

## Declaration of compliance SENATOR Entertainment AG of April 2015

The management board and supervisory board of SENATOR Entertainment AG (“Senator”) herewith declare pursuant to Sec. 161 AktG [“Aktengesetz”: German Stock Corporation Act] that since the last declaration of compliance of September 2014 the recommendations of the Government Commission on the German Corporate Governance Code as amended on 24 June 2014 have been complied with the exception of the points discussed below. SENATOR Entertainment AG has complied and will continue to comply with the recommendations made in the version of the German Corporate Governance Code dated 24 June 2014 published in the *Bundesanzeiger* [German Federal Gazette] with the following exceptions:

### **Deductible for D&O insurance (no. 3.8 (3))**

The D&O insurance policy for supervisory board members does not include a deductible.

Grounds: The management board and the supervisory board of SENATOR Entertainment AG are not of the opinion that a deductible could improve the motivation or responsibility with which the supervisory board performs its duties. As a result, SENATOR Entertainment AG’s corporate governance principles does not contain a deductible for supervisory board members for D&O insurance.

### **Composition of the management board (no. 4.2.1 sentence 1)**

From the time Mr. Helge Sasse stepped down from his office as a management board member as of 30 June 2014 until the members of Wild Bunch’s management had been appointed to the management board on 5 February 2015, the management board of SENATOR Entertainment AG solely comprised one member, Mr. Markus Maximilian Sturm. Since 5 February 2015, the management board of SENATOR Entertainment AG has four members: Mr. Vincent Grimond (CEO), Mr. Brahim Chioua (COO), Mr. Markus Maximilian Sturm (CFO) and Mr. Vincent Maraval (CCO).

Grounds: In the course of the business combination of SENATOR Entertainment AG and Wild Bunch S.A. (“Wild Bunch”), the management board was extended to include the Wild Bunch’s members of management. Until such time, Markus Maximilian Sturm acted as interim CEO as the only management board member.

### **Total remuneration of the management board (no. 4.2.2)**

In evaluating the appropriateness of management board remuneration, the compensation was not considered in relation to that of senior management or the staff.

Grounds: The recommendations included in no. 4.2.2 of the GCGC did not exist when Mr. Markus Maximilian Sturm’s management board service agreement was concluded.

On account of the merger, the terms of the service agreements with the three new management board members (see above) were developed based on past experience at Wild Bunch and with reference to Mr. Sturm’s salary. It was already clear that this transaction would significantly change the senior management of Senator and the staff. This criterion therefore anyway needs to be reassessed.

**Composition of the management board / diversity (no. 5.1.2)**

The management board comprises Mr. Markus Maximilian Sturm; and was extended to include Mr. Vincent Grimond, Mr. Brahim Chioua and Mr. Vincent Maraval as of 5 February 2015. Women currently do not receive appropriate consideration when filling positions on the management board.

Grounds: In the course of business combination negotiations with Wild Bunch, it was agreed that the management board of SENATOR Entertainment AG would be extended to include the Wild Bunch's members of management. None of the members of management were women. If an application and selection process takes place in the future, the supervisory board will pay particular attention to suitable female candidates and consider women in the selection of members of the management board.

**Formation of a nomination committee (no. 5.3.3)**

The supervisory board has not formed a nomination committee.

Grounds: By supervisory board resolution of 22 August 2011, an audit committee and an investment committee have been formed (no. 5.3). At present, the Company continues to opt against forming a nomination committee (no. 5.3.3) that would consist exclusively of shareholder representatives and which would be tasked with proposing suitable candidates to the supervisory board for its election nominations for the annual general meeting. On the one hand, there are no employee representatives in the supervisory board on account of the size of the Company and, on the other, any new appointments should be discussed among the entire supervisory board from the very beginning.

**Consideration of committee activities in the compensation of the supervisory board members (no. 5.4.6)**

The compensation of supervisory board members does not consider the chairing of or membership in committees.

Grounds: To date, committee activities only require a limited amount of additional work. As a result, additional compensation was and is not seen as necessary.

**Publication of consolidated financial statements within 90 days, semi-annual reports within 45 days (no. 7.1.2)**

Senator publishes its consolidated financial statements within 120 days and its semi-annual report within 60 days.

Grounds: The preparation and ratification of the respective reports demands considerable organizational resources, especially against the backdrop of the business combination with Wild Bunch. Despite the targets set in 2014 to comply with the periods prescribed by the German Corporate Governance Code as of the 2014 financial statements to the extent possible, at present the Company continues to use the legally prescribed period in order to avoid an otherwise necessary expansion of the administration capacities.

Berlin, April 2015

SENATOR Entertainment AG

The management board

The supervisory board