



**WARNER BROS.
DISCOVERY**

NEWS RELEASE

Warner Bros. Discovery Board of Directors Determines Revised Proposal from Paramount Skydance Could Reasonably Be Expected to Lead to a "Company Superior Proposal"

2026-02-24

WBD Will Continue to Engage with PSKY; Netflix Merger Agreement Remains in Place

NEW YORK, Feb. 24, 2026 /PRNewswire/ -- Warner Bros. Discovery, Inc. ("Warner Bros. Discovery" or "WBD") (NASDAQ: WBD) today announced that its Board of Directors (the "Board"), consistent with its fiduciary duties and following consultation with its independent financial and legal advisors, has determined that the revised proposal from Paramount Skydance Corporation ("Paramount Skydance" or "PSKY") (NASDAQ: PSKY) could reasonably be expected to lead to a "Company Superior Proposal" as defined in WBD's merger agreement with Netflix, Inc. ("Netflix") (NASDAQ: NFLX) (the "Netflix Merger Agreement").

The revised proposal includes an increased purchase price of \$31.00 per WBD share in cash, plus a daily ticking fee equal to \$0.25 per quarter beginning after September 30, 2026, as well as a \$7 billion regulatory termination fee payable by PSKY in the event the transaction does not close due to regulatory matters, payment by PSKY of the \$2.8 billion termination fee that WBD would be required to pay to Netflix to terminate the existing Netflix Merger Agreement, an obligation to contribute additional equity funding to the extent needed to support the solvency certificate required by PSKY's lending banks, and a "Company Material Adverse Effect" definition that excludes the performance of WBD's Global Linear Networks business.

The Board has not made a determination as to whether the revised PSKY proposal is superior to the merger with Netflix. WBD will engage further with PSKY to determine if a proposal that constitutes a "Company Superior Proposal," as defined in the Netflix Merger Agreement, can be reached. In the event that the Board ultimately

determines such a "Company Superior Proposal" has been received, Netflix will have four business days after such determination to negotiate with WBD and to propose any revisions to the Netflix transaction.

There can be no assurance that the Board will conclude that the transaction proposed by PSKY is superior to the merger with Netflix or that any definitive agreement or transaction will result from WBD's discussions with PSKY. The Netflix Merger Agreement remains in effect, and the Board continues to recommend in favor of the Netflix transaction and is not withdrawing or modifying its recommendation.

Allen & Company, J.P. Morgan and Evercore are serving as financial advisors to Warner Bros. Discovery and Wachtell Lipton, Rosen & Katz and Debevoise & Plimpton LLP are serving as legal counsel.

About Warner Bros. Discovery:

Warner Bros. Discovery is a leading global media and entertainment company that creates and distributes the world's most differentiated and complete portfolio of branded content across television, film, streaming and gaming. Warner Bros. Discovery inspires, informs and entertains audiences worldwide through its iconic brands and products including: Discovery Channel, HBO Max, discovery+, CNN, DC, TNT Sports, Eurosport, HBO, HGTV, Food Network, OWN, Investigation Discovery, TLC, Magnolia Network, TNT, TBS, truTV, Travel Channel, Animal Planet, Science Channel, Warner Bros. Motion Picture Group, Warner Bros. Television Group, Warner Bros. Pictures Animation, Warner Bros. Games, New Line Cinema, Cartoon Network, Adult Swim, Turner Classic Movies, Discovery en Español, Hogar de HGTV and others. For more information, please visit www.wbd.com.

Important Information about the Tender Offer and Where to Find It

WBD has filed a solicitation/recommendation statement on Schedule 14D-9 with respect to the tender offer (the "tender offer") by a subsidiary of PSKY with the Securities and Exchange Commission (the "SEC"). INVESTORS AND SECURITY HOLDERS ARE ADVISED TO READ ALL RELEVANT DOCUMENTS FILED WITH THE SEC, INCLUDING THE SOLICITATION/RECOMMENDATION STATEMENT AND ANY OTHER RELEVANT DOCUMENTS, WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE TENDER OFFER. Investors and security holders may obtain free copies of the solicitation/recommendation statement as well as other filings by WBD, without charge, at the SEC's website, <https://www.sec.gov>. In addition, free copies of documents filed with the SEC by WBD will be made available free of charge on WBD's investor relations website at <https://ir.wbd.com>.

Important Information about the Transaction and Where to Find It

This communication may be deemed to be solicitation material in respect of the proposed transaction between WBD and Netflix (the "proposed transaction"). In connection with the proposed transaction, WBD filed a definitive proxy statement (the "Proxy Statement") with the SEC. The Proxy Statement was first mailed to WBD stockholders on or around February 17, 2026. INVESTORS AND SECURITY HOLDERS ARE ADVISED TO READ ALL RELEVANT DOCUMENTS FILED WITH THE SEC, INCLUDING THE PROXY STATEMENT AND ANY OTHER RELEVANT DOCUMENTS

WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION AND RELATED MATTERS. Investors and security holders may obtain free copies of the Proxy Statement as well as other filings containing information about WBD and Netflix, without charge, at the SEC's website, <https://www.sec.gov>. Free copies of the Proxy Statement and each company's other filings with the SEC may also be obtained from the respective companies. Free copies of documents filed with the SEC by WBD will be made available on WBD's investor relations website at <https://ir.wbd.com>. Free copies of documents filed with the SEC by Netflix will be made available on Netflix's investor relations website at <https://ir.netflix.net>.

Participants in the Solicitation

WBD and Netflix and certain of their respective directors and executive officers may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction. Information about the directors and executive officers of WBD is set forth in its Annual Report on Form 10-K for the year ended December 31, 2024, under the heading "Executive Officers of Warner Bros. Discovery, Inc.," and its definitive proxy statement filed with the SEC on April 23, 2025, under the heading "Proposal 1: Election of Directors." Information about the directors and executive officers of Netflix is set forth in its definitive proxy statement filed with the SEC on April 17, 2025, under the headings "Our Board of Directors" and "Our Company Executive Officers." Investors may obtain additional information regarding the interests of such participants by reading the Proxy Statement and other relevant materials regarding the proposed transaction when they become available.

Forward-Looking Statements

Information set forth in this communication, including financial estimates and statements as to the expected timing, completion and effects of the proposed transaction between WBD and Netflix, constitute forward-looking statements. These estimates and statements are subject to risks and uncertainties, and actual results might differ materially. Such estimates and statements include, but are not limited to, statements about the benefits of the proposed transaction, including future financial and operating results, the combined company's plans, objectives, expectations and intentions, statements about the tender offer and other statements that are not historical facts. Such statements are based upon the current beliefs and expectations of the management of WBD and Netflix and are subject to significant risks and uncertainties outside of our control.

Among the risks and uncertainties that could cause actual results to differ from those described in the forward-looking statements are the following: (1) the completion of the proposed transaction may not occur on the anticipated terms and timing or at all; (2) the occurrence of any event, change or other circumstances that could give rise to the termination of the proposed transaction; (3) the risk that WBD stockholders may not approve the proposed transaction; (4) the risk that the necessary regulatory approvals for the proposed transaction may not be obtained or may be obtained subject to conditions that are not anticipated; (5) risks that any of the closing conditions to the proposed transaction may not be satisfied in a timely manner; (6) the final allocation of

indebtedness between WBD and a newly formed subsidiary ("Discovery Global") in connection with the separation could cause a reduction to the consideration for the proposed transaction; (7) risks related to litigation brought in connection with the proposed transaction; (8) risks related to disruption of management time from ongoing business operations due to the proposed transaction; (9) effects of the announcement, pendency or completion of the proposed transaction on the ability of WBD to retain customers and retain and hire key personnel and maintain relationships with suppliers, distributors, advertisers, content providers, vendors and other business partners, and on its operating results and business generally; (10) negative effects of the announcement or the consummation of the proposed transaction on the market price of WBD common stock; (11) risks related to the potential impact of general economic, political and market factors on the companies or the proposed transaction; (12) inherent uncertainties involved in the estimates and assumptions used in the preparation of financial projections, and inherent uncertainties involved in the estimates and judgments used to estimate the differences between WBD's Global Linear Networks segment results and the expected results of Discovery Global; (13) the risk that Discovery Global, as a new company that currently has no credit rating, will not have access to the capital markets on acceptable terms; (14) the risk that Discovery Global may be unable to achieve some or all of the benefits that WBD expects Discovery Global to achieve as an independent, publicly-traded company; (15) the risk that Discovery Global may be more susceptible to market fluctuations and other adverse events than it would have otherwise been while still a part of WBD; (16) the risk that Discovery Global will incur significant indebtedness in connection with the separation, and the degree to which it will be leveraged following completion of the separation may materially and adversely affect its business, financial condition and results of operations; (17) the ability to obtain or consummate financing or refinancing related to the proposed transaction or the separation upon acceptable terms or at all; (18) volatility or a decline in the market price for Discovery Global common stock following the separation; (19) uncertainties as to how many WBD stockholders will tender their shares in the tender offer; (20) the conditions to the completion of the tender offer, including the receipt of any required stockholder and regulatory approvals; (21) PSKY's ability to finance the tender offer and the indebtedness PSKY expects to incur in connection with the tender offer; (22) the possibility that PSKY may be unable to achieve expected synergies and operating efficiencies within the expected timeframes or at all and to successfully integrate WBD's operations with those of PSKY, and the possibility that such integration may be more difficult, time-consuming or costly than expected or that operating costs and business disruption (including, without limitation, disruptions in relationships with employees, customers or suppliers) may be greater than expected in connection with the tender offer; (23) the possibility that WBD's discussions with PSKY may not lead to a superior proposal by PSKY; and (24) the response of WBD, Netflix or PSKY management to any of the aforementioned factors. Discussions of additional risks and uncertainties are contained in WBD's and Netflix's filings with the SEC, including their Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q, and the Proxy Statement filed by WBD in connection with the proposed transaction. Neither WBD nor Netflix is under any obligation, and each expressly disclaims any obligation, to update, alter, or otherwise revise any forward-looking statements, whether written or oral, that may be made from time to time, whether as a result of new information, future events, or otherwise, except to the extent required by applicable law. Persons reading this

announcement are cautioned not to place undue reliance on these forward-looking statements which speak only as of the date hereof.

View original content:<https://www.prnewswire.com/news-releases/warner-bros-discovery-board-of-directors-determines-revised-proposal-from-paramount-skydance-could-reasonably-be-expected-to-lead-to-a-company-superior-proposal-302696253.html>

SOURCE Warner Bros. Discovery, Inc.