



**WARNER BROS.  
DISCOVERY**

**A NEXT-GENERATION GLOBAL MEDIA & ENTERTAINMENT COMPANY**



WARNER BROS.  
DISCOVERY

# 200+ COMBINED YEARS OF STORYTELLING

## A NEXT-GENERATION GLOBAL MEDIA & ENTERTAINMENT COMPANY



# UNITING TWO WORLD-CLASS TEAMS AS THE FOUNDATION FOR THE FUTURE

## HOLLYWOOD CHAMPION

Expanding the Creative Engines at the Core of Paramount and WBD

- Prolific producer of celebrated and culturally-impactful content
- Vast film & TV library supported by marquee franchise IP
- Cutting-edge gaming and interactive content capabilities



## GLOBAL STREAMING COMPETITOR

Establishing a Premier Direct-to-Consumer Platform to Increase Competition and Drive Growth

- Stronger competitor in streaming with 200M+ global subscribers<sup>1</sup>
- Integrated platform delivering superior user experience
- Tech-forward leadership with best-in-class capabilities



## ROBUST LINEAR PORTFOLIO

Diverse Package of Networks Serving Audiences in 200+ Countries Worldwide

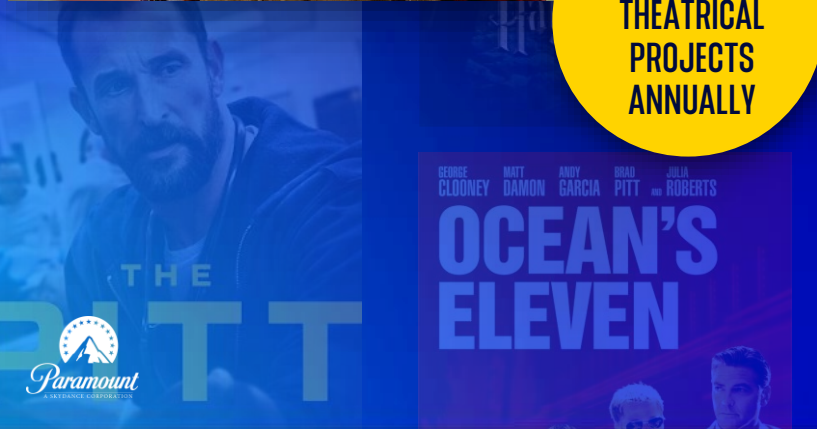
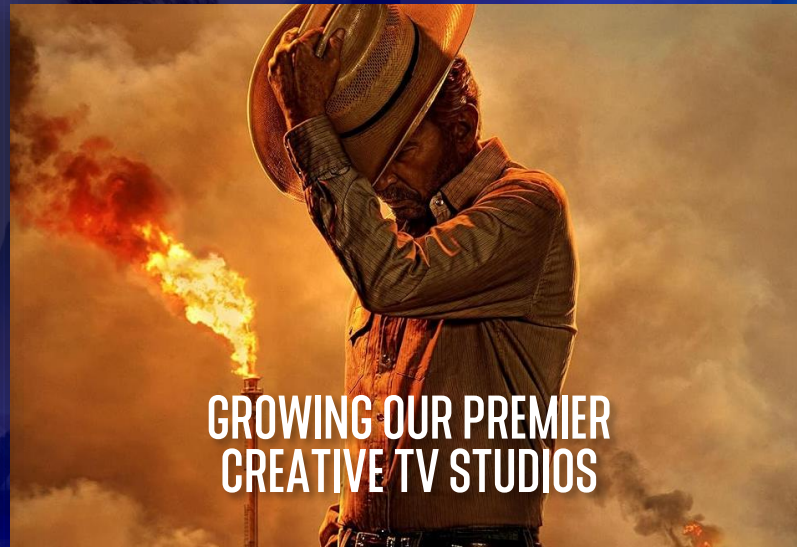
- Complementary set of networks well-positioned to manage linear pressures
- Diverse international portfolio serving 200+ countries and territories globally
- Distributor of marquee US and International sports including the NFL and Olympics
- Trusted deliverer of news and thought leadership



(1) Aggregate subscribers for Paramount+, HBO Max, and Discovery+ based on 4Q 2025. HBO Max subscribers include HBO Linear. Does not account for subscriber overlap.

# WORLD-CLASS CREATIVE ENGINE

Bringing together iconic franchises and IP to tell more great stories for our global audience.



# A GLOBAL STREAMING COMPETITOR

Delivering more stories to more consumers around the world as we develop the streaming platform of the future.

Expanding Our  
Global Audience

**HBO max** **Paramount+** **discovery+** **pluto tv**

**200M+**  
Combined Global DTC Subscribers<sup>1</sup>

**100+**  
Combined Countries & Territories

Differentiated, High-  
Engagement Stories  
for a Global Audience

**FAN-FAVORITE TV SERIES**

**THE PITT** **SOUTH PARK** **THE WHITE LOTUS**

**PREMIUM SPORTS**

**NFL** **NHL** **MLB**

**ESSENTIAL NEWS**

**CBS** **CNN**

Building the Streaming  
Platform of the Future

**SIGNIFICANT INVESTMENTS**  
in DTC technology and product to further enhance combined offering

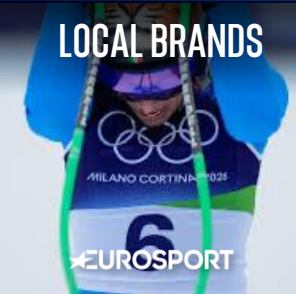
(1) Aggregate subscribers for Paramount+, HBO Max, and Discovery+ based on 4Q 2025. HBO Max subscribers include HBO Linear. Does not account for subscriber overlap.

# ROBUST AND PROFITABLE LINEAR PORTFOLIO

Linear Portfolio  
Anchored by Diversified  
Broadcast and  
Cable Assets



Engaging  
Audiences Globally



## UNIFIED ASSETS CREATE A MORE DURABLE LINEAR PORTFOLIO TO ENABLE REINVESTMENT IN GROWTH

# EXPANDING CONSUMER CHOICE AND EMPOWERING CREATIVE TALENT WORLDWIDE



**PRO CONSUMER**

More great stories delivered to more consumers around the world



**PRO CREATIVE TALENT**

A commitment to invest in more incredible stories



**PRO COMPETITION**

A stronger global competitor for the future of entertainment

# TRANSACTION OVERVIEW

Paramount Skydance is acquiring Warner Bros. Discovery, Inc. for \$31.00 per share in cash, with all-cash funding fully backstopped by the Ellison Family Trust and RedBird Capital Partners.

## TRANSACTION VALUATION

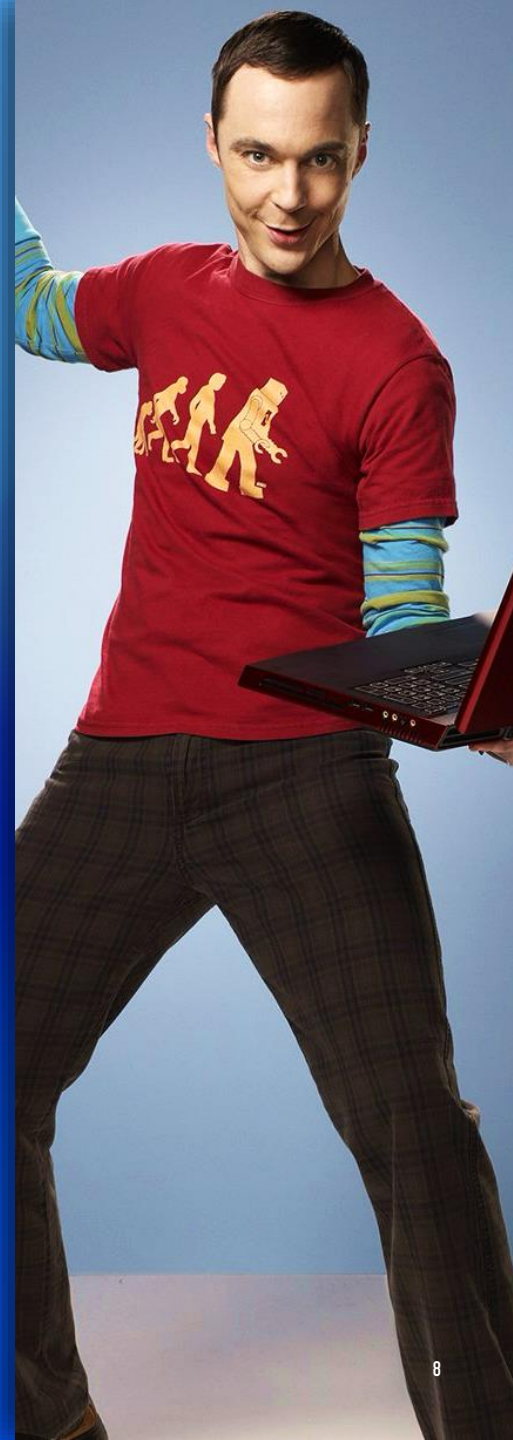
- PSKY acquires **100%** of Warner Bros. Discovery
- Purchase price of **\$31.00 per share** in cash
- Deal values WBD at **\$81B Equity Value** or **\$110B Enterprise Value**

## TRANSACTION FUNDING

- **\$47B new equity investment** from the Ellison Family and RedBird at \$16.02 per share
- **Debt Funding: \$39B new debt and \$15B to refinance WBD's existing bridge facility – in each case pursuant to the \$54B fully committed bridge loan** from Bank of America, Citi, and Apollo

## CLOSING TIMING

- Closing expected by end of **Q3 2026**; \$0.25 per share quarterly “ticking fee”, accruing daily after 9/30/26
- PSKY funded WBD's \$2.8B break fee due to terminating Netflix merger agreement
- Subject to WBD shareholder and regulatory approvals and other customary closing conditions
- Significant regulatory progress made pre-signing. No statutory impediments to close in U.S; Commenced pre-notification discussions with the EU Commission



# EQUITY INVESTMENT PRICED AT \$16.02 PER PSKY SHARE

- Transaction funding includes \$47B in equity commitments from the Ellison Family and RedBird
- **New PSKY Class B shares to be issued based on a price of \$16.02 per share**
  - Price determined by a Special Committee of the Board of Directors of Paramount, comprised of independent directors
  - Special Committee retained and received from independent financial and legal advisors the standalone value of Paramount using traditional valuation methodologies
- **Existing PSKY shareholders will have the opportunity to purchase shares at the same price as the Ellison Family and RedBird through a Class B equity rights offering expected to occur nearer to the closing date**



**TRANSACTION EXPECTED TO CREATE  
SUBSTANTIAL ADDITIONAL VALUE  
FOR ALL SHAREHOLDERS**

# PSKY + WBD TRANSFORMATION

We expect to realize \$6B+ in run-rate synergies within three years post-close guided by the PSKY transformation plan, including:

**01 Consolidating Streaming Technology Stacks**

**02 Global Business Services & Procurement Efficiencies**

**03 Rationalizing Real Estate Footprint and Corporate Overhead**

**04 Driving Efficiencies in Marketing, Optimizing Spend on Agencies and Tooling**

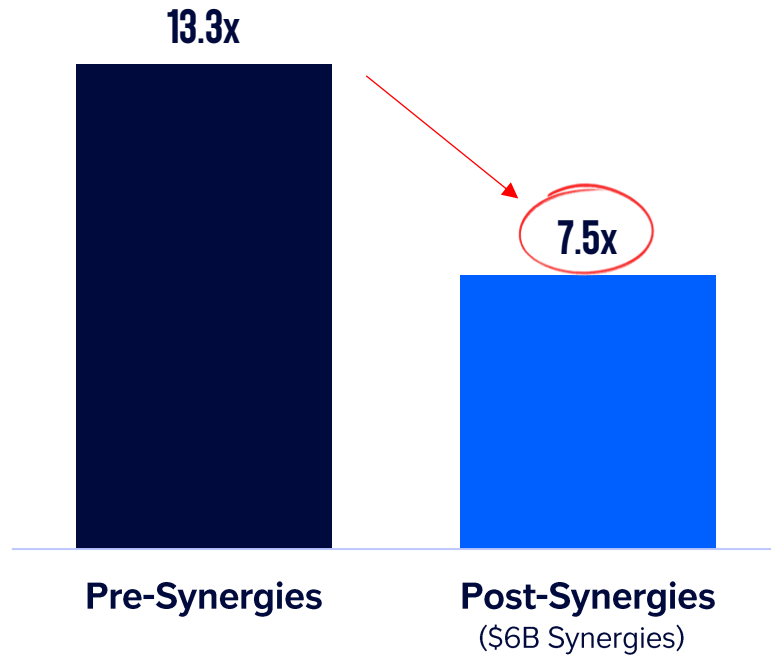
**05 Integrating ERP and Other Corporate IT Systems**



# TRANSACTION VALUATION & PRO FORMA LEVERAGE

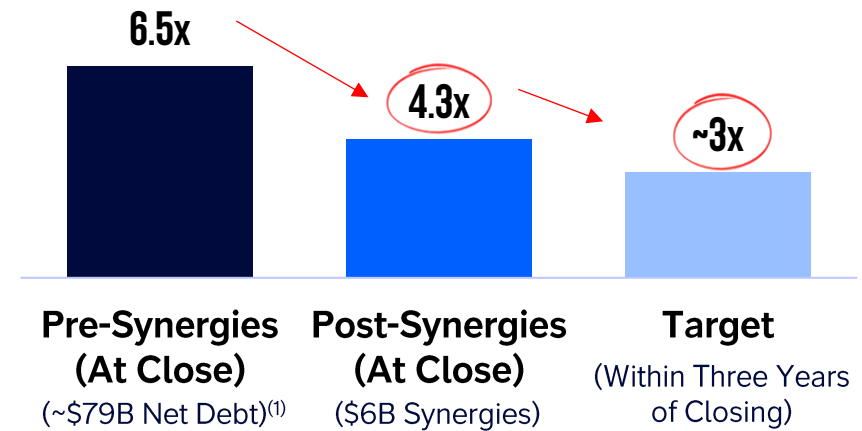
PSKY's acquisition of WBD at \$31.00 per share represents a 7.5x multiple of synergized 2026 Adj. EBITDA. The combined company's debt capitalization would represent a 4.3x multiple of synergized 2026 Adj. EBITDA.

## WBD VALUATION (TEV / 2026E Adj. EBITDA)



## PRO FORMA LEVERAGE (NET DEBT / Adj. EBITDA)

Clear path to investment grade credit metrics within three years of closing.



Source: Public filings PSKY Management, and WBD Management.

(1) Includes \$12B of existing PSKY net debt, \$15B of refinanced WBD Bridge Loan, \$14B of other rolled WBD net debt, \$39B of new transaction debt, and estimated net cash generated through expected transaction close. Excludes impact of contemplated rights offering to existing PSKY investors.

# PURCHASE CONSIDERATION AND SOURCES & USES

## WBD PURCHASE PRICE (\$B)

WBD Purchase Price per Share	\$31.00
(x) WBD Fully Diluted Shares Outstanding (in B)	2.6
<b>WBD EQUITY PURCHASE PRICE</b>	<b>\$80.9</b>
(+) Funding of WBD Break Fee to Netflix	2.8
(+) Minimum Balance Sheet Cash at Close	5.0
(-) Cash from Combined Balance Sheet	(3.1)
(-) New PSKY Bridge Commitment (New Transaction Debt)	(38.6)
<b>EQUITY INVESTMENT FROM ELLISON FAMILY AND REDBIRD</b>	<b>\$47.0</b>
(/) PSKY New Investor Subscription Price	\$16.02
<b>NEW PSKY SHARES ISSUED (in B)</b>	<b>2.9</b>

## TRANSACTION SOURCES & USES (\$B)

### SOURCES OF CAPITAL

Equity Investment from Ellison Family and RedBird	\$47.0
New PSKY Bridge Commitment (New Transaction Debt)	38.6
New PSKY Bridge Commitment (WBD Bridge Refinancing)	15.0
Roll of Other WBD Net Debt	14.0
Cash from Combined Balance Sheet	3.1
<b>TOTAL SOURCES OF CAPITAL</b>	<b>\$117.6</b>

### USES OF CAPITAL

WBD Equity Purchase Price	\$80.9
WBD Bridge Loan Refinancing	15.0
Roll of Other WBD Net Debt	14.0
Funding of WBD Break Fee to Netflix	2.8
Minimum Balance Sheet Cash at Close	5.0
<b>TOTAL USES OF CAPITAL</b>	<b>\$117.6</b>

Source: Public filings PSKY Management, and WBD Management.

Note: Excludes impact of contemplated rights offering to existing PSKY investors. Further details to be provided.

# PRO FORMA FINANCIALS

A unified company with a foundation for long-term growth and healthy cash generation.

A collage of Star Trek movie characters including Spock, Ilia, and Kirk, set against a fiery, industrial background.

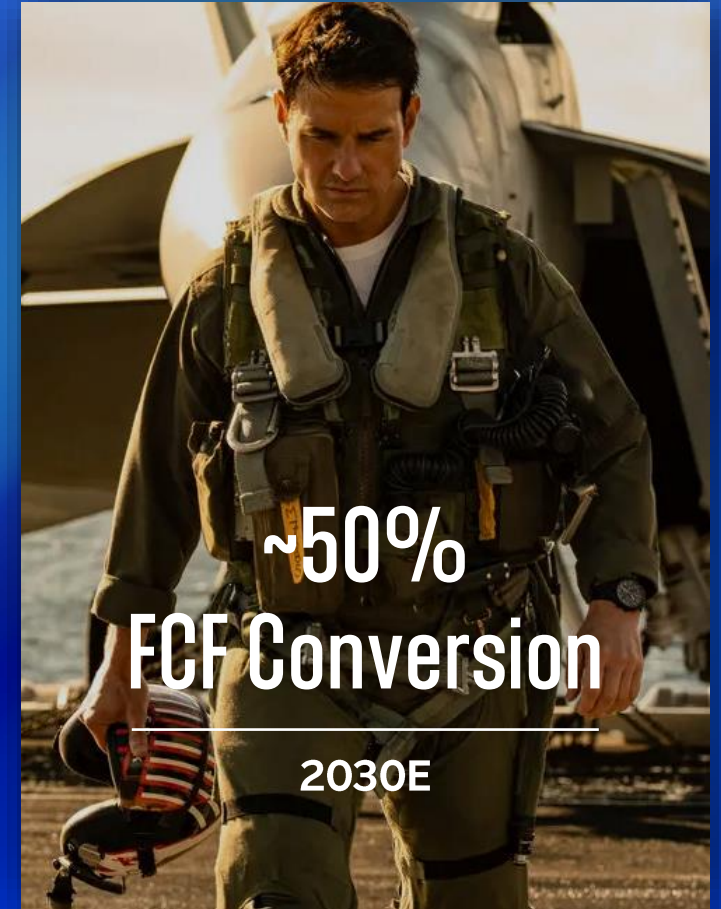
**\$69B**  
2026E Pro Forma Revenue

A collage of characters from The Hobbit movie franchise, including Legolas, Gandalf, Bilbo, and Gollum, set against a dramatic, smoky background.

**\$18B**  
2026E Pro Forma Adj. EBITDA  
Incl. \$6B Synergies

# MEDIUM-TERM FINANCIAL TARGETS

We expect the majority of revenue and profits to be driven by studios and streaming by 2030.



BOSTON BLUE

A KNIGHT OF THE SEVEN KINGDOMS



Paramount  
A SKYDANCE CORPORATION



WARNER BROS.  
DISCOVERY

SCHOOL SPIRITS

MARE of EASTTOWN

THE WIZARD OF OZ

# TWO ICONIC COMPANIES

WORLD-CLASS STUDIOS, COMPLEMENTARY STREAMING  
PLATFORMS, EXTRAORDINARY TALENT

SERVING GLOBAL AUDIENCES, PARTNERS, AND SHAREHOLDERS



MAYOR OF KINGSTOWN

STINGRAY

THE LEGO MOVIE

MINECRAFT MOVIE

Caddyshack



WARNER BROS.  
DISCOVERY

HOLLYWOOD

# Q & A



The background features a dark blue gradient. On the left, a semi-circle contains several dark blue stars. On the right, a large, stylized shield-like graphic is composed of vertical bars of varying heights, creating a sense of depth and structure. The overall aesthetic is clean and professional.

**THANK YOU**

# WARNER BROS. DISCOVERY ATTRIBUTIONS

HBO Original | Game of Thrones

WB | Wonka

DC Studios | Aquaman

WB | Harry Potter and the Deathly Hallows Part 2

Max Original | The Pitt

HBO Original | The White Lotus

TNT Sports | NHL on TNT

TNT Sports | MLB on TBS

CNN | News

HGTV | Home Town

Discovery | Dog Detectives

Adult Swim | Rick and Morty

TCM | Roman Holiday

Discovery | Shark Week

HBO Original | Heated Rivalry

WB | Forrest Gump

DC Studios | Wonder Woman

WB | Big Bang Theory

WB | Lord of the Rings

WB | Barbie

# DISCLAIMER

This presentation contains “forward-looking statements” regarding the potential acquisition of Warner Bros. Discovery. 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 Warner Bros. Discovery. Risks and uncertainties include, but are not limited to: the risk that the closing conditions for the acquisition will not be satisfied, including the risk that clearances under applicable antitrust or regulatory laws will not be obtained; uncertainty as to the percentage of Warner Bros. Discovery stockholders that will vote to approve the proposed transaction at the applicable Warner Bros. Discovery stockholder meeting; 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 Warner Bros. Discovery 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 acquisition, 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 Media, LLC 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 Media, LLC, 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 (“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 Paramount’s 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 Paramount’s Charter could permit certain persons to pursue competitive opportunities that might otherwise be available to Paramount; and risks associated with Paramount’s holding company structure, including its dependence on distributions from its subsidiaries to meet tax obligations and other cash requirements; A further list and description of these risks, uncertainties and other factors and the general risks associated with the respective businesses of Paramount and Warner Bros. Discovery 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, including in the sections captioned “Cautionary Note Concerning Forward-Looking Statements” and “Item 1A. Risk Factors,” and Paramount’s subsequent filings with the SEC, and Warner Bros. Discovery’s Annual Report on Form 10-K for the fiscal year ended December 31, 2025, filed with the SEC on February 27, 2026, including in the section captioned “Item 1A. Risk Factors,” and Warner Bros. Discovery’s subsequent filings with the SEC. Copies of these filings, as well as subsequent filings, are available online at [www.sec.gov](http://www.sec.gov), [ir.wbd.com](http://ir.wbd.com) or on request from Paramount or Warner Bros. Discovery. Neither Paramount nor Warner Bros. Discovery undertakes to update any forward-looking statement as a result of new information or future events or developments, except as required by law.

This presentation, including the information provided on the equity rights offering, shall not constitute an offer to sell, or the solicitation of an offer to buy, the rights or any shares of Paramount’s Class B common stock, issuable upon exercise of such rights or any other securities, nor will there be any sale of such securities or any other securities, in any state or other jurisdiction in which such offer, sale or solicitation would be unlawful. Any such offering of Paramount securities will be made pursuant to an effective registration statement filed with the SEC and only by means of a prospectus supplement and accompanying prospectus.

# DISCLAIMER (CONT'D)

This presentation may be deemed to be solicitation material in respect of the proposed acquisition of Warner Bros. Discovery by Paramount. In connection with the proposed transaction, Warner Bros. Discovery intends to file relevant materials with the SEC, including Warner Bros. Discovery's proxy statement in preliminary and definitive form. INVESTORS AND STOCKHOLDERS OF WARNER BROS. DISCOVERY ARE URGED TO READ ALL RELEVANT DOCUMENTS FILED WITH THE SEC, INCLUDING WARNER BROS. DISCOVERY'S PROXY STATEMENT (WHEN IT IS AVAILABLE), BECAUSE THEY CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION AND THE PARTIES TO THE PROPOSED TRANSACTION. Investors and stockholders of Warner Bros. Discovery are or will be able to obtain these documents (when they are available) free of charge from the SEC's website at [www.sec.gov](http://www.sec.gov), or free of charge from Warner Bros. Discovery under the "SEC Filings" section of Warner Bros. Discovery's website at <https://ir.corporate.discovery.com/financials/sec-filings>.

Paramount and Warner Bros. Discovery and certain of their respective directors and executive officers, under SEC rules, may be deemed to be "participants" in the solicitation of proxies from security holders of Warner Bros. Discovery in connection with the proposed transaction. Information about the directors and executive officers of Paramount is set forth in its Current Reports on Form 8-K filed with the SEC on August 7, 2025, September 16, 2025 and January 14, 2026 and in its Annual Report on Form 10-K for the year ended December 31, 2025, filed with the SEC on February 25, 2026. Information about Warner Bros. Discovery's directors and executive officers is available in its definitive proxy statement filed with the SEC on April 23, 2025, under the heading "Proposal 1: Election of Directors," and in its Annual Report on Form 10-K for the year ended December 31, 2025, filed with the SEC on February 27, 2026, under the heading "Executive Officers of Warner Bros. Discovery, Inc." To the extent holdings of Warner Bros. Discovery's securities by its directors or executive officers has changed since the amounts set forth in such 2025 proxy statement, such changes have been or will be reflected on Initial Statements of Beneficial Ownership of Securities on Form 3 or Statements of Changes of Beneficial Ownership of Securities on Form 4 filed with the SEC. Investors and stockholders of Paramount or Warner Bros. Discovery are or will be able to obtain these documents free of charge from the SEC's website at [www.sec.gov](http://www.sec.gov), from Paramount on Paramount's website at <https://ir.paramount.com/sec-filings/paramount>, from Warner Bros. Discovery on Warner Bros. Discovery's website at <https://ir.corporate.discovery.com/financials/sec-filings> or on request from Paramount or Warner Bros. Discovery, as applicable. Additional information concerning the interests of Warner Bros. Discovery's participants in the solicitation, which may, in some cases, be different than those of Warner Bros. Discovery's stockholders generally, will be set forth in Warner Bros. Discovery's proxy statement relating to the proposed transaction when it becomes available.