UK COMPETITION AND MARKETS AUTHORITY APPROVES PARAMOUNT SKYDANCE CORPORATION ACQUISITION OF WARNER BROS. DISCOVERY

August 6, 2026

LOS ANGELES and NEW YORK, Aug. 6, 2026 /PRNewswire/ -- The United Kingdom Competition and Markets Authority has today formally cleared the acquisition of Warner Bros. Discovery, Inc. (NASDAQ: WBD) ("WBD") by Paramount Skydance Corporation (NASDAQ: PSKY) ("Paramount"), representing an important milestone in completing the transaction.

Paramount is grateful to the CMA for its constructive engagement and its review of the transaction.

Separately, Paramount has entered into a deed of covenant and undertaking with the UK Department for Digital, Culture, Media and Sport. Paramount welcomed the opportunity to engage with DCMS and is pleased to have agreed on a path forward.

Paramount has already received competition clearances from antitrust and competition authorities in: the United States, Australia, Brazil, Canada, China, Kuwait, Montenegro, New Zealand, North Macedonia, Saudi Arabia, Serbia, South Africa, South Korea, Ukraine, and by the European Commission, and the COMESA Competition Commission.

Additionally, Paramount has received foreign direct investment clearances in Australia, Belgium, Czechia, Germany, France, Italy, New Zealand, Romania, Spain, and Slovenia. The transaction was also unconditionally approved by European Commission under its Foreign Subsidies Regulation regime and by the Austrian Federal Competition Authority under its media merger control regime.

With the clearance from the Competition and Markets Authority, bodies and governments representing 66 jurisdictions have either cleared the transaction or chosen not to challenge it on competition and/or foreign direct investment grounds.

These clearances recognize that the combination of Paramount and WBD will enhance consumer choice and enable a creative-first company to invest in more projects and bring stories to audiences worldwide. It will create a scaled media and entertainment company capable of competing with the tech companies that have come to dominate the industry, strengthening the media ecosystem and creating more opportunities for creatives both in front of and behind the camera.

As we have noted, this transaction does not raise antitrust concerns in any market. Today's clearance by the CMA further reinforces that. Similar to the European Commission, which cleared the transaction on 22 July 2026 after months of careful review, the conclusions reached by the CMA directly refute the assumptions that underpin the US state AGs' complaint seeking to block the transaction, despite federal approval. When considering theatrical film distribution, the CMA concluded that the merged entity "would continue to face competition from these three major studios and a range of other smaller studios." At several points, the CMA review considered how other forms of content distribution directly compete with SVOD. Moreover, in its assessment of linear cable and in particular children's TV channels, the CMA highlighted the competitive constraint from free-to-air channels and children's content available via SVOD, and in relation to the supply of SVOD services, the constraint imposed by broadcast video on demand services and other SVOD suppliers. These conclusions further demonstrate the misguided and gerrymandered market definitions relied upon by the US state AGs in their antitrust complaint in California.

About Paramount, a Skydance Corporation

Paramount, a Skydance Corporation is a next-generation global media and entertainment company, comprised of three business segments: Studios, Direct-to-Consumer, and TV Media. Paramount's portfolio unites legendary brands, including Paramount Pictures, Paramount Television, CBS, CBS News, CBS Sports, Nickelodeon, MTV, BET, Comedy Central, Showtime, Paramount+, Pluto TV, and Skydance Animation, Film, Television, Interactive/Games, and Paramount Sports Entertainment.

PSKY-IR

Cautionary Note Concerning Forward-Looking Statements

This communication contains "forward-looking statements" regarding the merger. The reader is cautioned not to rely on these forward-looking statements. These statements are based on current expectations of future events. If underlying assumptions prove inaccurate or known or unknown risks or uncertainties materialize, actual results could vary materially from the expectations and projections of Paramount or WBD. Risks and uncertainties include, but are not limited to: the risk that the closing conditions for the merger will not be satisfied, including the risk that clearances under applicable antitrust or regulatory laws will not be obtained; the possibility that the transaction will not be completed in the expected timeframe or at all; potential adverse effects to the businesses of Paramount or WBD during the pendency of the transaction, such as employee departures or distraction of management from business operations; the risk of stockholder litigation relating to the transaction, including resulting expense or delay; the potential that the expected benefits and opportunities of the merger, if completed, may not be realized or may take longer to realize than expected; risks related to Paramount's streaming business; the adverse impact on Paramount's advertising revenues as a result of changes in consumer behavior, advertising market conditions and deficiencies in audience measurement; risks related to operating in highly competitive and dynamic industries; the unpredictable nature of consumer behavior, as well as evolving technologies and distribution models; risks related to Paramount's decisions to invest in new businesses, products, services and technologies, and the evolution of Paramount's business strategy; the potential for loss of carriage or other reduction in, or the impact of negotiations for, the distribution of Paramount's content; damage to Paramount's reputation or brands; losses due to asset impairment charges for goodwill, content and long-lived assets, including finite-lived intangible assets; liabilities related to discontinued operations and former businesses; increasing scrutiny of, and evolving expectations for, sustainability initiatives; evolving business continuity, cybersecurity, privacy and data protection and similar risks; challenges in protecting and maintaining Paramount's intellectual property rights; domestic and global political, economic and regulatory factors affecting Paramount's businesses generally; the inability to hire or retain key employees or secure creative talent; disruptions to Paramount's operations as a result of labor disputes; risks and costs associated with the integration of, and Paramount's ability to integrate, the businesses of Paramount Global and Skydance successfully and to achieve anticipated synergies;

litigation relating to the transactions contemplated by the transaction agreement entered into on July 7, 2024, between Paramount Global and Skydance, potentially resulting in substantial costs; volatility in the price of Paramount's Class B common stock; the effect Paramount's dual-class capital structure and the concentrated ownership may have on the price of its Class B common stock or business; risks related to a private sale of a controlling interest in Paramount, including that Paramount's stockholders may not realize any change of control premium on shares of Paramount's Class B common stock and that Paramount may become subject to the control of a presently unknown third party; risks associated with Paramount's status as a "controlled company" under Nasdaq rules, including its exemption from certain corporate governance requirements; risks associated with the lack of voting rights of Paramount's Class B common stock; risks that anti-takeover provisions in Paramount's amended and restated certificate of incorporation (the "Charter") and amended and restated bylaws, and under Delaware law, could deter, delay, or prevent a change of control; risks that exclusive forum provisions in the Charter could limit a stockholder's choice of forum for certain claims and discourage lawsuits against Paramount's directors and officers; risks that corporate opportunity provisions in the Charter could permit certain persons to pursue competitive opportunities that might otherwise be available to Paramount; risks associated with Paramount's holding company structure, including its dependence on distributions from its subsidiaries to meet tax obligations and other cash requirements; disruptions the merger may cause to Paramount's and WBD's business and commercial relationships; the negative impact that a failure to consummate the merger could have on Paramount's business, financial condition, results of operations and stock price; the risk that the merger may be prevented or delayed or the anticipated benefits reduced if Paramount does not obtain certain regulatory approvals; the risk that the Merger Agreement may be terminated in accordance with its terms, including if any conditions to the closing of the merger are not satisfied; the risk that litigation relating to the merger could prevent or further delay the closing of the merger or result in the payment of damages after closing; challenges realizing synergies and other anticipated benefits expected from the merger, including integrating WBD's business successfully; risks to Paramount's business, financial condition or results of operations as a result of the incurrence of substantial costs and indebtedness in connection with the merger; and risks of reduced ownership and economic interest by Paramount's existing stockholders as a result of the merger. A further list and description of these risks, uncertainties and other factors and the general risks associated with the respective businesses of Paramount and WBD can be found in Paramount's Annual Report on Form 10-K for the fiscal year ended December 31, 2025, filed with the SEC on February 25, 2026, Paramount's Form 10-Q for the quarterly period ended March 31, 2026, filed with the SEC on May 4, 2026, and Paramount's Form 10-Q for the quarterly period ended June 30, 2026, filed with the SEC on August 4, 2026, including, in each case, in the sections captioned "Cautionary Note Concerning Forward-Looking Statements" and "Item 1A. Risk Factors," and Paramount's subsequent filings with the SEC, and WBD's Annual Report on Form 10-K for the fiscal year ended December 31, 2025, filed with the SEC on February 27, 2026, and WBD's Form 10-Q for the quarterly period ended March 31, 2026, filed with the SEC on May 6, 2026, including, in each case, in the sections captioned "Cautionary Note Concerning Forward-Looking Statements" and "Item 1A. Risk Factors," and WBD's subsequent filings with the SEC. Copies of these filings, as well as subsequent filings, are available online at www.sec.gov, ir.wbd.com or on request from Paramount or WBD. Paramount undertakes no obligation to update any forward-looking statement as a result of new information or future events or developments, except as required by law.

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