



Q3 2023 revenue

Analyst and Investor Meetings

24 October 2023

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Forward Looking Statement

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The following applies to this document, the oral presentation of the information in this document by Believe (the "Company") or any person on behalf of the Company and any question-and- answer session that follows the oral presentation,

This document contains forward-looking statements that involve risks and uncertainties, including references, concerning the Group's expected growth and profitability in the future which may significantly impact the expected performance indicated in the forward-looking statements. These risks and uncertainties are linked to factors out of the control of the Company and not precisely estimated, such as market conditions or competitors' behaviors. Any forward-looking statements made in this document are statements about Believe's beliefs and expectations and should be evaluated as such.

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All amounts are presented in € million with only one decimal. This may in certain circumstances lead to non-material differences between the sum of the figures and the subtotals that appear in the tables. 2023 objectives are expressed at constant scope and exchange rates and according to Group's accounting standards. Believe does not undertake, and specifically disclaims, any obligation or responsibility to update or amend any of the information above except as otherwise required by law.

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Today's presenters



Denis Ladegaillerie

**Founder & Chief Executive
Officer**



Xavier Dumont

**Chief Financial and Strategy
Officer**

Believe continued building up leading positions in Europe and Asia and increasing profitability in Q3' 23

Executing on core profitable growth strategy and driving market share gains

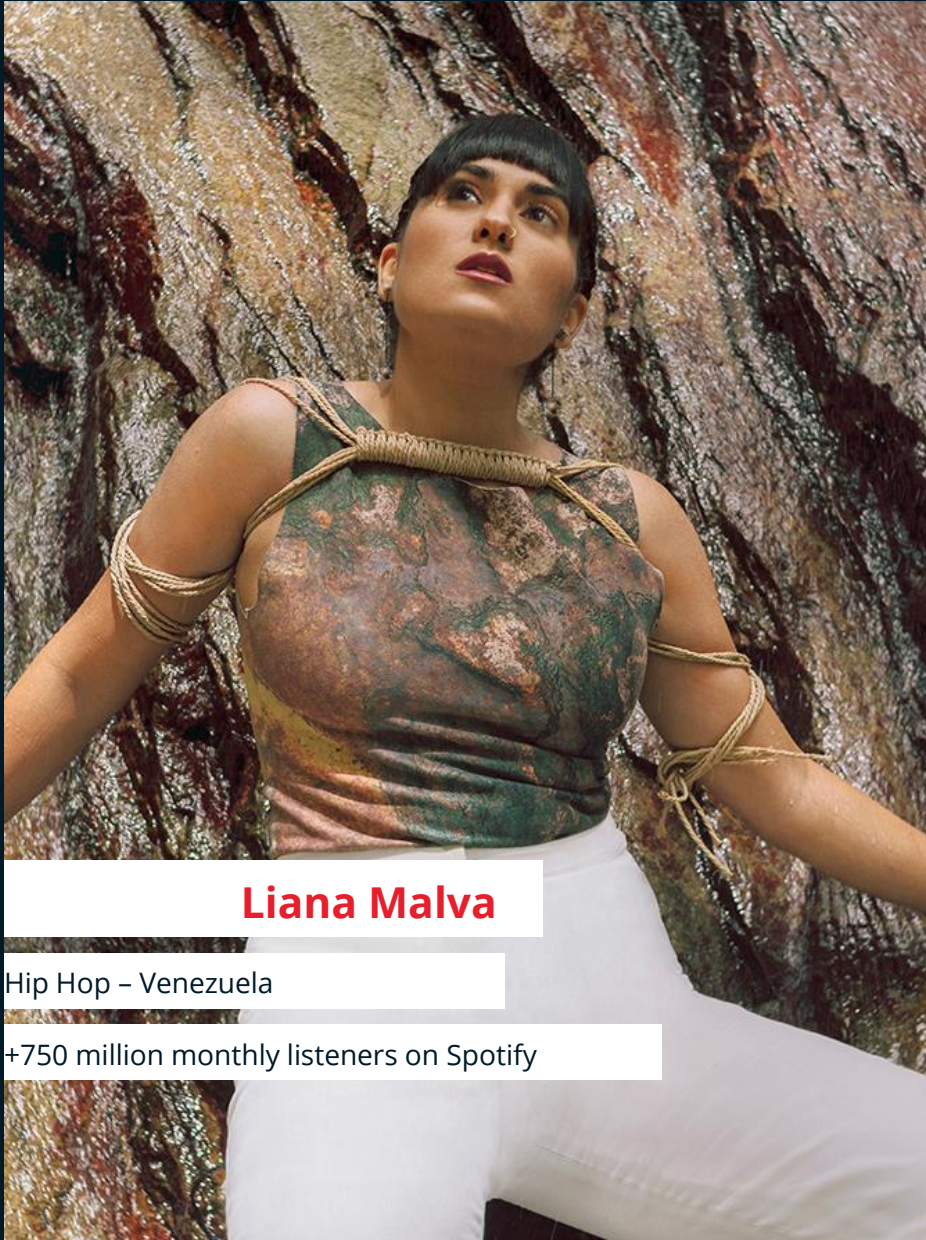
- Build leadership positions (Top 1 -3) in Europe and Asia
- Innovate to drive higher growth vs market in core markets
- Invest in new market segments as they become digital

Revenue growth temporarily affected by market conditions

- Strengthening of the euro impacting digital monetization
- Persistent soft ad-funded streaming monetization in core geographies

Confirmed operational and financial trajectory

- Normalization of new advances
- Delivering profitability increase above target



Liana Malva

Hip Hop - Venezuela

+750 million monthly listeners on Spotify

Q3'23 highlights:
Gaining market share
and enabling artists and
labels to develop at all
stage of their career in a
more challenging
environment

Enabling artists at any stage of their career in a wider variety of music genres to enter top charts



Jey Brownie
Rap - France



Djadja & Dinaz
Rap - France



Jul
Rap - France



Mariana Fagundes
Sertanejo - Brazil



Pinche Mara
Hip Hop - Brazil



Gilsons
MPB- Brazil



Assurdità
Indie Pop - Italy



Idgitaf
Pop Folk - Indonesia



Here At Last
Pop - UK



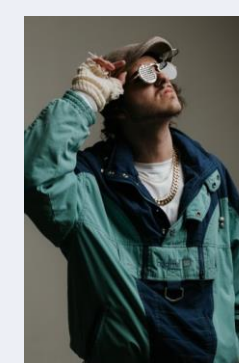
Grupo Frontera
Regional - Mexico



Iñigo Quintero
Pop - Spain

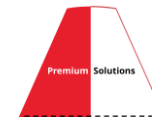


Nadhif Basalamah
Pop - Indonesia

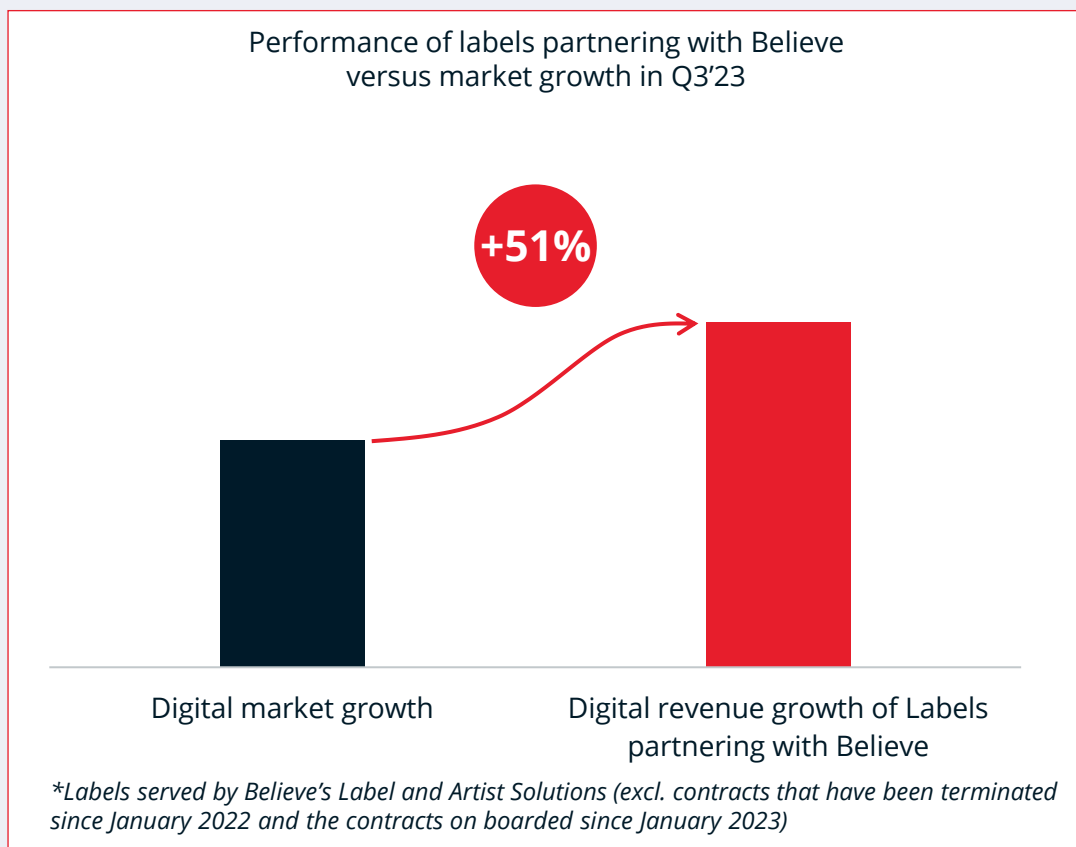


Azahriah
Hip Hop - Hungary

High-quality of service driving attractive renewal & new opportunities with top labels



Labels served by Believe grew faster than the market



Reinforced appeal to labels in a wider variety of music genres

ALTA MAREA
Hyperpop
Italy

onegate
A Studio Hamburg Company
Jazz / Classical
Hungary

JUDIKA
ENTERTAINMENT | DUA ANAK DEO
Pop - Indonesia

BMC
Jazz
Hungary

COUNTRY BR
MUSIC LABEL
Country music / Sertanejo
Brazil

ROÇA MUSIC

Believe India 10-year anniversary: Strengthening a leadership position already at scale

Building leadership position at scale from zero in 10 years

- Driving growth strategy with organic deployment of full model...
- Accelerated by targeted acquisitions - Top Bollywood Label-Venus ⁽¹⁾ in 2019 + Think Music ⁽²⁾ in 2021 (majority acquisition)
- With a strong impact on shaping a new, fairer artist market

A solid platform to expand on in the next 10 years

- Paid streaming users expected to grow almost 6.5x⁽³⁾ by 2030 in the country.
- Expert teams with over 250+ staff
- Expanding into traditional genres of music



Afsana Khan



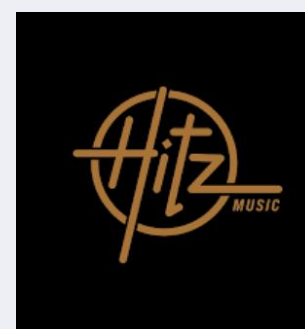
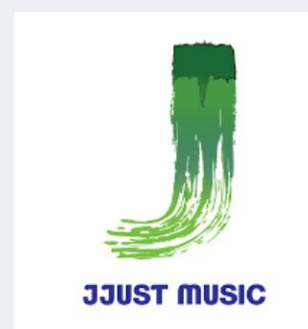
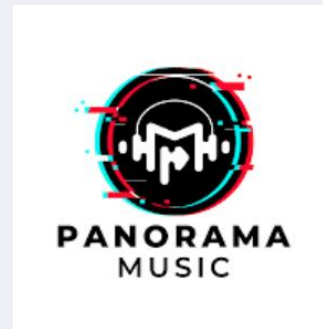
KD Desi Rock



Amit Saini Rohtakiya



Talal Qureshi



Notes

1. Rebranded to Ishtar
2. Original Soundtrack
3. Based on industry experts and company estimates

Focus on artist development driving innovation and collaboration with partners

Developing proprietary detection tools

Implementation of AI Radar, a new AI detection algorithm

Master
Recordings
Detection
Rate

98%

Deep Fake
Detection Rate

93%

Understanding Detection Rates:

50% Detection Rate: This is equivalent to random detection.


80% Detection Rate: Indicates good detection capabilities.


90% and Above: Represents excellent detection performance.




Commitment to Education and Training to engage talent through Shaping Music for Good


Commitment to Education and Training









France







Engaging talent in deploying the Group's CSR roadmap

CSR News	
	Shaping Together – Global Webinars
	Watch the replay of our webinar on Environment!
	Watch the replay of our webinar on Diversity, Equity & Inclusion!
	Watch the replay of our webinar on Gender Equity
	Watch the replay of our webinar on Wellbeing & Development

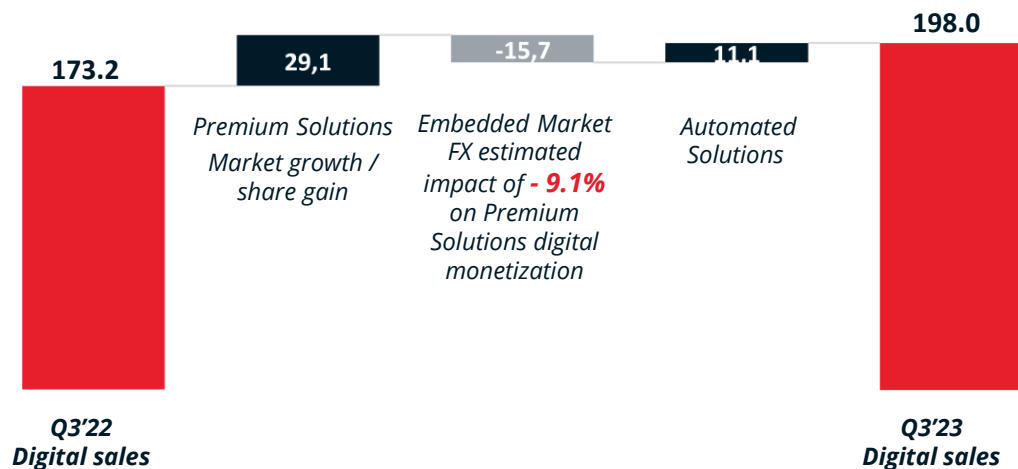
Shaping Together month

Engaging talent across the world in the four priorities of Shaping Music for Good

Q3'23 Organic growth⁽¹⁾ affected by challenging market conditions but revenue were multiplied by 1.9x in 3 years

Digital monetization affected by currency headwinds and soft ad-funded streaming notably in Asia...

Digital monetization (€m)

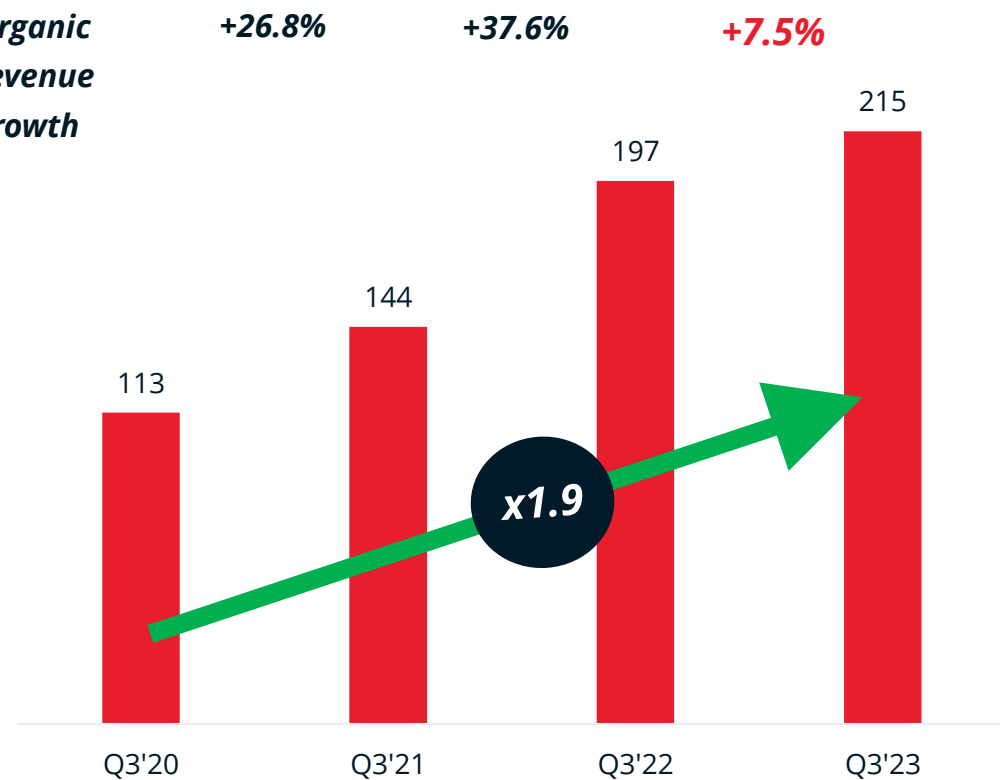


Adjusted for embedded Market FX⁽²⁾:

- **Premium Solutions Digital Sales: up +16.8%**
 - **Organic growth: +15.4%**

...impacting the Group's organic growth in Q3'23

Organic revenue growth



Note

1. Organic growth accounts for revenue growth at constant perimeter and constant exchange rates.

2. Organic adjusted for embedded market FX derived from digital sales adjusted for the forex impact in each digital market in which the Group operates as digital monetization includes currency translation effects. Digital partners collect in local currencies Subscription and Advertising royalties, which are then reversed to Believe in euros.

Strong growth in Premium Solutions and Automated Solutions in Q3'23, reflecting the **appeal of our offering for each tier of the market**

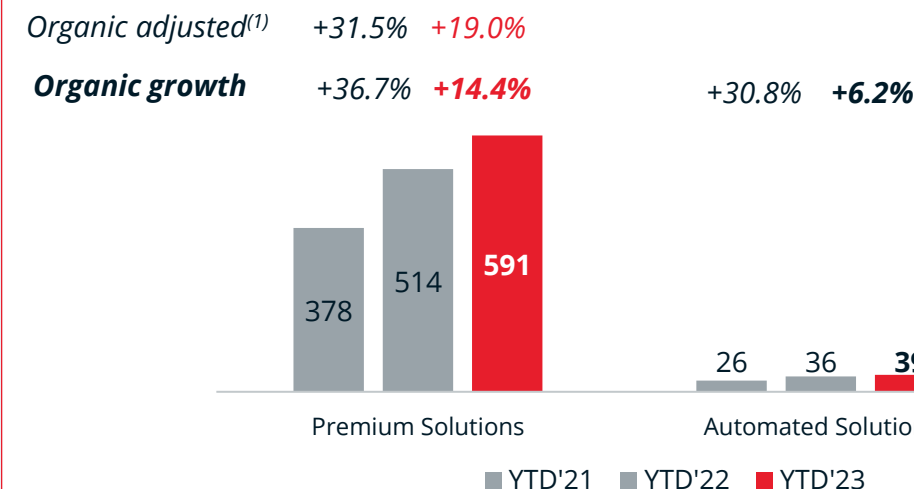
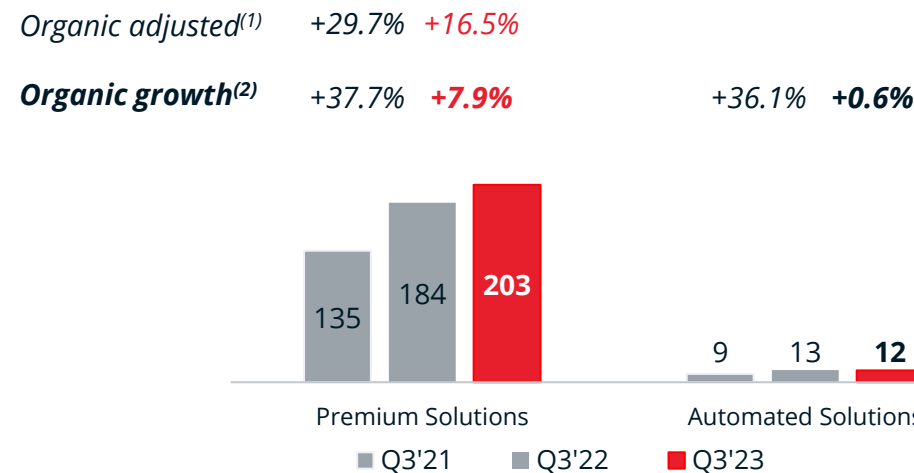
Solid growth year-to-date in Premium solutions despite lower organic growth in Q3'23

Strong currency headwinds in Q3'23 with the strengthening of the euro versus local: **negative effect of -9.1% to organic growth**

Premium digital monetization adjusted for embedded Market FX up +16.8% in Q3'23 (+20% YTD), reflecting solid paid streaming trends, soft ad-funded streaming notably in Asia and additional market share gains with gains slightly lower than in previous quarters

Q3'23 revenue in Automated Solutions reflecting challenging market conditions and comparison base

- Strong growth in Q3'22 as there was a peak in the number of new subscribers following the launch of Unlimited Pricing offer
- Increased exposure to ad-funded since introduction of the new offer
- Negative forex impact due to the weakening of the US dollar vs the euro



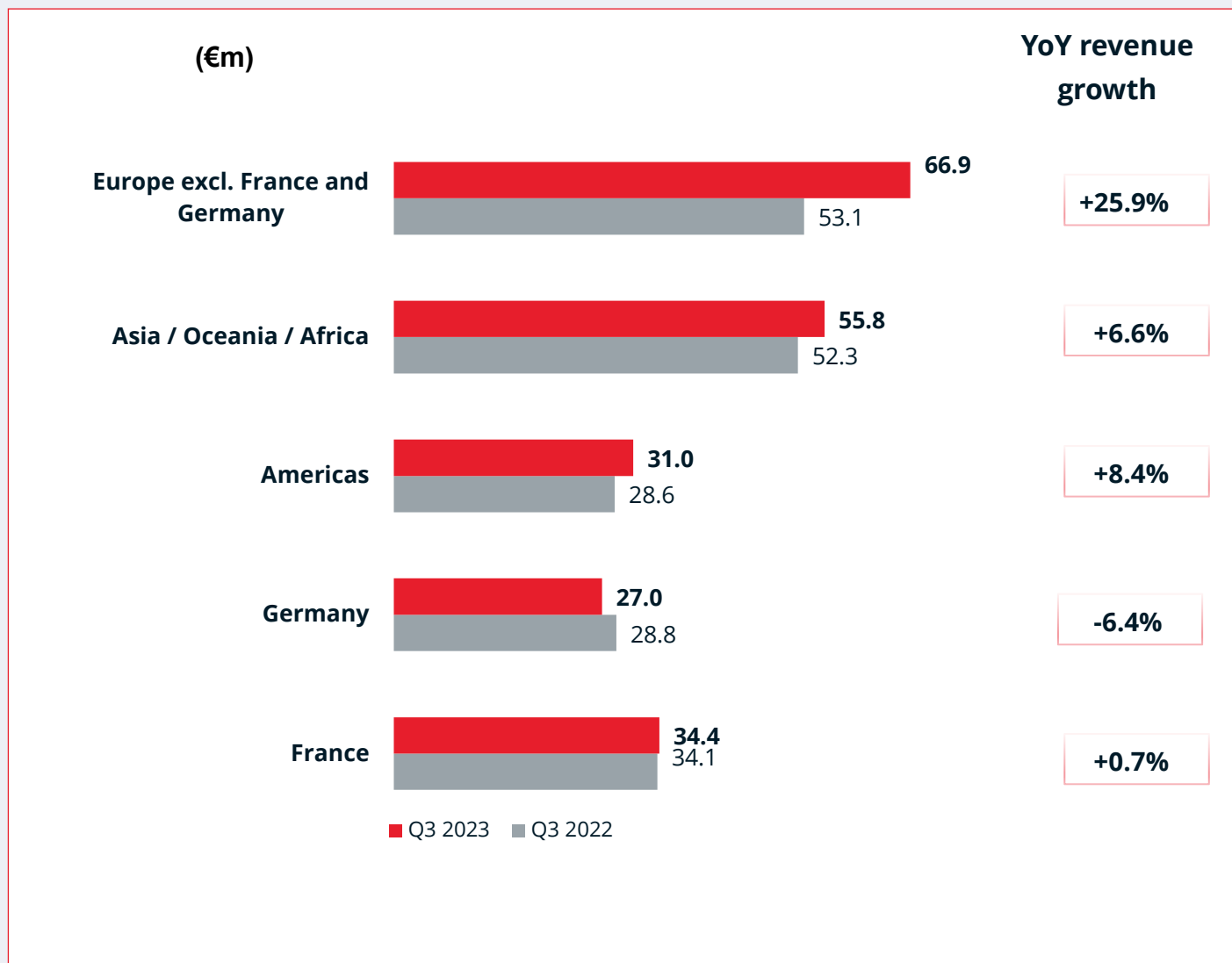
Note

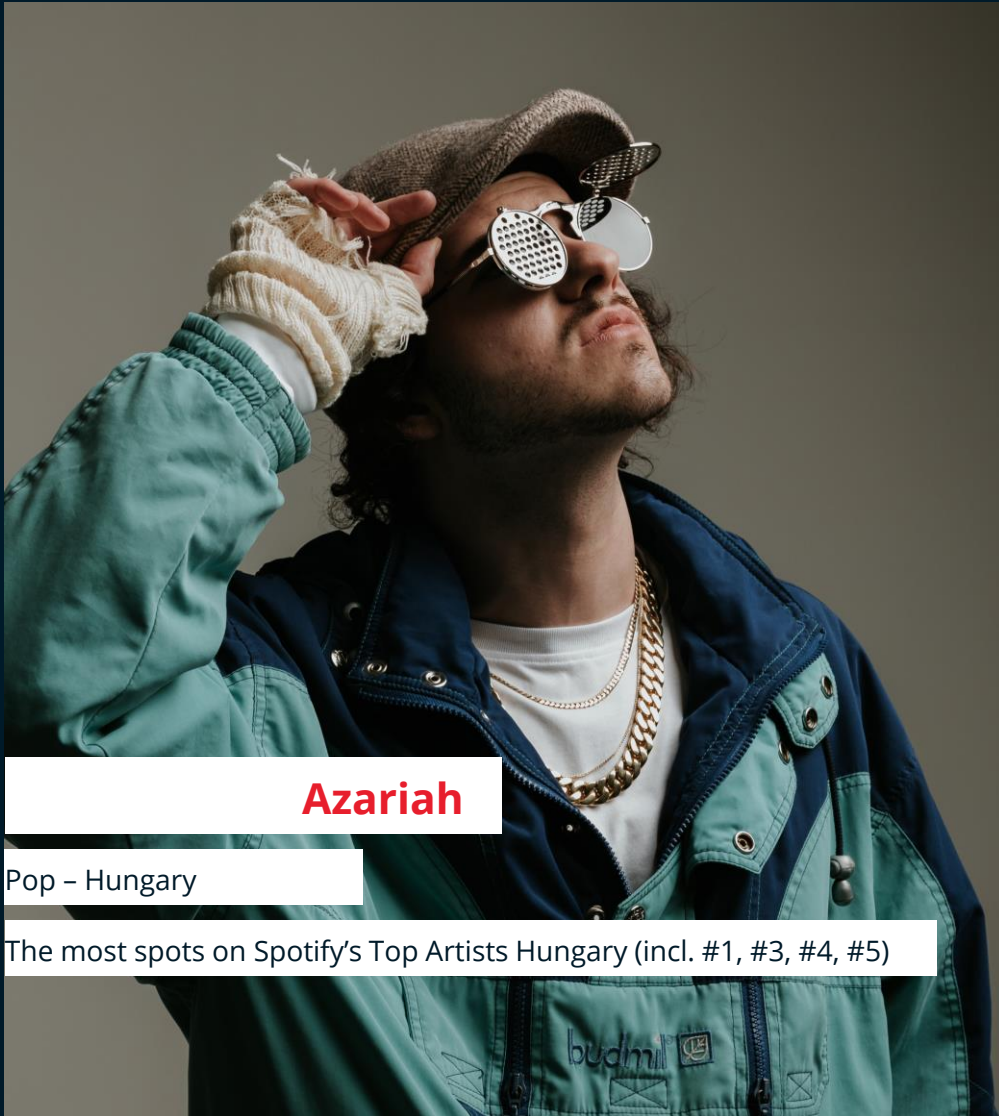
1. Organic adjusted for embedded market FX derived from digital sales adjusted for the forex impact in each digital market in which the Group operates as digital monetization includes currency translation effects. Embedded market forex effects were estimated to generate a positive impact of +6.5% in Q3'22 and +4.2% YTD'22 on Premium digital sales and of respectively +8.0% and +5.2% on Group's organic growth.

Growth by geographies affected by currency and ad-funded headwinds, dragging down on the performance of several regions

Key regional highlights in Q3'23

- **Europe (excl. France and Germany) up +25.9%** vs last year driven by strong activity in Southern Europe, Eastern Europe and Turkey. Performance enhanced by the integration of Sentic (impacting UK).
- **APAC & Africa up +6.6%** as digital monetization was affected by strong currency headwinds and soft ad-funded monetization. Strong performance in Greater China and launch of Premium offer in Japan.
- **Americas up +8.4%** driven by strong activity in Latin music space; TuneCore affected by less favorable comparison base and by the dollar weakening vs. the euro.
- **Germany down -6.4%** driven by less dynamic digital revenues and a drop in non-digital sales as the Group was still moving away from heavy physical content contracts
- **France up +0.7%** reflecting a softness in digital sales after a strong growth phase and strong live activities. Commercial dynamics remain strong, resigning most of key acts both for catalogues and new releases





Azariah

Pop – Hungary

The most spots on Spotify's Top Artists Hungary (incl. #1, #3, #4, #5)

FY 2023 outlook and mid-term objectives

Confirmed FY 2023 outlook guidance

Pursuing profitable growth strategy

1. Organic growth expected to expand in Q4'23

- Solid paid streaming trends enhanced by price increases by some large digital partners,
- Slight recovery in ad-funded streaming expected by the end of the quarter,
- Additional market share gains,
- Persistent currency headwinds but losing in intensity.

2. Controlled level of investment and focus on efficiency until year end as the Group pursued its profitable growth strategy

3. Confirmed FY 2023 trajectory

- Organic growth of +14%
- Adjusted EBITDA margin of at least 5.5%, driven by controlled investment and efficiency,
- Further seizing high-growth/high-return commercial opportunities versus M&A for H2'23.
- Negative free cash flow for FY'23 with positive free cash flow in H2'23.

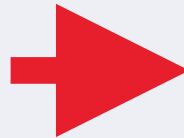
On track to deliver on Mid-term objectives – further building scale in Premium and Automated Solutions to **reach 15% Adjusted EBITDA margin after hyper growth phase**

A STEADY PACE OF INVESTMENT RESULTING IN STRONG REVENUE GROWTH OPERATING LEVERAGE

Accelerated investment in local teams across the countries addressed by Believe.

Continuing investment in Central Platform but scale up phase already completed: investment to progressively decrease as a % of revenue, peak reached end FY'19.

A targeted M&A strategy to accelerate revenue growth.



**Mid-term Organic CAGR
2021-2025 objective:**
+22% - +25%

**Adjusted EBITDA margin
by 2025: 5% to 7%**

**Long term Adjusted
EBITDA margin: 15%**



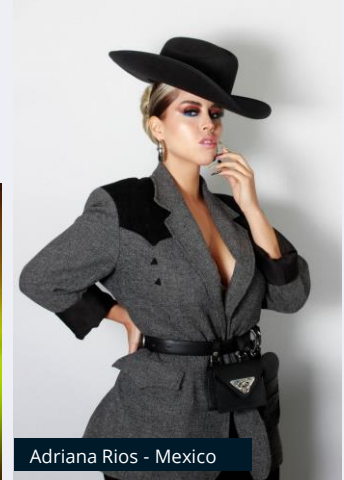
Jeanne Added - France



Qujia - China



Kweku Flick - Ghana



Adriana Rios - Mexico



Al James

Hip Hop – Philippines

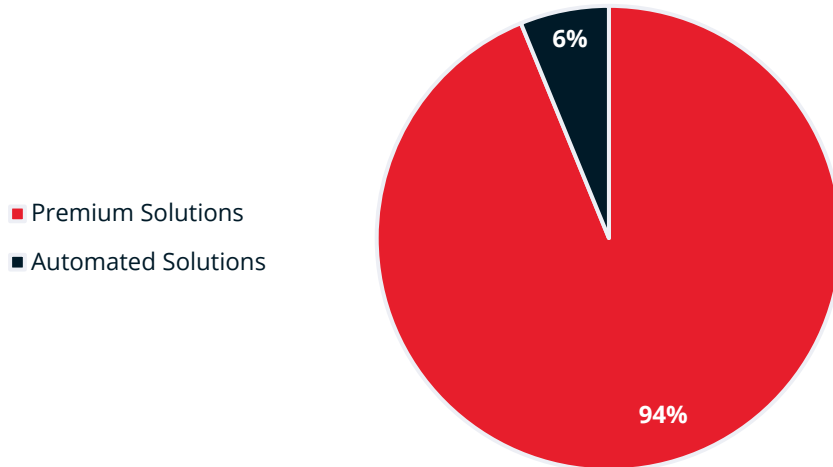
+2.5m Spotify monthly listeners

Appendix

Q3'23 and YTD'23 revenue breakdown

Q3'23 Revenue breakdown by segment (in % of Group revenues)

Q3'23 Revenue breakdown by segment



YTD'23 Revenue breakdown by geography (in % of Group revenues)

YTD revenue breakdown

