

First-Quarter 2023 Revenue

April 25, 2023

 **deezer**

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Performance in Q1 2023 in line with Expectations

+7%

B2C Revenue Growth
YoY

+10%

B2C Subscriber Growth in France
YoY

+10%

B2B Revenue Growth
YoY

€115m

Total Revenue
in Q1 2023

+6.5%

Revenue Growth
vs. Q1 2022



Key Business Highlights for Q1 2023

New **product** vision

Ongoing implementation of 2023 roadmap
focused on differentiation and monetization

Improvement of **B2C economics**

Continued execution of Deezer's strategy
to **drive profitable B2C growth on core markets**

B2B expansion in new geographies & segments

New long-term partnerships with Sonos in the US
Partnership launched on April 20, 2023

New Verticals development

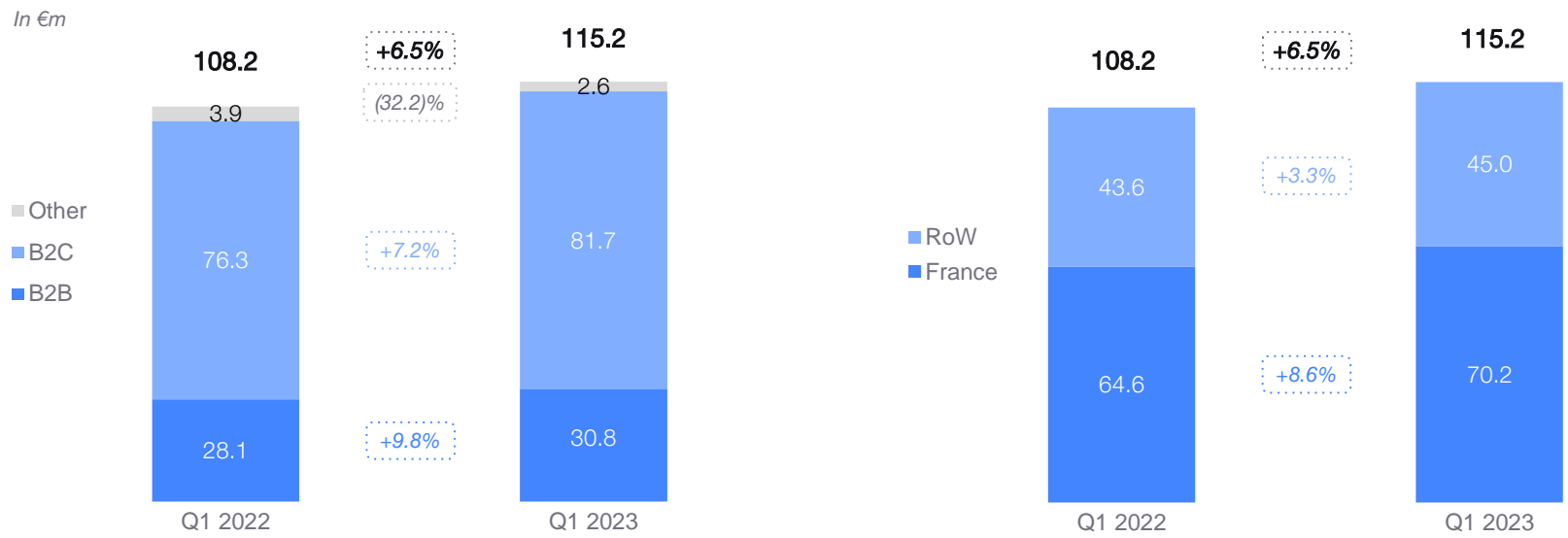
Full commercial launch of Zen by Deezer
scheduled for June 1, 2023



First-Quarter 2023 Revenue Review



Revenue growth of +6.5% in Q1 2023, at €115m

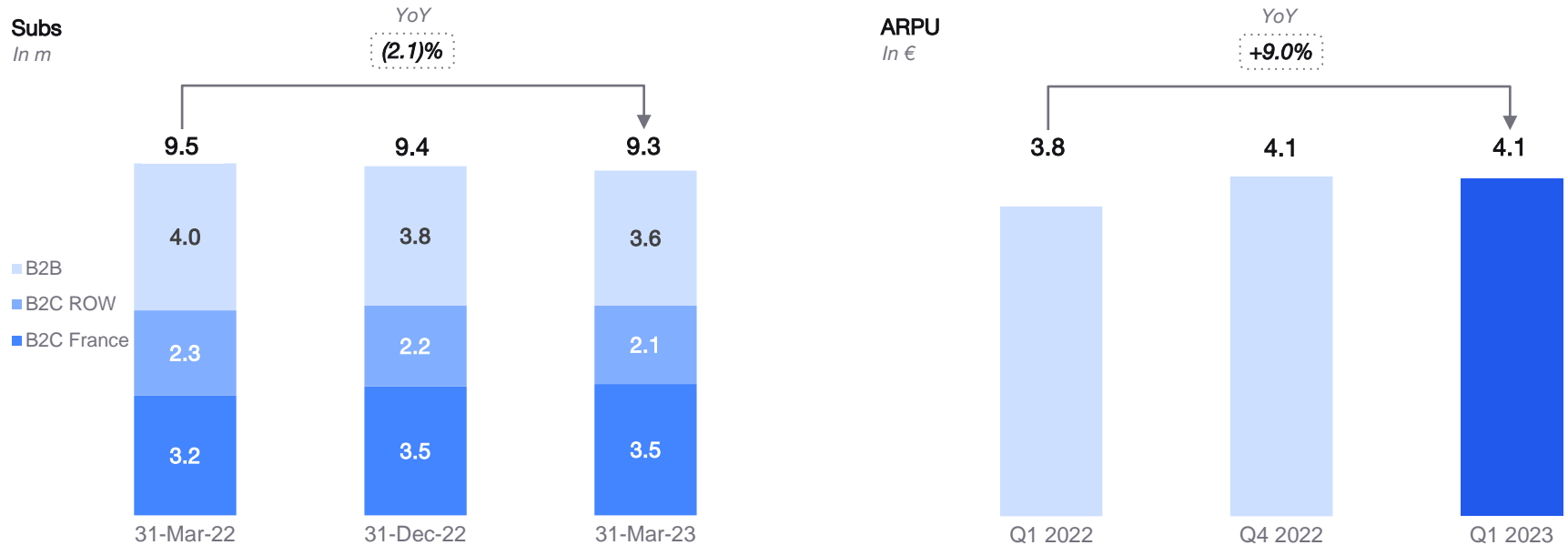


- **B2C:** Continued subscriber growth in France and further increased ARPU
- **B2B:** Good performance of existing/new deals with Telcos in France and Brazil and progressive ramp-up of RTL partnership launched in Q3 2022
- **Other:** One-off revenue in Q1 2022 and lower Ad sales in Q1 2023 due to the shutdown of loss-making freemium service in long-tail countries

- **France:** Continued B2C subscriber growth
- **ROW:** Double-digit ARPU growth more than offsetting lower subscribers due to focus on selected markets with more attractive unit economics and one-off revenue from a hardware partnership in Q1 2022



Further improvement in total ARPU in Q1 2023



- Stable B2C subscriber base with an improvement in geo mix (growth in France vs. Rest of World)
- B2B subscriber base affected by optimization of partner/offer mix

- Increased ARPU YoY, with growth across B2C (+6.6%) and B2B (+17.5%)
- ARPU continued to improve YoY despite the end of the pricing impact in France thanks to geo mix and partner/offer mix improvements

2023 Priorities and Outlook



2023 Priorities and Outlook

Continued Execution of our Profitable Growth Strategy

- | **New feature development** in the product to fuel differentiation and further monetization
- | Further **acceleration of profitable B2B expansion** on the back of recently announced partnerships such as Sonos (US), RTL (Germany) and DAZN (Italy)
- | Ramp-up of **New Verticals** to reach breakeven as of H2 and drive profitability improvement
- | **Strict management of cost base** to keep staff and G&A expenses flat

Outlook



Double-digit revenue growth, in excess of 10% in 2023 compared to 2022
Further **significant reduction in adjusted EBITDA loss** in 2023 compared to 2022



Long-Term Outlook

Positive cash flow¹ in 2024



Positive adjusted EBITDA in 2025



Double-digit annual **revenue growth** over the period

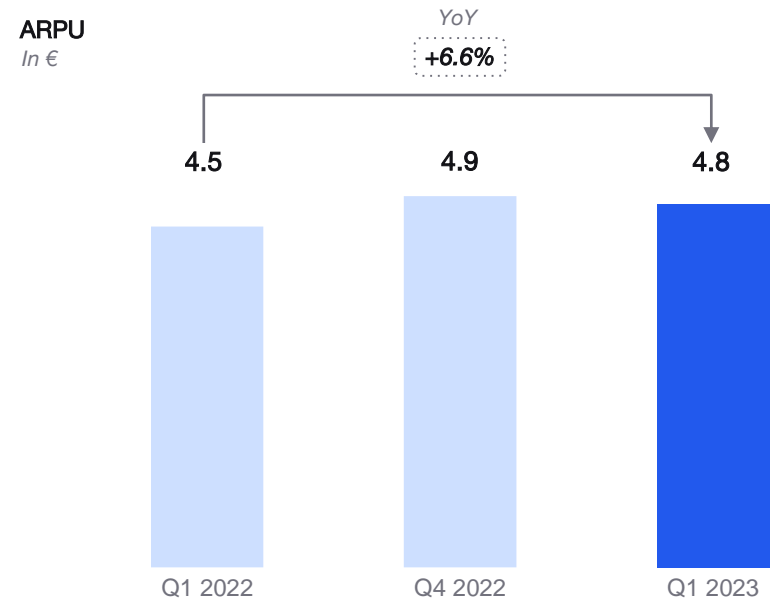
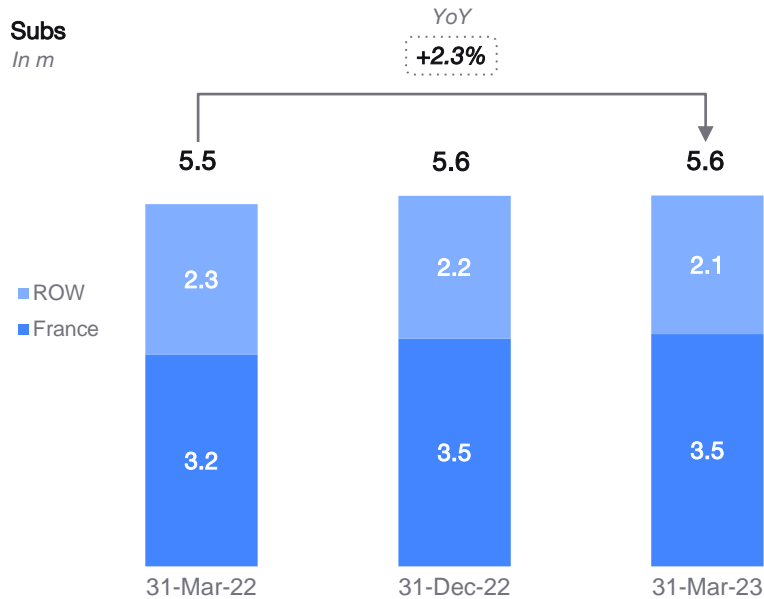
(1) Cash flow pre-funding.



Appendix



Further B2C Subscriber Growth in France in Q1 2023



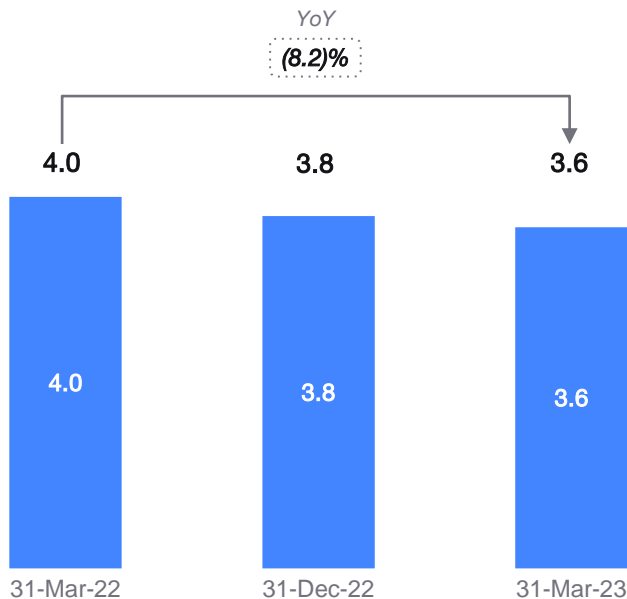
→ Higher subscriber base YoY, reflecting continued growth in France (+9.8%), which more than offset a decline in the ROW (-8.1%) as a result of the Group's strategy to focus on selected markets

→ Further ARPU growth YoY, reflecting price increases and the positive impact of refocus in the ROW, and despite the expected gradual end of the price increase effect implemented in France in January 2022

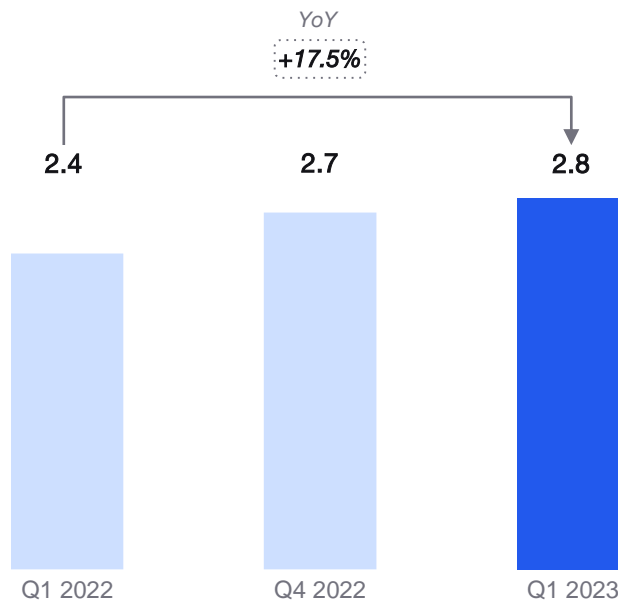


Sustained Improvement in B2B ARPU in Q1 2023

Subs
In m



ARPU
In €



→ Legacy hard-bundle offer in Brazil no longer included for new customers, with limited impact on revenue given low ARPU

→ Continued ARPU growth driven by price increases and geo mix improvement

Key Performance Indicators for Q1 2023

In € million	Q1 2023	Q1 2022	Change (%)	Chg. at constant FX (%)
Total revenue	115.2	108.2	+6.5%	+6.2%
B2C	81.7	76.3	+7.2%	+7.3%
B2B	30.8	28.1	+9.8%	+8.5%
Other	2.6	3.9	(32.2)%	(32.9)%
Total revenue	115.2	108.2	+6.5%	+6.2%
France	70.2	64.6	+8.6%	+8.6%
Rest of World	45.0	43.6	+3.3%	+2.6%

In million	31 mars 2023	31 mars 2022	Change (%)
Total subscribers	9.3	9.5	(2.1)%
B2C	5.6	5.5	+2.3%
o/w France	3.5	3.2	+9.8%
o/w Rest of World	2.1	2.3	(8.1)%
B2B	3.6	4.0	(8.2)%

In €	Q1 2023	Q1 2022	Change (%)
Average Revenue Per User	4.1	3.8	+9.0%
B2C	4.8	4.5	+6.6%
B2B	2.8	2.4	+17.5%