

GWFF

GESELLSCHAFT ZUR WAHRNEHMUNG
VON FILM- UND FERNSEHRECHTEN MBH

*Gesellschaft zur Wahrnehmung von
Film- und Fernsehrechten mbH*

**GWFF Gesellschaft zur Wahrnehmung
von Film- und Fernsehrechten mbH**
Munich

Transparency Report for the fiscal year 2020
--non-binding convenience translation--

TABLE OF CONTENTS

A.	ANNUAL FINANCIAL STATEMENTS FOR THE FISCAL YEAR 2020	3
I.	Balance Sheet	3
II.	Profit and Loss Statement	4
III.	Cash Flow Statement.....	5
IV.	Notes for the Fiscal Year 2020	6
B.	MANAGEMENT REPORT FOR THE FISCAL YEAR 2020.....	12
C.	BESTÄTIGUNGSVERMERK DES UNABHÄNGIGEN ABSCHLUSSPRÜFERS [REPRODUCTION OF THE ORIGINAL GERMAN WORDING OF THE UNQUALIFIED AUDIT OPINION, NOT TRANSLATED].....	20
D.	REJECTED REQUESTS OF USERS REGARDING THE GRANTING OF RIGHTS OF USE.....	24
E.	LEGAL FORM AND ORGANIZATIONAL STRUCTURE.....	25
I.	Legal basis.....	25
II.	Bodies of the Company	26
III.	Entitled persons.....	29
IV.	Organization of the Company	30
F.	DEPENDENT COLLECTING ENTITIES.....	31
G.	REMUNERATION OF THE BODIES	31
H.	FINANCIAL INFORMATION	32
I.	Rights revenue and use of rights revenue.....	32
II.	Cost of rights administration.....	33
III.	Amounts due to the entitled persons	34
IV.	Relations with other collecting societies.....	40
J.	SOCIAL AND CULTURAL PROMOTION.....	41
I.	Social Fund.....	41
II.	Promotion fund	42
	ATTACHMENTS.....	43
Attachment 1:	List of abbreviations	44
Attachment 2:	Bescheinigung des Abschlussprüfers zum Transparenzbericht [reproduction of the original German wording of the auditor's certificate, not translated]	47

A. ANNUAL FINANCIAL STATEMENTS FOR THE FISCAL YEAR 2020

I. Balance Sheet

ASSETS	Dec 31, 2020 EUR	Dec 31, 2019 EUR
A. Fixed assets		
I. Intangible assets		
Software	133,971.00	101,930.00
II. Tangible assets		
1. Leasehold improvements	1.00	111.00
2. Office equipment	23,336.00	19,468.00
	<u>23,337.00</u>	<u>19,579.00</u>
III. Financial assets		
Shares in affiliated companies	880,375.12	880,375.12
	<u>1,037,683.12</u>	<u>1,001,884.12</u>
B. Current assets		
I. Accounts receivable and other assets		
1. Accounts receivable from affiliated companies	21,150.00	21,420.00
2. Other assets	156,365.67	201,152.39
	<u>177,515.67</u>	<u>222,572.39</u>
II. Cash on hand and cash in banks	<u>49,993,415.16</u>	<u>43,788,139.42</u>
C. Deferred charges	19,182.96	21,586.30
	<u>51,227,796.91</u>	<u>45,034,182.23</u>
LIABILITIES AND SHAREHOLDERS' EQUITY	Dec 31, 2020	Dec 31, 2019
	EUR	EUR
A. Shareholders' equity		
Capital subscribed	103,000.00	103,000.00
B. Reserves and accrued liabilities		
1. Reserves for entitled persons	49,050,036.83	44,345,376.49
2. Pension reserves	257,289.00	345,687.00
3. Other accrued liabilities	131,000.00	169,000.00
	<u>49,438,325.83</u>	<u>44,860,063.49</u>
C. Liabilities		
1. Accounts payable	68,814.82	0.00
2. Other liabilities	1,617,656.26	71,118.74
	<u>1,686,471.08</u>	<u>71,118.74</u>
	<u>51,227,796.91</u>	<u>45,034,182.23</u>

II. Profit and Loss Statement

	2020	2019
	EUR	EUR
1. Royalties collected for authors' and neighboring rights	122,408,151.76	46,194,430.38
2. Other operating income	278,411.30	278,818.23
3. Personnel expenses		
a) Salaries	-1,001,500.98	-980,411.83
b) Social security, pension benefit plans	-175,386.34	-185,251.80
--thereof for pension benefit plans		
EUR 6,736.00 (2019: EUR 10,490.00)--		
4. Depreciation and amortization	-57,771.90	-50,171.02
5. Other operation expenses	-776,135.86	-781,353.98
6. Interest income	343.47	694,708.54
7. Interest expenses	-256,876.13	-151,130.39
8. Result	120,419,235.32	45,019,638.13
9. Addition to reserves for entitled persons	-120,419,235.32	-45,019,638.13
10. Net result	0.00	0.00

III. Cash Flow Statement

The following cash flow statement, which illustrates the change in cash and cash equivalent (change in liquidity), provides information about the liquidity situation and the financial development. In this context, the payment flows are assigned to the areas business operation, investment and finance.

	2020	2019
	EUR	EUR
Addition to reserves for entitled persons	120,419k	45,020k
+ Depreciation and amortization of fixed assets	58k	50k
-/+ Increase/decrease of Assets		
Receivables from affiliated companies	0k	38k
Other assets	45k	383k
Deferred charges	2k	0k
+/- Increase/decrease of Liabilities		
Pension reserves	-88k	20k
Other accrued liabilities	-38k	9k
Accounts payable	69k	0k
Other liabilities	1,546k	28k
= Cash flow from operating activities before distribution	<u>122,013k</u>	<u>45,548k</u>
- Payments to entitled persons	-115,487k	-37,975
- Payments out of social fund	-40k	-54k
- Payments out of promotion fund	-187k	-291k
= Cash flow from distributions	<u>-115.714k</u>	<u>-38,320k</u>
- Additions to fixed assets	-94k	-53k
= Cash flow from investing activities	<u>-94k</u>	<u>-53k</u>
Cash flow from financing activities	<u>0k</u>	<u>0k</u>
= Change in cash and cash equivalents	6,205k	7,175k
+ Cash and cash equivalents at the beginning of period	<u>43,788k</u>	<u>36,613k</u>
= Cash and cash equivalents at the end of period	<u>49,993k</u>	<u>43,788k</u>

IV. Notes

1. Principal legal bases

GWFF Gesellschaft zur Wahrnehmung von Film- und Fernsehrechten mbH having its registered office in Munich is entered under No. HRB 69235 in the Commercial Register at the Amtsgericht München [*Local Court Munich*].

These annual financial statements have been prepared in accordance with the regulations applicable to collecting societies and in compliance with Section 57(1), first sentence, VGG. The provisions of the HGB on large corporations are thus applying. In addition, the pertinent provisions of the German Limited Liability Companies Act [*GmbHG*] must be observed. Particularities of collecting societies have been taken into account by showing additional items (Section 265(5) HGB) and/or by adjusting the designation of items (Section 265(6) HGB).

The format of the balance sheet is in compliance with Section 266(2) and (3) HGB. In application of Section 265(5) HGB, the reserves have further been broken down by showing the additional item "reserves for entitled persons". As from the fiscal year 2019, these reserves will be shown in the first place pursuant to Section 265(6) HGB because they are typical of and material to the financial situation of a collecting society.

The format of the profit and loss statement is based on the total cost method pursuant to Section 275(2) HGB. In application of Section 265(6) HGB, the former item "revenues" will be designated as "royalties collected for authors' and neighboring rights" and the former additional item "provisions for reserves for the entitled persons" shown in application of Section 265(5) HGB will be designated as "addition to reserves for entitled persons" as from the fiscal year 2019 for the sake of clarity. The designation "net result" will be used in lieu of the designation "net income" as in the previous years.

2. Accounting and valuation principles

The intangible assets and tangible fixed assets are carried at acquisition cost less scheduled depreciation according to use. Depreciation is recorded straight-line pro rata temporis over a useful life of three (3) to thirteen (13) years, low-value fixed assets with a value up to EUR 250.00 (until 2017 EUR 150.00) are fully written off in the year of acquisition, low-value fixed assets (compound item) with acquisition cost between EUR 250.00 (until 2017 EUR 150.00) and EUR 1,000.00 are recorded straight-line pro rata temporis over a useful life of five (5) years. Foreign currency additions are converted at the exchange rates applicable at the time of payment. Financial assets are carried at acquisition cost and/or at the lower value to be assessed.

The other assets are carried at acquisition cost, the cash surrender value of a reinsurance policy at amortized cost (policy reserve including surplus sharing). Cash on hand and cash in banks are carried at their nominal value. In contrast to previous years up until 2016 all claims for which the Company received statements until the preparation of the annual financial statements will be accounted for in the following fiscal year.

The deferred charges contain expenses in 2020 which constitute expenditure for a certain time after the balance sheet date.

The reserves for the entitled persons take account of distribution commitments to the entitled persons and liabilities of still uncertain amount, the latter estimated in accordance with prudent business principles. In the case of reserves with a remaining term of more than one (1) year, the assessment pursuant to Section 253(2), first sentence, HGB has no effect in terms of amount since the interest income must be added to the relevant distribution reserve in view of the non-profit organization of the Company prescribed in Article 2 paragraph 2 of its Statutes. The respective interest income is set off against the respective expenditure incurred for the addition to the reserves so as to give a true and fair view of the earnings situation of the Company.

The pension reserves correspond to the settlement amount pursuant to Section 253(1), second sentence, HGB. They have been discounted at the average market interest rate of the previous ten (10) fiscal years pursuant to Section 253(2), first sentence, HGB. The bases for calculation are the "Heubeck guiding tables 2018 G".

The other accrued liabilities comprise all identifiable risks and uncertain obligations in an amount required in accordance with prudent business principles.

The liabilities are carried at their fulfillment amount. In contrast to previous years up until 2016 statements received for accounting periods until the balance sheet date which were paid until the preparation of the annual financial statements are not recorded as liabilities, but are included in the accrued liabilities.

To the extent that royalties collected for authors' and neighboring rights were received in foreign currency, they were converted at the exchange rates applicable at the time of receipt.

3. Notes to the balance sheet

The development of the fixed assets is represented in the statement of fixed assets shown on the following page.

The accounts receivable are due and payable within one (1) year. The other assets include the cash surrender value of a reinsurance policy in the amount of EUR 134k (2019: EUR 181k), the investment for rent deposit in the amount of EUR 20k (2019: EUR 20k) and creditors with debit balances in the amount of EUR 2k (2019: EUR 0k). Other assets amounting to EUR 136k (2019: EUR 56k) are due and payable within one (1) year. The remaining other assets amounting to EUR 20k (2019: EUR 145k) are due and payable with a term between one (1) and five (5) years.

The nominal capital entered in the Commercial Register amounts to EUR 103,000. It is fully paid in.

The reserves for entitled persons are obligations to the entitled persons, including the social fund and the promotion fund.

Statement of Fixed Assets in the Fiscal year 2020

	At cost				Accumulated depreciation				Net book value	
	Jan 1, 2020	additions	disposal	Dec 31, 2020	Jan 1, 2020	depreciation of the fiscal year	disposal	Dec 31, 2020	Dec 31, 2020	Dec 31, 2019
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
I. Intangible assets										
Software	544,758.43	76,803.36	0.00	621,561.79	442,828.43	44,762.36	0.00	487,590.79	133,971.00	101,930.00
II. Tangible assets										
1. Leasehold improvements	29,823.31	0.00	0.00	29,823.31	29,712.31	110.00	0.00	29,822.31	1.00	111.00
2. Office equipment	296,419.90	16,767.54	0.00	313,187.44	276,951.90	12,899.54	0.00	289,851.44	23,336.00	19,468.00
	326,243.21	16,767.54	0.00	343,010.75	306,664.21	13,009.54	0.00	319,673.75	23,337.00	19,579.00
III. Financial assets										
Shares in affiliated companies	908,424.12	0.00	0.00	908,424.12	28,049.00	0.00	0.00	28,049.00	880,375.12	880,375.12
	1,779,425.76	93,570.90	0.00	1,872,996.66	777,541.64	57,771.90	0.00	835,313.54	1,037,683.12	1,001,884.12

The fulfillment amount of the granted pension promises on the basis of the 10-year average (interest rate 2.3%) is EUR 257k (2019: EUR 346k). Applying the 7-year average (interest rate 1.6% p.a.) does not result in a difference as of December 31, 2020, as the pension payment date is April 11, 2021, in accordance with the contract. The agreed one-off amount of EUR 257k is expected to be paid in July 2021.

The other accrued liabilities in the amount of EUR 131k (2019: EUR 169k) relate to financial statement costs as well as the preparation and examination of the transparency report, vacation reserves and reserves for unrecorded liabilities.

The other liabilities are due and payable within one (1) year and include:

	Dec 31, 2020	Dec 31, 2019
	EUR	EUR
Debtors with credit balances	1,357k	0k
Liabilities for taxes		
tax deduction on the basis of Section 50a EStG [<i>German Income Tax Act</i>]	228k	24k
VAT	18k	33k
wage and church tax	15k	14k
	<u>1,618k</u>	<u>71k</u>

4. Notes to the profit and loss statement

The royalties collected for authors' and neighboring rights includes:

	2020	2019
	EUR	EUR
Remuneration pursuant § 54 UrhG domestic	109,584k	35,782k
Remuneration pursuant to § 27 UrhG domestic	975k	1,016k
Remuneration for cable retransmission domestic	5,442k	4,927k
Rights revenue domestic	<u>116,001k</u>	<u>41,725k</u>
Remuneration for storage media levy abroad	3,014k	1,725k
Remuneration for cable retransmission abroad	3,137k	2,595k
Remuneration for teaching and research abroad	256k	149k
Rights revenue abroad	<u>6,407k</u>	<u>4,469k</u>
Rights revenue total	<u><u>122,408k</u></u>	<u><u>46,194k</u></u>

Because of the business activity of GWFF most of the royalties collected for authors' and neighboring rights are relating to different periods. The revenues from countries which withhold non-refundable withholding tax according to the DTC (Double Taxation Convention) applicable from time to time between Germany and the respective country have been shown after deduction of such withholding tax for the sake of clarity; this concerns Australia.

The total fee charged by the auditor for the fiscal year amounts to EUR 26k, of which 60% relates to auditing services and 40% to other certification services.

The interest expenses include an interest loss of EUR 6k (2019: EUR 9k).

In accordance with the Statutes, the result after taxes is in full added to the reserves for entitled persons so that a net result of EUR 0.00 is shown. An amount of EUR 115,487k (2019: EUR 37,975k) has been distributed or paid to the entitled persons in the year under review. An amount of EUR 187k (2019: EUR 291k) was used for promotion purposes and an amount of EUR 40k (2019: EUR 54k) for social purposes.

5. Other information

Management

The Managing Directors holding power of individual representation are Prof. Dr. Ronald Frohne, Rechtsanwalt [*attorney-at-Law*], Berlin, and Dr. Gertraude Müller-Ernstberger, Rechtsanwältin [*attorney-at-Law*], Munich.

In the fiscal year 2020 the remuneration of the management amounted to EUR 255k (2019: EUR 239k).

Supervisory board

The following six (6) members have been elected at the shareholders' meeting of December 1, 2016 pursuant to Section 22 VGG and to Article 9 of the Statutes:

- Dr. Christian Hauptmann,
deputy head of legal department of UFA Film and Fernseh GmbH, Cologne
(elected chairman on April 25, 2018)
- Chris Marcich,
international expert and chief executive officer of Croatian Film Fund, Zagreb
(vice chairman)
- Nikolaus Brudny,
lawyer, Taurus Lizenz Beteiligungs GmbH, Unterföhring
- Martin Choroba,
TELLUX Beteiligungsgesellschaft mbH, Munich
- Michael Fuehr (until January 30, 2020), Manuel Fuehr (from January 30, 2020),
managing director of Metropolitan, Import-Export Brackel GmbH & Co. KG, Munich
- Philip Löhr,
head of legal department of LEONINE Licensing AG, Munich

The members of the supervisory board serve in an honorary capacity and therefore have not received remuneration in the fiscal year.

Advisory board

In accordance with the Statutes, the Company has an honorary advisory board composed of six (6) persons. The members of the advisory board serve in an honorary capacity and therefore have not received remuneration in the fiscal year.

Employees

The Company had 17 (2019: 17) salaried employees, thereof 5 (2019: 6) part-time, and additionally 2 (2019: 3) temporary staff on the average in the fiscal year 2020.

Other financial obligations

There are other financial obligations in the amount of EUR 111k for the office rent agreed until December 31, 2021.

Shareholding

Shares within the meaning of Section 285(11) HGB are held in AGICOA Urheberrechtsschutz GmbH, Munich. As of December 31, 2020, the Company holds 51% of the shares of the nominal capital (= equity) in the amount of DEM 50k (EUR 26k). The financial statements for the year ending December 31, 2020 show a net income for the year of EUR 0 in accordance with the Statutes.

The Company holds 100% of the shares in GWFF USA, Inc., New York City, New York/U.S.A. which was formed in the fiscal year 2003 with a common stock of US\$ 1,000k. The financial statements for the year ending December 31, 2020 show an equity amounting to USD 967k and a net income of USD 5k.

In addition, the Company holds 51% of the shares in ISAN Gesellschaft zur Registrierung von Film- und Fernsehwerken mbH, Munich which was formed in the fiscal year 2006 with a nominal capital of EUR 25k. The company's financial statements show a equity of EUR 55k and a net loss of EUR 26k for the year ending December 31, 2020. Due to ongoing losses the investment as of December 31, 2018 was impaired by EUR 28,049.00 down to EUR 1.00.

Appropriation of net income

In accordance with the object and purpose of a collecting society, the Company showed no net income in the year under review. The amounts not yet distributed to the entitled persons or the like are included in the reserves established for this purpose (see above).

Supplementary report on events which occurred after the end of the fiscal year

There are no potential risks which might have impacted the assessment of the assets, the financial position and the earnings situation of the Company after the balance sheet date until the preparation of the annual financial statements.

Munich, Mai 31, 2021

**GWFF Gesellschaft zur Wahrnehmung
von Film- und Fernsehrechten mbH**
Managing directors

Prof. Dr. Ronald Frohne

Dr. Gertraude Müller-Ernstberger

B. MANAGEMENT REPORT FOR THE FISCAL YEAR 2020

GENERAL CONDITIONS AND BUSINESS

1. Economic environment

The Covid-19 pandemic had a great impact on the economic development in Germany and also worldwide in 2020.

According to the 2021 Annual Economic Report published in January 2021 by the German Federal Government under the title: "overcoming the Covid-19 crisis, stimulating economic recovery, strengthening the structures", a growth phase that had lasted more than a decade has ended in the course of the containment of the Covid-19 pandemic which has resulted in one of the worst recessions in decades.

While the gross domestic product increased annually by 1.9% between 2010 and 2019, the gross domestic product decreased by 5% in 2020 with the annual projection still having assumed a 1.1% increase.

The Covid-19 pandemic had also a great impact on the labor market with the unemployment rate increasing by 0.9% to 5.9%.

However, this increase was substantially less significant than the decrease in the economic performance as a whole because large-scale short-time work arrangements have supported the labor market thus preventing even greater job losses.

The inflation rate has decreased by 0.5% in 2020 (2019: 1.4%) and has thus again been below the target rate of the European Central Bank (ECB) which considers a price increase rate of just under 2% to be ideal for economic activity in the Eurozone.

The German Federal Government has established a series of funding and lending schemes amounting to 130 billion euros in 2020 and planned to amount to 180 billion euros in 2021 to mitigate the effects of the crisis, to stimulate the economy and to promote investments.

2. Effects of the Covid-19 pandemic on the development of the equipment industry

As collecting society, GWFF also depends on the electronics industry when asserting the copyright remuneration claims for audiovisual works represented by GWFF.

According to Zentralverband Elektrotechnik und Elektronikindustrie e.V. (ZVEI -*Central Association of the Electrical Engineering and Electronics Industry*), the industry-wide sales have decreased from EUR 190,5 billion to EUR 181,9 billion in 2020 which means a 6% decrease from 2019.

Pursuant to the Home Electronics Market Index (HEMIX) for 2020 published by GfK and gfu Consumer & Home Electronics GmbH, the market for home electronics products (HE) has however increased by 11.6% in 2020 with the total sales volume reaching an amount of EUR 47.6 billion.

The behavior regulations implemented for health protection during the Covid-19 pandemic with contact restrictions and lockdown and also the human need for contact and comfort in the stay at home modus have resulted in more investments in respective home entertainment and home office products. The private IT products segment, for example,

recorded a 23.9% sales growth. This is primarily due to an increase of 11.1% in PCs, 26.8% in notebooks and also 26.8% in tablets.

In the private telecommunications products segment, the mobile phone sales decreased by 15.6%. However, this segment nevertheless recorded a 4.5% sales surplus which is primarily due to the growth in smartphone sales.

The entertainment electronics segment has also recorded a sales increase of 6.3%. This increase was primarily due to a 13.3% increase in TV sales. Both gfu as well as GfK proceed on the basis of a continued strong demand for home electronics products also in the post-Covid-19 period and are cautiously optimistic about future developments in the overall consumer electronics market also in 2021.

COURSE OF BUSINESS

1. Field of activity

In the fiscal year 2020, the activities of the Company comprised, as in the past, the fiduciary administration of the device and storage media remuneration rights and claims for private copying pursuant to Section 54 UrhG [*German Copyright Act*] in Germany in accordance with the Statutes. The rights pursuant to Section 54 UrhG have been administered both in Germany as well as in the area of private copying on the basis of reciprocity agreements with several foreign collecting societies.

In addition, the Company had been entrusted with the administration of the author's claims pursuant to Sections 27, 22, 20b, 19a UrhG as well as Sections 60a ff. UrhWissG in Germany.

On the basis of reciprocity agreements with several foreign collecting societies, GWFF administers blank tape levy rights and rights in the areas of use at schools and cable retransmission abroad. The rights of the entitled persons are now represented in the following countries: Austria, France, Belgium, Spain, Switzerland, Liechtenstein, the Netherlands, Norway, Ireland, Denmark, Australia, Sweden, Canada, Finland, Luxembourg, Great Britain and New Zealand; since 2005, for the first time, also in Bosnia, Bulgaria, Estonia, Latvia, Lithuania, Slovakia, Slovenia, Poland, Ukraine, Romania, Portugal, South Africa, U.S.A., Iceland, Hungary, Italy and Israel.

2. Revenues

During the period under review, GWFF recorded revenues of EUR 116,001k (2019: EUR 41,725k) for the administration of rights in Germany. Of this amount, EUR 109,584k (2019: EUR 35,782k) are attributable to remuneration pursuant to Section 54 UrhG, EUR 975k (2019: EUR 1,016k) to remuneration pursuant to Section 27 UrhG and EUR 5,442k (2019: EUR 4,927k) to cable retransmission rights in Germany. Compared with the previous year, domestic revenue increased by EUR 74k. This increase is mainly due to the enforcement of claims under Section 54 of the German Copyright Act (UrhG) for the consumer electronics sector against the ZVEI, also retroactively to 2008.

The remuneration from abroad has been increased by EUR 1,938k. The remuneration for cable retransmission rights abroad amounted to EUR 3,137k (2019: EUR 2,595k), thereof EUR 1,533k (2019: EUR 1,131k) for Switzerland and Liechtenstein, EUR 744k (2019: EUR 469k) for Denmark, EUR 524k (2019: EUR 81k) for Austria, EUR 230k (2019: EUR 175k)

for Australia, Bosnia, Finland, Great Britain, Ireland, Iceland, Israel, Canada, Latvia, Luxembourg, the Netherlands, Norway, Poland, Portugal, Serbia, Slovenia, Rumania and Hungary, EUR 55k (2019: EUR 586k) for France, EUR 43k (2019: EUR 132k) for Belgium, EUR 7k (2019: EUR 9k) for the Netherlands, EUR 0k (2019: EUR 10k) for Spain as well as EUR 0k (2019: 3k) for Sweden.

The remuneration for blank tape levy abroad amounted to EUR 3,014k (2019: EUR 1,725k), thereof EUR 1,956k (2019: EUR 1,444k) for Switzerland, EUR 436k (2019: EUR 70k) for France, EUR 355k (2019: EUR 0k) for Austria, EUR 208k (2019: EUR 188k) for Belgium, EUR 40k (2019: EUR 0k) for Sweden, EUR 9k (2019: EUR 21k) for Norway, EUR 7k (2019: EUR 0k) for Spain as well as EUR 2k (2019: EUR 1k) for Denmark.

In addition, an amount of EUR 256k (2019: EUR 149k) has been received for use at schools abroad, thereof EUR 118k (2019: EUR 109k) for Switzerland and Liechtenstein, EUR 69k (2019: EUR 22k) for Denmark, EUR 47k (2019: EUR 0k) for Australia and EUR 22k (2019: EUR 18k) for Austria.

The variation in the received revenues on the basis of a year-on-year comparison is mainly due to the accounting method applied by the respective collecting agency.

3. Interest income

In the fiscal year 2020 banks have charged negative interest/deposit charges on money in the bank amounting to EUR -251k (2019: EUR -142k). In the previous year, additional interest income of EUR 695k was earned from the ZPÜ.

4. Expenses

The operating expenses amounted to EUR 1,738k (2019: EUR 1,727k) (netted against other operating income). The cost rate of the Company is 1.4% related to the rights revenue and 1.5% related to the amounts paid out in the fiscal year.

5. Staff

GWFF efficiently fulfilled the tasks required by law through a small staff of 17 people (2019: 17) on the average in 2020, thereof 5 part-time and additionally 2 temporary staff.

6. Entitled persons

It has been possible to increase the number of the entitled persons of GWFF also in the fiscal year 2020.

7. Distribution of the revenues

During the period under review, quite a few distributions have been made to the entitled persons.

Regarding domestic blank tape revenues:

Receipts from Section 54 UrhG for 2019, solved double registrations and late claims for the years 2005 through 2018 have been distributed to both the producers and – for U.S. films – the Guilds.

Moreover, regarding U.S. films, settlements have been made for the performer's share for 2018 and 2019, for the music share for 2019 and late claims therefor for the years 2008 through 2018.

The settlement has also occurred for French scriptwriters for 2018 .

Foreign blank tape revenues for France, Switzerland, Rumania, Belgium, Denmark, Norway, Sweden have been distributed for various years from 2004 through 2018 as well as remuneration for public reproduction in hotels in Denmark, Spain, Portugal and Columbia for the years 2014 – 2018.

Foreign remuneration for cable retransmission rights in Australia, Bosnia, Belgium, Canada, Denmark, Spain, France, Hungary, Ireland, Israel, Iceland, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Romania, Serbia, Sweden and Slovenia for various years 1984 through 2018 has been paid.

For the revenues from cable retransmission rights in Germany, distributions for the broadcasting year 2019 as well as late claims for 2016 through 2018 have been made to the U.S. Guild of Directors (DGA) and the U.S. Guild of Writers (WGA).

In addition revenues for the use of audiovisual works for teaching and research in Switzerland, Austria, Great Britain, Denmark, Norway, Sweden and Spain, for Film Stills 2018 as well as for Section 27 UrhG (rental/lending fee) for the years 2018 - 201 have also been distributed.

A detailed list of all settlements made can be found in Table 2a on pages 35 and 36 of the Transparency Report 2020.

A total amount of EUR 115,487k (2019: EUR 37,975k) has been distributed to the entitled persons in the fiscal year 2020.

8. Promotion

GWFF has, as in the previous years, carried out its sponsoring measures within the framework of the International Film Festival in Berlin (Berlinale) and awarded again the "Best First Feature Award" which was created in 2006. The EUR 50k prize is awarded in equal parts to the producer and the director of the best feature from the program of the Festival, the Panorama, the Forum and the Perspective of the German Film.

In the fiscal year 2019, GWFF awarded the first prize, i.e. EUR 25k, at the Festival Osteuropäischer Film in Cottbus in addition to the so-called small scholarships for the participation of students of German film colleges in study-linked projects. Within the framework of the Berlinale, the Company also awards the student promotion prize to a student from Eastern Europe. In the fiscal year, prizes for the Best First Feature national and international were awarded for the second time at the Jerusalem Film Festival with a total amount of EUR 25k.

The film university Babelsberg was sponsored for the grant of "Deutschlandstipendien". Further sponsoring was provided, in particular, to the Medienboard Berlin-Brandenburg especially for the project "Artist in Residence for Israeli filmmakers in Germany" as well as the International Student Festival "Sehsüchte" and the "Haus der jungen Produzenten". The Berkshire International Film Festival (with many German films), the Filmmaker Summit

and the Berkshire Film & Media Cooperation have been sponsored via GWFF USA, Inc. Furthermore, GWFF USA, Inc. sponsored the Arthur Burns fellowship (scholarships for a stay of German journalists in the U.S. and of U.S. journalists in Germany with focus on media).

In view of the fact that the sideline job situation of students has become more difficult due to the Covid-19 pandemic, GWFF has established a Covid-19 support fund of EUR 5,000 each at Film University Babelsberg and Filmhochschule Munich.

9. Other activities

GWFF USA, Inc., which has been operating in the U.S. since 2003, serves the great number of entitled persons in the U.S. especially the members of MPA, IFTA as well as DGA, WGA and Screen Actors Guild (SAG).

GWFF holds 51% of the shares of the collecting society AGICOA Urheberrechtsschutz GmbH, Munich, which administers the cable retransmission rights in Germany and abroad. GWFF performs the operational business of AGICOA GmbH for cost refunds. This way substantial synergies and cost savings are realized.

Within the framework of the EUROCOPYA, the Company again took part in the WIPO negotiations and represented the interests of its members vis-à-vis the European Commission.

In 2005 GWFF was licensed as sole licensed German Agency as ISAN Regional Agency Germany by ISAN International Agency in Geneva, Switzerland. ISAN (International Standard Audiovisual Number) is an ISO certified numbering system to identify audiovisual works. In 2006, GWFF formed a subsidiary which, as ISAN Regional Agency, offers registration services to its entitled persons. Meanwhile GWFF holds 51% of the shares; the collecting societies VFF, VG Bild-Kunst and VG Wort hold the remaining shares.

FINANCIAL AND EARNINGS SITUATION

1. Earnings situation

The earnings situation of the Company is determined by its statutory status as non-profit organization as prescribed by the law for collecting societies. Furthermore, it is inherent in the system that most of the royalties collected for authors' and neighboring rights are relating to different periods because the amounts to be distributed are received, and passed on to the Company, by the administering institutions for different periods and the Company then issues the respective statements to the entitled persons with time-lag. The balance arising from all income and expenditure in a fiscal year (EUR 120,419k; 2019: EUR 45,020k) is, as provision for reserves for the entitled persons, shown in full as reserves for entitled persons in accordance with the Statutes.

2. Financial situation

As a result of the requirements of the law, the balance sheet and thus the financial situation of the Company are determined by items in transit. The balance sheet is thus characterized by high cash amounts (EUR 49,993k; 2019: EUR 43,788k) while fixed assets (EUR 1,038k; 2019: EUR 1,002k) and the remaining current assets as well as the deferred items (EUR 197k; 2019: EUR 244k) are of secondary importance. The main items on the liabilities

side are the reserves for entitled persons (EUR 49,050k; 2019: EUR 44,345k) while the remaining reserves (EUR 388k; 2019: EUR 515k), liabilities (EUR 1,686k; 2019: EUR 71k) and also the subscribed capital (EUR 103k; EUR 103k) are secondary items.

MATERIAL RISKS AND OPPORTUNITIES

1. Risk management

The primary objective of the risk management is the controlled and effective handling of the business risks in the day-to-day business. Therefore the Company has adopted the general risk management policy in 2016. An immediate reporting of all risks to the supervisory board is implemented. There have been no risks threatening the Company's viability in 2020.

2. Risk report

The main risks which might have a substantial impact on the assets, liabilities, financial position and earnings situation of the Company are set out below. The risk report includes the risk areas business environment, finance, business processes as well as the legal environment, but also the opportunities.

2.1. Business environment

The income of the company depends on the business development of the equipment industry. The discontinuance of the joint contracts with Bitkom represents a major risk. Moreover, the declining sales of remuneration-relevant products and the possible decrease of foreign income of the Company are also considerable risks.

A further risk regarding the remuneration claim pursuant to Section 54 UrhG consists in a changed user behavior. The private copying behavior is now changing from blank carriers, storage media and private recorders to cloud storage. Without the corrective and balancing action of the legislator, e.g. by introducing a remuneration for storage services, this changed recording behavior leads to a substantial decrease in the amounts payable to the entitled persons.

Moreover, the ongoing decline in private copying on remuneration-relevant products is to be feared due to the growing market and the wide range of video streaming services and their increased use.

According to a Bitkom study (Future of Consumer Technology 2020), the use of videostreaming for motion pictures and series via video-on-demand portals such as Netflix, Amazon Prime Video, Disney+, Apple TV+ and Joyn+ rose by 11% to 53% and the use of media library broadcasts rose by 9% to 74%. The use of media streaming services increased due to the Covid-19 pandemic since, pursuant to a Bitkom survey (Media Use and Covid-19 in 2020), 16% of the Internet users stated that they streamed series and films for the first time ever.

The increased use of these streaming services may result in a decline in "classical" private copying and thus in declining revenues of the Company.

There is the risk of new collecting societies being formed in future which might lead to a reduction of the Company's share; in particular, because the Collecting Societies

Act provides that collecting societies admitted in other EU countries are also admitted in Germany.

It is possible that authors and producers presently represented by GWFF will entrust other collecting societies with their representation.

The management continuously monitors all of the above-mentioned risks in order to be able to take appropriate measures to minimize risks if necessary.

2.2. Finance

The drop in the interest level, the lower interest income and in particular the negative interest involve risks for the Company. The Company endeavors to avoid the risk of both negative interest and bad debt losses as far as possible through investments in accordance with the general investment policy.

2.3. COVID-19 pandemic

The spreading of COVID-19 and the associated recession might impact the financial position and earnings situation of the Company due to payment default by the chargeable entertainment industry and a decline in equipment sales.

The spreading of the virus and the associated economic effects can currently not be foreseen, but the ZPÜ nevertheless expects the remuneration volume to decrease by 9%.

2.3. Business processes

The business processes of the Company are substantially determined by the infrastructure technology. The Company ensures availability of the data and protection from unauthorized access by using modern hardware and software technology. The risk of loss of all data is reduced by data backup measures on a regular basis. After a complete IT hardware and software failure, the Company is able to resume normal work within one week. This is guaranteed by a GWFF IT Risk and Recovery Plan.

As a result of internal controls (e.g. four eyes principle) and an established release procedure before payment of the remuneration to the entitled persons (declarations of release), the risk is being minimized. Moreover, the settlement runs and their compliance with the distribution plan are monitored through internal control systems. In view of the size of the Company no internal audit system has been established.

2.4. Legal environment

While the legal environment involves a persistent exposure, it also provides opportunities. In addition to the legal amendments by the legislator, risks result also from court rulings as well as from the implementation of EU Directives into national legislation.

The Company actively monitors the relevant developments and, via ZPÜ and EUROCOPYA, is in contact with the competent bodies to ensure that the interests are safeguarded in the best possible manner.

2.5. Opportunities

The opportunities of the Company consist in the development of further products which are subject to remuneration, e.g. through the introduction of cloud storage services remuneration, on the one hand, and in the application of the storage and device levy on new types of Internet use based on reproduction, in particular in connection with streaming (tethered copies), on the other hand.

The Company may also realize higher interest income if the interest level increases and possibly increase its foreign revenues.

PRESUMABLE DEVELOPMENT

The Company expects a decline in royalties collected for authors' and neighboring rights in particular because of the increasing number of streaming services. However, the actual impact cannot be predicted since it depends on the future user behavior and the effects of the corona pandemic.

It is intended also in the years to come to distribute the money to the entitled persons at the earliest possible time. The management will further endeavor to reduce the period between collection and payment of the money.

Munich, Mai 31, 2021

**GWFF Gesellschaft zur Wahrnehmung
von Film- und Fernsehrechten mbH**
Managing directors

Prof. Dr. Ronald Frohne

Dr. Gertraude Müller-Ernstberger

C. BESTÄTIGUNGSVERMERK DES UNABHÄNGIGEN ABSCHLUSSPRÜFERS

[reproduction of the original German wording of the unqualified audit opinion, not translated]

An die GWFF Gesellschaft zur Wahrnehmung von Film- und Fernsehrechten mbH,
München

Prüfungsurteile

Ich habe den Jahresabschluss der GWFF Gesellschaft zur Wahrnehmung von Film- und Fernsehrechten mbH, München, – bestehend aus der Bilanz zum 31. Dezember 2020, der Gewinn- und Verlustrechnung und der Kapitalflussrechnung für das Geschäftsjahr vom 1. Januar 2020 bis 31. Dezember 2020 sowie dem Anhang, einschließlich der Darstellung der Bilanzierungs- und Bewertungsmethoden – geprüft. Darüber hinaus habe ich den Lagebericht der GWFF Gesellschaft zur Wahrnehmung von Film- und Fernsehrechten mbH für das Geschäftsjahr vom 1. Januar 2020 bis 31. Dezember 2020 geprüft.

Nach meiner Beurteilung aufgrund der bei der Prüfung gewonnenen Erkenntnisse

- entspricht der beigefügte Jahresabschluss in allen wesentlichen Belangen den deutschen, für Kapitalgesellschaften geltenden handelsrechtlichen Vorschriften sowie den ergänzenden Bestimmungen des Gesetzes über die Wahrnehmung von Urheberrechten und verwandten Schutzrechten durch Verwertungsgesellschaften (Verwertungsgesellschaftengesetz - VGG) und vermittelt unter Beachtung der deutschen Grundsätze ordnungsmäßiger Buchführung ein den tatsächlichen Verhältnissen entsprechendes Bild der Vermögens- und Finanzlage der Gesellschaft zum 31. Dezember 2020 sowie ihrer Ertragslage für das Geschäftsjahr vom 1. Januar 2020 bis 31. Dezember 2020 und
- vermittelt der beigefügte Lagebericht insgesamt ein zutreffendes Bild von der Lage der Gesellschaft. In allen wesentlichen Belangen steht dieser Lagebericht in Einklang mit dem Jahresabschluss, entspricht den deutschen gesetzlichen Vorschriften und stellt die Chancen und Risiken der zukünftigen Entwicklung zutreffend dar.

Gemäß § 322 Abs. 3 Satz 1 HGB erkläre ich, dass meine Prüfung zu keinen Einwendungen gegen die Ordnungsmäßigkeit des Jahresabschlusses und des Lageberichts geführt hat.

Grundlage für die Prüfungsurteile

Ich habe meine Prüfung des Jahresabschlusses und des Lageberichts in Übereinstimmung mit § 317 HGB unter Beachtung der vom Institut der Wirtschaftsprüfer (IDW) festgestellten deutschen Grundsätze ordnungsmäßiger Abschlussprüfung durchgeführt. Meine Verantwortung nach diesen Vorschriften und Grundsätzen ist im Abschnitt "Verantwortung des Abschlussprüfers für die Prüfung des Jahresabschlusses und des Lageberichts" meines Bestätigungsvermerks weitergehend beschrieben. Ich bin von dem Unternehmen unabhängig in Übereinstimmung mit den deutschen handelsrechtlichen und berufsrechtlichen Vorschriften und habe meine sonstigen deutschen Berufspflichten in Übereinstimmung mit diesen Anforderungen erfüllt. Ich bin der Auffassung, dass die von mir erlangten Prüfungsnachweise ausreichend und geeignet sind, um als Grundlage für meine Prüfungsurteile zum Jahresabschluss und zum Lagebericht zu dienen.

Sonstige Informationen

Die gesetzlichen Vertreter sind für die sonstigen Informationen verantwortlich.

Meine Prüfungsurteile zum Jahresabschluss und zum Lagebericht erstrecken sich nicht auf die sonstigen Informationen, und dementsprechend gebe ich weder ein Prüfungsurteil noch irgendeine andere Form von Prüfungsschlussfolgerung hierzu ab.

Im Zusammenhang mit meiner Prüfung habe ich die Verantwortung, die sonstigen Informationen zu lesen und dabei zu würdigen, ob die sonstigen Informationen

- wesentliche Unstimmigkeiten zum Jahresabschluss, zum Lagebericht oder meinen bei der Prüfung erlangten Kenntnissen aufweisen oder
- anderweitig wesentlich falsch dargestellt erscheinen.

Falls ich auf Grundlage der von mir durchgeführten Arbeiten den Schluss ziehe, dass eine wesentliche falsche Darstellung dieser sonstigen Informationen vorliegt, bin ich verpflichtet, über diese Tatsache zu berichten. Ich habe in diesem Zusammenhang nichts zu berichten.

Verantwortung der gesetzlichen Vertreter und des Aufsichtsrats für den Jahresabschluss und den Lagebericht

Die gesetzlichen Vertreter sind verantwortlich für die Aufstellung des Jahresabschlusses, der den deutschen, für Kapitalgesellschaften geltenden handelsrechtlichen Vorschriften sowie den ergänzenden Bestimmungen des Gesetzes über die Wahrnehmung von Urheberrechten und verwandten Schutzrechten durch Verwertungsgesellschaften (Verwertungsgesellschaftengesetz – VGG) in allen wesentlichen Belangen entspricht, und dafür, dass der Jahresabschluss unter Beachtung der deutschen Grundsätze ordnungsmäßiger Buchführung ein den tatsächlichen Verhältnissen entsprechendes Bild der Vermögens-, Finanz- und Ertragslage der Gesellschaft vermittelt. Ferner sind die gesetzlichen Vertreter verantwortlich für die internen Kontrollen, die sie in Übereinstimmung mit den deutschen Grundsätzen ordnungsmäßiger Buchführung als notwendig bestimmt haben, um die Aufstellung eines Jahresabschlusses zu ermöglichen, der frei von wesentlichen – beabsichtigten oder unbeabsichtigten – falschen Darstellungen ist.

Bei der Aufstellung des Jahresabschlusses sind die gesetzlichen Vertreter dafür verantwortlich, die Fähigkeit der Gesellschaft zur Fortführung der Unternehmenstätigkeit zu beurteilen. Des Weiteren haben sie die Verantwortung, Sachverhalte in Zusammenhang mit der Fortführung der Unternehmenstätigkeit, sofern einschlägig, anzugeben. Darüber hinaus sind sie dafür verantwortlich, auf der Grundlage des Rechnungslegungsgrundsatzes der Fortführung der Unternehmenstätigkeit zu bilanzieren, sofern dem nicht tatsächliche oder rechtliche Gegebenheiten entgegenstehen.

Außerdem sind die gesetzlichen Vertreter verantwortlich für die Aufstellung des Lageberichts, der insgesamt ein zutreffendes Bild von der Lage der Gesellschaft vermittelt sowie in allen wesentlichen Belangen mit dem Jahresabschluss in Einklang steht, den deutschen gesetzlichen Vorschriften entspricht und die Chancen und Risiken der zukünftigen Entwicklung zutreffend darstellt. Ferner sind die gesetzlichen Vertreter verantwortlich für die Vorkehrungen und Maßnahmen (Systeme), die sie als notwendig erachtet haben, um die Aufstellung eines Lageberichts in Übereinstimmung mit den anzuwendenden deutschen gesetzlichen Vorschriften zu ermöglichen, und um ausreichende geeignete Nachweise für die Aussagen im Lagebericht erbringen zu können.

Der Aufsichtsrat ist verantwortlich für die Überwachung des Rechnungslegungsprozesses der Gesellschaft zur Aufstellung des Jahresabschlusses und des Lageberichts.

Verantwortung des Abschlussprüfers für die Prüfung des Jahresabschlusses und des Lageberichts

Meine Zielsetzung ist, hinreichende Sicherheit darüber zu erlangen, ob der Jahresabschluss als Ganzes frei von wesentlichen – beabsichtigten oder unbeabsichtigten – falschen Darstellungen ist, und ob der Lagebericht insgesamt ein zutreffendes Bild von der Lage der Gesellschaft vermittelt sowie in allen wesentlichen Belangen mit dem Jahresabschluss sowie mit den bei der Prüfung gewonnenen Erkenntnissen in Einklang steht, den deutschen gesetzlichen Vorschriften entspricht und die Chancen und Risiken der zukünftigen Entwicklung zutreffend darstellt, sowie einen Bestätigungsvermerk zu erteilen, der meine Prüfungsurteile zum Jahresabschluss und zum Lagebericht beinhaltet.

Hinreichende Sicherheit ist ein hohes Maß an Sicherheit, aber keine Garantie dafür, dass eine in Übereinstimmung mit § 317 HGB unter Beachtung der vom Institut der Wirtschaftsprüfer (IDW) festgestellten deutschen Grundsätze ordnungsmäßiger Abschlussprüfung durchgeführte Prüfung eine wesentliche falsche Darstellung stets aufdeckt. Falsche Darstellungen können aus Verstößen oder Unrichtigkeiten resultieren und werden als wesentlich angesehen, wenn vernünftigerweise erwartet werden könnte, dass sie einzeln oder insgesamt die auf der Grundlage dieses Jahresabschlusses und Lageberichts getroffenen wirtschaftlichen Entscheidungen von Adressaten beeinflussen.

Während der Prüfung übe ich pflichtgemäßes Ermessen aus und bewahre eine kritische Grundhaltung. Darüber hinaus

- identifiziere und beurteile ich die Risiken wesentlicher – beabsichtigter oder unbeabsichtigter – falscher Darstellungen im Jahresabschluss und im Lagebericht, plane und führe Prüfungshandlungen als Reaktion auf diese Risiken durch sowie erlange Prüfungsnachweise, die ausreichend und geeignet sind, um als Grundlage für meine Prüfungsurteile zu dienen. Das Risiko, dass wesentliche falsche Darstellungen nicht aufgedeckt werden, ist bei Verstößen höher als bei Unrichtigkeiten, da Verstöße betrügerisches Zusammenwirken, Fälschungen, beabsichtigte Unvollständigkeiten, irreführende Darstellungen bzw. das Außerkraftsetzen interner Kontrollen beinhalten können.
- gewinne ich ein Verständnis von dem für die Prüfung des Jahresabschlusses relevanten internen Kontrollsystem und den für die Prüfung des Lageberichts relevanten Vorkehrungen und Maßnahmen, um Prüfungshandlungen zu planen, die unter den gegebenen Umständen angemessen sind, jedoch nicht mit dem Ziel, ein Prüfungsurteil zur Wirksamkeit dieser Systeme der Gesellschaft abzugeben.
- beurteile ich die Angemessenheit der von den gesetzlichen Vertretern angewandten Rechnungslegungsmethoden sowie die Vertretbarkeit der von den gesetzlichen Vertretern dargestellten geschätzten Werte und damit zusammenhängenden Angaben.
- ziehe ich Schlussfolgerungen über die Angemessenheit des von den gesetzlichen Vertretern angewandten Rechnungslegungsgrundsatzes der Fortführung der Unternehmenstätigkeit sowie, auf der Grundlage der erlangten Prüfungsnachweise, ob eine wesentliche Unsicherheit im Zusammenhang mit Ereignissen oder Gegebenheiten besteht, die bedeutsame Zweifel an der Fähigkeit der Gesellschaft zur Fortführung der

Unternehmenstätigkeit aufwerfen können. Falls ich zu dem Schluss komme, dass eine wesentliche Unsicherheit besteht, bin ich verpflichtet, im Bestätigungsvermerk auf die dazugehörigen Angaben im Jahresabschluss und im Lagebericht aufmerksam zu machen oder, falls diese Angaben unangemessen sind, mein jeweiliges Prüfungsurteil zu modifizieren. Ich ziehe meine Schlussfolgerungen auf der Grundlage der bis zum Datum meines Bestätigungsvermerks erlangten Prüfungsnachweise. Zukünftige Ereignisse oder Gegebenheiten können jedoch dazu führen, dass die Gesellschaft ihre Unternehmenstätigkeit nicht mehr fortführen kann.

- beurteile ich die Gesamtdarstellung, den Aufbau und den Inhalt des Jahresabschlusses einschließlich der Angaben sowie ob der Jahresabschluss die zugrunde liegenden Geschäftsvorfälle und Ereignisse so darstellt, dass der Jahresabschluss unter Beachtung der deutschen Grundsätze ordnungsmäßiger Buchführung ein den tatsächlichen Verhältnissen entsprechendes Bild der Vermögens-, Finanz- und Ertragslage der Gesellschaft vermittelt.
- beurteile ich den Einklang des Lageberichts mit dem Jahresabschluss, seine Gesetzesentsprechung und das von ihm vermittelte Bild von der Lage des Unternehmens.
- führe ich Prüfungshandlungen zu den von den gesetzlichen Vertretern dargestellten zukunftsorientierten Angaben im Lagebericht durch. Auf Basis ausreichender geeigneter Prüfungsnachweise vollziehe ich dabei insbesondere die den zukunftsorientierten Angaben von den gesetzlichen Vertretern zugrunde gelegten bedeutsamen Annahmen nach und beurteile die sachgerechte Ableitung der zukunftsorientierten Angaben aus diesen Annahmen. Ein eigenständiges Prüfungsurteil zu den zukunftsorientierten Angaben sowie zu den zugrunde liegenden Annahmen gebe ich nicht ab. Es besteht ein erhebliches unvermeidbares Risiko, dass künftige Ereignisse wesentlich von den zukunftsorientierten Angaben abweichen.

Ich erörtere mit den für die Überwachung Verantwortlichen unter anderem den geplanten Umfang und die Zeitplanung der Prüfung sowie bedeutsame Prüfungsfeststellungen, einschließlich etwaiger Mängel im internen Kontrollsystem, die ich während meiner Prüfung feststelle.

München, den 30. Juni 2021

Dr. Dieter Eder
Wirtschaftsprüfer

D. REJECTED REQUESTS OF USERS REGARDING THE GRANTING OF RIGHTS OF USE

No requests of users regarding the granting of rights of use have been rejected in the fiscal year 2020.

E. LEGAL FORM AND ORGANIZATIONAL STRUCTURE

I. Legal basis

Formation	The Company exists in the legal form of a GmbH [<i>German limited liability company</i>] since March 19, 1982.
Name	GWFF Gesellschaft zur Wahrnehmung von Film- und Fernsehrechten mbH
Seat	Munich
Statutes	The current Statutes are dated November 23, 2016.
Commercial Register	<p>The Company is entered in Section B, No. 69235, of the Commercial Register at the Amtsgericht München [<i>Local Court Munich</i>].</p> <p>The most recent entry was made on March 13, 2017. It comprises the new version of the Statutes in accordance with the shareholder resolution of November 23, 2016.</p>
Purpose	<p>The fiduciary administration of rights and claims in the national territory and abroad which result from the Copyright Act in conjunction with the international and/or bilateral conventions for film producers, television producers, videogram producers, foreign actors and authors or which have been transferred to them, and the distribution of the revenue to the entitled persons.</p> <p>The Company is a collecting society within the meaning of Section 2 VGG [<i>German Collecting Societies Act</i>]. It is not operated for profit.</p> <p>The authorization required for the activity of the Company pursuant to Section 1 UrhWG [<i>German Act on the Administration of Copyright and Neighboring Rights</i>] has been granted by notification of the President of the German Patent Office of August 4, 1982. The Company is subject to supervision by the President of the German Patent and Trademark Office.</p>
Fiscal year	The fiscal year is the calendar year.
Size of the Company	The Company is a large corporation within the meaning of Section 267(2) HGB [<i>German Commercial Code</i>]. But according to Section 57(1) VGG, however, the collecting societies must apply the provisions applicable to large corporations in any case.
Nominal capital	The nominal capital of EUR 103,000 is entered in the

Commercial Register and fully paid up.

Shareholders

The shareholding is as follows:

	Dec 31, 2020 EUR
Wilhelm-Fraenger-Institut Berlin gemeinnützige GmbH, Berlin	47.380
Taurus Lizenz Beteiligungs GmbH, Unterföhring	15.450
UFA Film- und Fernseh GmbH, Cologne	10.300
Tellux Beteiligungsgesellschaft mbH, Munich	10.300
LEONINE Licensing AG, Munich	9.270
Metropolitan Import-Export Brackel GmbH & Co. KG, Munich	5.150
MONARDA Arts GmbH, Halle	5.150
	103.000

II. Bodies of the Company

Managing directors

In the fiscal year 2020, the managing directors were

- Rechtsanwalt [*attorney-at-law*]
Prof. Dr. Ronald Frohne, Berlin
- Rechtsanwältin [*attorney-at-law*]
Dr. Gertraude Müller-Ernstberger, Munich

Each managing director holds power of individual representation.

Shareholders' meeting

The rights and duties of the shareholders' meeting are set forth in Article 8 of the Statutes. The following resolutions have been adopted at the shareholders' meeting of August 18, 2020:

- approval of the financial statements for the year ended December 31, 2019 and the transparency report 2019
- discharge of the management for the fiscal year 2019
- election of the auditor for the fiscal year 2020

Supervisory board

In the fiscal year 2016, the Company has established a supervisory board pursuant to Section 22 VGG [German Collecting Societies Act] which has six (6) members in accordance with the Statutes. The rights and duties of the supervisory board are set forth in Article 10 of the Statutes.

The following members have been elected at the shareholders' meeting of December 1, 2016 for a term of four (4) years:

- Dr. Christian Hauptmann,
deputy head of legal department UFA Film und Fernseh GmbH, Cologne (elected chairman on April 25, 2018)
- Mr. Chris Marcich,
international expert and chief executive officer of Croatian Film Fund, Zagreb (elected vice chairman on April 25, 2018)
- Mr. Nikolaus Brudny,
Rechtsanwalt [lawyer] Taurus Lizenz Beteiligungs GmbH, Unterföhring
- Mr. Martin Choroba,
TELLUX Beteiligungsgesellschaft mbH, Munich
- Mr. Michael Fuehr (until January 30, 2020), Mr. Manuel Fuehr (from January 30, 2020)
managing director Metropolitan, Import-Export Brackel GmbH & Co. KG, Munich
- Mr. Philip Löhr,
head of legal department LEONINE Licensing AG, Munich

Supervisory board meetings were held in the fiscal year 2020 on August 18, 2020.

Advisory board

The advisory board, which is composed of six (6) members in accordance with the Statutes and whose rights and duties are set out in Article 13 of the Statutes, was composed as follows in the fiscal year 2020:

appointed by the shareholders' meeting for a term of four (4) years (renominated on April 25, 2018):

- Prof. Dr. Herbert Kloiber, Munich
- Mr. Nikolaus Brudny, Unterföhring

elected as representatives of the producers at the meeting of the entitled persons of April 25, 2018 for a term of four (4) years:

- Mr. Idzard van der Puyl, Paris/France
- Mr. Chris Marcich, Zagreb/Croatia

elected as representatives of the authors at the meeting of the entitled persons of April 25, 2018 for a term of four (4) years:

- Mr. Bob Hadl, Los Angeles/U.S.A.
- Prof. Jürgen Haase, Berlin (since April 25, 2018)
- Dr. Dieter Meier, Bern/Switzerland (until April 25, 2018)

elected as substitute advisory member:

- Mr. Miguel Angel Benzal, Madrid/Spain

The term used to be three (3) years. After introduction of the VGG the Statutes of the Company have been revised and the term for the representatives of the advisory board was increased to four (4) years.

Advisory board meetings were held in the fiscal year 2020 on August 18, 2020.

Meeting of the entitled persons

The last meeting of the entitled persons at which the above-named advisory board members were elected in accordance with the Statutes was held on April 25, 2018.

After introduction of the VGG the Statutes of the Company have been revised and the term for the meeting of the entitled persons has been increased to four (4) years.

III. Entitled persons

Entitled persons ("rightholders" until the time when the German Collecting Societies Act came into force) are domestic and foreign film producers, television producers, videogram producers, foreign actors and authors.

The entitled persons may transfer the following rights and claims to GWFF for fiduciary administration on the basis of an Administration Agreement:

1. The remuneration claims pursuant to Section 27(1+2) UrhG [*German Copyright Act*] for the rental and the lending of copies including audio-visual carriers.
2. Remuneration claims against the producers, importers or dealers of devices and storage media which, by their nature, may be used, alone or in conjunction with other devices, storage media or equipment, for making reproductions by recording broadcasts on an audiovisual carrier or by transfer from one audio-visual carrier to another (Section 54 UrhG).
3. The remuneration claims for making the works available to the public for teaching and research pursuant to Section 52a UrhG former version (Section 60a UrhG current version).
4. The remuneration claim for making published works available at electronic reading places in public libraries, museums and archives pursuant to Section 52b UrhG (Sections 60e, 60f UrhG current version).
5. The right of reproduction and distribution of copies of a work made for other than gainful purposes for, and the distribution thereof exclusively to, persons for whom access to the work in a form of perception already available is not possible or considerably more difficult due to disability if and to the extent required for enabling access.
6. The right to make individual copies of event-driven, reporting and documenting television programs by recordings on audio-visual carriers for non-commercial educational purposes and to communicate the same in teaching events of educational institutions themselves.
7. The right of simultaneous, unchanged and complete, analog and digital retransmission of broadcasts abroad
 - 7.1. through cable systems or cable-like systems (e.g. broadband, telephone cable, fiber optic cable, open or closed network), IPTV, microwave systems, via satellite, terrestrially, mobile radio (for example, without limitation, GPRS, UMTS, LTE) or other wired or wireless distribution paths;
 - 7.2. as live stream on the Internet or via another computer network (e.g. virtual private network (VPN)). This includes the linking and/or feeding into P2P streaming networks and any other provision of access to the live stream via a computer network for simultaneous reception and any other inclusion and/or any other adoption on websites, irrespective of whether in a separate browser window and regardless of what software is used;

- 7.3. within the scope of an online video recorder (online personal video recorder) and other recording media which are only accessible via the Internet or any other computer network.
8. The right of making online broadcasts available to the public (Section 19a UrhG). This includes, in a supplementary manner, the right of reproduction (Section 16 UrhG) if and to the extent necessary for making the broadcast available to the public (for example, without limitation, instant restart, replay).
9. Other copyright claims which are derived from retransmission and which can only be exercised collectively due to statutory provisions.

The granting of the rights covers all copyrights and neighboring rights (including those of performing artists) to which the entitled person is entitled, originally or derivatively, in films and/or audio-visual carriers.

The granting of these rights is not limited to the territory of the Federal Republic of Germany but can be transferred worldwide or for individual countries.

IV. Organization of the Company

The organization of GWFF is structured in the following areas in accordance with its Statutes:

- administration of the rights transferred to GWFF vis-à-vis the users of those rights
- fiduciary investment and administration of the collected amounts
- preparation and execution of the distribution of the collected amounts to the entitled persons

For the administration of the amounts collected on a fiduciary basis, the shareholders' meeting of GWFF has adopted the investment policy principles on September 12, 2016 and the risk management policy on December 1, 2016 which have been defined in the investment guideline of GWFF.

The Company efficiently fulfills the tasks required by law through a small team.

F. DEPENDENT COLLECTING ENTITIES

GWFF participates in the following civil law partnerships without capital contribution:

- Zentralstelle für private Überspielungsrechte (ZPÜ), Munich, management by GEMA
- Zentralstelle Bibliothekstantieme (ZBT), Munich, management by VG Wort

ZPÜ is an association of nine (9) German collecting societies (GEMA, GÜFA, GVL, GWFF, TWF, VFF, VGF, VG Bild-Kunst, VG Wort) in the legal form of a civil law partnership. The purpose of ZPÜ is the assertion and enforcement of the statutory remuneration claims pursuant to Section 54(1) UrhG [German Copyright Act] (device and storage media levy) as well as the collection, administration and distribution of the revenue. ZPÜ prepares a transparency report of its own to which reference is hereby made. GWFF's share of the total volume of ZPÜ in the audio and audiovisual sector is 15.00%.

ZBT is an association of the collecting societies VG Wort, GEMA, VG Bild-Kunst, GVL, VGF, GWFF, VFF and VG Musikedition in the legal form of a civil law partnership. ZBT is entrusted with the assertion of the claims pursuant to Section 27(2) UrhG [German Copyright Act] (library levy) and of the claims pursuant to Section 52a UrhG [German Copyright Act] former version (Section 60a UrhG current version) (Intranet use at schools). Regarding ZBT, reference is hereby made to the statements in the transparency report prepared by the managing partner VG Wort. GWFF receives a share of 5.23% of the ZBT revenue pursuant to Section 27(2) UrhG [German Copyright Act] and a share of 6.09% pursuant to Section 52a UrhG [German Copyright Act] former version (Section 60a UrhG current version).

G. REMUNERATION OF THE BODIES

In the fiscal year 2020 the remuneration of the management amounted to EUR 254,527.26.

The supervisory board members and the advisory board members serving in an honorary capacity have not received remuneration in the fiscal year 2020.

H. FINANCIAL INFORMATION

I. Rights revenue and use of rights revenue

The rights revenue is composed as follows:

Chart 1: Rights revenue in the fiscal year 2020:

	2020 EUR
a) Domestic	
Remuneration pursuant to Section 54 UrhG (device and storage media levy) from	
ZPÜ for PC revenue	87,446,217.23
GEMA for PC revenue	13,584,188.37
GVL for PC revenue (SAG)	1,563,764.06
VG Bild-Kunst for directors	179,573.46
VG Bild-Kunst for PC revenue (Film Stills)	6,114,626.59
VG Wort for PC revenue	695,481.72
	109,583,851.43
Remuneration pursuant to Section 27 UrhG (video rental levy, library levy) from	
GEMA for video rental levy	27,140.45
VG Wort for video rental levy	28,195.97
VG Bild-Kunst for video rental levy	40,244.40
VG Bild-Kunst for education and research	55,849.73
VG Wort for library levy	792,431.08
VG Wort for public reproduction	31,409.26
	975,270.89
Remuneration for cable retransmission rights from	
AGICOA GmbH for U.S. Guilds	4,459,299.85
VG Wort German broadcasters in cable Austria for U.S. Guilds	773,346.22
VG Wort	204,908.94
VG Bild Kunst for directors	4,677.91
	5,442,232.92
Total domestic	116,001,355.24
b) Abroad	
Remuneration for cable retransmission rights	
Switzerland/Liechtenstein (administration by SUISSIMAGE, Bern and SWISSPERFORM, Zurich)	1,533,189.30
Denmark (administration by PRD, Copenhagen)	744,349.01
Austria (administration by VAM, Vienna)	524,320.89
Australia, Bosnia, Finland, Great Britain, Ireland, Iceland, Israel, Canada, Latvia, Luxembourg, the Netherlands, Norway, Poland, Portugal, Serbia, Slovenia, Romania, Hungary (administration by AGICOA Geneva)	230,207.40
Belgium (administration by AGICOA, Brussels)	42,776.40
France (administration by ANGOA, Paris)	54,622.73
Spain (administration by EGEDA, Madrid)	115.72
Netherlands (administration by VIDEMA, Noordeloos)	7,039.95
	3,136,621.40
Remuneration for device and storage media levy	
Switzerland/Liechtenstein (administration by SUISSIMAGE, Bern and SWISSPERFORM, Zurich)	1,956,290.27
France (administration by PROCIREP, Paris)	436,189.29
Belgium (administration by PROCIBEL, Brussels)	208,299.60
Norway (administration by NORWACO, Oslo)	8,971.01
Denmark (administration by PRD, Copenhagen)	1,783.43
Austria (administration by VAM, Vienna)	354,859.98
Romania (administration by UPFAR, Bucharest)	351.40
Sweden (administration by FRF, Stockholm)	40,051.37
Spain (administration by EGEDA, Madrid)	7,292.43
Poland (administration by SFP-ZAPA, Warsaw)	200.15
	3,014,288.93

Remuneration for teaching and research

Switzerland/Liechtenstein (administration by SUISSIMAGE, Bern and SWISSPERFORM, Zurich)	117,795.93
Austria (administration by VAM, Wien)	22,005.00
Denmark (administration by PRD, Copenhagen)	68,587.14
Australia (administration by AVCS Screenrights, Australia)	47,498.12
	<hr/>
	255,886.19
Total abroad	<hr/> 6,406,796.52 <hr/>
Rights revenue	<hr/> 122,408,151.76 <hr/>

II. Cost of rights administration

The costs incurred in the fiscal year 2020 and shown in the profit and loss statement (see A. II.) are exclusively generated by the rights administration on behalf of the entitled persons. The Company does not provide any other services or benefits to the entitled persons or members.

The costs are covered by the rights revenue pursuant to Section 31 VGG [*German Collecting Societies Act*]. Article 4 of the Statutes and/or the Distribution Plans. The Company has adopted general principles on the deduction of administrative costs in this regard.

According to the current version of these general principles of September 30, 2016, the Company applies an administrative cost rate determined on the basis of the preceding five (5) fiscal years unless the distributions of the current year justify the application of a lower percentage. The revenues of the Company are subject to deduction of administrative costs at a rate of currently 4.02% and 4.14% since August 2020 in the year of distribution to the entitled persons. As far as the applied administrative cost rate is insufficient to cover the actual costs of any distribution year, the difference shall be taken from the working capital reserve (WCR) set aside by the Company. If the applied administrative cost rate results in amounts exceeding the actual costs in the year of distribution, the difference shall be added to the WCR. In the event that the WCR covers more than the administrative costs of the preceding 24 months, the excess amount shall be distributed to the entitled persons in addition to the next distribution amount. The WCR is established for the first time effective January 1, 2017 amounting to EUR 1.500.000 (shareholder resolution of December 1, 2016).

In view of the size of the Company, the costs are not directly attributed to the individual rights categories. The administrative cost rate is equally applied to all rights categories.

The cost rate of the Company is 1.4% related to the rights revenue in the fiscal year 2020 and 1.5% related to the amounts paid in the fiscal year 2020.

The cost rate calculated on the basis of the above mentioned principles was deducted from the settlement runs [*Abrechnungsläufe*] made in the fiscal year 2020. Therefore, a total amount of EUR 4,978,313.40 was deducted from the gross distribution amounts and added to the WCR. In return the actual cost of the fiscal year 2020 had been financed by disposing from the WCR. The calculation based on the above mentioned principles resulted in an excess amount of EUR 101,139.06 for the WCR as of December 31, 2019, that was added to the settlement runs in the fiscal year 2020. The calculation of a possible surplus of the

WCR as of December 31, 2020, according to the principles mentioned above will be performed for the next settlement runs in 2021.

The WCR development is shown in the table of the reserves for the entitled persons (Chart 3) on page 38.

III. Amounts due to the entitled persons

a) Aggregate of the amounts allocated to the entitled persons

The rights revenue is distributed on the basis of the Distribution Plans of the Company. The Distribution Plans of GWFF may be accessed on the website of the Company (www.gwff.de).

Various settlement runs [*Abrechnungsläufe*] have been made in the fiscal year 2020. The amounts allocated to the entitled persons are set out in detail in Charts 2a and 2b on pages 35-37.

b) Aggregate of the amounts distributed to the entitled persons

The entitled persons are notified of the respective result of the settlement runs by way of distribution letters. After the formal requirements have been fulfilled (especially reconciliation of the film lists, confirmation and release by the entitled person, verification of the bank account, obtaining tax exemption notices, if any), the remuneration is remitted to the entitled person without undue delay. The fulfillment of the formal requirements by the entitled persons may take some time so that, in those cases, the remittance can only be made after the end of the year in which the settlement run is made.

On the basis of the settlement runs in the fiscal year 2020 referred to above and explained in Charts 2a and 2b on pages 35-37, a total amount of EUR 113,107,450.99 has been paid to the entitled persons, which are shown as usage in the reserves statement (Chart 3 on page 38).

For settlement runs 2019 an amount of EUR 2,302,649.43 had been paid out and for settlement runs before 2019 an amount of EUR 77,293.56, which are also shown as usage in the reserves statement (Chart 3 on page 38).

Overall, a total amount of EUR 115,487,393.98 has been paid to the entitled persons.

Details and the composition are also shown in Charts 2a and 2b settlement runs in the fiscal year 2020 on pages 35-37 and the reserves statement after H. III. e) (Chart 3 on page 38).

c) Distribution dates

The distribution dates for the settlement runs made in the fiscal year 2020 are also shown in Chart 2a.

**Chart 2a: Settlement runs in the fiscal year 2020:
according to individual settlements per rights category:**

Distribution-Date	Individual settlements per Rights Category	Dis-tribution-Period	Gross Dis-tribution EUR	Late Claims from Reserves EUR	Solved Double Registrations EUR
Distributions pursuant to Distribution Plan Section 54 UrhG:					
Device and storage media remuneration for private copying					
May 14, 2020	PC-levy burner hard disks tablets blanks mobile phones	2018	5,960,483.31		
May 20, 2020	Music Performers Share PC mobile phones tablets burner hard disks blanks	2018	1,244,232.22		
June 22, 2020	Performers Share PC CD/DVD burner HDD blank CD/DVD mobile phones tablets	2018	1,243,080.02		
June 23, 2020	Music Performers Share CD/DVD burner HDD blank CD/DVD PC mobile phones tablets	2018	403,918.95		
July 28, 2020	PC-levy mobile phones tablets burner hard disks blanks Late Claims and solved double registrations	1999-2017, 2015-2017		1,267,439.44	3,054,626.02
Aug 04, 2020	Mobile phones tablets blank CD/DVD CD/DVD burner HDD PC	2011-2014, 2015-2017		274,112.34	
Aug 05, 2020	PC-levy tablets mobile phones burner hard disks blanks Consumer Electronics Products USB stick memory cards	2019	18,871,591.94		
Aug 21, 2020	PC-levy tablets mobile phones burner hard disks blanks Consumer Electronics Products USB stick memory cards	2016-2018	24,314,863.32		
Aug 31, 2020	PC-levy tablets mobile phones burner hard disks blanks Consumer Electronics Products USB stick memory cards	2012-2015	20,240,522.79		
Sep 07, 2020	PC-levy tablets mobile phones burner hard disks blanks Consumer Electronics Products USB stick memory cards	2008-2011	22,495,612.30		
Sep 10, 2020	CD/DVD burner HDD blank CD/DVD PC mobile tablets Public Performance Author Share	2018	588,259.52		
Oct 19, 2020	Performers Share PC mobile phones tablets burner blanks MP4 player	2019	684,299.00		
Oct 20, 2020	Performers Share CD/DVD burner HDD blank CD/DVD PC mobile phones tablets MP4 player	2019	223,768.66		
Oct 26, 2020	PC-levy Film Stills	2018	601,950.85		
Oct 30, 2020	Music Performers Share PC tablets mobile phones burner hard disks blanks Consumer Electronics Products USB stick memory cards	2019	2,289,800.11		
Nov 30, 2020	Music Performers Share PC tablets mobile phones burner hard disks blanks Consumer Electronics Products USB stick memory cards	2016-2018	3,686,396.08		
Dec 03, 2020	Music Performers Share PC tablets mobile phones burner hard disks blanks Consumer Electronics Products USB stick memory cards	2012-2015	3,788,347.91		
Dec 07, 2020	Music Performers Share PC tablets mobile phones burner hard disks blanks Consumer Electronics Products USB stick memory cards	2002-2007, 2008-2011, 2009, 2010, 2011	3,381,274.69		
June 08, 2020	Directors' Rights	2002-2018	103,556.90		
Dec 14, 2020	Directors' Rights	2008-2016, 2018	145,947.54		
			110,267,906.11	1,541,551.78	3,054,626.02

**Chart 2a: Settlement runs in the fiscal year 2020:
Individual settlements per rights category - continued:**

Distribution-Date	Individual settlements per Rights Category	Dis-tribution-Period	Gross Dis-tribution	Late Claims from Reserves	Solved Double Registrations
			EUR	EUR	EUR
Distributions pursuant to Distribution Plan Section 27 UrhG:					
Video rental fee and library fee					
Mar 13/17, 2020	Main distribution	2018	892,257.66		
Sep 24, 2020	DVD & Video Rental and Lending Levy Author Share	2019	46,780.44		
Nov 11/12, 2020	Main distribution	2019	853,192.53		
			<u>1,792,230.63</u>		
Distributions pursuant to Distribution Plan for revenue abroad::					
Device and storage media remuneration, cable retransmission, public reproduction, use at school and digital services abroad					
Jan 17, 2020	France (KW)	1998-2018	582,986.36		
Feb 10, 2020	Switzerland (LK KW Handelstonbildträger use at school) incl. resolution of conflicts	1993-2012, 1999-2017, 2013-2018	2,172,103.37		87,437.29
Feb 24, 2020	Australia Belgium Finland Haiti Ireland Island Israel Canada Croatia Luxembourg Netherlands Norway Poland Portugal Romania Sweden Serbia Slovenia Spain Denmark (KW Digital Service)	Div. Jahre ¹	851,081.07		
April 29, 2020	Denmark France Norway Sweden Spain Colombia Portugal UK Netherlands (LK use at school public reproduction)	Div. Jahre ²	137,536.28		
July 21, 2020	Austria (LK KW use at school public reproduction)	2008-2013, 2015, 2016, 2018, 2007-2012, 2009-2017	729,745.47		
Sep 22, 2020	Switzerland (Handelstonbildträger LK KW use at school)	2013-2018, 2017-2018	160,031.21		
Oct 01, 2020	Belgium (LK)	2004-2009	207,687.24		
Oct 14, 2020	Austria Switzerland France Netherlands Belgium (KW Author Share German Channels)	2018	90,943.99		
			<u>4,932,114.99</u>		<u>87,437.29</u>
Distributions Cable Retransmission					
June 10, 2020	Germany Author Share	2019	4,459,299.85		
Sept. 10, 2020	Germany Author Share	2018	148,483.24		
Sept. 16, 2020	Germany Author Share	2018, 2019	61,874.23		
Nov 26, 2020	Germany Author Share Late Claims	2017-2019		86,952.60	
Dec 09, 2020	Germany Author Share Late Claims	2016-2018		104,127.78	
			<u>4,669,657.32</u>	<u>191,080.38</u>	
			<u>121,661,909.05</u>		

¹ 2010-2017, 1984-2018, 2016-2018, 2015-2018, 2001-2017, 2014-2017, 2013-2018, 2016, 2016-2017, 1992-2017, 2014-2017, 2001-2018, 1988-2018, 2010-2017, 2009-2018, 2017-2018, 2009, 2007-2018, 2014-2015, 2007-2017, 2018

² 2007-2018, 2012-2018, 2017, 2018, 2016-2018, 2015, 2014-2017, 2012-2013

**Chart 2b: Settlement runs in the fiscal year 2020:
Totals by rights category:**

Rights Category Totals	Distributions pursuant to Distribution Plan Section 54 UrhG	Distributions pursuant to Distribution Plan Section 27 UrhG	Distributions pursuant to Distribution Plan for revenue abroad	Distributions cable retransmission Author Share	Total over all Rights Categories
	EUR	EUR	EUR	EUR	EUR
Gross distribution	110,267,906.11	1,792,230.63	4,932,114.99	4,669,657.32	121,661,909.05
Late claims from reserves	1,541,551.78			191,080.38	
Solved double registrations	3,054,626.02		87,437.29		
Released reserves	2,802,376.38	233,829.01	19,186.73		
Sum of late claims/solved double registrations/reserves					7,930,087.59
Costs	-4,521,493.89	-72,587.06	-198,821.39	-185,411.06	-4,978,313.40
Deductions for funds, reserves	-3,504,117.70	-200,330.41	0.00	-214,001.80	-3,918,449.91
Allocated to the entitled persons	109,640,848.70	1,753,142.17	4,839,917.62	4,461,324.84	120,695,233.33
thereof paid out in 2020	-102,323,431.28	-1,598,512.44	-4,725,201.61	-4,460,305.66	-113,107,450.99
thereof payment impediment					
-- Double registrations	-2,610,069.16	-146,348.29	-24,435.25	0.00	-2,780,852.70
-- Withdrawals, legal examinations	-373,639.44	-737.04	-71,229.12	-1,019.18	-446,624.78
Balance as at Dec 31, 2020 not yet disbursed	4,333,708.82	7,544.40	19,051.64	0.00	4,360,304.86

d) Aggregate of the amounts not yet allocated to the entitled persons

From the rights revenue received in 2020 an amount of EUR 11,053,228.42 has not yet been allocated. Additionally, the reserves for non-registered works and other claims of third parties in the amount of EUR 9,509,632.85 set up from the gross distribution amounts in accordance with the Distribution Plans have not yet been allocated. Therefore, the aggregate of the amounts not yet allocated to the entitled persons is EUR 20,562,861.27.

e) Aggregate of the amounts allocated, but not yet distributed, to the entitled persons

Reference is made to Charts 2a and 2b on pages 35-37 with details of the settlement runs made in the fiscal year 2020.

Moreover, Chart 3 on page 38 shows – in the form of a reserves statement – the development of the reserves for the entitled persons (see balance sheet A. I.). It is composed of the development of the amounts not yet distributed and the development of the social fund, the promotion fund as well as the working capital reserve.

Chart 3: Statement of the reserves for entitled persons:

	as of Jan 1, 2020	transfers gross distribution	additions to / usage of WCR	deductions for additions to reserves and funds	payments to the entitled persons usage from funds	P U	transfers not yet paid	additions from profit and loss statement 2020	as of Dec 31, 2020
Balance sheet position					-115,487,393.98	P			
"Reserves for entitled persons"	44,345,376.49	0.00	0.00	0.00	-227,181.00	U	0.00	120,419,235.32	49,050,036.83
Composition:									
- Remaining net total from result 2019	5,709,745.75		0.00	0.00	0.00		0.00	0.00	0.00
- Allocation revenue 2019 to settlement runs in 20		-5,709,745.75							
- Settlement runs in 2020 (see Chart 2b)	0.00	121,661,909.05	-4,978,313.40	-3,918,449.91	-113,107,450.99	P	-2,780,852.70	0,00	4,360,304.86
		7,930,087.59					-446,624.78		
- Settlement runs 2019	2,653,419.97	0.00	0.00	0.00	-2,302,649.43	P	-350,770.54	0.00	0.00
- Reserves for non-registered works and other claims of third parties (not yet allocated to entitled persons – see H. III. d)	13,033,278.97	-4,523,239.63	0.00	3,123,687.69	0.00		1,098,567.38	0.00	9,509,632.85
Reversal of special reserve film compensation ZPÜ		-3,600,000.00					377,338.44		
- Double registrations	6,760,854.35	-3,054,626.02	0.00	0.00	0.00		2,780,852.70	0.00	5,930,468.77
		-87,437.29					-469,174.97		
- Amounts not yet paid for previous years, not yet called for, withdrawals by entitled persons after settle. runs or non-payment due to legal examination of the entitlement, offset with previous years	7,375,575.33	-1,083,425.40	0.00	0.00	-77,293.56	P	446,624.78	0.00	5,692,406.18
							350,770.54		
							-1,098,567.38		
							-221,278.13		
SUBTOTAL of already allocated amounts	35,532,874.37	111,533,522.55	-4,978,313.40	-794,762.22	-115,487,393.98		-313,114.66	0.00	25,492,812.66
- Social fund	2.183,571.79	0.00	0.00	200,191.99	-40,400.00	U	0.00	0.00	2,343,363.78
- Promotion fund	3.132,846.63	0.00	0.00	594,570.23	-186,781.00	U	0.00	0.00	3,540,635.86
- Working capital reserve (WCR)	3.496,083.70	-15,093.15		0.00	0.00		0.00	0.00	6,619,996.11
- Release of WCR		-101,139.06							
- Addition costs deducted in settlement runs 2020			4,978,313.40						
- Usage for actual costs 2020			-1,738,168.78						
- Net total not yet allocated to entitled persons (see H. III. d)	0.00			0.00	0.00				11,053,228.42
Allocation to settlement 2020: Revenues 2020		-111,417,290.34					313,114.66		
Costs 2020			1,738,168.78						
Addition of the result of the profit and loss statement 2020 (see A. II.)								120,419,235.32	
	44,345,376.49	0.00	0.00	0.00	-115,487,393.98	P	0.00	120,419,235.32	49,050,036.83
					-227,181.00	U	0.00		

f) Delays in payment if the collecting society has not made the distribution within the distribution deadline

The distribution periods of nine (9) months after completion of the fiscal year pursuant to Section 28 VGG [*German Collecting Societies Act*] and of six (6) months after receipt of revenues on the basis of representation agreements pursuant to Section 46 VGG [*German Collecting Societies Act*] have been changed in the Distribution Plans on December 1, 2016. The new distribution periods apply from the fiscal year 2017 on.

g) Aggregate of the non-distributable amounts

There are no non-distributable amounts of the Company.

IV. Relations with other collecting societies

a) Amounts received from other collecting societies

Regarding the amounts received from other collecting societies, reference is hereby made to Chart 1 rights revenue in H. I. on pages 32-33.

b) Amounts paid to other collecting societies

The following amounts have been paid to other collecting societies in the fiscal year 2020:

	Payment ¹⁾	Costs	Reserves	Social Fund	Promotion Fund
EGEDA, Spain	319,053.13	-13,824.08	-8,841.83	-1,065.49	-3,165.03
FRF, Sweden	1,740,236.51	-75,869.89	-38,914.82	-3,784.95	-11,241.57
GÜFA, Düsseldorf	24,550.48	-1,058.06	0.00	0.00	0.00
NORWACO, Norway	125,181.60	-5,452.27	-3,512.59	-336.65	-1,000.04
PACC, Canada	459,643.28	-20,262.37	-13,652.15	-1,845.32	-5,481.50
PRD, Denmark	915,061.53	-40,233.80	-27,676.41	-3,684.51	-10,944.00
PROCIREP, France	5,135,774.20	-223,401.97	-153,926.83	-17,062.98	-50,678.08
PROCIBEL, Belgium	164,267.50	-7,299.83	-6,931.96	-951.22	-2,825.82
SACD, France	1,485,326.22	-55,668.01	0.00	0.00	0.00
Screenrights, Australia	291,121.65	-12,645.35	-5,622.55	-655.68	-1,947.80
SEKAM, Netherlands	210,383.31	-9,260.49	-6,150.85	-814.79	-2,420.63
SUISSIMAGE, Switzerland	588,000.21	-25,927.08	-17,784.83	-2,160.06	-6,416.31
VAM, Austria	4,421,897.33	-194,536.96	-106,481.33	-12,904.65	-38,327.72
VFF, Munich	2,448,485.22	-103,047.57	0.00	0.00	0.00
VGf, Munich	21,250.74	0.00	0.00	0.00	0.00

¹⁾ if applicable: amounts before deduction of taxes at source according to Section 50a EStG [*German income tax act*] as well as without VAT

J. SOCIAL AND CULTURAL PROMOTION

The Company is obligated pursuant to Section 32 VGG [*German Collecting Societies Act*] and according to the Statutes and the Distribution Plans of the Company to allocate amounts to the social fund and the promotion fund.

Social fund pursuant to the Distribution Plans of GWFF for the revenue realized in Germany. Part A. General Terms. Article 2 II.:

An amount equal to 1% of the amount to be distributed for the respective rights category must be added to the social fund.

Promotion fund pursuant to the Distribution Plans of GWFF for the revenue realized in Germany. Part A. General Terms. Article 2 III.:

Out of the distribution amount remaining for the respective rights category after the allocation to the social fund, an amount equal to 3% must be added to the promotion fund. Culturally important works or performances and young talents are to be promoted by the fund in accordance with Section 32 VGG [*German Collecting Societies Act*].

The development of the social fund and the promotion fund is shown in the reserves statement on page 38 (Chart 3).

I. Social Fund

In the fiscal year 2020 an amount of EUR 200,192.00 was deducted for and added to the social fund within the scope of the settlement runs 2020.

The following amounts have been used from the social fund in the fiscal year 2020:

	EUR
Medienboard Berlin-Brandenburg: Artist in Residence	20,000.00
Filmuniversität Babelsberg: „Deutschlandstipendien“ 2020/2021	5,400.00
Filmuniversität Babelsberg: earmarked special donation „Corona Hilfe“	5,000.00
Freundeskreis der HFF München e.V.: earmarked special donation „Corona Hilfe“	5,000.00
Filmuniversität Babelsberg: Sehsüchte Festival	5,000.00
	40,400.00

II. Promotion fund

In the fiscal year 2020 an amount of EUR 594,570.23 was deducted for and added to the promotion fund within the scope of the settlement runs 2020.

The following amounts have been used from the social fund in the fiscal year 2020:

	EUR
Berlinale: Sponsoring	100,000.00
Berlinale: Prize money for best first film	50,000.00
IUM: contribution	15,000.00
Produzenten Allianz: promotion international memberships	8,250.00
Promotion Film Number Allocation	6,000.00
Festival film academies	5,000.00
Wilhelm Fraenger-Institut: Support Film Poster Exhibition	2,500.00
Fees	31.00
	186,781.00

ATTACHMENTS

Attachment 1:	List of abbreviations	44
Attachment 2:	Bescheinigung des Abschlussprüfers zum Transparenzbericht <i>[reproduction of the original German wording of the auditor's certificate, not translated]</i>	47

Attachment 1: List of abbreviations

§	section [<i>used in German Codes</i>]
Abs.	paragraph [<i>used in German Codes</i>]
AGICOA, Brussels	AGICOA EUROPE BRUSSELS SCRL, Brussels/Belgium Belgian collecting society
AGICOA Geneva	AGICOA Association de Gestion Internationale Collective des Oeuvres Audiovisuelles, Geneva, Switzerland
AGICOA GmbH	AGICOA Urheberrechtsschutz GmbH, Munich, German collecting society
ANGOA	French collecting society
ANICA	Italian collecting society
AVCS Screenrights	Australian collecting society
Apr	April
Aug	August
BGB	Bürgerliches Gesetzbuch [<i>German Civil Code</i>]
Bitkom	Bundesverband Informationswirtschaft, Telekommunikation und neue Medien e.V., Berlin
cable re.	cable retransmission
CD	Compact Disc
Dec	December
DEM	Deutsche Mark [<i>former German currency</i>]
DGA	U.S. Directors Guild of America
Dr.	Doctor [<i>German title</i>]
DTC	Double taxation convention, double tax treaty
DVD	Digital Versatile Disc
e.g.	for example
e.V.	eingetragener Verein [<i>German registered association</i>]
ECB	European Central Bank
EGEDA	Spanish collecting society
EstG	Einkommensteuergesetz [<i>German Income Tax Act</i>]
et seq.	and the following
EU	European Union
EUR	Euro [<i>European currency</i>]
EUROCOPYA	European Federation of Joint Management Societies of Producers for Private Audiovisual Copying
Feb	February
FRF	Swedish collecting society
GEMA	Gesellschaft für musikalische Aufführungs- und mechanische Vervielfältigungsrechte, Berlin German collecting society
GfK	GfK SE, Nürnberg [<i>german market research institute</i>]
gfu	Consumer & Home Electronics GmbH, Frankfurt/Main
GmbH	Gesellschaft mit beschränkter Haftung [<i>German limited liability company</i>]
GPRS	General Packet Radio Service [<i>mobile radio standard</i>]

GÜFA	Gesellschaft zur Übernahme und Wahrnehmung von Filmaufführungsrechten mbH, Düsseldorf, German collecting society
GVL	Gesellschaft zur Verwertung von Leistungsschutzrechten mbH, Berlin German collecting society
GWFF USA, Inc.	GWFF USA, Inc., New York City, New York/U.S.A.
Handelstonbildträger	Commercial sound carrier
HDD	Hard Disk Drive
HEMIX	Home Electronics Market Index Germany
HGB	Handelsgesetzbuch [<i>German Commercial Code</i>]
HRB	Handelsregister Abteilung B [<i>Entry in the Commercial Register at the relevant Amtsgericht - Local Court</i>]
IDW	Institut der Wirtschaftsprüfer in Deutschland e.V. [<i>German body of the German chartered accountants</i>]
IFTA	Independent Film & Television Alliance
Inc.	Incorporated
incl.	including
IPTV	Internet Protocol Television
ISAN	International Standard Audiovisual Number
ISAN GmbH	ISAN Gesellschaft zur Registrierung von Film- und Fernsehwerken mbH, Munich
ISO	International Standards Organization
IT	Information technology
IUM	Institut für Urheber- und Medienrecht e.V., Munich
Jan	January
k	1,000
KG	Kommanditgesellschaft [<i>German limited partnership</i>]
KW	cable retransmission rights
LK	blank tapes remuneration [<i>device and storage media remuneration</i>]
LTE	Long Term Evolution [<i>mobile radio standard</i>]
mbH	(company) with limited liability
Mar	March
MP3	MPEG-1 Audio Layer 3 (MPEG: Moving Picture Experts Group)
MPA	Motion Picture Association
NORWACO	Norwegian collecting society
No.	number
Nov	November
Nr.	Nummer [<i>German for number</i>]
Oct	October
P2P	Peer-to-Peer
PACC	Canadian collecting society
PC	Personal Computer
PRD	Danish collecting society
PROCIBEL	Belgian collecting society
PROCIREP	French collecting society

Prof.	Professor [<i>German title</i>]
SAG	Screen Actors Guild of America
Screenrights	Australian collecting society
SEKAM	Dutch collecting society
SFP-ZAPA	Polish collecting society
Sep	September
SUISSIMAGE	Swiss collecting society
SWISSPERFORM	Swiss collecting society
TWF	Treuhandgesellschaft Werbefilm mbH, München German collecting society
UMTS	Universal Mobile Telecommunications System [<i>mobile radio standard</i>]
UPFAR	Romanian collecting society
UrhG	Urheberrechtsgesetz [<i>German Copyright Act</i>]
UrhWG	Urheberrechtswahrnehmungsgesetz [<i>German Act on the Administration of Copyright and Neighboring Rights</i>]
UrhWissG	Gesetz zur Angleichung des Urheberrechts an die aktuellen Erfordernisse der Wissensgesellschaft [<i>German Act</i>]
U.S.	United States of America
U.S.A.	United States of America
USA	United States of America
USD	United States Dollar [<i>U.S. currency</i>]
VAM	Austrian collecting society
VAT	Value-added tax
VFF	Verwertungsgesellschaft der Film- und Fernsehproduzenten mbH, Munich, German collecting society
VG Bild-Kunst	Verwertungsgesellschaft Bild-Kunst, Bonn German collecting society
VGf	Verwertungsgesellschaft für Nutzungsrechte an Filmwerken mbH, Wiesbaden, German collecting society
VGG	Verwertungsgesellschaftengesetz [<i>German Collecting Societies Act</i>]
VG Musikedition	German collecting society
VG Wort	Verwertungsgesellschaft WORT, Munich German collecting society
VIDEMA	Dutch collecting society
VPN	virtual private network
WCR	Working capital reserve
WGA	Writers Guild of America
WIPO	World Intellectual Property Organization
ZBT	Zentralstelle Bibliothekstantieme (administrated by VG Wort)
ZPÜ	Zentralstelle für private Überspielungsrechte (administrated by GEMA)
ZVEI	Zentralverband Elektrotechnik und Elektronikindustrie e.V., Frankfurt [<i>Germany's Central Association of the Electrical Engineering and Electronics Industry</i>]

Attachment 2: Bescheinigung des Abschlussprüfers zum Transparenzbericht
*[reproduction of the original German wording of the auditor's certificate,
not translated]*

An die GWFF Gesellschaft zur Wahrnehmung von Film- und Fernsehrechten mbH,
München

Gemäß § 58 Abs. 3 VGG habe ich die in dem jährlichen Transparenzbericht der GWFF Gesellschaft zur Wahrnehmung von Film- und Fernsehrechten mbH, München, enthaltenen Finanzinformationen nach Nummer 1 Buchstabe g der Anlage zu § 58 Abs. 2 Verwertungsgesellschaftengesetz (VGG) sowie die Informationen nach Nummer 1 Buchstabe h der Anlage zu § 58 Abs. 2 VGG für den Zeitraum vom 1. Januar 2020 bis 31. Dezember 2020, einer prüferischen Durchsicht unterzogen. Die Aufstellung des jährlichen Transparenzberichts nach § 58 VGG liegt in der Verantwortung der gesetzlichen Vertreter der Gesellschaft. Meine Aufgabe ist es, eine Bescheinigung zu den in dem jährlichen Transparenzbericht enthaltenen Finanzinformationen nach Nummer 1 Buchstabe g der Anlage zu § 58 Abs. 2 VGG sowie die Informationen nach Nummer 1 Buchstabe h der Anlage zu § 58 Abs. 2 VGG auf der Grundlage meiner prüferischen Durchsicht abzugeben.

Ich habe die prüferische Durchsicht der in dem jährlichen Transparenzbericht enthaltenen Finanzinformationen nach Nummer 1 Buchstabe g der Anlage zu § 58 Abs. 2 VGG sowie die Informationen nach Nummer 1 Buchstabe h der Anlage zu § 58 Abs. 2 VGG unter entsprechender Beachtung der vom Institut der Wirtschaftsprüfer (IDW) festgestellten deutschen Grundsätze für die prüferische Durchsicht von Abschlüssen vorgenommen. Danach ist die prüferische Durchsicht so zu planen und durchzuführen, dass ich bei kritischer Würdigung mit einer gewissen Sicherheit ausschließen kann, dass die in dem jährlichen Transparenzbericht enthaltenen Finanzinformationen nach Nummer 1 Buchstabe g der Anlage zu § 58 Abs. 2 VGG sowie die Informationen nach Nummer 1 Buchstabe h der Anlage zu § 58 Abs. 2 VGG in wesentlichen Belangen nicht in Übereinstimmung mit den in der Anlage zu § 58 Abs. 2 VGG enthaltenen Vorgaben stehen. Eine prüferische Durchsicht beschränkt sich in erster Linie auf Befragungen von Mitarbeitern der Gesellschaft und auf analytische Beurteilungen und bietet deshalb nicht die durch eine Prüfung erreichbare Sicherheit.

Auf der Grundlage meiner prüferischen Durchsicht sind mir keine Sachverhalte bekannt geworden, die mich zu der Annahme veranlassen, dass die in dem jährlichen Transparenzbericht enthaltenen Finanzinformationen nach Nummer 1 Buchstabe g der Anlage zu § 58 Abs. 2 VGG sowie die Informationen nach Nummer 1 Buchstabe h der Anlage zu § 58 Abs. 2 VGG nicht in Übereinstimmung mit den Vorgaben der Anlage zu § 58 Abs. 2 VGG stehen.

Dem Auftrag, in dessen Erfüllung ich vorstehend benannte Leistungen für die GWFF Gesellschaft zur Wahrnehmung von Film- und Fernsehrechten mbH erbracht habe, lagen die Allgemeinen Auftragsbedingungen für Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften in der vom Institut der Wirtschaftsprüfer e.V. herausgegebenen Fassung vom 1. Januar 2017 zugrunde. Durch Kenntnisnahme und Nutzung der in dieser Bescheinigung enthaltenen Informationen bestätigt der jeweilige Empfänger, die dort getroffenen Regelungen (einschließlich der Haftungsregelungen unter Nr. 9 dieser Allgemeinen Auftragsbedingungen sowie der Regelungen im Verhältnis zu Dritten gemäß Nr. 1 Abs. 2 der Allgemeinen Auftragsbedingungen) zur Kenntnis genommen zu haben und erkennt deren Geltung im Verhältnis zu mir an.

München, den 30. Juni 2021

Dr. Dieter Eder
Wirtschaftsprüfer