

believe®

HALF-YEAR FINANCIAL REPORT

FOR THE SIX MONTHS ENDED JUNE 30, 2023

BELIEVE SA

A French joint-stock company with a board of director and with share capital of €484,663.07

Registered office: 24 rue Toulouse Lautrec, 75017 Paris, France

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Statement by the persons responsible for the half-year financial report

We certify that to our knowledge, the condensed consolidated interim financial statements for the six months ended June 30, 2023, have been prepared in accordance with the applicable accounting standards and provide a true and fair view of the net assets, financial position and financial performance of the company and of all companies included in the scope of consolidation. We equally certify that to our knowledge, the attached half-year activity report faithfully represents the significant events that have occurred during the first six months of the financial year and their impact on the consolidated financial statements, as well as the main transactions that have taken place with related parties and provide a description of the principal risks and uncertainties associated with the remaining six months of the financial year.

Paris, August 2, 2023

Denis LADEGAILLERIE

Chairman and Chief Executive Officer

Xavier DUMONT

Group Chief Financial Officer

Statutory Auditors' Review report on the half-year financial information

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Shareholders' Meetings and in accordance with the requirements of article L. 451-1-2 III of the French Monetary and Financial Code ("Code monétaire et financier"), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of Believe S.A., for the period from January 1, 2023 to June 30, 2023,
- the verification of the information presented in the half-yearly management report.

These condensed half-yearly consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

I. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - standard of the IFRSs as adopted by the European Union applicable to interim financial information.

II. Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review. We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

The Statutory Auditors

Paris La Défense, on the August 2, 2023

KPMG SA

Jean-Pierre Valensi
Partner

Paris, on the August 2, 2023

Aca Nexia

Olivier Juramie
Partner

Part 1: Condensed consolidated interim financial statements for the six months ended June 30, 2023

Consolidated statement of income

<i>(in € thousands)</i>	Notes	Six months ended June 30, 2023	Six months ended June 30, 2022
Revenue	4.1	415,418	352,244
Cost of sales		(276,940)	(238,071)
Sales and marketing expenses		(84,932)	(74,593)
Technology and product expenses		(25,810)	(26,945)
General and administrative expenses		(27,741)	(23,973)
Other operating income (expense)	4.2	1,975	(262)
Share of net income (loss) of equity-accounted companies		(938)	289
Operating income (loss)		1,033	(11,311)
Cost of debt		2,630	(643)
Other net financial income (expense)		139	10,848
Net financial income (expense)		2,769	10,205
Income (loss) before tax		3,802	(1,107)
Income tax	5	(1,820)	(5,047)
Net income (loss)		1,982	(6,153)
Attributable to:			
• Owners of the parent		334	(8,469)
• Non-controlling interests		1,649	2,315
Earnings per share attributable to owners of the parent company:			
• Basic earnings (loss) per share (€)		0.00	(0.09)
• Diluted earnings (loss) per share (€)		0.00	(0.09)

Consolidated statement of comprehensive income

<i>(in € thousands)</i>	Six months ended June 30, 2023	Six months ended June 30, 2022
Consolidated net income (loss)	1,982	(6,153)
Translation adjustments	(8,695)	(3,461)
Other comprehensive income (expense) that may be reclassified subsequently to net income	(8,695)	(3,461)
Remeasurement of net defined benefit obligation	-	-
Other comprehensive income (expense) that may not be reclassified subsequently to net income	-	-
TOTAL COMPREHENSIVE INCOME (EXPENSE)	(6,713)	(9,614)
Attributable to:		
• Owners of the parent	(4,888)	(10,745)
• Non-controlling interests	(1,826)	1,130

Consolidated statement of financial position

<i>(in € thousands)</i>	Notes	June 30, 2023	December 31, 2022
ASSETS			
Goodwill		150,867	107,705
Other intangible assets		129,026	121,979
Property, plant and equipment		34,712	27,087
Advances to artists and labels – non-current portion	4.3	131,645	87,780
Investments in equity-accounted companies		49,153	50,657
Non-current financial assets		7,670	6,544
Deferred tax assets		9,054	5,664
Total non-current assets		512,127	407,417
Inventories		6,191	5,626
Trade receivables		174,941	158,456
Advances to artists and labels – current portion	4.3	125,027	90,707
Other current assets		32,876	32,087
Current tax assets		5,472	6,257
Current financial assets		1,883	947
Cash and cash equivalents		210,202	303,345
Total current assets		556,594	597,425
TOTAL ASSETS		1,068,720	1,004,842
EQUITY			
Share capital		485	484
Share premiums		469,528	468,715
Treasury shares		(1,228)	(1,358)
Reserves and retained earnings		(75,294)	(78,787)
Translation reserve		(18,364)	(13,143)
Equity attributable to owners of the parent		375,126	375,911
Non-controlling interests		8,566	8,951
TOTAL EQUITY		383,692	384,862
EQUITY AND LIABILITIES			
Non-current provisions		521	492
Non-current borrowing and debt		21,339	19,663
Other non-current liabilities		20,848	20,446
Deferred tax liabilities		23,026	22,570
Total non-current liabilities		65,734	63,171
Current provisions		636	748
Current borrowing and debt		13,870	12,811
Trade payables and contract liabilities	4.4	571,784	509,336
Other current liabilities		30,093	31,943
Current tax liabilities		2,912	1,970
Total current liabilities		619,294	556,809
TOTAL EQUITY AND LIABILITIES		1,068,720	1,004,842

Consolidated statement of cash flows

<i>(in € thousands)</i>	Six months ended June 30, 2023	Six months ended June 30, 2022
OPERATING ACTIVITIES		
Net income (loss)	1,982	(6,153)
Depreciation, amortization and impairment of non-current assets	21,152	20,156
Share-based payment	3,626	2,362
Cost of debt	(2,630)	643
Income tax	1,820	5,047
Net charges to provisions and employee benefits	(84)	(931)
Share of net income (loss) of equity-accounted companies (incl. dividends received)	1,239	(67)
Elimination of net gains or losses on disposals of assets	(925)	16
Other items with no cash impact	(7,587)	(7,056)
Income tax collected/paid	(2,870)	(3,856)
Change in operating working capital	(42,900)	11,214
Net cash from (used in) operating activities	(27,177)	21,375
INVESTING ACTIVITIES		
Acquisitions of property, plant and equipment and intangible assets	(18,415)	(11,587)
Disposals of property, plant and equipment and intangible assets	970	-
Acquisitions of subsidiaries, net of cash acquired	(36,559)	(1,520)
Decrease (increase) in loans	7	(3,238)
Decrease (increase) in non-current financial assets	(619)	(31)
Net cash from (used in) investing activities	(54,616)	(16,376)
FINANCING ACTIVITIES		
Decrease in borrowings	(1,488)	(763)
Repayment of lease liabilities	(5,087)	(3,464)
Interest paid	3,205	(237)
Capital increase (decrease) by owners	814	305
Net cash from (used in) financing activities	(2,556)	(4,159)
Cash and cash equivalents, net of bank overdrafts, at beginning of period	303,345	262,694
Net increase (decrease) in cash and cash equivalents net of bank overdrafts, before the impact of changes in foreign exchange rates	(84,349)	840
Impact of changes in foreign exchange rates	(8,794)	(174)
Cash and cash equivalents, net of bank overdrafts, at end of period	210,202	263,360
<i>Of which:</i>		
• Cash and cash equivalents	210,202	263,360
• Bank overdrafts	-	-

Consolidated statement of changes in equity

In € thousands, except share data	Attributable to owners of the parent							Non- controlling interests	TOTAL EQUITY
	Number of shares	Share capital	Share premiums	Treasury shares	Reserves and retained earnings	Translation reserve	Equity attributable to owners of the parent		
EQUITY AT JANUARY 1st, 2022	96,054,202	480	464,975	(1,274)	(53,278)	(8,741)	402,163	2,941	405,103
Remeasurement of net defined benefit obligation							-		-
Translation adjustments						(2,276)	(2,276)	(1,185)	(3,461)
Other comprehensive income (expense)						-	(2,276)	(1,185)	(3,461)
Net income (loss) for the period					(8,469)		(8,469)	2,315	(6,153)
Total comprehensive income					(8,469)	(2,276)	(10,745)	1,130	(9,614)
Capital increase	78,500	-	305				305		305
Net change in treasury shares				(643)			(643)		(643)
Share-based payment					2,226		2,226		2,226
Impact of change in accounting method due to the application of IAS 29					3,822		3,822	2,548	6,370
Changes in the scope of consolidation							-	430	430
Other							-	1,002	1,002
EQUITY AT JUNE 30, 2022	96,132,702	481	465,280	(1,918)	(55,698)	(11,017)	397,128	8,050	405,178

In € thousands, except share data	Attributable to owners of the parent							Non- controlling interests	TOTAL EQUITY
	Number of shares	Share capital	Share premiums	Treasury shares	Reserves and retained earnings	Translation reserve	Equity attributable to owners of the parent		
EQUITY AT JANUARY 1st, 2023	96,764,109	484	468,715	(1,358)	(78,787)	(13,143)	375,911	8,951	384,862
Remeasurement of net defined benefit obligation							-		-
Translation adjustments						(5,221)	(5,221)	(3,474)	(8,695)
Other comprehensive income (expense)						-	(5,221)	(3,474)	(8,695)
Net income (loss) for the period					334		334	1,649	1,982
Total comprehensive income					334	(5,221)	(4,888)	(1,826)	(6,713)
Capital increase	168,506	1	813				814		814
Net change in treasury shares				129	15		145		145
Share-based payment					3,144		3,144		3,144
Other							-	1,440	1,440
EQUITY AT JUNE 30, 2023	96,932,615	485	469,528	(1,228)	(75,294)	(18,364)	375,126	8,566	383,692

For the “Non-controlling interests”:

- In 2022, the heading “Changes in the scope of consolidation” corresponds to the acquisition of an additional 2% stake in the capital of 6&7, previously consolidated by the equity method. The company is now fully consolidated. The heading “Other” corresponds to the provisional recognition of the allocation of the acquisition price of Jo and Co company, acquired in 2021.
- In 2023, the heading “Other” corresponds to the provisional recognition of the purchase price allocation for Morning Glory Music (MGM), acquired in 2022.

Changes in translation adjustments reflect the impact of exchange rate fluctuations on the equity of foreign operations denominated in currencies other than the euro. Changes in translation adjustments in 2023 mostly result from our companies based in Turkey; and in 2022 from our companies based in Turkey and Russia, partially offset by US companies.

Notes to the condensed interim consolidated financial statements

Note 1. Accounting policies

Presentation of the Group

Believe SA (hereafter the “Company”) was incorporated on April 7, 2005. It is based in France and its registered office is at 24, rue Toulouse Lautrec, 75017 Paris – France.

The Group is one of the leaders in the digital music market for independent labels and local artists, with extensive experience in digital artist development and catalog performance optimization. Its international presence is a key differentiator, as the Group began investing very early on, outside of France and particularly in European and Asian markets, where the Group has been able to build strong positions in recent years. The Group is organized as a global digital platform developing high value-added technological solutions for all artists, adapted to each stage of their career development, whether they are music creators, emerging artists, established artists or top artists. Believe has also built strong local teams, trained to use tools and solutions to their best advantage to serve artists.

With 1,720 employees at June 30, 2023 and a presence in more than 50 countries, the Group benefits from cutting-edge technological capabilities and places its expertise in music, digital marketing and data analysis at the service of artists all over the world. This organization enables the Group to help music creators, artists and labels expand their digital audience, at each stage of their career and in all local markets, with respect, expertise, fairness and transparency. Believe offers its various solutions through a portfolio of commercial brands including Believe, TuneCore, Nuclear Blast, Naïve, Groove Attack, AllPoints, Ishtar and Byond.

Its main subsidiaries are located in Germany, Canada, China, United States, France, India, Italy, Japan, Luxembourg, United Kingdom, Russia, Singapore and Turkey.

The Group’s consolidated financial statements include the Company and its subsidiaries (hereafter referred to as the “Group”).

1.1. Basis of preparation

These condensed interim consolidated financial statements of the Believe Group for the six months ended June 30, 2023 must be read with the annual consolidated financial statements disclosed in the Universal Registration approved by the French financial market authority (*Autorité des marchés financiers* – AMF) on April 20, 2023.

These condensed interim consolidated financial statements were approved for issue by the Board of Directors on August 2, 2023.

Pursuant to European Regulation (EC) No. 1606/2002 of July 19, 2002 on international accounting standards, the Group’s condensed interim consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB) and adopted by the European Union. All of the standards adopted by the European Union can be consulted on the European Commission website: <https://eur-lex.europa.eu/eli/reg/2008/1126/2023-01-01>.

International Financial Reporting Standards include IFRS, International Accounting Standards (IAS), along with the related interpretations issued by the Standing Interpretations Committee (SIC) and by the International Financial Reporting Interpretations Committee (IFRIC).

Standards, amendments and interpretations applied by the Group

The condensed interim consolidated financial statements of the Believe Group for the six months ended June 30, 2023 were prepared in accordance with IAS 34 – Interim Financial Reporting. Condensed interim financial statements do not include all the information required under IFRS to prepare annual financial statements and should therefore be read in conjunction with the consolidated financial statements for the year ended December 31, 2022, as approved by the Board of Directors on March 15, 2023. The significant accounting policies applied in these condensed interim consolidated financial statements are like those applied by the Group to prepare its consolidated financial statements for the year ended December 31, 2022, with the exception of the following amendments adopted by the European Union and effective for reporting periods beginning on or after January 1st, 2023:

- Amendments to IAS 1 – *Disclosure of accounting policies*.
- Amendments to IAS 8 – *Definition of accounting estimates*.
- Amendments to IAS 12 – *Deferred taxes related to assets and liabilities arising from a single transaction*.

These amendments to existing standards do not have a material impact on the consolidated financial statements for the six months ended June 30, 2023.

Standards, amendments, and interpretations adopted by the IASB but not yet adopted by the European Union and adopted by anticipation by the Group at June 30, 2023

The Group has not decided to adopt any standards, amendments or interpretations by anticipation for the period ended June 30, 2023. The following published standards, amendments and interpretations that will be effective after June 30, 2023 may have an impact on the Group's financial statements:

- Amendments to IAS 1 – *Classifying liabilities as current or non-current*.
- Amendments to IFRS 16 – *Lease liability in a sale and leaseback*
- Amendments to IAS 7 and IFRS 7 – *Supplier finance arrangements*
- Amendments to IAS 12 – *International Tax Reform – Pillar 2 model rules*

The Pillar 2 international tax reform, approved by a European directive that transposed the OECD's global rules against tax base erosion (GloBE). Applicable to groups with sales that exceed 750 million euros, this reform provides for a minimum effective tax rate of 15% on profits generated in each of the jurisdictions in which the Group operates. Transitional simplification measures have been introduced for the fiscal years 2024 to 2026. These will enable the Group to comply with GloBE's obligations progressively, by not having to carry out all the calculations required to determine the GloBE tax from the outset, in jurisdictions where the Group's presence is not significant or where taxation is high.

The Group will continue to analyze the impact of applying this directive in the second half of the year and, as soon as it is adopted by the European Union, will apply the amendment to IAS 12 providing for a mandatory temporary exception to the recognition of deferred taxes associated with the additional tax arising from Pillar 2 rules.

Comparability

The condensed interim consolidated financial statements were prepared using the accounting policies applied by the Group in preparing its consolidated financial statements for the year ended December 31, 2022, except as regards the following items, for which a specific basis of valuation was applied:

- Income tax: current and deferred income tax expense for the period was calculated based on an effective tax rate for each entity, as estimated for the full year;
- Employee benefits: the post-employment benefit expense for the six-month period corresponds to half of the projected expense for the full year. In accordance with the requirements of IAS 19 and IAS 34, the net projected post-employment benefit obligation in the interim financial statements takes account of significant changes in market conditions.

The Group generally records higher revenue during the final quarter of the year because of the increase in the activities of distribution platforms and social media, depending on the advertising ahead of the end-of-year celebrations. This leads to growth in their advertising revenue, which increases the revenue base used to calculate the royalties that must be paid to the Group.

Therefore, figures for the six months ended June 30, 2023 are not necessarily representative of those that may be achieved over the full year.

1.2. Use of judgement and estimates

The preparation of consolidated financial statements requires the use of accounting estimates and judgments to determine the carrying amounts of certain assets, liabilities, income and expenses. These estimates and assumptions are regularly reviewed to ensure that they are reasonable considering the Group's history, the economic climate and the information available to the Group. Certain events could result in changes in these estimates and assumptions, which would affect the

value of the Group’s assets, liabilities, equity and earnings. In preparing its consolidated financial statements, the Group used estimates and judgments to:

- Determine the term and discount rate of leases ;
- Determine whether or not to recognize deferred tax assets ;
- Estimate revenue ;
- Determine the recoverable amount of advances paid to artists and labels ;
- Calculate the recoverable amount of non-current assets ;
- Measure the intangible assets acquired as part of a business combination and estimate any earn-out liabilities: since there was no evidence of impairment, the inputs for the CGU impairment tests at June 30, 2023, were the same as those used by the Group in preparing its annual financial statements for the year ended December 31, 2022 ;
- Measure pension obligations and share-based payments.

The assumptions and estimates made are described in Note 1.3 to the consolidated financial statements for the year ended December 31, 2022.

Note 2. Significant events of the period

2.1. Acquisition of Sentric Music Group

On March 29, 2023, the Group acquired 100% of the capital of Sentric Music Group Ltd, an independent tech-powered music publishing platform, for a total price of €47,440 thousand. The cash acquired in connection with the company's acquisition amounted to €11,412 thousand.

Sentric’s proprietary and innovative platform is one of the most advanced solutions in the market, able to manage publishing for self-releasing artists profitably and at scale, while also offering global publishing deals to rights-holders at each stage of their development. Sentric’s backend platform offers a publishing infrastructure best fit for digital rights’ management, while providing songwriters and publishers with a suite of tools and actionable data to power their strategies through its user portal. Sentric’s global team has expertise across royalties, activity and usage tracking, rights management and sync, with territory specific knowledge across the board.

Sentric’s publishing expertise, industry leading technology and unique platform for collection combined with Believe’s digital music expertise and global presence will develop a comprehensive solution for songwriters and publishers at all levels.

The Sentric Group is composed by the following entities:

Company	Country
Sentric Music Group Ltd	United Kingdom
Sentric Music Ltd	United Kingdom
Sentric Music Trustees Ltd	United Kingdom
Sentric Music Copyrights Ltd	United Kingdom
RightsApp Ltd	United Kingdom
IQ Music Ltd	United Kingdom
Black Rock Publishing Ltd	United Kingdom
Masstrax Music Ltd	United Kingdom
Sentric Music (Switzerland) Ltd	United Kingdom
Sentric Music (Canada) Ltd	United Kingdom
Sentric Music Publishing Ltd	United Kingdom
Sentric Music Inc.	United States
Sentric Music Publishing Pty. Ltd	Australia

Due to the acquisition of the company in the first half of 2023, the purchase price allocation could not be reflected in the consolidated financial statements on June 30, 2023. On June 30, 2023, the temporary goodwill is €47,433 thousand. Sentric's contributions to Group revenue and consolidated net income on June 30, 2023, were €7,385 thousand and €1,316 thousand respectively.

Note 3. Segment information

3.1. Key segment data

Information relating to operating segments is prepared using the same accounting policies as those used in preparing the annual consolidated financial statements and are described in the notes of the consolidated financial statements for the year ended December 31, 2022. The Group uses the following indicators to assess the performance of the operating segments presented:

- Revenue, corresponding to revenue as reported in the consolidated financial statements ;
- Adjusted EBITDA calculated based on operating income (loss) before (i) depreciation, amortization and impairment, (ii) share-based payments (IFRS 2) including social security contributions and employer contributions (iii) other operating income and expense; and (iv) depreciation of assets identified at the acquisition date net of deferred taxes from the share of net income (loss) of equity-accounted companies.

No statement of financial position information is presented by operating segment to the chief operating decision-maker.

<i>(in € thousands)</i>	Six months ended June 30, 2023				Six months ended June 30, 2022			
	Premium Solutions	Automated Solutions	Other – Central Platform	TOTAL	Premium Solutions	Automated Solutions	Other – Central Platform	TOTAL
Revenue	388,484	26,934	-	415,418	329,241	23,003	-	352,244
Adjusted EBITDA	57,187	4,504	(37,478)	24,213	43,177	4,291	(35,731)	11,737

3.2. Reconciliation with Group financial data

The table below provides a reconciliation of adjusted EBITDA with operating income:

<i>(in € thousands)</i>	Six months ended June 30, 2023	Six months ended June 30, 2022
Operating income (loss)	1,033	(11,311)
Restatement of depreciation, amortization and impairment expense	21,152	20,156
Restatement of share-based payment including social security contributions and employer contributions	3,626	2,362
Restatement of other operating income (expense)	(1,975)	262
Restatement of depreciation of identified assets at the acquisition date, net of deferred taxes, for the share of net income (loss) of equity-accounted companies	377	268
ADJUSTED EBITDA	24,213	11,737

3.3. Information by geographic area

In accordance with IFRS 8.33, the table below shows revenue generated within and outside France based on the location of the Group's operations:

Revenue:

<i>(in € thousands)</i>	Six months ended June 30, 2023	Six months ended June 30, 2022
France	66,528	59,382
Germany	54,144	53,898
Rest of Europe	121,877	98,379
Americas	60,626	49,805
Asia-Pacific and Africa	112,244	90,780
TOTAL REVENUE	415,418	352,244

The table below shows French and foreign non-current assets based on the location of the legal entity holding the assets:

Non-current assets ⁽¹⁾:

<i>(in € thousands)</i>	June 30, 2023	December 31, 2022
France	108,596	104,725
Germany	56,551	57,852
Rest of Europe	79,472	26,104
Americas	36,360	37,499
Asia-Pacific and Africa	82,779	81,248
Total non-current assets ⁽¹⁾	363,758	307,428

⁽¹⁾ Excluding financial instruments, the non-current portion of advances to artists and labels, and deferred tax assets.

3.4. Major customers

As of June 30, 2023, the Group's three largest customers respectively accounted for 31 %, 27 % and 9 % of its total revenue, compared to 31 %, 27 % and 11 % of its total revenue as of June 30, 2022.

Note 4. Operating data

4.1. Revenue

Breakdown of revenue by type

<i>(in € thousands)</i>	Six months ended June 30, 2023		Six months ended June 30, 2022	
Digital sales	379,814	91,4%	325,460	92,4%
Others ⁽¹⁾	35,604	8,6%	26,784	7,6%
TOTAL REVENUE	415,418	100%	352,244	100%

(1) The amounts shown on this line "Others" are essentially related to physical sales and publishing business in 2023.

4.2. Others operating income (expense)

The other operating income can be analyzed as follows:

<i>(in € thousands)</i>	Six months ended June 30, 2023	Six months ended June 30, 2022
Acquisition-related costs	(1,325)	(246)
Other operation income (expense)	3,300	(16)
TOTAL OTHER OPERATING INCOME (EXPENSE)	1,975	(262)

The line "Other operating income (expenses)" mainly includes an income relating to the re-negotiation of the lease of Believe's headquarter based in France.

4.3. Advances to artist and labels

Advances to artists and labels can be analyzed as follows:

<i>(in € thousands)</i>	June 30, 2023	December 31, 2022
Advances to artists and labels – current portion	125,027	90,707
Advances to artists and labels – non-current portion	131,645	87,780
TOTAL ADVANCES TO ARTISTS AND LABELS, NET	256,672	178,487

The higher level of advances to artists and labels compared with December 2022 reflects the growth in the Group's business, as well as changes in certain commercial conditions, mainly with labels (longer contract durations, higher Group margins, etc.).

4.4. Trade payables and contract liabilities

Trade payables and contract liabilities can be analyzed as follows:

<i>(in € thousands)</i>	June 30, 2023	December 31, 2022
Trade payables	521,894	458,377
Contract liabilities ⁽¹⁾	49,890	50,960
TOTAL TRADE PAYABLES AND CONTRACT LIABILITIES	571,784	509,336

⁽¹⁾ The majority of contract liabilities shown at the beginning of each reporting period are often reclassified to revenue during that period.

Note 5. Income tax

The current and deferred income tax expense for the period was calculated based on an effective tax rate for each entity, as estimated for the full year. This rate is adjusted to take account of the tax impact of certain items recognized in the six months to June 30, 2023 and June 30, 2022, respectively. The Group's effective tax rate is based on pre-tax income, which includes without distinction the profits and losses of the group's tax entities. When deferred tax income on losses is not recognized, the effective tax rate that appears does not measure the effective tax rate on the Group's results but the tax rate on profits and the share of losses for which recovery exceeds 5 years. As a result, the effective tax rate shown in the interim financial statements may differ from the effective tax rate estimated by the Group in its annual financial statements.

For the semester ended June 30, 2023, income tax expense amounted to €1,820 thousand, mainly due to tax expenses on taxable profits greater than deferred taxes income recognized on previous losses, to the deferred taxes income unrecognized and to the withholding taxes on internal dividends received.

For the semester ended June 30, 2022, income tax expense amounted to €5,047 thousand, representing a negative effective tax rate, due mainly to tax expenses on taxable profits greater than deferred taxes income recognized on losses during the period, by the withholding taxes on internal dividends received and by the effect of the restatement of hyperinflation in Turkey.

Note 6. Transaction with related parties

For the six months ended June 30, 2023, no transaction had a material effect on the amounts of transactions with related parties published as of December 31, 2022.

Note 7. Subsequent events

No subsequent events.

Part 2: Review of the group's financial position and result

Disclaimer

This presentation contains forward-looking statements about Group's financial situation, results of operations and strategy. Although we believe these statements are based on reasonable assumptions, they are subject to numerous risks and uncertainties, including matters not yet known to us or not currently considered material by us, and there can be no assurance that anticipated events will occur or that the objectives set out will actually be achieved. More detailed information on the potential risks that could affect our financial results is included in the Registration Document that was approved by the Autorité des Marchés Financiers on April 20, 2023. Other than required by law, the Group does not undertake any obligation to update forward-looking statements in light of new information or future developments. At the date of publication of this report, this description remains valid and makes it possible to assess the main risks and uncertainties for the remaining six months of 2023.

Readers are invited to read the following information on the Group's results together with the Group's condensed consolidated interim financial statements for the period from January 1st, 2023 to June 30, 2023.

The condensed consolidated interim financial statements of the Group for the period from January 1st, 2023 to June 30, 2023 have been subject to a limited review by the Company's Statutory Auditors. The limited review report of the Statutory Auditors on the interim condensed consolidated financial statements is set out on page 3 of this document.

Analysis of results for the semester ended June 30, 2023 and June 30, 2022

Key indicators of the consolidated statement of profit or loss (€ million)	Six months ended June 30, 2023	Six months ended June 30, 2022
Revenue	415.4	352.2
Cost of sales	(276.9)	(238.1)
Sales and marketing expenses	(84.9)	(74.6)
Technology and product expenses	(25.8)	(26.9)
General and administrative expenses	(27.7)	(24.0)
Other operating income (expense)	2.0	(0.3)
Share of net income (loss) of equity-accounted companies	(0.9)	0.3
Operating income (loss)	1.0	(11.3)
Net Financial income (expense))	2.8	10.2
Income (loss) before tax	3.8	(1.1)
Income tax	(1.8)	(5.0)
Net income (loss)	2.0	(6.2)
Adjusted EBITDA	24.2	11.7

Operational performance

In France, Believe confirmed its leadership in new releases and its success in developing artists durably. Believe ranked #2 on local acts in H1'23, with a 27% market share for the top albums locally with 40 of the 149 local albums from the Top 200 (physical + digital according to SNEP data). This is a testament to the focused strategy on local acts and the digital expertise of the Group. Believe had 4 best-selling artists in the Top 10 in H1'23, proving its unique capacity to develop several artists in several genres at the very top of the market. Interestingly with 5 Jazz and Classical albums in those genres Top 50, the Group also leveraged the accelerated shift to digital of a greater variety of music genres.

Additionally, Believe won several awards during the semester. In India, where the Group has built a leading position, artists services won three awards at the 2023 radioandmusic.com CLEF Music Awards. In the UK where the Group emerges as an attractive alternative to large incumbent music companies, Believe won Best Label/Artist Services at the Music Week Awards 2023, which is a true testament to the strength and quality of service in digital. The Music Week Awards are the

UK's only music awards that recognize labels, publishing, live, retail, A&R, radio, marketing and PR – all segments of this industry.

1. Revenue

The Group's consolidated revenue increased by €63.2 million, or 17.9%, during the semester ended June 30, 2023, jumping from €352.2 million for the semester ended June 30, 2022 to €415.4 million for the semester ended June 30, 2023.

The table below shows the reconciliation of consolidated revenue to organic revenue at constant exchange rates, as well as the growth rates for the semester ended June 30, 2023 and June 30, 2022:

(€ million)	Six months ended June 30, 2023	Change H1 2022 – H1 2023		Six months ended June 30, 2022
		€ million	As %	
Consolidated revenue	415.4	63.2	17.9%	352.2
Change of perimeter	(7.5)	(7.5)	-	-
Foreign exchange effect	5.3	5.3	-	-
IAS 29 Hyperinflation	0.6	0.6	-	-
Organic revenue at constant exchange rates	413.8	61.6	17.5%	352.2

The breakdown between revenue generated by digital sales and by other activities (consisting primarily of physical sales and, to a lesser extent, secondary products, the organization of music events, neighboring rights, synchronization and brand partnerships) is as follows:

(€ million)	Six months ended June 30, 2023	Change H1 2022 – H1 2023		Six months ended June 30, 2022
		€ million	As %	
Digital sales	379.8	54.4	16.7%	325.5
Others	35.6	8.8	32.9%	26.8
CONSOLIDATED REVENUE	415.4	63.2	17.9%	352.2

The change in consolidated revenue during the semester ended June 30, 2023 primarily reflects organic growth at constant exchange rates¹ of 17.5 %, or €61.6 million, the foreign exchange effect for €5.3 million, the effect of the adjustment of the Turkish hyperinflation for €0.6 million, offset by the positive impact of the acquisitions purchased after the semester ended June 30, 2022, i.e., the acquisition of Sentric Music Group (100%) in March 2023.

The Group recorded a growth in revenue from digital sales of 16.7% compared with the semester ended June 30, 2022, reflecting the increase in paid streaming and further market gains on the main streaming services in both mature and emerging countries. The Group remained at the forefront of audience development, fostering digital monetization in an ever-growing number of digital music genres. It should be noted that a slowdown in the monetization of advertising on free streaming services was observed in the six months to June 30, 2023, as well a negative a forex impact related to the euro exchange rate appreciation versus the dollar and several local currencies.

Revenue from the Group's non-digital sales increased by 32.9% in the fiscal year ended June 30, 2023, mainly due to the integration of Sentric Music Group's publishing activities. On the semester ended June 30, 2022, others revenue had been boosted by the massive concert of top artist Jul in Marseille in June'22.

In H1'23, revenue growth reached +23.6% in Asia Pacific and Africa which represented 27.0% of Group revenues. The market environment remained dynamic throughout the semester, but ad-funded streaming revenues remained depressed. Digital monetization was also affected by negative currency headwinds directly embedded in the royalties paid out by digital partners in Q2'23, affecting the overall performance. Consequently, India and Southeast Asia recorded lower growth in Q2 versus Q1, while the level of activity in Japan and Greater China remained very strong.

¹ Organic growth at constant exchange rates corresponds to revenue growth on a like-for-like basis, at comparable exchange rates in year N-1, i.e. adjusted for the impact of exchange rate fluctuations and the application of IAS 29 "Hyperinflation".

Americas grew by +21.7% and represented 14.6% of Group revenues. The level of activity in Brazil and Mexico was strong throughout the semester. TuneCore remained on its positive trajectory, but the weakening of the dollar and less favorable comparison basis dragged on its overall performance.

In France, revenues increased by +12.0% in H1'23 and represented 16.0% of Group revenues. The Group confirmed its position as a key player in France and its capacity to better and further develop artists and labels at any stage of their career. In Germany, revenues increased by +0.5% in H1'23 and represented 13.0% of Group revenues. Digital sales were less dynamic at the end of the quarter, but the Group had some successes in developing artists in digital. The recent joint venture with Madizin started its commercial roll-out with promising signings. Revenues remained, however, affected by the exit from contracts that were too heavy in physical sales.

Change in revenue by operating segment

(€ million)	Six months ended June 30, 2023	Change H1 2022 – H1 2023		Six months ended June 30, 2022
		€ million	As %	
Premium solutions	388.5	59.2	18.0 %	329.2
Automated solutions	26.9	3.9	17.1 %	23.0
CONSOLIDATED REVENUE	415.4	63.2	17.9 %	352.2

Premium Solutions

Revenue generated by the Premium Solutions business increased by €59.2 million for the semester ended June 30, 2023, or 18.0%, from €329.2 million in the semester ended June 30, 2022 to €388.5 million for the semester ended June 30, 2023.

Organic performance linked to paid streaming and additional market share gains remains favorable over the 1st half of 2023, despite negative currency impacts and the slowdown in advertising monetization.

Automated Solutions

Revenue generated by the Automated Solutions segment rose €3.9 million for the semester ended June 30, 2023, i.e., 17.1 % (or 9.2 % organic), from €23.0 million for the semester ended June 30, 2022, to €26.9 million for the semester ended June 30, 2023.

This improvement is mainly due to the integration of the Sentric business and the effects of the new TuneCore pricing offer introduced in June 2022.

2. Cost of sales

The Group's cost of sales increased by €38.9 million (+16.3%) during the semester ended June 30, 2023, from €238.1 million for the semester ended June 30, 2022 to €276.9 million for the semester ended June 30, 2023.

The change in cost of sales during the semester ended June 30, 2023 is mainly due to the increase in the total amounts paid by the Group to artists and labels, in line with the growth in revenue relating to the content of the Group's catalogue for the reasons described in paragraph 1 "Revenue" above.

3. Sales and marketing expenses

The Group's sales and marketing expenses rose €10.3 million (or +13.9%) for the semester ended June 30, 2023, from €74.6 million for the semester ended June 30, 2022 to €84.9 million for the semester ended June 30, 2023.

The change in sales and marketing expenses during the semester ended June 30, 2023 is essentially explained by the investments made by the Group, mainly in the form of team recruitment (full-year effect of recruitments made in 2022 and impact of recruitments made in the first half of 2023 to a lesser extent). However, the growth of sales and marketing expenses remains less significant than the growth in revenue over the period.

4. Technology and product expenses

The Group's technology and product expenses were down €1.1 million (or -4.2 %) during the semester ended June 30, 2023, from €26.9 million for the semester ended June 30, 2022 to €25.8 million for the semester ended June 30, 2023.

The change in technology and product expenses for the semester ended June 30, myht2023 was mainly driven by the postponement of certain projects to the second half of 2023 or to the 2024 financial year, and by the internalization or consolidation of certain functions. Thus, the Group focused its efforts on efficiency projects in the first half. In addition, the Group capitalized a slightly higher amount of investment in the Central Platform in the first half of 2023 than during the first half of 2022.

5. General and administrative expenses

The Group's general and administrative expenses rose €3.8 million (or +15.7%) for the semester ended June 30, 2023, from €24.0 million for the semester ended June 30, 2022 to €27.7 million for the semester ended June 30, 2023.

The increase in general and administrative expenses for the semester ended June 30, 2023 is mainly driven by the recruitment of local staff to support future revenue growth, but at a slower pace to keep costs under control. During the six months ended June 30, 2023, the Group launched several efficiency initiatives with positive results, notably at the central platform level.

6. Other operating income (expense)

Other operating income (expense) of the Group increased by €2.2 million for the semester ended June 30, 2023, from a net expense of €0.3 million for the semester ended June 30, 2022 to a net income of €2.0 million for the semester ended June 30, 2023. The improvement mainly includes an income relating to the re-negotiation of the lease of Believe's headquarter based in France.

7. Operational income

The Group's operating income increased by €12.3 million during the semester ended June 30, 2023, from € (11.3) million for the semester ended June 30, 2022 to €1.0 million for the semester ended June 30, 2023.

The improvement in the Group's operating income during the semester ended on June 30, 2023, is attributable to the 17.9% increase in the Group's revenue partially offset by the 13.6% increase in operating expenses (see sections above).

8. Net financial income (expense)

The Group's net financial income (expense) went from an income of €10.2 million for the semester ended June 30, 2022 to an income of €2.8 million for the semester ended June 30, 2023.

<i>(€ million)</i>	Six months ended June 30, 2023	Six months ended June 30, 2022
Cost of financial debt	2.6	(0.6)
Other net financial income (expense)	0.1	10.8
TOTAL NET FINANCIAL INCOME (EXPENSE)	2.8	10.2

The change in net financial expense for the semester ended June 30, 2023 primarily reflects the financial gains for €3.3 million, change in currency losses net of currency gains for €8.7 million and by the hyperinflation effects in Turkey for €2.1 million.

9. Income before tax

The Group's income before tax increased by €4.9 million for the semester ended June 30, 2023, from a loss before tax of €1.1 million for the semester ended June 30, 2022 to a profit before tax of €3.8 million for the semester ended June 30, 2023.

The change in income before tax for the semester ended June 30, 2023 was mainly driven by changes in operating income and net financial expense described in paragraphs 7 and 8 above.

10. Income tax

The Group's income tax decreased by €3.2 million for the semester ended June 30, 2023, from €5.0 million for the semester ended June 30, 2022 to €1.8 million for the semester ended June 30, 2023.

For the semester ended June 30, 2023, income tax expense amounted to €1,820 thousand, mainly due to tax expenses on taxable profits greater than deferred taxes income recognized on previous losses, to the deferred taxes income unrecognized and to the withholding taxes on internal dividends received. For the semester ended June 30, 2022, the income tax expense is mainly explained by income tax expenses on taxable profits of the Group's beneficiary entities, by

withholding tax expenses on dividends received, and by the effect of the restatement of hyperinflation in Turkey which are greater than the deferred tax income recognized on losses of the period.

11. Net income (loss)

As a result of the changes described in the paragraphs above, the Group's net income increased by €8.1 million for the semester ended June 30, 2023, from a net loss of €6.2 million for the semester ended June 30, 2022 to a net profit of €2.0 million for the semester ended June 30, 2023.

12. Adjusted EBITDA

The Group's Adjusted EBITDA more than doubled in H1'23 to reach €24.2 million compared with €11.7 million in H1'22. Adjusted EBITDA margin stood at 5.8% in H1'23 compared with 3.3% in H1'22 thanks to the Adjusted EBITDA margin increase at the segment level and better amortization of Central Platform

The change in the Group's adjusted EBITDA in the semester ended June 30, 2023 comes from the elements described in points 1 to 5 above.

Change in adjusted EBITDA by operating segment

(€ million)	Six months ended June 30, 2023	Change H1 2022 – H1 2023		Six months ended June 30, 2022
		€ million	As %	
Premium solutions	57.2	14.0	32.4 %	43.2
Automated solutions	4.5	0.2	5.0 %	4.3
Central Platform ⁽¹⁾	(37.5)	(1.7)	4.9 %	(35.7)
Adjusted EBITDA	24.2	12.5	106.3 %	11.7

⁽¹⁾ The Central Platform is not an operating segment under IFRS 8, but is monitored by the Group for its internal reporting needs and covers the costs of the following centralized operating functions that have not been allocated to the Premium Solutions or Automated Solutions operating segments: the IT, products and operations teams, who develop and operate the technology related to the platform for distribution to digital service providers and data analysis; the marketing teams, who develop and use the tools to promote artists; the teams who develop and structure the commercial offerings; and various support functions, such as the finance or human resources teams.

Premium solution

The adjusted EBITDA generated by the Premium Solutions segment up by €14.0 million (or +32.4%) for the semester ended June 30, 2023, from €43.2 million for the semester ended June 30, 2022 to €57.2 million for the semester ended June 30, 2023.

The change in the adjusted EBITDA of the Premium Solutions segment in the semester ended June 30, 2023 was mainly driven by the strong growth in revenue of this segment (see paragraph 1 "Revenue" above) and is partially offset by the significant increase in sales and marketing expenses related to the investments made in local organizations to further increase market positions in key countries as digitalization of music genres is accelerating.

Automated solutions

The adjusted EBITDA generated by the Automated Solution segment was up by €0.2 million (+5.0%) for the semester ended June 30, 2023, from €4.3 million for the semester ended June 30, 2022 to €4.5 million for the semester ended June 30, 2023.

The change in the adjusted EBITDA of the Automated Solutions segment for the semester ended June 30, 2023, was mainly driven by the integration of the Sentric business, partially offset by increased investment in the TuneCore offering with the introduction of new features and functionalities and associated marketing expenditure.

Central platform

Believe continued to significantly invest in its Central Platform to enhance the Group's service level, deploying new solutions and further upgrading its infrastructure in H1'23. Total investment decreased as a percentage of revenues in line with Believe's strategic roadmap. The Group had a much lower capitalization rate than last year, resulting in higher costs accounted for in the Adjusted EBITDA. As every semester some investments in the Central Platform are capitalized according to IFRS accounting standards, but the nature of the projects (specifically the focus on digital marketing and cloud data) reduced the capitalization rate in the semester. As a result, Central Platform Adjusted EBITDA was slightly lower than

last year in percentage of revenues at 9.0% versus 10.1% in H1'22. Excluding the effect of capitalization, Central Platform costs represented 10.9% of revenues versus 12.4% in H1'22.

Cash position and cash flows

1. Description and analysis of the main categories of utilization of the Group's cash

Advances to artists and labels

Advances paid by the Group to artists and labels (see Chapter 1, section 1.2.3 “Offering a development platform for artists and labels at the local level with contracts at or above market standards” of this Universal registration document for a description of the mechanism for advances) have a negative impact on its working capital requirement and lead to an immediate use of cash by the Group.

For the last two fiscal years, the amount of advances paid by the Group to artists and labels increased because of the growth in its revenue, but also because of the launch of dedicated commercial offerings (Artist Solutions and Artist Services), the start-up of which resulted in the payment of advances used by the artists to finance the development of singles or albums (see also sections 5.3.2.5 “Working capital requirement”, 3.1.2 “Risks related to relationships with artists and labels” and 3.1.4 “Liquidity and counterparty risks” of this Universal registration document).

The net amount of unrecouped advances to artists was €256.7 million and €178.5 million for the semester ended June 30, 2023 and the closing December 31, 2022, respectively. Customer advances continued to grow at a faster pace than in H1'22, driven by the renewal of several major labels under longer-term contracts than usual.

Investment expenditure

The Group's investment expenditure can be divided into the following categories:

- investments in the development of its technology platform, mainly represented by the capitalized costs of the development of intangible assets;
- the acquisitions of companies or businesses as part of its external growth policy.

Development costs capitalized as intangible assets for the semesters ended June 30, 2023 and 2022 were €9.2 million and €9.0 million, respectively.

Disbursements related to the acquisition of subsidiaries, net of cash acquired, for the semester ended June 30, 2023 were €36.6 million.

Payment of interest and repayment of financial debt

The Group allocates a portion of its cash flows to the servicing and repayment of its debt. The Group received net financial interest income of €3.2 million compared with net cash outflows of €0.2 million for the semesters ended June 30, 2023 and 2022, respectively. It also paid, for the repayment of its loans, €1.5 million and €0.8 million for the semesters ended June 30, 2023 and 2022, respectively. At the time of its IPO, the Group repaid the Credit agreement in full of the proceeds of its capital increase.

Lease payments represented €5.1 million and €3.5 million for the semesters ended June 30, 2023 and 2022, respectively.

2. Group consolidated cash flows

The table below summarizes the Group's cash flows for the semester ended June 30, 2023:

(In € million)	Six months ended June 30	
	2023	2022
Net cash from (used in) operating activities	(27.2)	21.4
Net cash from (used in) investing activities	(54.6)	(16.4)
Net cash from (used in) financing activities	(2.6)	(4.2)
Net increase (decrease) in cash and cash equivalents before the impact of changes in foreign exchange rates	(84.3)	0.8

(a) Net cash from (used in) operating activities

The following table shows the net cash items from (used in) operating activities:

<i>(In € million)</i>	Six months ended June 30	
	2023	2022
Net income (loss)	2.0	(6.2)
Depreciation, amortization and impairment of non-current assets	21.2	20.2
Share-based payment	3.6	2.4
Cost of debt	(2.6)	0.6
Income tax	1.8	5.0
Net charges to provisions and employee benefits	(0.1)	(0.9)
Share of net income (loss) of equity-accounted companies (incl. dividends received)	1.2	(0.1)
Elimination of net gains or losses on disposals of assets	(0.9)	-
Other items with no cash impact	(7.6)	(7.1)
Income tax collected/paid	(2.9)	(3.9)
Change in operating working capital	(42.9)	11.2
NET CASH FROM (USED IN) OPERATING ACTIVITIES	(27.2)	21.4

Net cash from (used in) the Group's operating activities amounted to €(27.2) million for the semester ended June 30, 2023 and €21.4 million for the semester ended June 30, 2022.

The decrease of €48.6 million in net cash from (used in) the Group's operating activities during the semester ended June 30, 2023 is due to the following effects: (i) the €8.1 million increase in Group net income and (ii) the €54.1 million increase in the Group's working capital requirement.

(b) Net cash from (used in) investing activities

The following table shows the net cash items from (used in) investing activities:

<i>(In € million)</i>	Six months ended June 30	
	2023	2022
Acquisitions of property, plant and equipment, and intangible assets	(18.4)	(11.6)
Disposals of property, plant and equipment and intangible assets	1.0	-
Acquisitions of subsidiaries, net of cash acquired	(36.6)	(1.5)
Decrease (increase) in loans	-	(3.2)
Decrease (increase) in non-current financial assets	(0.6)	-
NET CASH FROM (USED IN) INVESTING ACTIVITIES	(54.6)	(16.4)

The €38.2 million decrease in net cash used in investing activities in the six months to June 30, 2023, is mainly due to the acquisition of 100% of Sentric Music Group in March 2023.

(c) Net cash from (used in) financing activities

The following table shows the net cash items from (used in) financing activities:

<i>(In € million)</i>	Six months ended June 30	
	2023	2022
Decrease in borrowings	(1.5)	(0.8)
Repayment of lease liabilities	(5.1)	(3.5)
Interest paid	3.2	(0.2)
Capital increase (decrease) by owners	0.8	0.3
Disposal (acquisition) of treasury shares	-	-
NET CASH FROM (USED IN) FINANCING ACTIVITIES	(2.6)	(4.2)

(d) Free cash flow

Free cash flow corresponds to net cash flows from operating activities, after taking into account acquisitions and disposals of intangible assets and property, plant and equipment, and restated for (i) costs related to acquisitions, (ii) acquisition costs of a group of assets, that does not meet the definition of a business combination and (iii) advances related to distribution contracts intended specifically for the acquisition of assets (acquisition of companies, catalogs, etc).

This indicator, which reflects the Group's capacity to generate cash from its operating activities, is taken into consideration by Executive Management to define its investment strategy and financing policy.

Free cash flow is an alternative performance indicator within the meaning of AMF position no. 2015-12. Free cash flow is not a standardized accounting aggregate with a single definition generally accepted by IFRS. It must not be regarded as a substitute for operating income, net income or cash flows from operating activities, which are IFRS-defined measures, or even as a measure of liquidity. Other issuers may calculate free cash flow differently from the definition used by the Group.

Free cash flow and net cash flow relating to operations can be reconciled as follows with the consolidated statement of cash flows:

<i>(In € million)</i>	Six months ended June 30	
	2023	2022
Net cash from (used in) operating activities	(27.2)	21.4
Acquisitions of property, plant and equipment, and intangible assets	(18.4)	(11.6)
Disposals of property, plant and equipment and intangible assets	1.0	-
Restatement of acquisition-related costs	1.3	0.2
Restatement of acquisition costs of a group of assets	5.6	0.8
Restatement of advances related to Distribution contracts intended specifically for the acquisition of assets (acquisition of companies, catalogs, etc.)	4.8	-
FREE CASH FLOW	(32.9)	10.8

The Group's free cash flow amounted to €(32.9) million and €10.8 million for the semesters ended June 30, 2023 and 2022. The decrease in free cash flow of €43.7 million during the semester ended June 30, 2023, is mainly due to the decrease in net cash flow from operating activities for an amount of €48.6 million, and in particular to the increase in advances from artists and labels.

The Group also has a credit line for €170 million which was undrawn at December 31, 2022. At the time of its IPO, and with effect from the settlement-delivery date of the Company's shares offered in connection with the admission to trading on the Euronext Paris regulated market, the Group repaid in full the Credit Agreement using the proceeds of its capital increase, at the same time as the implementation of a new syndicated credit agreement to replace the Credit Agreement (see Section 5.3.3.1 "New Revolving Credit Agreement" of the 2022 Universal registration document).