappropriation or other malicious activity. Our ability to safeguard such personal and other sensitive information, including information regarding the Company and our customers, sponsors, partners, Distributors, advertisers and employees, independent contractors and vendors, is important to our business. We take these matters seriously and take significant steps to protect our stored information, including the implementation of systems and processes to thwart malicious activity. These protections are costly and require ongoing monitoring and updating as technologies change and efforts to overcome security measures become more sophisticated. See " — Economic and Operational Risks — We Are Subject to Extensive Governmental Regulation and **Changes in These Regulations and** Our Failure to Comply with **Them** ~~These Regulations~~ May Have a Material Negative Effect on Our Business and Results of Operations. " Despite our efforts, the risks of a security incident cannot be entirely eliminated and our information technology and other systems that maintain and transmit consumer, sponsor, partner, Distributor, advertiser, Company, employee and other confidential and proprietary information may be compromised due to employee error or other circumstances such as malware or ransomware, viruses, hacking and phishing attacks, denial- of- service attacks, business email compromises, or otherwise. ~~Such~~ **A** compromise **of our or our vendors' systems** could affect the security of information on our network or that of a third- party service provider. Additionally, outside parties may attempt to fraudulently induce employees, vendors or users to disclose sensitive, proprietary or confidential information in order to gain access to data and systems. As a result, ~~such~~ **our or our customers' or affiliates'** sensitive, proprietary and / or confidential information may be lost, disclosed, accessed or taken without consent. **We** ~~For example, in November 2016, a payment card issue that affected cards used at merchandise and food and beverage locations at several of our New York venues and The Chicago Theatre was identified and addressed with the assistance of security firms. The issue was promptly fixed and enhanced security measures were implemented. The Company~~ also ~~continues~~ - **continue** to review and enhance our security measures in light of the constantly evolving techniques used to gain unauthorized access to networks, data, software and systems. **We** ~~The Company~~ may be required to incur significant expenses in order to address any actual or potential security incidents that arise and we may not have insurance coverage for any or all of such expenses. If we experience an actual or perceived security incident, our ability to conduct business may be interrupted or impaired, we may incur damage to our systems, we may lose profitable opportunities or the value of those opportunities may be diminished and we may lose revenue as a result of unlicensed use of our intellectual property. Unauthorized access to or security breaches of our systems could result in the loss of data, loss of business, severe reputational damage adversely affecting customer or investor confidence, diversion of management' s attention, regulatory investigations and orders, litigation, indemnity obligations, damages for contract breach, penalties for violation of applicable laws or regulations and significant costs for remediation that may include liability for stolen or lost assets or information and repair of system damage that may have been caused, incentives offered to customers or other business partners in an effort to maintain business relationships after a breach and other liabilities. In addition, in the event of a security incident, changes in legislation may increase the risk of potential litigation. For example, the CCPA, which provides a private right of action (in addition to statutory damages) for California residents whose sensitive personal information is breached as a result of a business' violation of its duty to reasonably secure such information, took effect on January 1, 2020 and **was** ~~will be~~ expanded by the CPRA ~~once it takes effect~~ in January 2023. Our insurance coverage may not be adequate to cover the costs of a data breach, indemnification obligations, or other liabilities. In addition, in some instances, we may have obligations to notify relevant stakeholders of security breaches. Such mandatory disclosures are costly, could lead to negative publicity, may cause our customers to lose confidence in the effectiveness of our security measures and **may** require us to expend significant capital and other resources to respond to or alleviate problems caused by an actual or perceived security breach. We May Become Subject to Infringement or Other Claims Relating to Our Content or Technology. From time to time, third parties may assert against us alleged intellectual property infringement claims (e. g., copyright, trademark and patent) or other claims relating to our productions, ~~dining and nightlife venues and~~ brands, programming, technologies, digital **products and / or** content or other content or material, some of which may be important to our business. In addition, our productions and / or programming could potentially subject us to claims of defamation, violation of rights of privacy or publicity or similar types of allegations. Any such claims, regardless of their merit or outcome, could cause us to incur significant costs that could harm our results of operations. We may not be indemnified against, or have insurance coverage for, claims or costs of these types. In addition, if we are unable to continue use of certain intellectual property rights, our business and results of operations could be materially negatively impacted. Theft of Our Intellectual Property May Have a Material Negative Effect on Our Business and Results of Operations. The success of our business depends in part on our ability to maintain and monetize our intellectual property rights, including the technology being developed for **Sphere,** MSG ~~Sphere~~ **Networks (including our DTC product)** , our brand logos, our programming, technologies, digital content and other content that is material to our business. Theft of our intellectual property, including content, could have a material negative effect on our business and results of operations because it may reduce the revenue that we are able to receive from the legitimate exploitation of such intellectual property, undermine lawful distribution channels and limit our ability to control the marketing of our content and inhibit our ability to recoup or profit from the costs incurred to create such content. Litigation may be necessary to enforce our intellectual property rights or protect our trade secrets. Any litigation of this nature, regardless of the outcome, could cause us to incur significant costs **, as well as subject us to the other inherent risks of litigation discussed above. We Are Materially Dependent on Affiliated Entities' Performances Under Various Agreements** . We have entered into various agreements with MSG **Entertainment related to the MSGE Distribution and with MSG** Sports ~~related~~ **with respect** to the **2020** Entertainment Distribution, **and MSG Networks has various agreements with MSG Sports in connection with the 2015 Sports Distribution,** including **, among others,** a distribution agreement, a tax disaffiliation agreement, a services agreement, an employee matters agreement and certain other arrangements (including other support services). These agreements include the allocation of employee benefits, taxes and certain other liabilities and obligations attributable to periods prior to, at and after the ~~Entertainment~~ **applicable** ~~Distribution~~ **distribution** . In connection with the **2015 Sports Distribution, the 2020** Entertainment **Distribution and the MSGE** Distribution, we provided MSG Sports **and MSG Entertainment, respectively,** with indemnities with respect to liabilities arising out of our business **,** and MSG Sports **and MSG Entertainment, respectively,** provided us with indemnities with respect to liabilities arising out of the business retained by ~~MSG Sports. We also entered into various agreements with MSG Sports that govern our ongoing commercial relationship subsequent to the~~ **them** ~~Entertainment Distribution, including Arena License Agreements that require two of MSG Sports' professional sports teams- the Knicks and the Rangers- to play home games at The Garden, sponsorship agency agreements in connection with the sale of sponsorships and advertising for the Knicks and Rangers, as well as MSG Sports' other teams, and a trademark license agreement regarding the use of the " MSG " and Madison Square Garden marks for certain purposes. These agreements, other than the Arena License Agreements, are each subject to potential termination by MSG Sports in the event MSG Sports and the Company are no longer affiliates. The Company performs certain business services for MSG Sports that were performed by MSG Sports prior to the Entertainment Distribution, such as information technology, accounts payable, payroll, tax, certain legal functions, human resources, insurance and risk management, government affairs, investor relations, corporate communications, benefit plan administration and reporting, and internal audit functions as well as certain marketing functions. These services include the collection and storage of certain personal information regarding employees and / or customers as well as information regarding the Company, MSG Sports and our sponsors and partners. See " — Risks Related to Cybersecurity and Intellectual Property — We Face Continually Evolving Cybersecurity and Similar Risks, Which Could Result in Loss, Disclosure, Theft, Destruction or Misappropriation of, or Access to, Our Confidential Information and Cause Disruption of Our Business, Damage to Our Brands and Reputation, Legal Exposure and Financial Losses. " In addition, MSG Networks has various agreements with MSG Sports in connection with the 2015 Sports Distribution, including a distribution agreement, a tax disaffiliation agreement, a services agreement, an employee~~

~~matters agreement, and media rights agreements. These agreements include the allocation of employee benefits, taxes and certain other liabilities and obligations attributable to periods prior to the 2015 Sports Distribution. In connection with the 2015 Sports Distribution, we agreed to provide MSG Sports with indemnities with respect to liabilities arising out of our businesses and MSG Sports agreed to provide us with indemnities with respect to liabilities arising out of the businesses we transferred to MSG Sports~~ . MSG Networks' media rights agreements with MSG Sports provide us with the exclusive live local media rights to Knicks and Rangers games. Rights fees under these media rights agreements amounted to approximately $ ~~163~~ **172** . ~~1~~ **6** million for Fiscal Year ~~2022~~ **2023** . The stated contractual rights fees under such rights agreements increase annually and are subject to adjustments in certain circumstances, including if MSG Sports does not make available a minimum number of **exclusive live** games in any year. ~~The~~ **Each** Company ~~and~~ **,** MSG Sports ~~each~~ **and MSG Entertainment** rely on the ~~other~~ **others** to perform their **respective** obligations under these agreements. If MSG Sports **or MSG Entertainment** were to breach or become unable to satisfy its **respective** material obligations under these agreements, including a failure to satisfy its indemnification or other financial obligations, or these agreements otherwise terminate or expire and we do not enter into replacement agreements, we could suffer operational difficulties and / or significant losses. The **.MSG Networks Could Have Significant Tax Liability as a Result of the 2015 Sports Distribution.MSG Networks obtained an opinion from Sullivan & Cromwell LLP substantially to the effect that,among other things,the 2015 Sports Distribution qualifies as a tax- free distribution under the Code** .The opinion is not binding on the IRS or the courts. **Additionally,** ~~Certain transactions related to the MSGE~~ - **MSG** ~~Distribution~~ **Networks received a private letter ruling from the IRS concluding** that ~~are~~ **certain limited aspects of the 2015 Sports Distribution will** not **prevent** ~~addressed by~~ the **2015 Sports Distribution from satisfying certain requirements** ~~opinion could result in the recognition of income or~~ **for** ~~gain by us~~ **tax- free treatment under the Code** .The opinion ~~relied~~ **and the private letter ruling rely** on factual representations and reasonable assumptions,which ~~,~~ if incorrect or inaccurate ~~,~~ may jeopardize the ability to rely on such opinion **and letter ruling** .If the ~~MSGE~~ **2015 Sports** Distribution does not qualify for tax- free treatment for U.S.federal income tax purposes,then,in general, ~~we~~ **MSG Networks** would **be subject** ~~recognize taxable gain in an amount equal~~ to ~~the excess of the fair market value of MSG Entertainment common stock distributed in the MSGE Distribution over our~~ tax ~~basis therein (i.e.,~~ as if ~~we~~ **it** had sold ~~such~~ **the** MSG ~~Entertainment~~ **Sports** common stock in a taxable sale for its fair ~~market~~ value ~~)~~ . **MSG Sports** ~~In addition,the receipt by our~~ stockholders ~~of common stock of MSG Entertainment~~ would be **subject to tax** ~~a taxable distribution,and each U.S.holder that received MSG Entertainment common stock in the MSGE Distribution would be treated~~ as if ~~the~~ **they** ~~U.S.holder~~ had received a distribution equal to the fair ~~market~~ value of MSG ~~Entertainment~~ **Sports** common stock that was distributed to ~~it~~ **them** ,which generally would be treated first as a taxable dividend to the extent of **MSG Networks** ~~such holder' s pro rata share of our~~ earnings and profits,then as a non- taxable return of capital to the extent of ~~the~~ **each** holder' s tax basis in ~~our~~ **its MSG Sports** common stock,and thereafter as capital gain with respect to any remaining value.It is expected that the amount of any such taxes to **MSG Sports** ~~us and our~~ stockholders **and MSG Networks** would be substantial Entertainment Distribution Could Result in Significant Tax Liability. MSG Sports received an opinion from Sullivan & Cromwell LLP substantially to the effect that, among other things, the **2020** Entertainment Distribution qualified as a tax- free distribution under the ~~Internal Revenue~~ Code ~~(the " Code ")~~ . The opinion is not binding on the IRS or the courts. Certain transactions related to the **2020** Entertainment Distribution that are not addressed by the opinion could result in the recognition of income or gain by MSG Sports The opinion relied on factual representations and reasonable assumptions, which, if incorrect or inaccurate, may jeopardize the ability to rely on such opinion. If the **2020** Entertainment Distribution does not qualify for tax- free treatment for U. S. federal income tax purposes, then, in general, MSG Sports would recognize taxable gain in an amount equal to the excess of the fair market value of our common stock distributed in the **2020** Entertainment Distribution over MSG Sports' tax basis therein (i. e., as if it had sold such common stock in a taxable sale for its fair market value). In addition, the receipt by MSG Sports' stockholders of common stock of our Company would be a taxable distribution, and each U. S. holder that received our common stock in the **2020** Entertainment Distribution would be treated as if the U. S. holder had received a distribution equal to the fair market value of our common stock that was distributed to it, which generally would be treated first as a taxable dividend to the extent of such holder' s pro rata share of MSG Sports' earnings and profits, then as a non- taxable return of capital to the extent of the holder' s tax basis in its MSG Sports' common stock, and thereafter as capital gain with respect to any remaining value. It is expected that the amount of any such taxes to MSG Sports stockholders and MSG Sports would be substantial. See " — We May Have a Significant Indemnity Obligation to MSG Sports if the **2020** Entertainment Distribution Is Treated as a Taxable Transaction. " We have entered into a Tax Disaffiliation Agreement with MSG Sports (the " Tax Disaffiliation Agreement "), which sets out each party' s rights and obligations with respect to federal, state, local or foreign taxes for periods before and after the **2020** Entertainment Distribution and related matters such as the filing of tax returns and the conduct of IRS and other audits. Pursuant to the Tax Disaffiliation Agreement, we are required to indemnify MSG Sports for losses and taxes of MSG Sports resulting from the breach of certain covenants and for certain taxable gain recognized by MSG Sports, including as a result of certain acquisitions of our stock or assets. If we are required to indemnify MSG Sports under the circumstances set forth in the Tax Disaffiliation Agreement, we may be subject to substantial liabilities, which could materially adversely affect our financial position . MSG Networks Could Have Significant Tax...... stockholders and MSG Networks would be substantial . Certain Adverse U. S. Federal Income Tax Consequences Might Apply to Non- U. S. Holders That Hold Our Class A Common Stock and Class B Common Stock If We Are Treated as a USRPHC. The Company has not made a determination as to whether we are deemed to be a USRPHC, as defined in section 897 (c) (2) of the Code. In general, we would be considered a USRPHC if 50 % or more of the fair market value of our assets constitute " United States real property interests " within the meaning of the Code. However, the determination of whether we are a USRPHC turns on the relative fair market value of our United States real property interests and our other assets, and because the USRPHC rules are complex and the determination of whether we are a USRPHC depends on facts and circumstances that may be beyond our control, we can give no assurance as to our USRPHC status after the ~~Entertainment~~ **MSGE** Distribution. If we are treated as a USRPHC, certain adverse U. S. federal income tax consequences might apply to non- U. S. holders that hold our Class A Common Stock and Class B Common Stock ~~. For more information, see the section entitled " The Distribution- Material U. S. Federal Income Tax Consequences of the Distribution " in the Company' s Information Statement, dated April 6, 2020 (the " Information Statement "), filed as Exhibit 99. 1 to the Company' s Current Report on Form 8- K filed on April 7, 2020~~ . We Are Controlled by the Dolan Family. As a Result of Their Control, the Dolan Family Has the Ability to Prevent or Cause a Change in Control or Approve, Prevent or Influence Certain Actions by the Company. We have two classes of common stock: • Class A Common Stock, ~~par value $ 0. 01 per share (" Class A Common Stock "),~~ which is entitled to one vote per share and is entitled collectively to elect 25 % of our Board of Directors; and • Class B Common Stock, ~~par value $ 0. 01 per share (" Class B Common Stock "),~~ which is entitled to 10 votes per share and is entitled collectively to elect the remaining 75 % of our Board of Directors. As of June 30, ~~2022~~ **2023** , the Dolan family, including trusts for the benefit of members of the Dolan family (collectively, the " Dolan Family Group "), collectively owns ~~all~~ **100 %** of our Class B Common Stock, approximately 5. ~~1~~ **5** % of our outstanding Class A Common Stock (inclusive of options exercisable within 60 days of ~~July 31~~ **June 30** , ~~2022~~ **2023**) and approximately 72. ~~6~~ **3** % of the total voting power of all our outstanding common stock. The members of the Dolan Family Group holding Class B Common Stock are parties to a Stockholders Agreement, which has the effect of causing the voting power of the holders of our Class B Common Stock to be cast as a block with respect to all matters to be voted on by holders of our Class B Common Stock. Under the Stockholders Agreement, the shares of Class B Common Stock owned by members of the Dolan Family Group (representing all the outstanding Class B Common Stock) are to be voted on all matters in accordance with the determination of the Dolan Family Committee (as defined below), except that the decisions of the Dolan Family Committee are non- binding with respect to the Class B Common Stock owned by certain Dolan family trusts that collectively own approximately 40. 5 % of the outstanding Class B Common Stock (" Excluded Trusts "). The " Dolan Family Committee " consists of Charles F. Dolan and his six children, James L. Dolan, Thomas C. Dolan, Patrick F. Dolan, Kathleen M. Dolan, Marianne Dolan Weber and Deborah A. Dolan- Sweeney. The Dolan Family Committee generally acts by majority vote, except that approval of a going- private transaction must be approved by a two- thirds vote and approval of a change- in- control transaction must be approved by not less than all but one vote. The voting members of the Dolan Family Committee are James L. Dolan, Thomas C. Dolan, Kathleen M. Dolan, Deborah A. Dolan- Sweeney and Marianne Dolan Weber, with each member having one vote other than James L. Dolan, who has two votes. Because James L. Dolan has two votes, he has the ability to block Dolan Family Committee approval of any Company change in control transaction. Shares of Class B Common Stock owned by Excluded Trusts will on all matters be voted on in accordance with the determination of the Excluded Trusts holding a majority of the Class B Common Stock held by all Excluded Trusts, except in the case of a vote on a going- private transaction or a change in control transaction, in which case a vote of the trusts holding two- thirds of the Class B Common Stock owned by Excluded Trusts is required. The Dolan Family Group is able to prevent a change in control of our Company and no person interested in acquiring us would be able to do so without obtaining the consent of the Dolan Family Group. The Dolan Family Group, by virtue of its stock ownership, has the power to elect all of our directors subject to election by holders of Class B Common Stock and is able collectively to control stockholder decisions on matters on which holders of all classes of our common stock vote together as a single class. These matters could include the amendment of some provisions of our certificate of incorporation and the approval of fundamental corporate transactions. In addition, the affirmative vote or consent of the holders of at least 66 2 ⁄ 3 % of the outstanding shares of the Class B Common Stock, voting separately as a class, is required to approve: • the authorization or issuance of any additional shares of Class B Common Stock; and • any amendment, alteration or repeal of any of the provisions of our certificate of incorporation that adversely affects the powers, preferences or rights of the Class B Common Stock. As a result, the Dolan Family Group has the power to prevent such issuance or amendment. The Dolan Family Group also controls MSG Sports **, MSG Entertainment** and AMC Networks Inc. (" AMC Networks ") and, prior to the **Networks** Merger, the Dolan Family Group also controlled MSG Networks. We Have Elected to Be a " Controlled Company " for NYSE Purposes Which Allows Us Not to Comply with Certain of the Corporate Governance Rules of NYSE. Members of the Dolan Family Group have entered into the Stockholders Agreement relating, among other things, to the voting of their shares of our Class B Common Stock. As a result, we are a " controlled company " under the corporate governance rules of NYSE. As a controlled company, we have the right to elect not to comply with the corporate governance rules of NYSE requiring: (i) a majority of independent directors on our Board of Directors; (ii) an independent corporate governance and nominating committee; and (iii) an independent compensation committee. Our Board of Directors has elected for the Company to be treated as a " controlled company " under NYSE corporate governance rules and not to comply with the NYSE requirement for a majority- independent board of directors and for an independent corporate governance and nominating committee because of our status as a controlled company. Nevertheless, our Board of Directors has elected to comply with the NYSE requirement for an independent compensation committee. Future Stock Sales, Including as a Result of the Exercise of Registration Rights by Certain of Our Stockholders, Could Adversely Affect the Trading Price of Our Class A Common Stock. Certain parties have registration rights covering a portion of our shares. We have entered into registration rights agreements with Charles F. Dolan, members of his family, certain Dolan family interests and the Dolan Family Foundation that provide them with " demand " and " piggyback " registration rights with respect to approximately 6. 9 million shares of Class A Common Stock, including shares issuable upon conversion of shares of Class B Common Stock. Sales of a substantial number of shares of Class A Common Stock, including sales pursuant to these registration rights agreements, could adversely affect the market price of the Class A Common Stock and could impair our future ability to raise capital through an offering of our equity securities. We Share Certain Directors, Officers and Employees with MSG Sports **, MSG Entertainment** and / or AMC Networks, Which Means Those ~~Officers~~ **Individuals** Do Not Devote Their Full Time and Attention to Our Affairs and the Overlap May Give Rise to Conflicts. Our Executive Chairman and Chief Executive Officer, James L. Dolan, also serves as the Executive Chairman **and Chief Executive Officer of**

MSG Entertainment, the Executive Chairman of MSG Sports and **as** Non- Executive Chairman of AMC Networks. Furthermore, ten members of our Board of Directors (including James L. Dolan) also serve as directors of MSG Sports, **nine members of our Board of Directors (including James L. Dolan) also serve as directors of MSG Entertainment,** and ~~six~~ **seven** members of our Board of Directors (including James L. Dolan) serve as directors of AMC Networks and Charles F. Dolan serves as Chairman Emeritus of AMC Networks concurrently with his service on our Board. Our **Executive** Vice ~~Chairman~~ **President** , **David Granville- Smith** ~~Gregg G. Seibert,~~ also serves as ~~the~~ **Executive Vice President of MSG Sports and AMC Networks. Our** Vice Chairman **, Gregg G. Seibert, also serves as the Vice Chairman** of MSG Sports **, MSG Entertainment** and AMC Networks, and our Secretary, Mark C. Cresitello, also serves as Senior Vice President, Associate General Counsel and Secretary of MSG Sports **and MSG Entertainment** . As a result, these individuals do not devote their full time and attention to the Company' s affairs. The overlapping directors, officers and employees may have actual or apparent conflicts of interest with respect to matters involving or affecting each company. For example, the potential for a conflict of interest when we on the one hand, and MSG Sports **, MSG Entertainment** and / or AMC Networks and their respective subsidiaries and successors on the other hand, look at certain acquisitions and other corporate opportunities that may be suitable for more than one of the companies. Also, conflicts may arise if there are issues or disputes under the commercial arrangements that exist between MSG Sports **, MSG Entertainment** or AMC Networks (each referred to as an " Other Entity ") and us. In addition, certain of our directors, officers and employees ~~continue to own~~ **hold MSG Sports, MSG Entertainment and / or AMC Networks** stock **,** ~~and / or~~ stock options ~~or other equity awards of an~~ **and** ~~Other Entity~~ **/ or restricted stock units** . These ownership interests could create actual, apparent or potential conflicts of interest when these individuals are faced with decisions that could have different implications for our Company and an Other Entity. For a discussion of certain procedures we have implemented to help ameliorate such potential conflicts that may arise, see our Definitive Proxy Statement filed with the SEC on October 26, ~~2021~~ **2022** . Our Overlapping Directors and Officers with MSG Sports **, MSG Entertainment** and / or AMC Networks May Result in the Diversion of Corporate Opportunities to MSG Sports **, MSG Entertainment** and / or AMC Networks and Other Conflicts and Provisions in Our Amended and Restated Certificate of Incorporation May Provide Us No Remedy in That Circumstance. The Company' s amended and restated certificate of incorporation acknowledges that directors and officers of the Company (the " Overlap Persons ") may also be serving as directors, officers, employees **, consultants** or agents of an Other Entity, and that the Company may engage in material business transactions with such Other Entities. The Company has renounced its rights to certain business opportunities and the Company' s amended and restated certificate of incorporation provides that no Overlap Person will be liable to the Company or its stockholders for breach of any fiduciary duty that would otherwise occur by reason of the fact that any such individual directs a corporate opportunity (other than certain limited types of opportunities set forth in our amended and restated certificate of incorporation) to one or more of the Other Entities instead of the Company, or does not refer or communicate information regarding such corporate opportunities to the Company. These provisions in our amended and restated certificate of incorporation also expressly validate certain contracts, agreements, arrangements and transactions (and amendments, modifications or terminations thereof) between the Company and the Other Entities and, to the fullest extent permitted by law, provided that the actions of the Overlap Person in connection therewith are not breaches of fiduciary duties owed to the Company, any of its subsidiaries or their respective stockholders.