

# Q1 Revenue 2024

Investor Meetings  
24 April 2024

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## Today's presenters



**Denis Ladegaillerie**

Founder & Chief Executive  
Officer



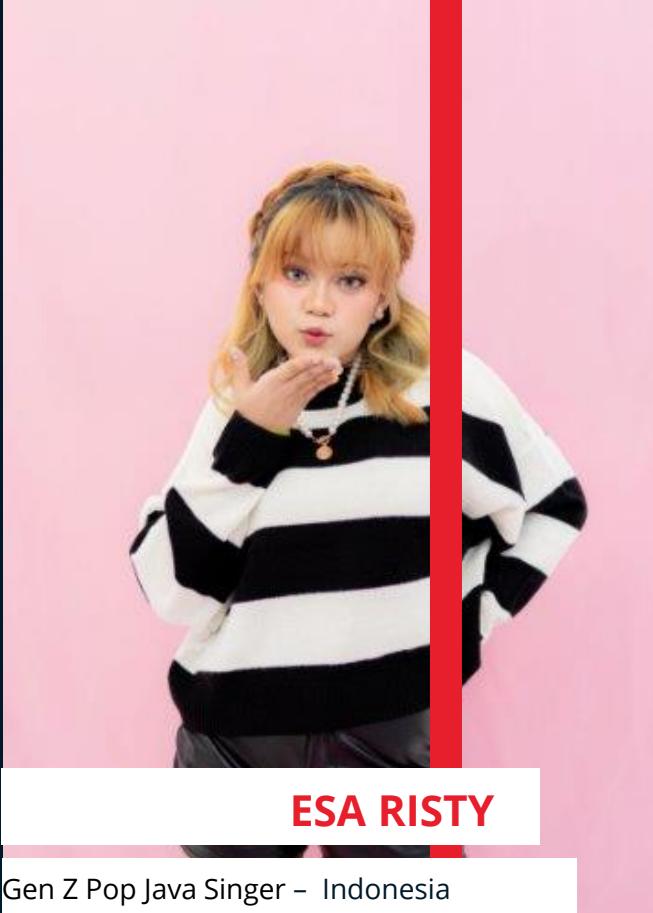
**Romain Vivien**

Global Head of Music  
President Europe



**Xavier Dumont**

Chief Financial and Strategy  
Officer



**A solid start for FY'24,  
thanks to Believe's  
digital positionning**

## Maintaining focus on investment and innovation Q1'24 organic growth in line with Group's expectation

### Continuing to build the best artist & label development platform

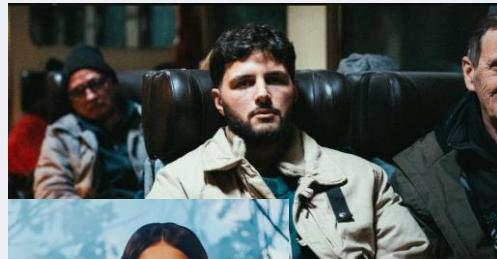
- Further building market position thanks to increased reach towards a greater diversity of music genres
- Implementing smart partnerships to create more value for artists and labels at all levels
- Differentiating through innovation in product, technology and people

### Delivering on growth in Q1'24 despite headwinds in Asia, on track to deliver FY'24 objectives

- Adjusted organic growth of +16.1% (organic growth of +12.5%, embedded market FX of -3.6%) in Q1'24
- Organic growth to accelerate from Q2'24
- FY'24 Adjusted organic growth of + c.20% and Adjusted EBITDA margin of c. 6.5%, another step toward our long term profitability objective of 15%

# Increased reach associated to appeal to a greater audience of artists & labels

## Signings across key markets in a greater diversity of music genres



**Hava & Dardan**  
Rap - Germany  
4,25mio listeners



**Soffie**  
Pop - Germany  
2mio listeners



**Mickie Krause (Madizin)**  
Party Schlager - Germany  
1.26mio listeners



**Ninja**  
Punjabi - India  
2.4mio listeners



**Parmish Verma**  
Punjabi - India  
6.5mio listeners



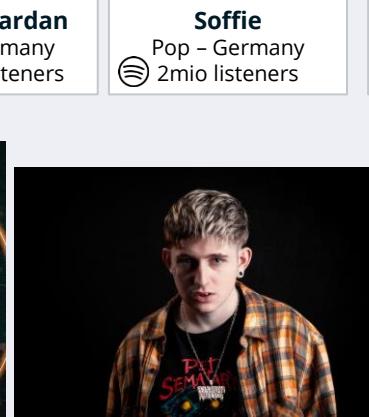
**G.A**  
Trap Rap - Brazil  
1.9mio listeners



**Portugal no Beat**  
Trap Rap - Brazil  
2.9mio listeners



**Pablo**  
Arrocha - Brazil  
2.3mio listeners



**Dillom**  
Rap - Argentina  
2.3mio listeners



**Olga Tañon**  
Merengue - US Latin  
3,6mio listeners



**Montez de Durango**  
Mexican regional - US Latin  
2.1mio listeners



**Siti Nordiana**  
Local pop - Malaysia  
386K listeners



**Freehand**  
Indie Rock - Thailand  
1mio listeners



**Swati Mishra**  
Devotional - India  
666K subscribers



UK - Alternative Indie



UK / US  
Alternative Indie



Germany  
Rock, Metal

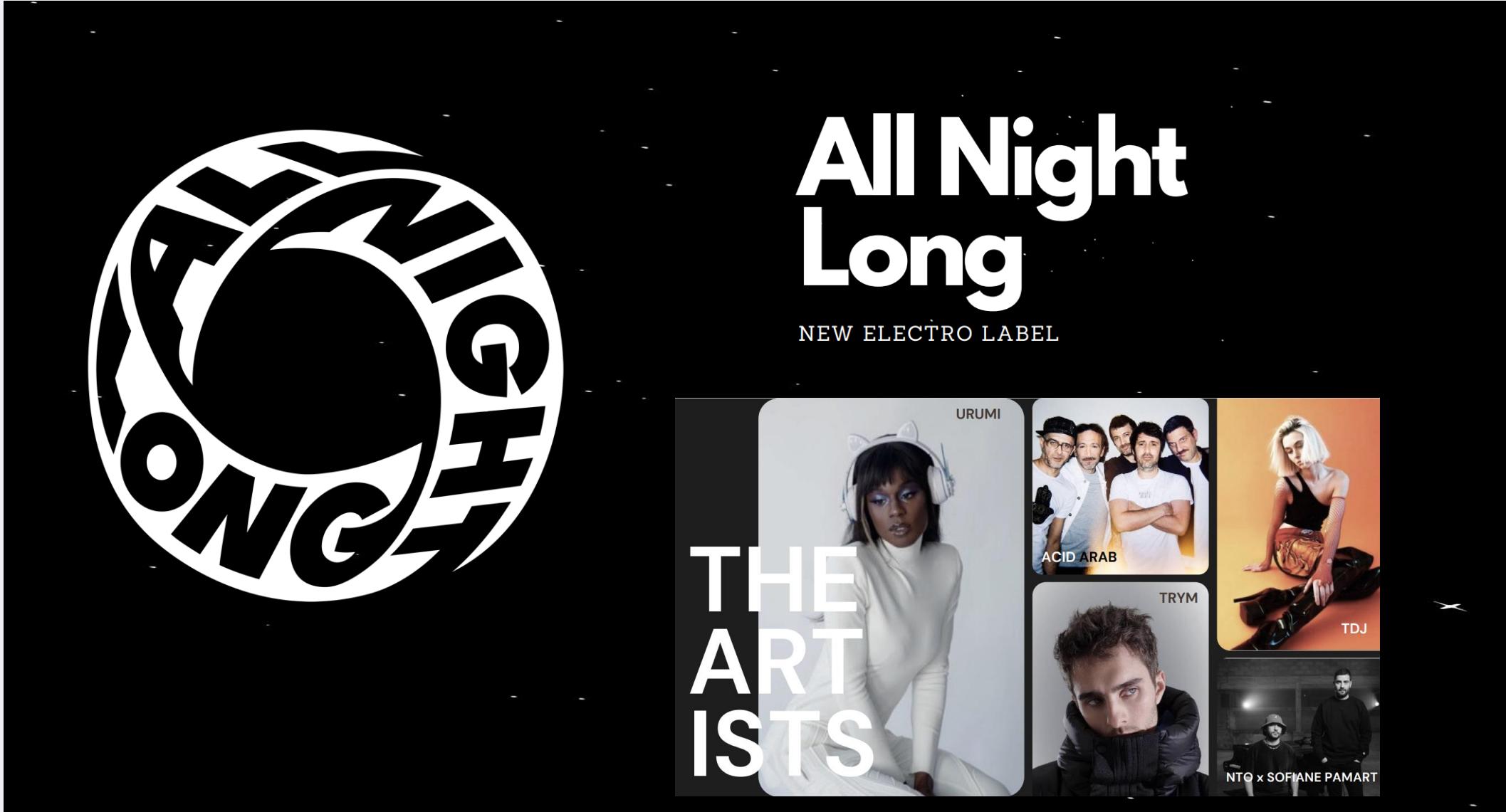


Poland Rap, R'n'B, Soul



Icon India Bhojpuri, Hindi-Pop

Launch with Kidding Aside of All Night Long, a label dedicated to Electronic  
Further building its presence in this global music genre



The image is a promotional graphic for the 'All Night Long' electro label. On the left, a large, stylized circular logo with the words 'ALL NIGHT LONG' in a bold, sans-serif font is displayed. The letters are partially cut out, creating a layered effect. To the right of the logo, the text 'All Night Long' is written in a large, white, sans-serif font. Below it, the words 'NEW ELECTRO LABEL' are written in a smaller, white, sans-serif font. At the bottom left, the text 'THE ARTISTS' is written in a large, white, sans-serif font. To the right of this text, there are six smaller images arranged in a grid, each featuring a different artist: 'URUMI' (a woman in a white outfit and cat-ear headphones), 'ACID ARAB' (a group of four men), 'TRYM' (a man in a dark jacket), 'TDJ' (a woman in a black outfit), 'NTO x SOFIANE PAMART' (two men in a dark setting), and a small image of a man's face. The background of the entire graphic is black.

ALL NIGHT  
LONG

NEW ELECTRO LABEL

THE  
ART  
ISTS

URUMI

ACID ARAB

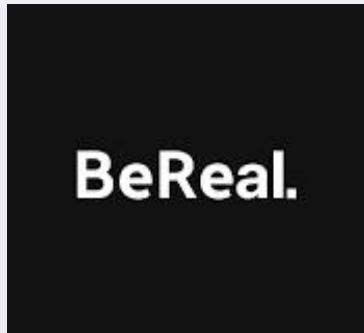
TRYM

TDJ

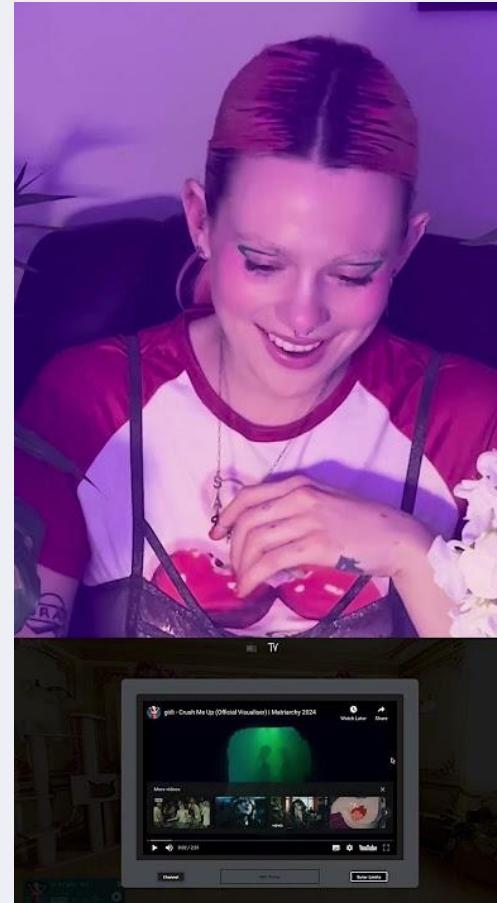
NTO x SOFIANE PAMART

# Implementing smart partnerships supporting artist development

## Maximizing discovery opportunities, engaging with fans differently



First music company to partner with **BeReal** in France, opening new avenues for its artists to engage and grow their audiences



**Entering the Girliverse**  
Launch of the brand new interactive online experience of Pop sensation **Girli**

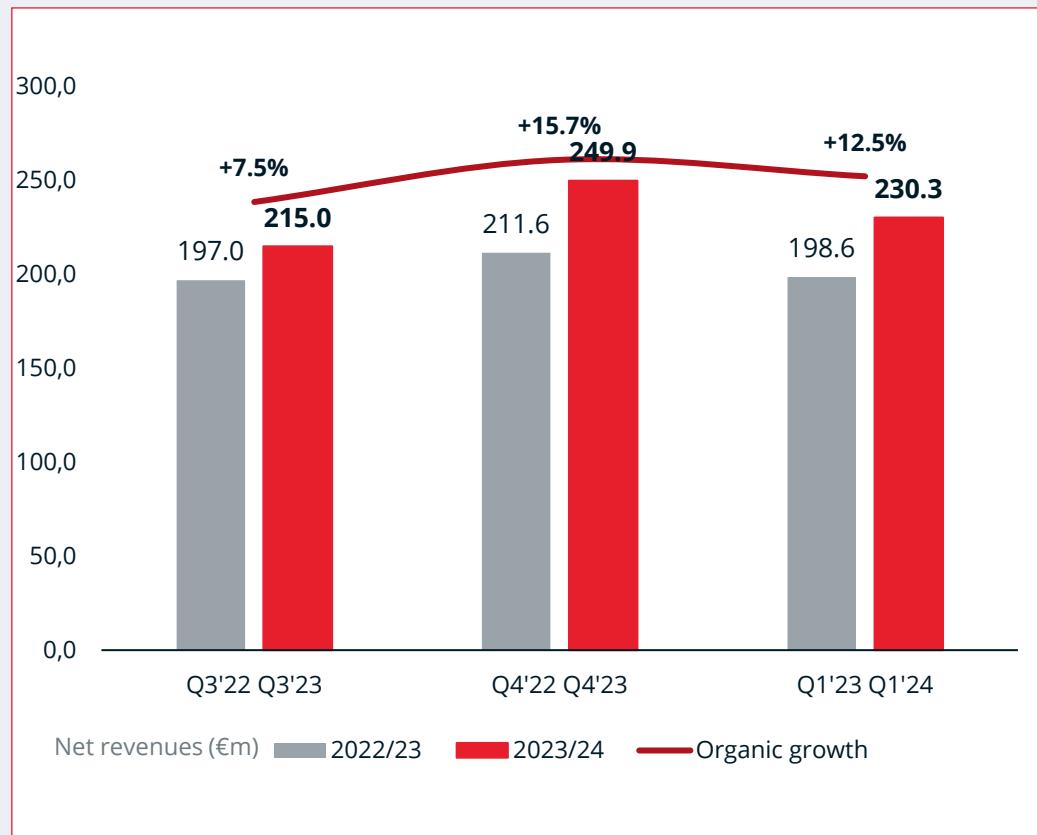


TuneCore implemented a **partnership with Presonus® to streamline the distribution process for StudioOne® users**, allowing them to send their music to stores and streaming platforms as soon as they finish recording in their daw.

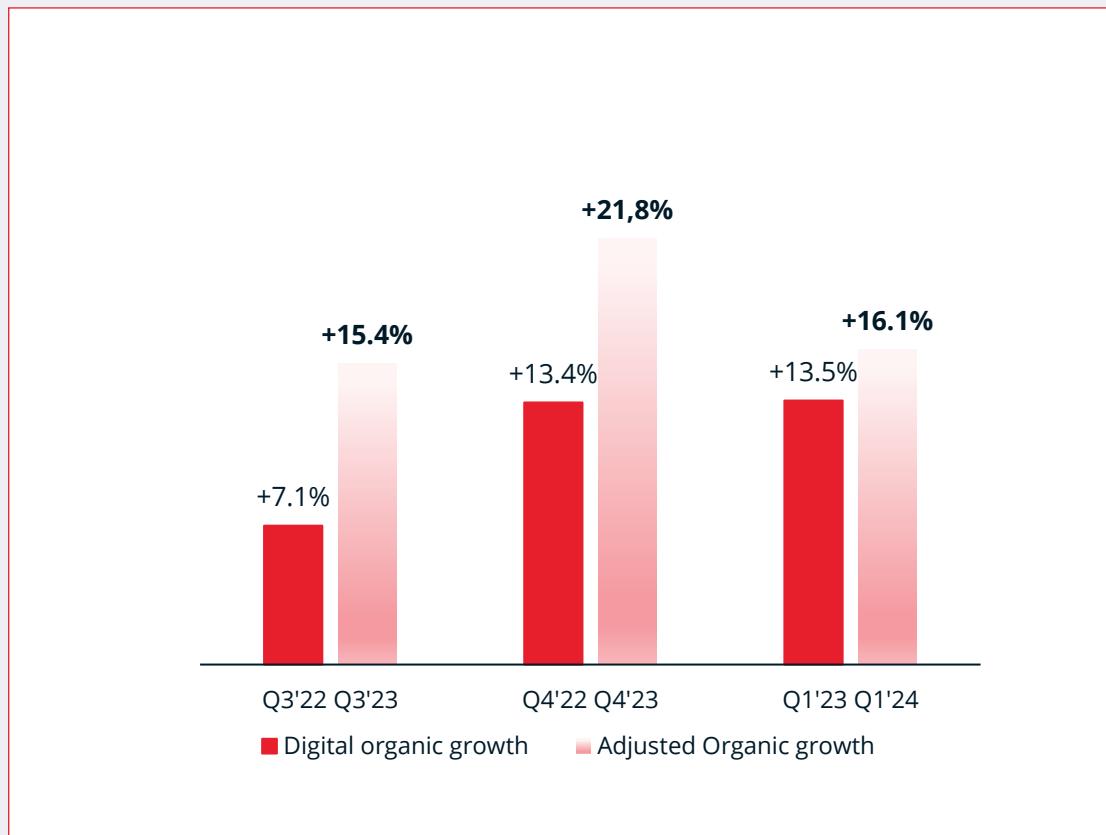
# Q1 2024 organic growth below Q4'23 as expected due to lower non-digital sales

## Digital monetization still affected by currency headwinds

Q1'24 Organic growth in line with expectations, with digital trends at par with Q4'23 digital trends and lower non digital sales



Digital monetization still impacted by embedded FX market effect  
ADjusted organic growth above +15% over the last quarters



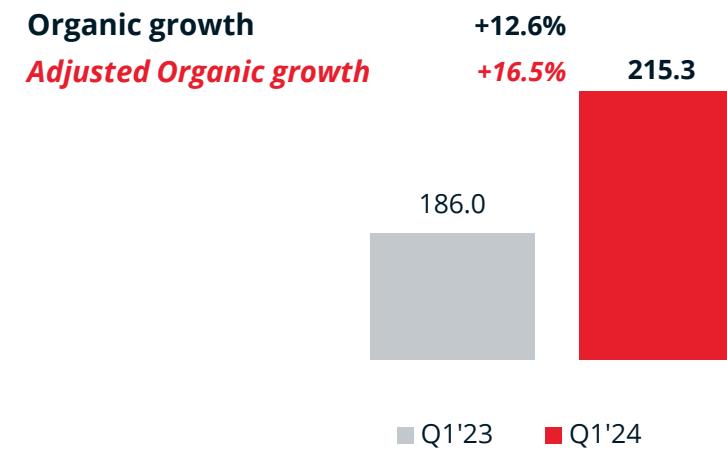
### Note

1. Organic change: revenue growth at constant perimeter and constant exchange rate

## Premium Solutions driving the revenue growth, while Automated Solutions is ramping up following its pricing changes

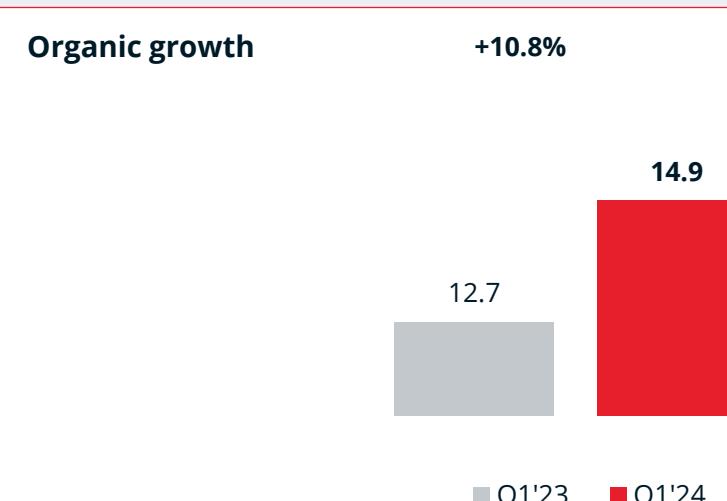
### Premium Solutions revenue up +15.8% YoY

- **Organic growth** reflecting resilient paid-streaming uplifted by price increases, progressive recovery of ad-funded streaming monetization and additional market share gains;
- Strong growth in Europe, France and Americas, offsetting lower performance in Asia;
- **Pursuing strategy** of music genres diversification and focus on greater commercial value generation per artist



### Automated Solutions revenue up +18.2% YoY

- **Organic growth** reflecting the adoption as a paid service of *TuneCore Accelerator*, after successful free trial in Q4'23,
- And a minor positive impact of price increases passed on Q4'23 as they will be accounted for over the year;
- **Pursuing strategy** to offer the best comprehensive offer to support the development of self-releasing artists.

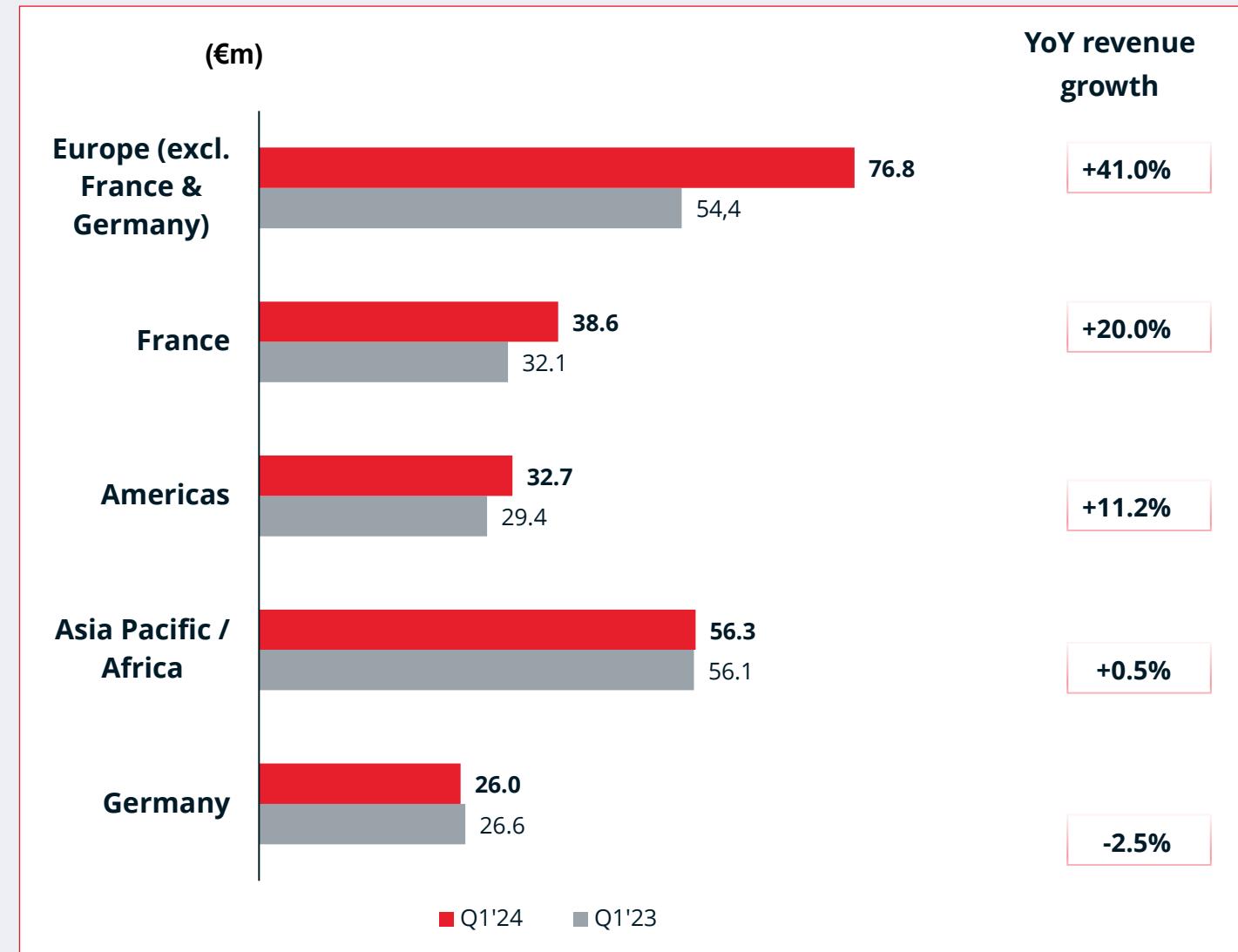


# Strong growth in Europe, France and Americas in Q1'24

## After sustained years of growth, Asia recorded lower revenue growth

### Key regional highlights

- **Europe (excl. France and Germany): up +41%**, strong performance enhanced by Sentric perimeter effect. Revenue growth particularly sustained in Southern Europe, Eastern Europe and Turkey.
- **France: up +20%**, reflecting additional market share gains thanks to roster diversification and rap leadership and solid non digital sales driven by Believe's ranking among Top3 players for local acts.
- **Americas: up +11.2%**, reflecting success in the Latin music space, increased position in Brazil and solid level of activity at TuneCore.
- **APAC & Africa: up +0.5%**, reflecting a strong performance in Greater China and Japan mitigated by moderate growth in India and value decline in several Southeast Asian markets.
- **Germany down -2.5%**, reflecting growing digital sales and a strong decline in non-digital sales as the Group continued exiting contracts with heavy physical and merch content.





Iñigo Quintero

Pop – Spain

Track: Si No Estás #1 Global Chart Spotify top 50

# Confirmed FY'24 outlook and mid- term objectives

## **Q1'24 in line with expectations, organic growth acceleration from Q2'24 FY 2024 guidance: another step towards long-term Adjusted EBITDA margin of 15%**

### **1. FY'24 Organic Growth expected at c. +18%, assuming a c. -2% embedded FX impact**

- Resilient paid streaming to pursue its strong growth trajectory, uplifted by price increases at some large DSPs.
- Ad-funded streaming activities to recover in emerging markets in H2'24.
- Continuous market share gains notably in the countries where Believe is not yet in Top3 for local acts.
- **Adjusted Organic Growth:** c. +20%.

### **2. Adjusted EBITDA margin to pursue its increase in FY'24, expected around 6.5%**

- **Scale effect and strong operational efficiency** contributing to increased EBITDA margin.
- **Significant commercial and consolidation opportunities** thanks to Believe's reinforced appeal to artists and business profile, which will weigh down on free cash flow.
- **Free cash flow expected slightly positive in FY'24.**

# 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.

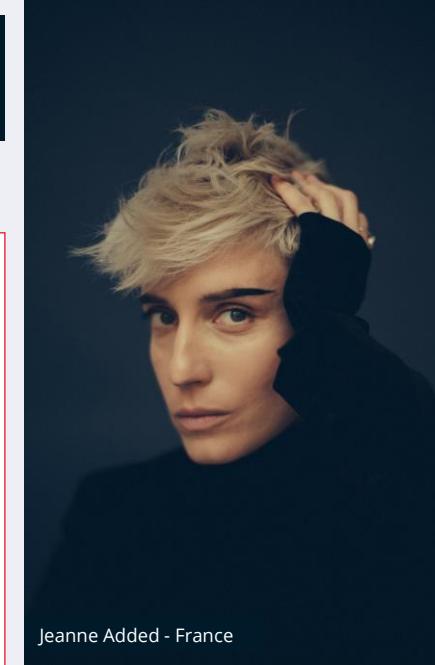
A targeted M&A strategy to accelerate revenue growth.



**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



Alligatoah

XXX - Germany

+3.35m Spotify monthly listeners

# Appendix

# Q1 2024 revenue breakdown

Q1 2024 Revenue breakdown by segment & geography  
(in % of Group revenues)

