2023 UNIVERSAL REGISTRATION DOCUMENT

Including the Annual Financial Report

DEEZER

CONTENTS

2023 UNIVERSAL REGISTRATION DOCUMENT

INCLUDING THE ANNUAL FINANCIAL REPORT

DEEZER

A French *société anonyme* with a share capital of €1,216,376.81
Registered office: 24, rue de Calais – 75009 Paris
Trade and Companies Register of Paris no. 898 969 852
Universal Registration Document including the annual financial report and the management report

The English version of the universal registration document (the "**Universal Registration Document**") was approved on April 30, 2024 by the French *Autorité des marchés financiers* (the "**AMF**"), as the competent authority under Regulation (EU) 2017/1129.

The AMF approves this Universal Registration Document after having verified that the information it contains is complete, coherent and comprehensible. Universal Registration Document has the following approval number: R.24-007.

This approval should not be considered as a favorable opinion of the AMF on the issuer that is the subject of the Universal Registration Document.

The Universal Registration Document may be used for the purposes of an offer to the public of securities or the admission of securities to trading on a regulated market if it is supplemented by a securities note and, where applicable, a summary and its supplement(s). The entirety then formed is approved by the AMF in accordance with Regulation (EU) No 2017/1129.

It is valid until April 30, 2025 and, during this period and at the latest at the same time as the securities note and under the conditions of Articles 10 and 23 of Regulation (EU) 2017/1129, will have to be supplemented by a supplement in case of significant new facts or substantial errors or inaccuracies.

This Universal Registration Document includes the annual financial report (*rapport financier annuel*), and the management report (*rapport de gestion*), which includes the corporate governance report (*rapport sur le gouvernement d'entreprise*). Corresponding cross-reference tables are presented in Section 8.8 "*Cross-reference tables*" of this Universal Registration Document.

Copies of this Universal Registration Document may be obtained free of charge at Deezer S.A.'s registered office at 24, rue de Calais – 75009 Paris, as well as on the websites of Deezer S.A. (www.deezer.com) and of the AMF (www.amf-france.org).

This Universal Registration Document also constitutes the annual management report to the board of directors of Deezer S.A. (the "**Board of Directors**") to be presented to the shareholders' annual general meeting to be held on June 13, 2024.

This Universal Registration Document in PDF format is a reproduction of the official version of the Universal Registration Document drawn up in xhtml format and available on the website of the French Financial Markets Authority (Autoritè des Marcheis Financiers – AMF) and the company's website.

MESSAGE FROM IRIS KNOBLOCH AND STUART BERGEN

Iris Knobloch
Chair of the Board of Directors

"The last two years marked an extraordinary period of transformation for Deezer. Following its listing on Euronext Paris, Deezer has undergone a remarkable makeover, strengthening its position as a key global player in the music industry while creating value for artists, songwriters, fans, and partners.

We are delighted to reflect on a successful 2023, a year where Deezer demonstrated unwavering strength and continued to deliver on its profitable growth strategy. Deezer is back to subscriber growth, ending the year with 10.5m subscribers, the highest level ever. We delivered +7.4% revenue growth, with a strong acceleration in the fourth quarter, while substantially improving our profitability by €29m.

The dynamism of our Partnerships business was underscored by securing significant long-term deals, notably with Mercado Libre, Latin America's leading e-retailer, while ramping up our partnership with RTL in Germany. We also renewed several key partnerships with Orange, FNAC Darty, TIM Brazil, continuing our successful and long-lasting journey together. Our direct subscription and freemium businesses also show increased economics, as we continue to focus on improving ARPU.

Additionally, Deezer once again led a pivotal change in music streaming with the introduction of the new Artist Centric model which helps create a healthier ecosystem and better rewards artists and music, while elevating the overall fan experience. This is the most ambitious evolution to the industry's economic model since the inception of music streaming and a change supporting the creation of high-quality content in the years to come. Simultaneously, we successfully renewed the majority of our contracts with key content providers ahead of time, securing improved terms.

> Deezer once again led a pivotal change in music streaming with the introduction of the new Artist Centric model which helps create a healthier ecosystem and better rewards artists and music, while elevating the overall fan experience.

Finally, 2023 marked a key milestone as we introduced our refreshed brand positioning with a new visual identity and logo, setting the stage for an era of music experiences. Deezer is reinventing itself as an experience services platform, with expression and connection as key brand benefits, helping artists, fans and partners be and belong through music. In line with this new direction, Deezer also introduced an enhanced user experience and design in the app, to enable music fans to “Live the Music” through personalised experiences. To reflect global trends toward co-creation and shareable content, Deezer is also changing the way we connect through music, breaking down barriers between music streaming services with the launch of new features such as Shaker. The brand’s refreshed positioning was supported by a robust marketing campaign in France and Brazil, featuring prominent airtime on national television, extensive coverage across digital touchpoints and the launch of in-real-life experiences with the Purple Door series.

> Deezer is reinventing itself as an experience services platform, with expression and connection as key brand benefits, helping artists, fans and partners be and belong through music.

Our company closed 2023 with a reinforced strategic position within the industry and a stronger financial position. Looking ahead to 2024, Deezer will sustain its focus on profitability, along with accelerating revenue growth from Partnerships and Direct subscriptions in key markets. Our commitment remains resolute as we aim to achieve our guidance outlined at listing, moving steadily towards generating a positive cash flow in 2024 and achieve a positive adjusted EBITDA in 2025.

In the long term, Deezer is ideally positioned to take advantage of the major changes happening across the music industry, delivering value to all stakeholders. The music landscape is undergoing several disruptions, with the emergence of shared experiences for music consumption and discovery, enriched engagement between fans and artists, thriving creator economy, and, last but not least, the significant opportunities brought forth by advancements in AI. These trends drive the steady rise of the addressable value pool for Deezer, as they bring more streaming users globally, with increasing perceived value and price potential for streaming services, and new monetization opportunities as streaming services evolve into experience platforms. We are convinced that Deezer is ideally positioned to capture increased value through our outstanding product, our commitment to innovation, our unique hybrid Partnerships/Direct business model and our long-standing relationships within the music ecosystem.

We are grateful to our shareholders, partners, and our dedicated team for their ongoing and steady commitment and support. Together, we stride confidently into the future, poised for sustained success.”

Stuart Bergen
Interim Chief Executive Officer

2023 KEY FACTS AND FIGURES

10.5m
Total subscribers

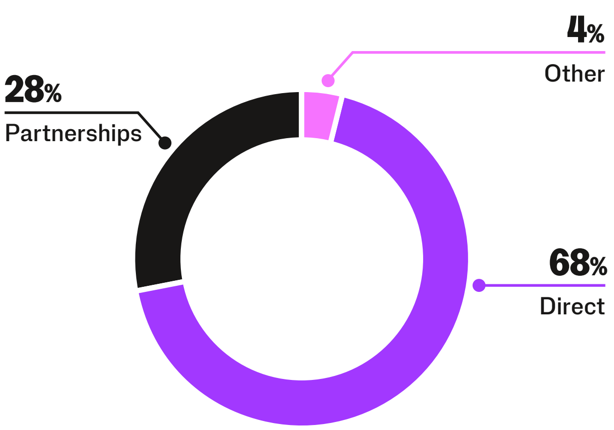
#2
Independent music platform globally*

45+
Partnerships

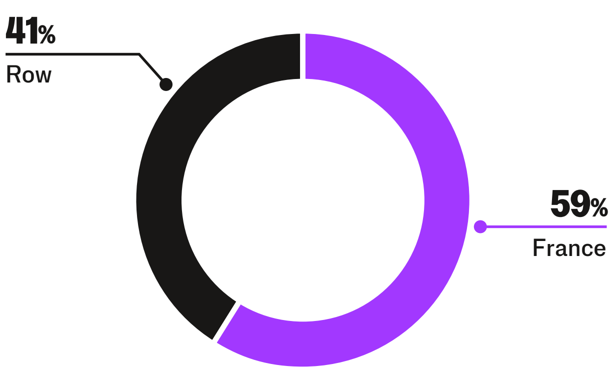
~600
Employees

€485m
Total revenue in 2023

Revenue by segment



Revenue by geography



* Based on the latest numbers of subscribers published by MIDiA (as September 30, 2023); excludes non-independant players part of conglomerates (Apple Music, Amazon Music, YouTube Music, Tencent Music, NetEase Music and Yandex).

2023 HIGHLIGHTS

DEEZER STRENGTHENS ITS BUSINESS POSITION WITH MAJOR MILESTONES ACHIEVED

DEEZER SUBSCRIBER BASE REACHING ALL-TIME HIGH

+1.1m subscribers in 2023 to reach 10.5m subscriberson the back of strengthened market position in France and expansion of global footprint through partnerships

DRIVING VALUE FOR PARTNERS, ARTISTS & FANS

New, renewed and expanded strategic partnerships across key markets

Launch of **Artist Centric Streaming Model** designed to better monetize for artists

Renewed contracts with key right holders with improved terms

Repositioning of Deezer brand plus new features for stronger customer engagement

2023 FINANCIAL RESULTS

STRONG PERFORMANCE AND MOMENTUM

ACCELERATION OF REVENUE GROWTH IN Q4 AT +12.1% FY REVENUE GROWTH AT +7.4% TO €484.7M IN LINE WITH GUIDANCE

Gaining traction in Q4 due to subscribers growth & ARPU increase across Direct and Partnerships

REDUCED ADJUSTED EBITDA LOSS BY ALMOST HALF TO €(29)M, WHILE CONTINUING STRATEGIC INVESTMENTS

Solid adjusted Gross Margin improvement (+1.0pt) combined with strong impact of strict control of operating expenses lowered by €14.6m vs 2022

Efficient marketing investment to support growth and **stronger customer engagement**

ROBUST CASH POSITION OF €63.6M, WELL ABOVE RESOURCES REQUIRED FOR 2024/2025 FINANCIAL TARGETS

CONFIRMATION OF FINANCIAL TARGETS FOR 2024/2025

POSITIVE FREE CASH FLOW * IN 2024

Acceleration of revenue growth compared to 2023
to reach 10% in 2024, driven by the development of Partnerships, subscriber growth and the impact of the latest round of price increases

Another significant improvement of adjusted EBITDA
expected to be better than €(15)m in 2024, driven by a further increase of the adjusted Gross Margin and the continued strict management of the operating expenses

POSITIVE ADJUSTED EBITDA IN 2025

* Free Cash Flow: adjusted EBITDA - change in working capital - capex - leases and net interests.

BOARD OF DIRECTORS

HIGHLY SKILLED, COMPLEMENTARY AND DIVERSIFIED

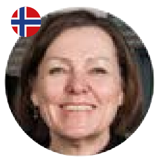
10	5	50%	50%
members	nationalities	of women	independent

Iris Knobloch
Chair

Guillaume d'Hauteville
Vice-Chair

Nomination & Remuneration Committee

Stuart Bergen
Interim Chief Executive Officer



Mari Thjømøe
Independent

Audit Committee

Sophie Guieysse
Independent

Nomination & Remuneration Committee

Ingrid Bojner
Independent

Audit Committee

Valérie Accary
Independent

Nomination & Remuneration Committee

Mark Simonian
Independent

Audit Committee

Combat Holding represented by
Matthieu Pigasse

Dr. Hans-Holger Albrecht

Complementary expertise

MUSIC | MEDIA | BRAND | TECH | FINANCE | HR

EXECUTIVE TEAM

RENEWED AND HIGHLY EXPERIENCED

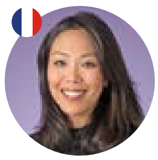
9	4	50%+
members	nationalities	of women

Jeronimo Folgueira
Chief Executive Officer
until March 31, 2024

Stuart Bergen
has been appointed
Interim Chief Executive
Officer on April 1, 2024

Stéphane Rougeot
Deputy CEO & Chief
Financial Officer

Gitte Bendzulla
Chief Operating Officer



Florence Lao
General Counsel
& Board Secretary

Valérie Bernard
Chief Human Resources
& Sustainability Officer

Matthieu Gorvan
Chief Product &
Technology Officer

Aurélien Hérault
Chief Innovation
Officer

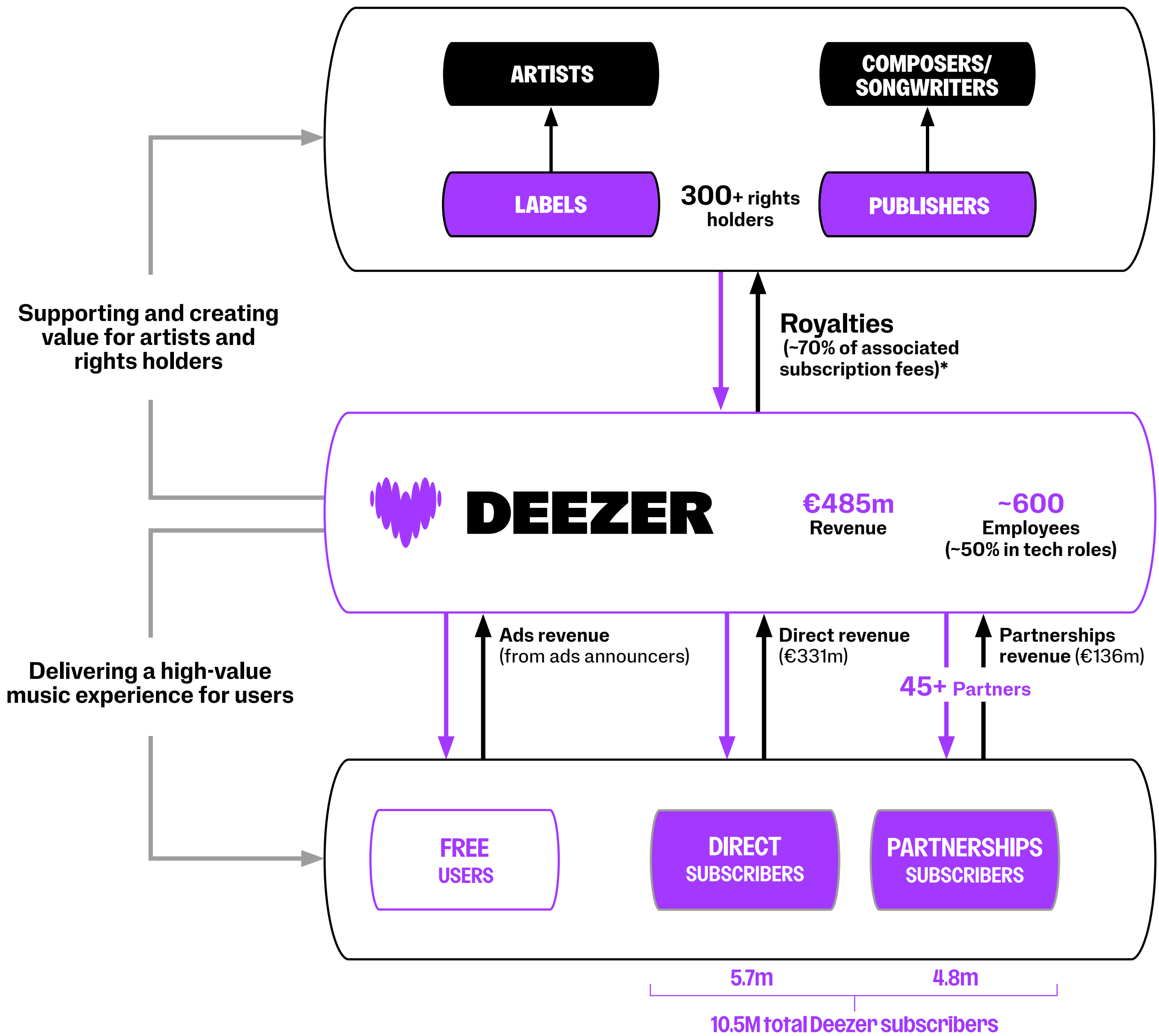
Maria Garrido
Chief Marketing
Officer

Ivana Kirkbride
Chief Commercial
Officer

BUSINESS MODEL AND VALUE CREATION

LIVE THE MUSIC

Deezer is one of the world's largest independent music experiences platforms, connecting fans with artists and creating ways for people to Live the Music. The company provides access to a full-range catalog of high-quality music, lossless HiFi audio and industry-defining features on a scalable platform available in 180+ countries. Founded in 2007 in Paris, Deezer is now a global company with ~600 people based in France, Germany, UK, Brazil and the US, all brought together by their passion for music, technology and innovation.



Note: FY 2023 data.

* On an adjusted gross profit basis. Please refer to Section 5.1.4.1. "Adjusted gross profit" of this Universal Registration Document for a definition of this financial indicator.

→ Content

1

PRESENTATION OF THE COMPANY

From a tech start-up created in 2007 in Paris, Deezer S.A. (“**Deezer**” or the “**Company**”) became one of the earliest French unicorns and is today one of the world’s largest music experiences platforms, with expression and connection as guiding principles to help artists, fans and partners to be and belong through music. This ambition comes to life by empowering people to “Live the Music”. Deezer has around 600 employees based in France, Brazil, Germany, UK and the US, all brought together by their passion for music, technology and innovation. The Company provides access to a full-range catalog of high quality music, lossless HiFi audio and industry-defining features on a scalable platform available in 180+ countries.

By building strategic partnerships in key markets across Europe and the Americas, Deezer keeps delivering brand value and end-user engagement across a wide variety of industries, including telecommunications, media, audio hardware and e-retail.

As an industry thought leader, Deezer was the first platform to introduce a new monetization model since the inception of music streaming, designed to better reward the artists, and the music that fans value the most.

2006
Daniel Marhely creates Blogmusik

2007
Blogmusik becomes Deezer

2009
Launch of paid premium and web offers

2010
Partnership with Orange France

2012
70M€ funding raised

Access Industries becomes shareholder of Deezer

Partnerships with 25+ telecom companies

2013
Deezer service available worldwide

2014
Launch of Flow feature

Partnership with TIM Brazil

Launch of first HiFi offer

2015
Launch of podcasts

2016
100M€ funding raised

Orange becomes shareholder of Deezer

Launch of Deezer Family

2017
Launch of Deezer NEXT

Launch of SongCatcher

Partnership with Fnac Darty

2018
160M€ funding raised

Deezer becomes one of the earliest French unicorn

2019
New brand and logo update

Launch of Spleeter

Deezer becomes a member of the Next40

2020
Launch of podcasts tab

Launch of synchronized lyrics

Launch of country geolocalization

New HQ in Paris

2021
Launch of Deezer for Creators app

Launch of Flow with moods

2022
Merger with I2PO Spac and listing on Euronext Paris

Partnerships with RTL, Bouygues Telecom, and DAZN

Launch of lyrics translation feature

2023
Partnerships with Sonos and Mercado Libre

Launch of first comprehensive artist-centric music streaming model

Deezer reveals bold new brand identity and logo

1.1 Description of the Company's activities

As one of the world's largest independent music experiences platforms, available in 180 countries, Deezer connects fans with artists and creates ways for people to Live the Music. Millions of subscribers across the world enjoy access to a full-range catalog of high quality music, lossless HiFi audio and industry-defining streaming features and experiences.

Deezer markets and distributes its service offerings to consumers directly through its mobile application and website, www.deezer.com, and indirectly through partnerships. Deezer's partners include telecommunications, retail and media companies, as well as audio hardware manufacturers (*e.g.*, Orange S.A. ("**Orange**") in France, TIM Celular S.A. ("**TIM Brazil**") in Brazil, RTL Interactive GmbH ("**RTL**") in Germany, Sonos Inc. in the US ("**Sonos**"), eBazar.com.br Ltda. and DeRemate.com de México S.de R.L. de C.V. in Latin America ("**Mercado Libre**")).

As of December 31, 2023, Deezer had 10.5 million total subscribers, including 5.6 million Direct subscribers[(1)] and 4.8 million Partnership subscribers[(2)].

Deezer's consolidated revenue amounted to €484.7 million for the year ended December 31, 2023, representing an increase of 7.4% compared to the year ended December 31, 2022.

With a state-of-the-art product, leading technological and research capabilities, a unique hybrid Partnerships/Direct business model, and longstanding key relationships within the music ecosystem, Deezer is ideally positioned to play a key role in the continued development of the sizable and booming music streaming market.

The music streaming market is expected to double in size between 2022 and 2030 (for more information, please refer to Section 1.2.1 *"Music streaming industry"* of this Universal Registration Document). Deezer plans to capitalize on this growth momentum by focusing on certain large attractive markets, leveraging its partnership-led strategy, differentiating through groundbreaking innovations, all while maintaining operational excellence.

1

1.1.1 Deezer service

1.1.1.1 Content offered

The Company provides access to a full-range catalog of high quality music, from essentially all labels, distributors and aggregators across the world. This extensive collection spans all music genres, including worldwide chart-toppers and specialized local content. This diversity enhances the appeal and relevance of Deezer's offerings in each market it serves. Deezer has a seasoned team of local music editors in key markets, who curate tracks, albums, and playlists to recommend to users. Deezer focuses on a "local hero" approach – meaning that music editors are experts in Deezer's local markets and have a solid understanding of the trends and tastes of users in these markets.

Deezer has established worldwide direct agreements with over 300 rights holders, including major and independent music labels, aggregators, collective societies and publishing rights holders. Deezer's payments to rights holders represented approximately 70% (on an adjusted gross profit basis[(3)]) of the associated subscription fees received by Deezer[(4)] for the year ended December 31, 2023.

In addition to its core music streaming offering, Deezer offers adjacent audio content, including live radio and podcasts. Deezer also aims to expand through New Verticals with the official launch of the Zen by Deezer app in France in June 2023, offering individuals and companies a holistic digital wellbeing experience.

1.1.1.2 User interface

Users can stream Deezer's audio content on a wide range of devices, including smartphones, smart speakers, voice assistants, smart watches, smart TVs, connected cars, laptops, tablets and other wireless audio systems. Deezer's user interfaces and integrations were developed and are maintained by its in-house team of engineers and product designers. Deezer also collaborates with its partners, particularly when integrating Deezer into their application, such as RTL+ or Sonos radio.

Deezer's user interface is thoughtfully designed for ease of use, intuitiveness, and engagement. It supports 27 languages, offers 25 payment solutions in 55 currencies and is accessible in over 180 countries as of December 31, 2023.

(1) Users that subscribed directly through Deezer's website or mobile application, which pay the subscription price directly to Deezer or through a third-party app store or carrier billing partner. Direct subscribers include (i) all users that have completed registration and have activated a payment method, therefore including free trialists during their trial period, (ii) all registered accounts in a family plan, i.e., a plan consisting of one primary subscriber and up to five additional sub-accounts, allowing up to six subscribers per family plan, and (iii) subscribers in a grace period of up to 31 days after failing to pay their subscription fee.

(2) Partnership subscribers are users that have access to Deezer's service through a distribution partner, including users in standalone and bundle offers. Partnership subscribers are recorded based on the accounts for which a fee is paid to Deezer by the distribution partner. These accounts may be based on either provisioned accounts, linked accounts or monthly active users depending on the particular contractual terms. Partnership subscribers also include i) free trialists during their free trial period and ii) all registered accounts in a family plan.

(3) Please refer to Section 5.1.4.1 "*Adjusted gross profit*" of this Universal Registration Document for a definition of this financial indicator.

(4) Defined as cost of revenue excluding other costs of sales and exceptional (minimum guarantee expenses and share based expenses related to license agreements) divided by total revenue.

1.1.1.3 Product features

Deezer is committed to enhancing the way we enjoy music together, inspiring and empowering music fans to Live the Music through personalized and shared experiences within and outside the app. A key feature that reflects this ambition is "Shaker". **Shaker** was launched in November 2023 and allows users from different music streaming platforms to access the perfect music mix for any moment with friends and family. With just a few simple clicks, a mix that blends everyone's favorite songs is generated to make it easy to discover and listen to music together, including the option to curate shared playlists. Shaker also allows users to discover how compatible they are through fun shareable insights based on music tastes. In 2022, Deezer was the first major global music streaming platform to introduce **music quizzes**. This highly popular functionality allows users to challenge themselves and compete globally with friends and music enthusiasts, directly in the app.

Deezer is also an expert in **tailored recommendations**, employing advanced algorithms and human curation to continuously refine music suggestions on users' homepages. Personalized recommendations are strengthened by Deezer's signature feature "Flow", leveraging proprietory AI-powered algorithms to provide a continuous stream of music based on users' preferences. Flow was taken to the next level in recent months, by including moods and genres, seasonal or market-specific themes and the ability to set a preferred balance between favorites and new discoveries.

Deezer was also the first major music streaming service to integrate **synchronized lyrics** technology back in 2014. In 2022, Deezer launched an industry-first in-app lyrics translation feature, allowing users to view lyric translations of the most popular English songs in French, German, Spanish and Portuguese.

Deezer users can also explore unique in-app **song discovery functionalities**, including SongCatcher and Radio Fingerprinting. SongCatcher lets the user identify and save songs that are playing around them. Recently the feature was upgraded to include the ability to hum, sing or whistle to identify a song.

Users benefit from Deezer's timeless functionalities, including **synchronization across devices** with which users can seamlessly access and manage their audio library and on any device. Deezer users can also craft and store personalized **playlists** or access customized and themed playlists, either crafted by Deezer's algorithms, created and shared by other users, or curated by Deezer's music editors.

Deezer is also directly integrated with popular **social networks**, such as Facebook, Instagram, and X, providing users with additional avenues to express themselves. Moreover, Deezer allows easy migration by enabling users to **import their libraries** from other streaming services *via* Tune my Music, ensuring a smooth transition.

1.1.1.4 Consumer offerings

1.1.1.4.1 Premium

Deezer's flagship offering is the Premium subscription, available directly or through partners. Premium subscribers enjoy all the features mentioned in Section 1.1.1.3 *"Product features"* of this Universal Registration Document, along with the following specificities:

- **advertising-free listening.**
- **unlimited on-demand music and browsing.** Deezer's premium service users can search and select songs, albums, and playlists without any restrictions, with real-time search suggestions and access to full result lists. Premium subscribers enjoy unlimited song skips and manual playlist streaming, giving them complete control over their content.
- **sound quality.** Premium subscribers benefit from significantly higher quality audio playback than users of Deezer's free advertising-supported service, including HiFi sound quality of up to 16-bit Free Lossless Audio Codec (FLAC).
- **offline listening.** Deezer premium subscribers enjoy unlimited offline access to audio content, with a maximum of three devices per user account. This convenience ensures they can listen to their favorite content regardless of network availability. Offline listening not only reduces data usage but also enhances performance on low mobile data plans. The downloaded content remains accessible as long as the user maintains their paid subscription.

Users can connect on a wide range of connected devices but listening to content is limited to one device at a time.

When premium service is sold directly to consumers, Deezer charges a fixed monthly or yearly subscription fee based on their region, with discounts for yearly plans. Payment methods include stored card details, direct debit, PayPal, in-app purchases and more. When distributed by partners, pricing is typically set by the partner, either as a separate fee or part of a larger package.

1.1.1.4.2 Family

Deezer's family subscription service provides the same features as the premium subscription service, but for up to six total family member accounts, allowing each family-member user to benefit from the personalized benefits of the premium service.

The family-member can be a separate profile from the same Deezer account or a separate Deezer account. The "master" account can flag a profile as "Kid" and activate limitations for the explicit content. Kid profiles also benefit from a tailored editorialization.

1.1.1.4.3 Duo

Deezer's Duo offer was launched in February 2024, providing the same features and sound quality as the premium subscription service for two member accounts.

1.1.1.4.4 Student

The "Deezer Student" offer provides for the benefits of the premium subscription service at a reduced rate for college and university students in certain countries. A student can benefit from the offer for up to four years.

1.1.1.4.5 Free service

Deezer's free service provides most features of its paid offerings at no cost to users. This includes access to the full music catalog, personalized content features, Deezer Flow, SongCatcher and more.

Deezer's free service generates revenue from third-party advertisements, including display, audio, or video ads between tracks (up to 30 seconds) and banners on the user interface. Sponsored placements take the form of sponsored sessions, editorial and playlists. Deezer also offers innovative and tailor-made experiences for brands by acting as a creative agency and studio. In addition, Deezer uses gift codes or subsidized trials models to secure upfront payments from partners.

While users of Deezer's free service drive advertising revenue, the free service is also designed to attract new users that may later upgrade to premium subscriptions. As a result, the overall user experience is limited, with certain features missing when compared to the premium service:

- **desktop on demand and mobile free service.** On-demand content is accessible *via* the desktop interface, while mobile users only have access to Flow and a modified playlist feature. Selecting content on mobile results in a playlist tailored to the user's choice, not immediately playing the selected track. Free service users have access to 15 "smart tracks", a personalized playlist of 10 curated by Deezer's editorial team and 5 generated by Deezer's algorithms. Except for these smart tracks, over which the user has full control, users of the free service have access to the Flow feature, but are limited to skipping six tracks per hour on their mobile device;
- **no offline music.** Unlike the premium service, free service users cannot listen to content offline;
- **sound quality.** Sound quality on Deezer's free service is lower than the premium offering.

1

1.1.2 Distribution channels

Deezer generates subscription revenue from the sale of its music streaming service. Subscription revenue is generated through two main channels: directly from end users ("**Direct**") and through partners ("**Partnerships**").

The below table presents the subscribers breakdown by segment as at December 31, 2023 and 2022:

	December 31,	
(in millions)	2023	2022
Direct	5.6	5.6
Partnerships	4.8	3.8
Total subscribers	**10.5**	**9.4**

1.1.2.1 Direct distribution

Deezer Direct subscription revenue represents the majority of its sources of revenue. For the year ended December 31, 2023, the Direct channel recorded revenue of €331.1 million, representing 68% of Deezer's revenue.

Direct subscribers include (i) all users that have completed registration and have activated a payment method, therefore including free trialists during their trial period and users who are paying a discounted price during the trial period, (ii) all registered accounts in a family plan, *i.e.*, a plan consisting of one primary subscriber and up to five additional sub-accounts, allowing up to six subscribers per family plan, and (iii) subscribers in a grace period of up to 31 days after failing to pay their subscription fee.

To entice subscribers through the Direct distribution channel, Deezer typically extends a free trial (one-to-three-month) or special offers (discount) of its premium package. Deezer also attracts subscribers through collaborations with retail companies (*e.g.*, Fnac-Darty) and mobile device/hardware manufacturers.

Direct users subscribe directly through Deezer's website or its mobile application and pay the subscription price directly to Deezer's service or through a third-party app store or carrier billing partner handling payment processing. Payment providers store subscribers' payment data and automatically process subscription fees each month, receiving a commission from Deezer in return.

1.1.2.2 Partnership distribution

Deezer's success is also shaped by collaborations with various partners. For the year ended December 31, 2023, the Partnerships channel recorded revenue of €135.7 million, constituting 28% of Deezer's revenue. Notable partnerships include Orange in France, TIM Brazil in Brazil, RTL in Germany, and more recently, Sonos in the US and Mercado Libre in Latin America (Brazil and Mexico).

- **Orange:** in 2023, Deezer renewed its long-term partnership with Orange, France's top telecom operator, which historically began in 2010.
- **TIM Brazil:** the partnership with TIM Brazil, one of Brazil's largest mobile telecom carriers started in 2014 and has been renewed in January 2024.
- **RTL:** since 2022, Deezer has also entered into a long-term partnership with RTL, Germany's leading broadcast, content and digital media company.
- **Sonos:** in 2023, Deezer entered a partnership with audio hardware manufacturer Sonos to deliver services to 16 countries worldwide, including the US, Canada, the UK, France and Germany.
- **Mercado Libre:** Deezer expanded an existing partnership with Mercado Libre in 2023, Latin America's leading e-retailer, to become the Company's official music streaming partner as it launched a subscription program "Meli+" in Brazil and Mexico.

Deezer collaborates seamlessly with partners to integrate its offerings into their operational systems. Partners typically handle direct subscriber interactions, customer support, and billing, while Deezer ensures service quality and manages content licensing costs with rights holders. Deezer and its partners have launched exclusive service plans and promotions not available through the Deezer website or application. Marketing campaigns are coordinated with partners to maximize impact.

1.1.2.2.1 Partnership service plans

Deezer's Partnerships encompass two primary types of collaboration:

- **standalone subscriptions.** Customers subscribe separately to Deezer's service, typically at a price aligned with Deezer's Direct offering. They normally pay Deezer's distribution partner, which remits a majority of the standalone subscription fee to Deezer (either a fixed fee per subscriber or a percentage of partner subscription fees). Standalone offers are structured as paid subscriptions with monthly renewals. Some partners may offer free or discounted subscriptions for three to twelve months, with automatic conversion to full-price or discounted subscriptions afterward unless the customer opts out.
- **bundled subscriptions.** Deezer offers hard- and soft-bundled plans with telecom, Internet providers and e-commerce platforms. Hard-bundled plans are bundled with mobile phone, Internet service or loyalty programs at a single price, for the duration of their contract with the partner. Soft-bundled plans let subscribers choose from various services, including Deezer. For them, Deezer is typically paid a monthly fee by the distribution partner, which may be based on the total number of bundle subscribers (both provisioned and linked), the number of monthly active subscribers, or a combination of these metrics.

1.1.2.2.2 Payment terms

Telecom, e-commerce, and media platforms generally handle billing and collection of subscription fees from customers. Deezer relies on partner sales reports to calculate fees, but retains the right to audit partners' systems for accurate reporting and verify compensation calculations.

As part of partnerships' agreements, Deezer can potentially receive a minimum guaranteed payment for all or part of its services for the term of the agreement, providing visibility on minimum revenue by contract.

1.1.2.2.3 Technical integration and performance

Deezer is responsible for providing the toolkit (*i.e.*, Software Development Kits ("**SDK**") and Application Programing Interfaces ("**API**")) enabling seamless integration of its service within the partners' products for users. The SDKs are available across all major platforms (including Android, iOS and Web). Custom mobile and device applications featuring both Deezer and the partner's services can also be developed with the help of Deezer's team of developers and programmers. Post-launch, Deezer provides support to its partners to develop optimized user listening experiences and subscription journeys. Moreover, Deezer maintains and supports its partner's toolkit, with partnership agreements featuring service level obligations.

The primary goal of this toolkit is for Deezer's commercial partners to distribute Deezer's services outside of Deezer's existing application, either within an already existing application or through a newly-built one. This type of integration has been implemented in cooperation with RTL to offer Deezer's service within the RTL+ application. In practice, the APIs allow these partners:

- to manage the full subscription lifecycle from offer provisioning and the creation of Deezer accounts until the end of the customer subscription (this type of integration is currently implemented by most of Deezer's partners);
- to access Deezer's catalog to be then used with Deezer toolkit's SDKs;
- to stream Deezer's content, and the partners' users to listen to the full range of Deezer catalog and to benefit from the main Deezer functionalities.

Finally, this toolkit can also be used to create new listening experiences for Deezer users and drive innovation in the audio streaming industry. Deezer's SDKs and APIs allow third parties to build new experiences to consume, share or present Deezer's catalog and functionalities. Use cases could include, among others, hardware integration or applications such as music quizzes or audio analytics. Deezer has also set up a dedicated point of entry into the network for content providers to upload content quickly and easily into its data storage environment.

1.1.3 Content licensing

Deezer has built one of the world's largest catalogs of audio content. To maintain a catalog that includes the latest and most popular audio content and to ensure access to local content in the various geographic markets where it operates, Deezer has built and keeps improving in-house expertise in the negotiation of commercial and licensing arrangements with a wide variety of content rights holders, including major record labels, independent record labels, publishers, collective societies and podcast producers.

There are generally two broad categories of rights holders for each track of recorded music streamed on Deezer's platform (and on any music streaming platform generally), *i.e.*, the publishing rights holders (songwriters, composers and publishers of the lyrics and melodies) and the recording right holders (record labels that produce the master and the performing artists such as singers and session musicians).

In the course of its day-to-day operations, Deezer enters into significant licensing agreements with (i) record labels (in particular with the three major record labels – Sony Music Entertainment, Universal Music Group and Warner Music Group – as well as with Music and Entertainment Rights Licensing Independent Network Limited ("Merlin") which acts on behalf of a group of record labels) which act on their own behalf as producers of the masters, and on behalf of the performing artists, and (ii) publishing rights collecting societies and publishers, all of whom are owed royalty payments for the streaming of their content on Deezer's platform.

1.1.3.1 Record labels

As a key component of Deezer's service offering, the Company has historically maintained contractual arrangements with the four recording providers it considers to be the most listened-to content on Deezer's platform (including the three major record labels – Sony Music Entertainment, Universal Music Group and Warner Music Group – as well as Merlin which licenses the rights of a group of independent record labels and distributors).

Royalty payments to the record labels are generally structured as a subscription or advertising revenue sharing arrangement between Deezer and the relevant record label based on how frequently such label's licensed content is streamed on Deezer's platform. Deezer typically pays to record labels an amount equal to the label's "market share" of certain content streamed on Deezer's platform multiplied by a percentage of all subscription revenue received. For its free advertising-based service, Deezer typically pays to record labels an amount equal to the label's "market share" multiplied by a percentage of all advertising revenue received. Payments to the record labels are typically net of certain billing commissions to mobile application stores, third-party payment service providers and advertising agencies. Under these arrangements, the "market share" is the percentage calculated per month, per country and per offer. Royalty payments vary depending on the service offering, the distribution channel (Direct or Partnerships) and geographic territory. Royalty payments are typically lower for content streamed on Deezer's free advertising-supported service than for its paid subscription service. Deezer provides periodic reports necessary for the relevant label to calculate the royalty payments owed and provide the corresponding invoice to Deezer.

In 2023, Deezer, in partnership with Universal Music Group, introduced a groundbreaking evolution to the artist remuneration mechanism, marking the first substantial update in music streaming's history. This transformation aims to significantly enhance artist remuneration and elevate the fan experience. Deezer launched the model in France at the end of 2023 with additional markets to follow. To date, around 60% of platform streams operate within this innovative framework. Based on Deezer's in-depth data analysis the following key enhancements are being integrated into the new artist-centric model:

- **focusing on artists.** Deezer will attribute a double boost to "professional artists" – those who have a minimum of 1,000 streams per month by a minimum of 500 unique listeners – in order to more fairly reward them for the quality and engagement they bring to the platforms and fans;
- **rewarding engaging content.** additionally assigning a double boost for songs that fans actively engage with, reducing the economic influence of algorithmic programming;
- **limiting the impact of heavy users.** Deezer will apply a "capped play multiplier" to the streams of end-users listening to more than 1,000 sound recordings in the calendar month concerned;
- **demonetizing non-artist noise audio.** Deezer is planning to replace non-artist noise content with its own content in the functional music space, and this won't be included in the royalty pool; and
- **tackling fraud.** continuing to drive an updated, and stricter, proprietary fraud detection system, removing incentives for bad actors, and protecting streaming royalties for artists.

As part of the launch of Deezer's new artist-centric music streaming model in 2023, Deezer has renewed the majority of its content licensing agreements with record labels, including with Universal Music Group, Warner Music Group and Merlin. The content licensing agreements can set forth specific provisions relating to Deezer's use of content (*e.g.*, geographic coverage, availability on the platform, offers restrictions, marketing promoting, protection system).

Deezer also maintains contractual relationships with certain producers' collective societies, such as the SCPP *(Société civile des producteurs phonographiques)* and SPPF *(Société civile des producteurs de phonogrammes en France)* in France, and PPL (Phonographic performance limited) in the United Kingdom. These organizations administer the producer's rights for certain catalogs with respect to radio and/or preview clip streaming. Deezer's licenses with these collective societies are typically limited to radio and/or preview clip features. Royalty arrangements are set forth in the model agreements of such collective societies.

1.1.3.2 Publishing right holders

Deezer maintains licensing relationships with holders of the copyrights in the lyrics and musical compositions of the tracks in Deezer's catalog to be displayed and streamed on its platform. Holders of these copyrights include publishers and national and regional publishing rights collective societies such as SACEM *(Société des auteurs, compositeurs et éditeurs de musique)* and UBEM *(Uniano brasileia de editoras de musica)*. These societies of songwriters, composers, and publishers license copyrights on their members' behalf and manage the distribution of royalties among them.

Authorship and publishing rights holders may not be part of collective societies and tend to be dispersed and fragmented. As a result, Deezer has entered into licensing agreements with many collective societies and publishers administering copyrights (including with the publishing entities of the three major record labels, Universal Music Publishing Group, Warner/Chappell Music and Sony Music Publishing), in each case typically only with respect to a limited geographic market or a relatively small catalog of content.

The economic terms of Deezer's agreements with publishing rights holders vary substantially between different publishers or collective societies. The formula for determining revenue is typically similar to that used for record labels, with publishers being entitled to their pro rata share of the higher of (i) a per-unit fee, and (ii) a percentage of all-subscription revenue received. However, the revenue sharing percentage and per-unit fees are significantly lower for publishing rights holders than for sound recording rights holders. Deezer provides periodic reports necessary for the publishing rights to calculate the royalty payments owed and provide the corresponding invoice to Deezer.

As part of the development of fairer artist compensation models, Deezer is also currently exploring an artist-centric monetization framework for publishing rights in music streaming, in collaboration with SACEM. This initiative aims to develop new methods of recognizing the incredible value created by songwriters and publishers. Through this partnership, Deezer and SACEM will analyze streaming data and evaluate the viability of different economic models.

1.1.4 Marketing

Deezer's marketing team designs and executes a multi-channel customer acquisition strategy focused on both Direct and Partnerships channels. Deezer engages in direct brand building campaigns, both online and through traditional media like television and out-of-home, to enhance brand awareness and consideration.

In November 2023, Deezer revealed its new brand identity at "Deezer Drop", a celebratory event in Paris. Deezer is reinventing itself as an experience services platform, with expression and connection as guiding principles to help artists, fans and partners to be and belong through music. To highlight the transformation and recharge people's emotional connection to the brand, Deezer refreshed its visual identity. The Company now embraces a bold, fresh, and quirky personality, brought to life through a striking new visual profile, a unique purple heart graphic system, an updated communication platform and a new tagline Live the Music.

The brand's refreshed positioning was supported by a robust marketing campaign in France and Brazil, featuring prominent airtime on national television and extensive coverage across multiple digital touchpoints. Additionally, the campaign reached the streets of France, ensuring a widespread presence.

Deezer also extended its marketing campaigns to boost platform traffic through search engine and social media owned and paid channels. The integrated marketing campaign is further supported by promotional and/or free trial offers of its service both direct to consumers and through distribution partners, driving subscriber growth.

To ensure full customer funnel support, Deezer also uses direct marketing tools deployed through its user interface, driving stronger conversion of registered free users into paying users. CRM (customer relationship management) also plays a crucial role in ensuring free users are actively engaged with the platform, using direct and personalized messages, notably through email, push notification, SMS, or content card in order to encourage conversion. Deezer continuously evaluates its registered free user conversion strategy, effectively marketing its subscription service at the right time and place and with the right messaging strategy to drive consideration of the platform for free users.

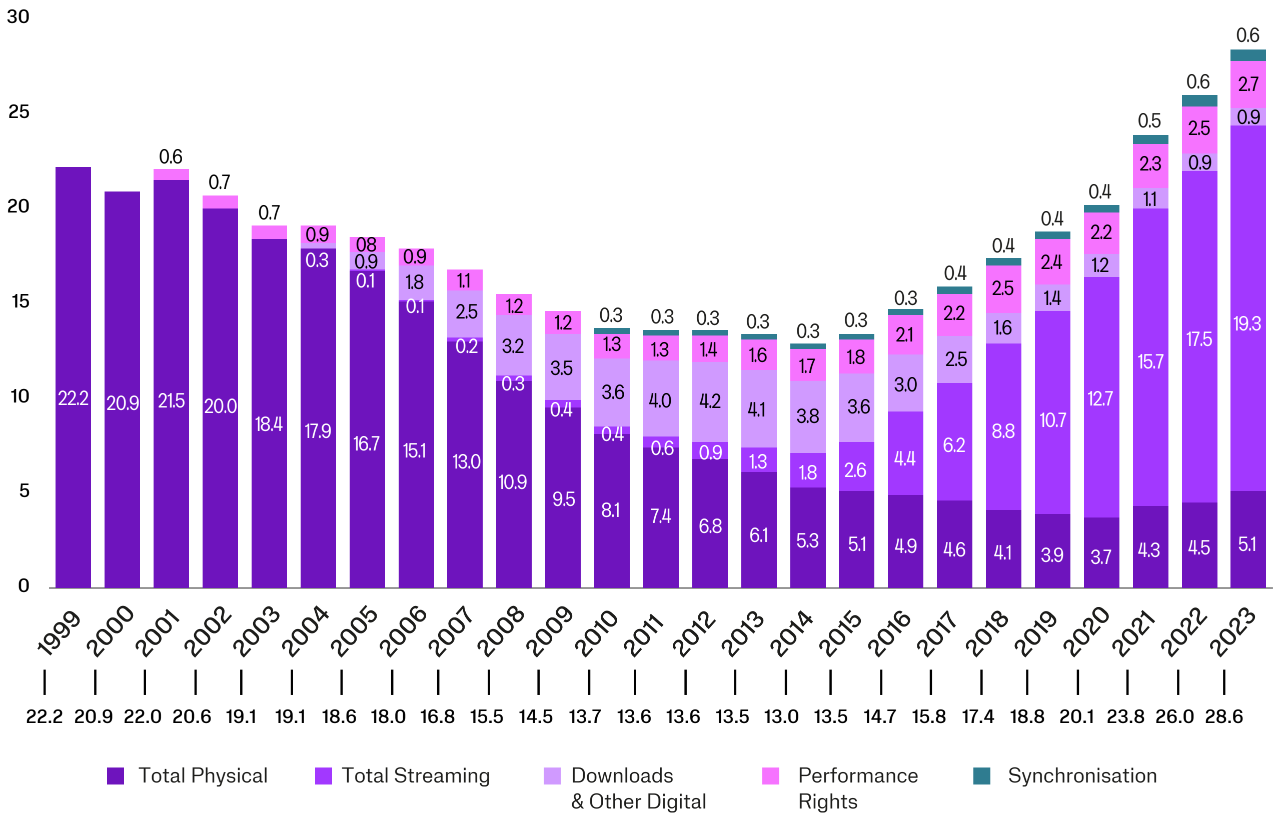
Deezer's strategic partnerships expand awareness of the Deezer brand and reach new audiences around the world. Through its distribution partnerships in telecommunications, media and other verticals, Deezer's subscriber base has been steadily expanding. These partnerships give Deezer access to the partners' established customer base and hence, the opportunity to attract paying subscribers through promotional and co-branded offers.

1.2 Markets and competitive position

1.2.1 Music streaming industry

1.2.1.1 A sizeable and booming market

Global recorded music industry revenues 1999-2023 (US$ billions)



Source: IFPI 2024 Global Music Report

The global music recording industry has recently recovered following a period of decline in the early 2000s. The advent of music streaming has contributed to the return of industry growth. According to the International Federation of Phonographic Industry (IFPI), after nearly two decades of decline, mainly due to piracy, which saw the industry reaching its lowest global revenue with $13.0 billion in 2014, recorded music revenue returned to growth in 2015. Since that time, the industry has grown to $28.6 billion in revenue in 2023. The industry, bolstered by music streaming, has been growing for nine years.

The return to growth of the global recording industry over the 2015-2023 period was primarily driven by streaming, which compensated for the decline in physical music sales. Streaming represented 67.3% of global recorded music revenue in 2023, while physical sales and digital download revenue in 2023 were 17.8% and 3.2% of global recorded music revenue, respectively (source: IFPI Global Music Report 2024; all figures based on trade values).

Global music streaming revenue surged from $8.0 billion in 2016 to $30.9 billion in 2022. The market is expected to increase 2.0x and reach $60.3 billion by 2030 driven by the trends outlined below (source: MIDiA Music Forecasts 2023-2030; based on retail revenue from subscription and audio ad-supported streaming).

1.2.1.2 Global trends in music streaming

Increasing music streaming adoption. According to MIDiA (source: MIDiA Music Forecasts 2023-2030), worldwide music streaming subscription penetration rate is still low, at 11% of the global population in 2022. There is thus potential for growth. For instance, in the Nordic countries, the penetration rate is significantly higher (50% in Norway and 47% in Finland and Denmark in 2022). This growth potential is expected to result in the number of music streaming subscribers worldwide almost doubling from present levels to 1.1 billion in 2030, mostly driven by emerging markets.

Increasing ARPU (average revenue per user) in western markets. While a significant surge in subscribers is anticipated from emerging markets in the coming years, there remains substantial untapped value in developed markets. MIDiA's projections indicate a promising trajectory for monthly subscriber ARPU. In the US, an expected rise from $6.0 to $7.7 between 2022 and 2030 is forecasted, paralleled by an increase from $4.1 to $5.6 in Europe during the same period. These increases are attributed to both price hikes and a growing average spend per account (source: MIDiA Music Forecasts 2023-2030).

New forms of monetizing recorded music. The digital music market is also expected to grow thanks to the emergence of new forms of monetization of recorded music on social media and short form video platforms, as well as the launch of new in-app features offering upsell opportunities to existing subscribers, which could foster ARPU growth.

Increasing consumer engagement. According to the IFPI (source: IFPI Engaging with Music 2023), fans are enjoying more music today than ever before. On average, in 2023 people spent 20.7 hours a week listening to music, up from 20.1 hours in 2022. This is the equivalent of listening to an additional 13 3-minute songs per week in 2023. Deezer believes the more people engage with music, the more likely they are to convert from free products to audio streaming subscriptions and the less likely they are to churn.

Growth in smartphone penetration. According to the Global System for Mobile Communications Association (GSMA; source: The Mobile Economy 2024), By the end of 2023, over 5.6 billion people globally subscribed to a mobile service, including 4.7 billion people who also used the mobile Internet. Mobile subscribers are expected to rise to 6.3 billion by 2030, representing 74% of the global population. Also, smartphone connections are expected to represent an increasing share of the total mobile connections, from 78% in 2023 to 91% in 2030. Deezer believes music streaming will benefit from this increasing usage of smartphones.

Resilient industry. The COVID-19 pandemic has increased the impact and importance of music streaming, as digital delivery platforms allowed uninterrupted use while other activities were disrupted by government shutdowns and social distancing. According to MIDiA, the music streaming market (retail revenue of subscription and audio ad-supported streaming) has particularly shown strong resilience and reached $22.3 billion in 2020, a 24.0% increase compared to 2019. Growth continued in 2021, with the music streaming market reaching $28.3 billion, a 26.7% increase compared to 2020. In 2022, the industry sustained a significant growth of 9.0% compared to 2021, a slowdown from the post-COVID surge but still demonstrating resilience in a challenging global macroeconomic environment.

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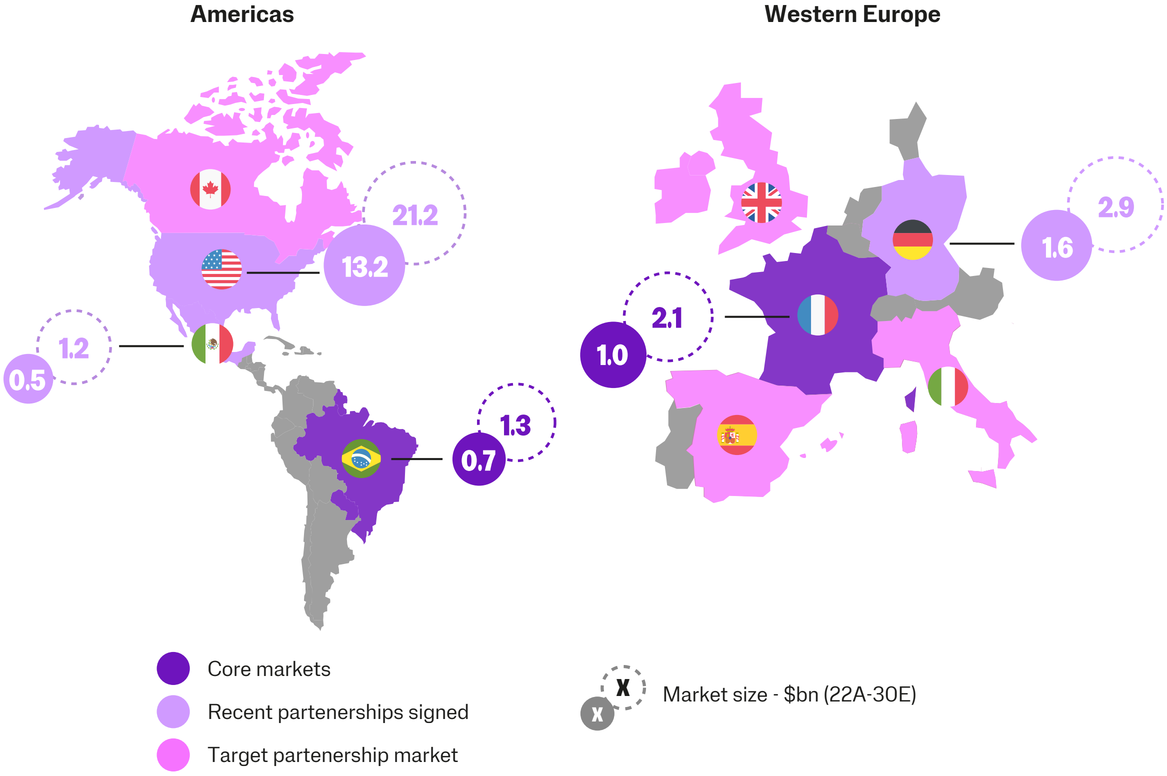
1.2.1.3 Music streaming in specific markets

The below map presents Deezer's core markets as of December 31, 2023 and an overview of certain target markets earmarked for future expansion.



France. France's music streaming market is the sixth largest market in the world, with revenue of $1.0 billion in 2022. Since 2016, when music streaming generated $311 million in revenue, the market share of music streaming as a portion of the total recorded music market increased from 23% to 43%. The music streaming market in France is expected to reach $2.1 billion in 2030, more than doubling its current size, with penetration rate predicted to increase from 24% in 2022 to 38% in 2030, and monthly subscriber ARPU expected to increase from $4.5 in 2022 to $5.6 in 2030 (source: MIDiA Music Forecasts 2023-2030; based on retail revenue from subscription and audio ad-supported streaming). Deezer generated €288 million in revenue in France for the year ended December 31, 2023. Deezer is the second largest player in France with a solid 26% market share of music streaming subscribers as of September 30, 2023, with competitors capturing the following: Spotify 41%, Apple Music 15%, Amazon Music 10%, YouTube Music 7%, and Other 1% (source: MIDiA Music subscriber market shares Q3 2023).

Brazil. Brazil's music streaming market, the largest in Latin America and the world's ninth largest, generated $652 million in revenue in 2022. Since 2016, when music streaming generated $131 million in revenue, the market share of music streaming as a portion of the total recorded music market increased from 39% to 64%. The music streaming market in Brazil is expected to continue to grow to up to $1.3 billion of revenue in 2030, doubling its current size, with penetration rate predicted to reach 22% in 2030 compared to 13% in 2022 (source: MIDiA Music Forecasts 2023-2030; based on retail revenue from subscription and audio ad-supported streaming). Deezer holds a 10% subscribers market share in Brazil as of September 30, 2023 (source: MIDiA Music subscriber market shares Q3 2023).

Germany. Germany's music streaming market ranks as the world's fourth largest, generating $1.6 billion in revenue in 2022. Since 2016, when music streaming generated $389 million, music streaming's share of the total recorded music market has grown from 19% to 56%. By 2030, the German music streaming market is forecasted to exceed $2.9 billion, close to doubling in size, driven by a higher penetration rate, expected to increase to 47% in 2030, from 38% in 2022, and increasing monthly subscriber ARPU, estimated to rise to $5.6 in 2030, compared to $4.1 in 2022 (source: MIDiA Music Forecasts 2023-2030; based on retail revenue from subscription and audio ad-supported streaming).

United States. The US music streaming market stands as the world's largest, with $13.2 billion in revenue for 2022. Since 2016, when music streaming yielded $3.5 billion, its market share within the total recorded music market has surged from 35% to 59%. The music streaming market in the US is projected to expand to $21.1 billion in revenue by 2030, marking a 59% increase from 2022. This growth is underpinned by an anticipated increase in monthly subscriber ARPU from $6.0 in 2022 to $7.7 in 2030, along with a rise in the penetration rate, expected to increase from 43% in 2022 to 48% in 2030 (source: MIDiA Music Forecasts 2023-2030; based on retail revenue from subscription and audio ad-supported streaming).

For more information on the breakdown of revenue by segment and by geography, please refer to Section 5.1 *"Comments on consolidated results and financial position"* of this Universal Registration Document.

1.2.2 Deezer's competition

Deezer competes for the time and attention of its users across different forms of media, including traditional broadcast, terrestrial, satellite, and Internet radio, other providers of on-demand audio streaming services (*e.g.* Spotify, Amazon Music, Apple Music, YouTube Music, SoundCloud, Tidal, Napster and TikTok Music), and other providers of in-home and mobile entertainment such as cable television, video streaming services, social media and networking websites. Deezer competes to attract, engage, and retain users with other content providers based on a number of factors, including price, quality of user experience, features, content, perceptions of advertising load on its ad-supported free service, brand awareness, and reputation.

Some of Deezer's competitors enjoy competitive advantages such as greater name recognition, larger scale and geographic coverage, higher marketing budgets, captured subscriber bases due to their other product and service offerings and better access to content or more favorable economic arrangements. In addition, some competitors, including Google, Apple, and Amazon have developed, and continue to develop, devices for which their music streaming service is preloaded, creating a visibility advantage.

Additionally, Deezer competes to attract and retain advertisers and a share of their advertising spend for its ad-supported free service. Deezer believes its ability to compete depends primarily on the reputation and strength of its brand as well as its reach and ability to deliver a strong return on investment to its advertisers.

Deezer also competes to attract and retain highly skilled and talented individuals. Its ability to attract and retain personnel is driven by compensation, culture, and the reputation and strength of its brand. Deezer believes it provides competitive compensation packages and fosters a team-oriented culture where each employee is encouraged to have a meaningful contribution. Deezer also believes that the strength and reputation of its brand are key factors in attractive individuals who share a passion for it.

Over time, Deezer expects that the music ecosystem will favor multiple pure play streaming services of scale. This is primarily driven by a need on the supply side not to have any one single distribution channel in a controlling or dominant position, and particularly a need to have several pure play options that share the rights holders' interests in upholding the value of music. Moreover, Deezer believes that music listening is not a one-size-fits-all experience, and therefore multiple streaming services will be needed to cater to diverse consumer tastes.

Deezer believes that significant investments, know-how and relationships are required to build a position in the streaming market and a state-of-the-art streaming product. Market participants must develop a competitive service offering, and experience is needed to develop and run a complex product technology and perform data analysis. Several years are needed to build both a competitive catalog and the know-how in managing agreements with rights holders. Scale is also needed to satisfy minimum revenue requirements from rights holders.

1.3 Competitive strengths and advantages

1.3.1 State of the art product

Deezer's product stands at the forefront of innovation, blending market insights, cutting-edge technology and exceptional editorial skills to create an intuitive and personalized product.

Deezer has often been amongst the first in its industry to launch new innovative features. For example, Deezer launched HiFi-tier streaming in 2014 compared to launches in 2019 for Amazon Music, and in 2021 for Apple Music. Deezer is still the only music streaming service to include in-app features such as the Flow feature with infinite AI-curated playlists based on moods/genres and song recognition feature SongCatcher. Deezer is also inviting users to Live the Music together as demonstrated by the launch of the collaborative playlist feature Shaker in November 2023 and Deezer's new multiplayer mode for music quizzes launched in May 2023.

Deezer provides a seamless experience to its users thanks to multiple hardware partnerships. These partnerships allow Deezer's users to stream music through smart speakers, voice assistants, smart watches, smart TVs, connected cars, smartphones, laptops, tablets and other wireless audio systems.

Deezer has adopted a localized approach with respect to its customer experience. This approach is executed in the form of deep local curation with playlists available in all relevant local sub-genres as well as in event-driven local content activations.

Deezer's product quality is illustrated by best-in-class ratings. Deezer's application is ranked #1 in the Google Play store and #2 in the Apple App Store (source: Apptweak based on rating in France *vs.* Spotify, Apple Music, Prime Music, YouTube Music, and Tidal, as of December 31, 2023).

1.3.2 Leading technological and research capabilities

Deezer has leading technological and research capabilities, which rely primarily on highly talented data scientists, engineers, product designers, and product managers who helped to build Deezer's state-of-the-art product along with the complex infrastructure needed to operate a global subscription-based music streaming platform. As at December 31, 2023, Deezer had 299 employees in technology roles such as data scientists, engineers, product designers, and product managers, which was about half of its total headcount.

Deezer's developer team has developed many of the major aspects of its software and systems in-house, including its website, mobile application, hardware integrations, partnership integrations and internal security solutions. The majority of Deezer's systems is based on an open-source software, interfaced with proprietary developments by in-house engineers to cater for specific needs. Deezer's engineers have developed its audio content recommendation algorithms, which are continuously evaluated and enhanced. The Group employs leading data scientists to evaluate the functioning of its algorithms and develop improvements to its service, including in-house business intelligence engine developed to help identify in-demand tracks that are not in the catalog.

Deezer has also established strong partnerships with research laboratories in France (CNRS, LIP6, Polytechnic Institute of Advanced Sciences, Télécom Paris) and participates in research programs with European universities. Deezer is also part of the European consortium of research MIP Frontiers, a multidisciplinary, transnational and cross-sectoral European training network that aims at training a new generation of MIR (Music Information Retrieval) researchers. Since 2017, Deezer has published more than 60 scientific papers in the most prestigious scientific conferences around the world (ICML, AAAI, ISMIR, Recsys). By staying at the forefront of the research, Deezer keeps building competitive and innovative products.

Most notably, Deezer is at the forefront of innovation with respect to the automatic analysis of very large and diverse collections of sounds. This field, known as "Music Information Retrieval", encompasses tasks such as explicit lyrics detection, language identification, automatic lyrics synchronization and music classification. Music recordings are usually a mix of several individual instrument tracks (*e.g.*, vocals, drums, bass, piano, etc.). Deezer has developed its own system to separate these tracks in an integrated mix. This technology has many potential applications, including remixes, up-mixing, active listening, and educational purposes that could be potentially used by Deezer to spur further innovation, invent new ways of consuming music or launch new apps. Deezer has released an open-source version of this system called "Spleeter" which is being used externally in professional audio software, DJ workstations and other industrial applications. Since 2022, Deezer research team works on AI music detection: voice cloning detection and generated content characterization technologies & polyvalent audio embedding for music classification and tagging.

1.3.3 Unique Partnerships/Direct strategy

Deezer's unique hybrid Partnerships/Direct strategy provides for a cost-effective way to enter new markets, build brand equity, and quickly gain market share with optimized marketing investments. Deezer's success in France and Brazil can be attributed, in part, to its strategic partnerships in those regions. Deezer is currently replicating this approach in Germany with RTL, in the US with Sonos and in Latin America with Mercado Libre.

These strategic partnerships offer substantial benefits to both Deezer and its partners. Deezer plays a pivotal role in meeting the rising needs of consumer-facing companies. Deezer helps partners to fast-track their digital transformation, while fostering customer loyalty and engagement, boosting differentiation, and enhancing the overall value of their users. This in turn allows Deezer to build a large base of users through a diverse ecosystem of partners.

Deezer's agility and strong track record of partnerships makes it the ideal music streaming partner for a wide variety of telecommunications and media companies, which are increasingly eager to bundle their services with music streaming. Deezer's unique position in the music industry stems from its flexibility and dedicated approach to meeting the strategic requirements of partners across various industry verticals. This, along with the extensive reach and depth of its direct-to-consumer music streaming platform, positions Deezer as a unique player in the market.

Deezer uses its technological capabilities to serve its partners' needs. Deezer has developed a toolkit composed of Software Development Kits (SDK) and Application Programing Interfaces (API) readily available for its partners or third parties, allowing them to easily access Deezer's services, through an external application. For more information, please refer to Section 1.1.2.2 *"Partnership distribution"* of this Universal Registration Document.

1.3.4 Long-standing relationships with the music ecosystem

Many years are needed to build a competitive catalog and the know-how to manage agreements with rights holders. Deezer currently has direct agreements with more than 300 rights holders worldwide, including major and independent music labels, aggregators, collective societies and publishing rights holders.

Deezer's full-range music catalog covers all genres of music, including mainstream popular tracks and specialized local content that enhances the relevance and attractiveness of Deezer's service in each market it serves. Deezer's reputation and longstanding relationships with local music ecosystems allow it to benefit from privileged relationships with rights holders and cooperate to define the future of music streaming.

In 2023, Deezer, in partnership with Universal Music Group, pioneered an artist-centric streaming model to better compensate musicians and improve the fan experience. This collaborative effort stemmed from the shared belief that the existing music streaming royalty model needs to be re-imagined with a renewed focus on artists, while rewarding engaging content, demonetizing non-artist noise audio and tackling fraud. Deezer is also currently collaborating with SACEM to explore the artist-centric monetization model for publishing rights in music streaming.

Additionally, Deezer is an active participant in the design and implementation of new regulatory measures to make sure that the market is running efficiently. Deezer is in constant communication with the local regulators and governments in the relevant markets and representatives in Brussels through the Digital Music Europe (DME) initiative.

Lastly, as part of its strategy centered on product innovation and brand differentiation, Deezer has been developing new and innovative features to enrich user experiences and build strong connections between fans and artists, representing additional upsell opportunities which will benefit the music ecosystem.

1.4 Strategy and objectives

1.4.1 Profitable growth strategy

Deezer's strategy is centered around its key competitive strengths with the objective to grow the scale and profitability of Deezer. Its four strategic pillars are the following.

1.4.1.1 Focus on large attractive markets

Deezer intends to focus its strategy on selected, large music streaming markets with consumers showing a strong willingness to pay for music streaming services and attractive economics in terms of acquisition costs, churn and average revenue per user (ARPU).

The music streaming industry is highly concentrated with the top 10 largest music streaming markets (the US, China, the UK, Japan, Germany, France, Canada, India, South Korea, and Brazil) expected to represent 73% of the global music streaming market in 2030[1]. Deezer's main competitors have a global footprint and, as a consequence, Deezer believes the competition is equally fierce in most countries across the world.

Deezer considers there is no significant difference in time and effort needed to operate a local partnership, irrespective of the scale of the partnership, its attractiveness or the size of the local music streaming market.

As a result, Deezer believes it is more beneficial to concentrate its efforts on the largest and most attractive countries. This strategic decision materialized in 2023 with the expansion of Deezer's partnership with Mercado Libre. This collaboration enables Deezer to broaden its footprint in the two largest music streaming markets in Latin America, Brazil and Mexico, also ranking as 9th and 11th largest globally, respectively.

1.4.1.2 Partnership-led growth

Deezer has historically built its business and reputation by capitalizing on the distribution opportunities offered by partnerships. Deezer's go-to-market strategy is to replicate its historical partnership-led success in France and Brazil in other attractive music streaming markets, as demonstrated by the signing of large-scale deals in 2023.

In August 2023, Deezer expanded its partnership with Mercado Libre, Latin America's leading e-retailer, present in 18 countries with 100+ million unique active users, as the Company launched its new subscription program "Meli+".

In February 2023, Deezer entered a long-term partnership with hardware manufacturer Sonos to power the brand's streaming radio service Sonos Radio and its subscription service Sonos Radio HD. Deezer and Sonos will deliver services to 16 countries worldwide and will continue to support ongoing innovation to develop and expand the Sonos music experience.

In 2022, Deezer entered into a significant partnership with RTL, the largest broadcaster in Germany, to bundle Deezer's service within RTL+ (RTL Group's multi-content streaming service which is targeting 9 million subscribers by 2026[2]). The RTL+ multi-purpose app was launched in August 2023, placing Deezer in a strong position to benefit from the ramp-up of the RTL+ service. 1

These collaborations align with Deezer's strategy of focusing on partnership-led expansion to deliver growth worldwide with partners across various industries.

In addition, Deezer has identified a selection of key large attractive countries where it intends to leverage distribution partnerships to enter or achieve greater penetration, such as the US, the UK, Canada, Italy and Spain. These countries are expected to collectively represent an estimated $28.9 billion in retail subscription and audio ad-supported streaming revenue by 2030 (source: MIDiA).

1.4.1.3 Differentiation through innovation

Deezer believes music streaming is not a one-product-fits-all market and, as such, believes its purpose is greater than just replicating the offering of its main competitors or offering music service as a by-product. Deezer aims to unlock the full potential of music through technology.

Deezer has adopted a localized approach with respect to its customer experience. This approach is executed in the form of deep local curation with playlists available in all relevant local sub-genres as well as in event-driven local content activations.

In 2023, Deezer reinvented itself as an experience services platform, with expression and connection as guiding principles to help artists, fans and partners to be and belong through music. Matching the new direction, Deezer also introduced an enhanced user experience and design in the application, to inspire and empower music fans to Live the Music through personalized experiences. Such experiences are reflected by a number of new and upcoming features such as Shaker.

Deezer also cooperates with artists to create original music content only available on Deezer over a short period of time, thereby providing its users with exclusive and locally relevant content.

In 2023, Deezer launched a brand-new fan experience "Deezer Sessions Live", a series of intimate concerts, aimed at giving fans unforgettable experiences with their favorite artists. Deezer also launched an innovative series of events named "Purple Door", a groundbreaking initiative aimed to forge unforgettable connections between superfans and artists within a uniquely curated space.

(1) Based on subscriptions and audio ad supported revenue (source: MIDiA).

(2) As publicly disclosed.

1.4.1.4 Operational excellence

Operational excellence within the organization is a key pillar of Deezer's strategy. Deezer's decision-making processes are all data and return-on-investment (ROI) driven to ensure profitable growth. In that respect, the management of Deezer has launched a number of initiatives dedicated to optimize operations.

- **Dynamic pricing.** Since the creation of Deezer more than a decade and a half ago, Deezer has been fully committed to recognizing the true value of music created by artists and music streaming. As a result, and to support continuous investment in innovation to deliver valuable support for artists and enhance fan experiences, Deezer has been reviewing its pricing strategy and was the first major music streaming platform to raise prices globally in 2022. This move resulted in minimal subscription cancellations. Since then, all other major global platforms have followed this strategic move. At the end of 2023, prices were re-adjusted for premium and family subscriptions in France, UK, Spain, Italy and the Netherlands. This initiative allowed Deezer Direct ARPU to increase by 18% from 2021 to 2023. Deezer will continuously monitor its pricing policy to gauge potential for further price increases.
- **Launch of New Verticals.** In early 2022, in order to accelerate its path to profitability, Deezer has identified new streaming-adjacent products/services, offering more favorable economics compared to music streaming, characterized by fixed/one-time content costs and limited marketing investments. In June 2023, Deezer officially launched Zen by Deezer, a sleep and meditation application. Zen by Deezer is the first holistic mind & body experience bringing users a proprietary catalog of more than 2,000 pieces of audio and video content, produced by more than 50 recognized wellbeing experts in France, with exclusive content on sleep, relaxation, personal development, yoga, nutrition and fitness.
- **Optimized allocation of resources.** Deezer's entire organization has been designed to maximize consistency, focus and speed of execution. This is reflected in the centralization of resources in Deezer's core countries and also around key return-on-investment drivers (teams dedicated to sales, marketing and innovation) as well as the implementation of clear and measurable objectives for all employees, aligned with Deezer's growth strategy. Deezer optimizes its marketing investments by targeting the best performing markets and channels while continuously testing its pricing and offering to maximize profitability.

Deezer continuously examines potential opportunities for external growth where it can cost effectively broaden available content, service capabilities or geographical penetration.

1.4.2 Information on trends, objectives and guidance for 2024/2025

1.4.2.1 Business trends

Deezer ended 2023 with a strong performance and momentum both in terms of subscriber base and financial results:

- Deezer subscriber base reached all-time high with 10.5 million subscribers, +1.1 million compared to 2022, on the back of strengthened market position in France & expansion of the Group's global footprint through Partnerships;
- Revenue growth accelerated in Q4 at +12.1%. Full year revenue increased by 7.4% to €484.7 million compared to 2022. Deezer gained traction in Q4 due to subscribers growth & ARPU increase across Direct and Partnerships segments;
- Adjusted EBITDA reached €(29) million, reduced by almost half compared to 2022, while continuing strategic investments. Deezer recorded a solid adjusted Gross Profit improvement (+1.0 pt) combined with strong impact of strict control of operating expenses and efficient marketing investment to support growth and stronger customer engagement;
- Deezer ended the year of 2023 with a robust cash position of €63.6 million.

A detailed description of Deezer's results for the year ended December 31, 2023 is contained in Chapter 5 *"Management report"* of this Universal Registration Document.

1.4.2.2 Objectives for 2024/2025

The objectives and trends presented below are based on data, assumptions and estimates, particularly in terms of economic outlook, which Deezer considers reasonable as at the date of this Universal Registration Document.

The figures, data, assumptions, estimates and objectives presented below may change or be modified in an unforeseeable manner, depending, among other things, on changes in the economic, financial, competitive, legal, regulatory, accounting and tax environment or on other factors of which Deezer is not aware as at the date of this Universal Registration Document.

In addition, the occurrence of certain risks described in Chapter 2 *"Risk factors and risk management"* of this Universal Registration Document could have an adverse effect on Deezer's business, financial position, market situation, results or outlook, and therefore prevent Deezer from achieving the objectives presented below.

Furthermore, the achievement of these objectives requires the success of Deezer's strategy and its implementation.

Therefore, Deezer does not make any commitment or give any guarantee that the objectives in this Section will be achieved.

Outlook for the evolution of the Group's activities, financial objectives and guidance for 2024/2025

The outlook for Deezer's activities, the financial objectives and guidance for 2024/2025 presented below are based primarily on the market trends and prospects in line with those set out in Section 1.2 *"Markets and competitive position"* of this Universal Registration Document. It also reflects the current business trends as presented in Section 1.4.2.1 *"Business trends"* of this Universal Registration Document. Furthermore, the financial objectives and guidance have been established on the basis of accounting policies in compliance with the accounting policies applied by the Group for establishing its accounts.

In line with its strategy and medium-term outlook, the Group will continue to prioritize profitability while targeting revenue growth from Partnerships and Direct subscriptions in selected key markets.

Deezer confirms it remains on a path to generate a positive cash flow[(1)] in 2024, thanks notably to an acceleration of revenue growth compared to 2023, to reach 10% in 2024 driven by the development of Partnerships, subscriber growth and the impact of the latest round of price increases. The Group expects the adjusted EBITDA to be better than €(15) million in 2024, driven by a further increase of the adjusted Gross Margin and a better absorption of costs enabled by the improvement of the Group's operating leverage on the back of continued strict management of the operating expenses.

Given its focus on profitable growth, Deezer confirms it will achieve a positive adjusted EBITDA in 2025.

1

1.5 Other information

1.5.1 Investments

1.5.1.1 Operational investments

Deezer invests resources mainly to continuously improve its music streaming platform as well as to acquire new customers.

Costs to improve the platform mainly reflect product and development expenses, which primarily comprise personnel costs and subcontractors' fees for the research and development teams.

Customer acquisition costs mainly reflect sales and marketing expenses, which primarily comprise personnel costs assigned to central and local marketing teams, customer support teams and advertising sales. They also include subscriber acquisition costs, communication expenses, as well as the costs of providing free trials of Deezer's subscriptions.

Apart from these costs, Deezer does not require large investments to run its activities. Purchases of property and equipment and intangible assets amounted to €2.1 million for the year ended December 31, 2023, compared to €3.1 million for the year ended December 31, 2022, representing approximately 0.4% of the year ended December 31, 2023 Group's consolidated revenue compared to 0.7% in 2022.

As of the date of this Universal Registration Document, Deezer has no plans to make any operational investments that are different in nature from the above or any operational investments for a significant amount.

1.5.1.2 External growth transactions

In recent years, Deezer invested in live streaming businesses and other assets that complement and expand its service offerings:

- on April 30, 2021, Deezer purchased from Dreamstage Inc., a Delaware corporation, 11,179,429 shares of Dreamstage's series A-1 preferred stock for an aggregate consideration of US$6 million. Dreamstage is the developer of a paid streaming platform intended to host live performances. Dreamstage's platform offers artists the opportunity to live stream their musical performances and allows merchandise sales, provides exclusive experiences and raises donations, which enable artists to monetize their talents regardless of geographic limitations;
- on August 31, 2021, Deezer purchased from Driift Holdings Ltd, a limited private company organized under the laws of the United Kingdom, 299 series A shares of Driift for an aggregate consideration of £2 million. Driift is an organizer, producer and marketer of live streaming events;
- on May 24, 2022, Deezer entered into a second investment agreement with Dreamstage Inc. Under this investment contract, Deezer subscribed to a share capital increase of US$2 million granting the Company a total ownership of 77.2%, in terms of share capital and vote rights;

(1) Cash flow pre-funding (prior to any potential increase of share capital of and/or potential debt repayment by Deezer which may occur).

- on September 29, 2022, Deezer acquired additional minority shares of Dreamstage Inc. and strengthened its majority shareholder position with a total ownership of 86.0% in terms of share capital and vote rights. The Company sold its investment in Dreamstage Inc. in exchange for shares of Driift Holdings Ltd and subscribed to a share capital increase of £4 million of Driift Holdings Ltd. As a result of the additional investment and the business combination, Deezer became the largest shareholder of Driift Holdings Ltd with a 45.5% ownership on a non-diluted basis, and became the indirect majority shareholder of Dreamstage Inc., fully owned by Driift Holdings Ltd since then. The transaction brings together Driift production capabilities with Dreamstage technology and commerce platform. On March 31, 2023, the Company acquired an additional 0.8% stake in Driift Holdings Limited, through the purchase of 2,400 ordinary shares from its founder (for a total ownership of 46.3% on a non-diluted basis).

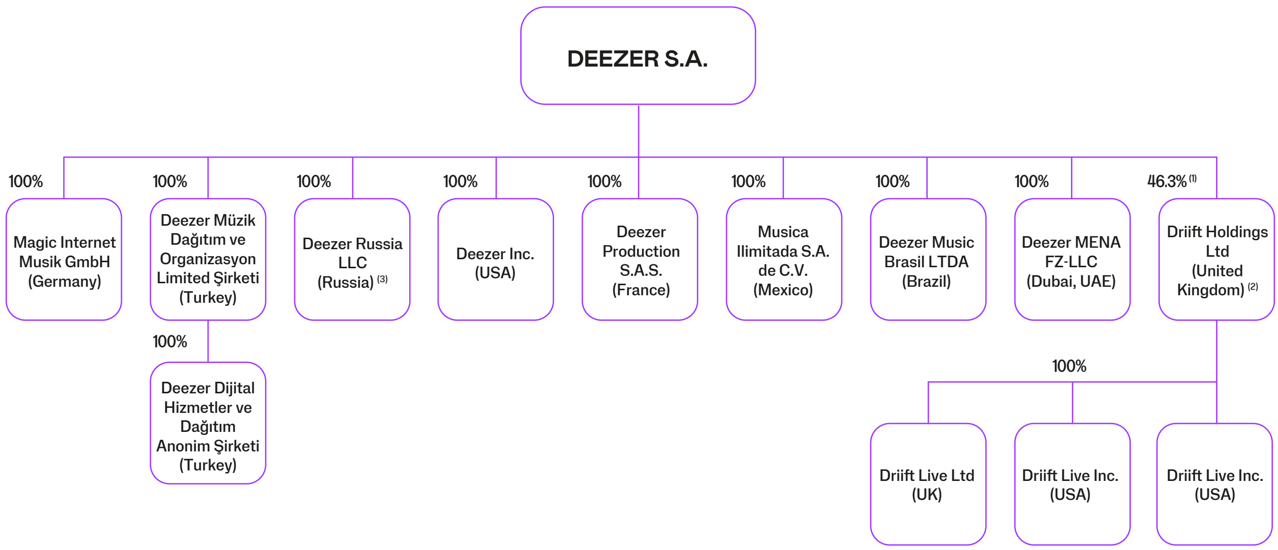
1.5.2 Organizational structure

1.5.2.1 Simplified organizational chart

The below organizational chart presents the legal organization of Deezer and its subsidiaries as of December 31, 2023 (all percentages referring to the holding in share capital and voting rights of the relevant entities).

Please refer also to Note 29 of the consolidated financial statements, enclosed in Chapter 6 *"Financial statements"* of this Universal Registration Document, which sets out the Group's scope of consolidation.

For a description of the Company's share ownership structure, please refer to Section 7.3.1 *"Share ownership structure"* of this Universal Registration Document.



(1) On a non-diluted basis.
(2) Driift Holdings Ltd is also owned by All Things Considered PLC (UK) (32.5%), Beggars Group Limited (UK) (9.6%), the founder of Driift Holdings Ltd (6.6%), and Dreamstage Inc. former convertible holders receiving preferred shares on the closing of the Driift/Dreamstage transaction in September 2022 (4.9%). For more information, please refer to Section 1.5.1.2. "External growth transactions" of this Universal Registration Document (on a non-diluted basis).
(3) This subsidiary was wound up on March 4, 2024.

1.5.2.2 Real or leased property

Deezer's headquarter is located in Paris, France, under a lease for approximately 5,300 square meters of office space. Deezer also leases offices in Bordeaux (France), Sao Paolo (Brazil), Berlin (Germany), and London (England).

1.5.3 Information technology

Deezer has established a scalable IT system to support its operations and has developed innovative proprietary software, applications and databases for its website interface, mobile application and royalty payments. Deezer has strong in-house expertise to maintain its highly sophisticated IT infrastructure and systems, with a view to ensuring efficient and cost-effective IT operations.

Servers. Deezer's worldwide network architecture is designed to provide reliable and secure service to its users around the world. The main infrastructure is running on one single point of presence split between two datacenters in Paris, France. Deezer owns almost all of the 855 specialized servers that support its network architecture. Audio content on Deezer's servers represents the single largest component of Deezer's data storage needs, requiring an estimated 8 petabytes (one petabyte equals 1,000,000 gigabytes) of storage capacity. All of Deezer's servers are located in data centers with restricted access, and particular attention is paid to the highest level of protection for audio content and user data.

Data analysis. Deezer uses specialized servers to instantly record and monitor all activity on its platform. These servers gather data such as songs users listen to, how long they listen, when they like or skip songs, how they navigate the platform, and their interactions with different features. In December 2023 alone, they recorded around one billion user actions each day, providing Deezer with rich insight into the functioning of its service and ways to improve it. Log data analysis is also crucial for Deezer to calculate payments to content providers, which is an immensely complex process due to the volume of data and variability involved.

1.5.4 Regulatory environment

The Group evolves in a regulatory framework comprising various laws applicable to digital content and digital companies in each jurisdiction or areas where it operates. The Group's platform service is subject to laws and regulations which apply depending on the nature of the relevant content disseminated by the Group (Internet, audiovisual, music, online activities, etc.).

The regulatory framework applicable to the Group and the main risks associated to it are described in Section 2.1.1.3 *"The Group's ability to do business and compete may decline if it is unable to adapt to the complex and evolving regulatory framework governing its activities"* of this Universal Registration Document.

The legal and arbitration proceedings in which the Group may be involved are described in Section 8.7 *"Legal proceedings and arbitration"* of this Universal Registration Document.

2

RISK FACTORS AND RISK MANAGEMENT

Deezer S.A. and its subsidiaries (the "**Group**") operate in a changing environment involving risks, some of which are beyond its control.

This Section presents the main risks specific to the Group, based on the risks known by it as at the date of this Universal Registration Document. This Section also describes the risk management mechanisms that the Group is implementing or that it intends to implement.

2.1 Risk factors

Risk assessment methodology

The Group has conducted a review of the main risks that could have a significant adverse effect on the Group and its respective businesses, financial conditions, operating results, prospects or ability to meet its objectives. As of the date of this Universal Registration Document, the Group is not aware of any other such significant risks other than those presented in this Section.

These main risks are grouped into seven categories listed below, it being specified that, within each of these categories, the most important risk factor, based on the Group's assessment as of the date of this Universal Registration Document, is presented first. The most important risk factors have been identified and assessed by considering the likelihood of occurrence and the possible negative effect on the Group, in each case taking also into account corrective actions and risk management measures that have been put in place. Therefore, the risks presented are net risks, after taking into account the risk management measures. The occurrence of new events, be they internal or external to the Company, is therefore likely to modify this ranking in the future.

Section	Risk	Likelihood	Impact
2.1.1	**Risks related to the Group's activity**		
2.1.1.1	The Group's services may be disrupted or face heightened competition from audio streaming or other technological players.	Medium	High
2.1.1.2	The Group may not be successful in attracting or retaining consumers to its paid subscription service.	Medium	High
2.1.1.3	The Group's ability to do business and compete may decline if it is unable to adapt to the complex and evolving regulatory framework governing its activities.	Low	Medium
2.1.2	**Risks related to the Group's organization and operations**		
2.1.2.1	The Group relies on its ability to negotiate and maintain license agreements on terms acceptable to it with rights holders.	Low	High
2.1.2.2	The Group's operating results depend on its ability to establish and maintain relationships on favorable terms with distribution partners that promote and distribute the Group's service as well as with third party service providers that perform certain functions that are important to the functioning of its service and business.	Low	High
2.1.2.3	The Group depends on certain key members of its management team and skilled personnel, and any failure to attract, retain and motivate well-qualified employees could harm its business.	Medium	Medium
2.1.3	**Risks related to information systems and cyberattacks**		
2.1.3.1	Technology issues and disruptions could materially and adversely impact the Group's ability to operate and harm its reputation and business.	Medium	High
2.1.3.2	Security breaches could materially and adversely impact the Group's ability to operate and harm its reputation and business.	Medium	High
2.1.4	**Financial and market risks**		
2.1.4.1	Given the Group's limited operating history, history of net losses and fluctuating operating results, the Group may not be successful in achieving profitability and generating positive cash-flows in the future, and may require additional funding which may not be available on acceptable terms or at all.	Low	High
2.1.4.2	The Group is subject to payments-related risks and fluctuations in currency exchange rates.	Medium	Medium
2.1.5	**Risks related to the listing of the Company's shares on the Professional Segment of Euronext Paris**		
2.1.5.1	The issue by the Company or the sale by the main shareholders of a significant number of the Company's shares as from the end of the lock-up periods or the possibility of such issues or sales may adversely impact the Company's share price.	Medium	High
2.1.5.2	The volatility and liquidity of the Company's shares may experience significant fluctuation.	Medium	Medium
2.1.6	**Risks related to taxation**		
2.1.6.1	The use of tax losses carryforwards may be limited as a result of the Merger[(1)], and could be impacted by change of tax law.	Low	Medium
2.1.6.2	Change of tax law in foreign countries and/or newly enacted legislation (including international regulations), targeting particularly the digital sector, may trigger adverse tax consequences for the Group.	Medium	Low
2.1.6.3	The Group business operations may be subject to tax risks.	Medium	Low

(1) "**Merger**" means the merger of the former Deezer S.A. (511 716 573 R.C.S. Paris) with and into I2PO S.A. on July 5, 2022, followed by the change of the corporate name "I2PO" into "Deezer".

2.1.1 Risks related to the Group's activity

2.1.1.1 The Group's services may be disrupted or face heightened competition from audio streaming or other technological players

Description of the risk

The audio streaming music market is rapidly evolving and is therefore facing uncertainties regarding in particular future developments in service pricing, service offerings, potential for differentiation of services, and potential consolidation of the audio streaming market.

In the evolving landscape of music and audio delivery, upcoming formats – some not even in existence today – may outperform audio streaming, mirroring how the rise of music streaming displaced piracy and traditional music consumption from the early 2010s onwards. The Group's business model is currently mainly based on paid subscription services, yet there is a possibility that the market could transition towards alternative monetization models in the future. If consumers decide to access audio content in new formats or through other delivery methods, it may be more difficult for the Group to grow its subscriber base, license attractive content or sign distribution agreements.

Additionally, as technology evolves and new devices and audio equipment are released into the market, the Group must constantly adapt its technology, which requires significant investment and may be subject to setbacks and disruptions, including for reasons beyond the Group's control, and changes to the Group's technology and systems, including its mobile application or interface, may be met with resistance or dissatisfaction from consumers.

The Group could face challenges in the streaming market if certain developments occur. For instance, if more content rights are exclusively granted to a limited number of providers, the appeal of the Group's service will rely on its capability to secure these exclusive rights. Additionally, even if the Group successfully secures such rights, the associated costs may affect profit margins, potentially hindering the Group's path to profitability. For more information, please refer to Section 2.1.2.1 *"The Group relies on its ability to negotiate and maintain license agreements on terms acceptable to it with rights holders"* of this Universal Registration Document.

Moreover, the Group operates in an intensely competitive industry. The Group competes to attract, engage, and retain users with other content providers, large e-commerce, Internet services and consumer electronics goods companies, based on a number of factors, including price, quality of user experience, features, content, perceptions of advertising load on its ad-supported free service, brand awareness, and reputation. The Group may also face competition from new market entrants in the future which may appear with different competitive advantages or new music delivery formats, or the Group's content providers may choose to expand their operations into audio streaming and compete directly with the Group. Additionally, the Group competes to attract and retain advertisers and a share of their advertising spend for its ad-supported free service.

The Group's competitors include:

- other providers of audio streaming services, such as its principal competitors, Spotify, Amazon Music, Apple Music, YouTube Music, SoundCloud, Tidal, Napster and TikTok Music, which all offer content and subscription offerings similar to the Group's;
- online radio services, digital and satellite radio (such as Sirius or Pandora), terrestrial radio broadcasters, digital downloads, traditional physical music sales, and broader entertainment subscription services that offer television and films, such as Netflix, Disney+, Hulu, Paramount+ and other pay TV services, as well as other forms of entertainment; and
- video streaming platforms such as YouTube or TikTok, which distribute uploaded music and video clips along with other forms of entertainment, and are highly popular with younger consumers and have more users than streaming platforms.

For more information, please refer to Section 1.2.2 *"Deezer's competition"* of this Universal Registration Document.

The Group's competitors may enjoy competitive advantages such as greater name recognition, larger scale and geographic coverage, higher marketing budgets, captured subscriber bases thanks to their other product and service offerings, better access to content or more favorable economic arrangements, as well as greater financial, technical, human, and other resources. In addition, some of the Group's competitors (including Google, Apple, and Amazon) have developed, and continue to develop, devices for which their music streaming service is preloaded, creating a visibility advantage.

There is no guarantee that the Group will effectively adapt its business or service offerings to compete with its rivals. Challenges may arise if competitors offer similar services at lower prices or provide more favorable financial terms to rights holders, thereby affecting the Group's profit margins. The Group's competitive position may also be at risk if competitors heavily invest in marketing within the Group's core markets or introduce innovative features or services that revolutionize the consumption of music. Failure to successfully address these challenges, whether due to an inability to respond to economic pressures or innovate in line with market trends, could have adverse effects on the Group's business prospects.

Management of the risk

To maintain product and offer relevance and distinguish itself from competitors, Deezer relies on advanced technological and research capabilities. Approximately half of the Group's workforce is dedicated to technology roles, including data scientists, engineers, product designers, and product managers. This skilled team played a crucial role in developing Deezer's cutting-edge product and the intricate infrastructure necessary to operate a global subscription-based music streaming platform. By continuously staying at the forefront of research, Deezer consistently adapts its competitive and innovative product.

Additionally, Deezer leans on its scalable and distinctive global platform, offering users an enriched experience through unique features such as the Flow one-click radio curated by moods/genres, SongCatcher, and Shaker, setting Deezer apart as the only music streaming service to include such in-app functionalities. The platform also emphasizes local content curation and seamless integration with third-party hardware equipment. Deezer's product quality is illustrated by best-in-class ratings, ranked #1 in the Google Play store and #2 in the Apple App Store (source: Apptweak based on rating in France *vs*. Spotify, Apple Music, Prime Music, YouTube Music, and Tidal, as of December 31, 2023).

Furthermore, Deezer has fostered enduring and close relationships within the music ecosystem, holding direct agreements with over 300 rights holders worldwide, encompassing major and independent music labels, aggregators, collective societies, and publishing rights holders.

Deezer's robust financial position results from a unique and effective hybrid Partnerships/Direct strategy, providing a cost-effective means to enter new markets, build brand equity, and rapidly gain market share with optimized marketing investments. The Group has reached leading positions in France and Brazil in part due to partnerships in those markets and intends to replicate this strategy into other geographies.

The Group believes that substantial investments, expertise, and relationships are essential to establish a presence in the music streaming market and develop a state-of-the-art streaming product. Competitors must craft a compelling service offering, possess the necessary experience to manage complex product technology and conduct data analysis. Building a competitive catalog and expertise in negotiating agreements with rights holders takes several years, and achieving scale is crucial to meeting minimum revenue requirements. These factors collectively serve as barriers to potential new entrants in the market.

2.1.1.2 The Group may not be successful in attracting or retaining consumers to its paid subscription service

Description of the risk

In order to achieve its growth objectives and attain profitability, the Group must expand its paying subscriber base. The Group plans to continue growing in its core markets, through strategic marketing investments, free trials, and discounted promotions. The Group also intends to expand in new geographies through distribution partnerships. If these efforts do not succeed at increasing the Group's subscriber base, the Group may not achieve anticipated revenue growth and profitable operations.

The music streaming industry is expected to double by 2030 and reach $60.3 billion (source: MIDiA Music Forecasts 2023-2030; based on retail revenue from subscription and audio ad-supported streaming). However, industry growth may be slower than forecasted and could deviate from expectations. For more information, please refer to Section 1.2 *"Markets and competitive position"* of this Universal Registration Document.

To attract or retain subscribers, the Group invests in marketing campaigns and promotional activities. However, the success of these efforts is uncertain, and inadequate brand promotion may hinder subscribers acquisition. There can be no assurance that the Group's marketing efforts will be cost-efficient or that revenue from new subscribers will ultimately exceed the costs of acquiring those subscribers. In addition, in markets where the Group has gained market shares, acquiring new subscribers may become more difficult and costlier than it has been in the past. In that respect, maintaining and enhancing the "Deezer" brand is crucial, relying on effective audience communication, compelling subscriber experiences, consistent remuneration for content providers, and value creation for distribution partners. External factors like Internet service outages, data security issues and exploitation of the Group's trademarks by others without permission could negatively impact the brand. For more information, please refer to Section 2.1.3 *"Risks related to information systems and cyberattacks"* of this Universal Registration Document.

If the value of the Group's service is perceived as unappealing or lacks attractive promotional offers, subscriber growth may decline.

The Group plans to grow its subscription base in new geographies through the launch of distribution partnerships or the expansion of existing ones. Failure to establish and maintain these partnerships may adversely affect business operations and financial position. The Group's partnerships business model is currently based mainly on paid subscriptions offered through telecommunications, media and other companies. The market may move toward other models or formats, such as bundling of audio and video streaming, or combined offerings with other industries, products, and services, in which case there can be no assurance that the Group will be able to adapt its business model accordingly. For more information, please refer to Section 2.1.2.2 *"The Group's operating results depend on its ability to establish and maintain relationships on favorable terms with distribution partners that promote and distribute the Group's service as well as with third party service providers that perform certain functions that are important to the functioning of its service and business"* of this Universal Registration Document. Additionally, as the Group expands into new markets, it may be required to adapt its service offerings. If the Group fails to provide an offering that suits consumer's expectations, it may not earn a sufficient return to recover its investments.

The Group must also minimize the rate of loss of existing subscribers to maintain revenue growth. Subscribers may cancel their subscriptions for many reasons, including because of the subscription price. Particularly, in an economic context of inflation, the Group could suffer indirect negative effects resulting from the decrease in users' purchasing power. In addition, when credit cards of direct subscribers expire, they must enter updated credit card information to continue their subscriptions, effectively requiring them to make a new subscription decision.

Furthermore, the Group's content catalog must appeal to a broad range of current and potential subscribers whose preferences are subjective, change rapidly and are difficult to predict. The Group may be unsuccessful in identifying content that will appeal to existing and potential new subscribers. In addition, the Group may be unable to maintain or expand the size of its catalog. This may impact the Group's ability to attract new subscribers and increase churn.

The success of the Group's service is also dependent on successfully predicting which content will match its subscribers' tastes, utilizing human-curated playlists and proprietary algorithms. Providing human curated playlists requires human resources, and there is no guarantee that the Group's editors will provide effective recommendations. Similarly, the effectiveness of the Group's proprietary algorithms depends in part on its ability to gather and effectively analyze subscriber usage data and feedback, and there is no assurance that the Group will continue to be able to collect this data or that the algorithm will effectively predict and recommend music that appeals to subscribers. If recommendation features are ineffective compared to competitors, the perceived value of Deezer's service may decrease, adversely affecting the Group's subscriber base and revenue.

Management of the risk

The Group is confident that the global music streaming market will continue to grow in the years to come. Worldwide music streaming subscription penetration rate is still low, at 11% of the global population in 2022, when for instance, in the Nordic countries, the penetration rate is significantly higher (50% in Norway and 47% in Finland and Denmark in 2022). The global music streaming market is expected to increase driven by a number of positive trends, including increased penetration but also new monetization opportunities and pricing (source: MIDiA Music Forecasts 2023-2030). The music streaming industry also proved its resilience in difficult macroeconomic conditions in recent years, highlighting the perceived significant value that users associate with music streaming. For more information, please refer to Section 1.2.1 *"Music streaming industry"* of this Universal Registration Document.

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The Group is also very attentive to maintaining an efficient marketing spend, drastically reducing ineffective marketing investments in non-core markets and countries where the Deezer brand awareness was low in recent years. Deezer's marketing team designs and executes a multi-channel customer acquisition strategy. In November 2023, Deezer revealed its new brand identity to recharge people's emotional connection to the brand. Deezer also extended its marketing campaigns to boost platform traffic through search engine and social media. The integrated marketing campaign is further supported by promotional and/or free trial offers of its service, driving subscriber growth. To ensure full customer funnel support, Deezer also uses direct marketing tools deployed through its user interface, driving stronger conversion of registered free users into paying users. CRM (customer relationship management) also plays a crucial role in ensuring free users are actively engaged with the platform. For more information, please refer to Section 1.1.4 *"Marketing"* of this Universal Registration Document.

Furthermore, the Group expresses confidence in its capacity to provide relevant content to its users. Deezer's full-range catalog covers all genres of music, including mainstream popular tracks and specialized local content that enhances the relevance and attractiveness of Deezer's service in each market it serves. The Group is an expert in tailored recommendations, employing advanced algorithms and human curation to continuously refine music suggestions on users' homepages. Personalized recommendations are strengthened by Deezer's signature offering "Flow".

Finally, the Group keeps focusing on the quality of its services and the satisfaction of its users. As a result, the Group conducts regular satisfaction surveys to leverage insights from users' experiences and enhance its offerings accordingly.

2.1.1.3 The Group's ability to do business and compete may decline if it is unable to adapt to the complex and evolving regulatory framework governing its activities

Description of the risk

The regulatory framework of the Group's platform service, which is currently available in more than 180 countries worldwide, is composed of a variety of laws and regulations relating to the digital sector which apply depending on the nature of the relevant matters central to its business, including Internet, content, privacy, data protection, intellectual property, advertising and marketing, competition, protection of minors, consumer protection, automatic subscription renewals, credit card processing, foreign exchange controls, and taxation. Additionally, the introduction of new products or services or the expansion of the Group's activities in further jurisdictions may increase the number of laws and regulations applying to the Group. These laws and regulations are constantly evolving, and may be interpreted, applied, created, or amended in a manner that is inconsistent from country to country and inconsistent with the Group's current policies and practices, and whose adaptation could cause the Group to incur additional expenses, alter its business model, or even harm its business, if occurring in one of its core markets. Any associated claims, inquiries, or other government actions, especially if occurring in one of its core markets, may increase the Group's operating costs, negatively affect its growth or result in delays or impediments in its business activities, diversion of management time and attention, and remedies that harm its business, including fines or orders that the Group modifies or ceases existing business practices. Similarly, any change in laws and regulations that would negatively impact the growth and popularity of the use of online streaming platforms, of the Internet or other electronic communications networks could reduce demand for the Group's service and adversely affect its business, financial position and operating results.

Under French law, audio streaming platform activities are not currently regulated by any dedicated administrative authorities and are, in particular, exempt from the content quota system imposed on radio channel companies and do not need to obtain any special authorization to enter the market. The French *Autorité de régulation de la communication audiovisuelle et numérique* (ARCOM) is tasked with ensuring that online platforms cooperate with legal authorities in moderating and removing illegal online content. In addition, the European Digital Services Act, which aims to harmonize regulations applicable to online platforms and social networks, imposes additional constraints on the Group to ensure the removal of illegal online content, and the transparency of the processes put in place through annual public reporting. In France, "content publishers" *(éditeurs)* may be held liable for the content they distribute on the Internet, including as publishers of illegal content. French case law has not yet ruled on the qualification of music streaming platforms as content publishers but according to French scholars, such a qualification would likely be retained for streaming platforms the content of which has been published in accordance with licenses entered into with right holders, such as Deezer's platform. The Group could thus be deemed a content publisher and be required to remove content that could be considered illegal (for example, infringing content or content of a racist or denigrating nature or content calling for violence) in the territory in which it is disseminated, or even be subject to civil and/or criminal penalties in this respect.

Given the nature of its activities, the Group is subject to legal obligations regarding the processing of personal data supplied by its subscribers that is collected and utilized in the ordinary course of business, including in connection with providing personalized playlists to subscribers, running advertising and marketing campaigns, and calculating royalties. Failure to comply with these obligations, especially in one of its core markets, could entail the Group's liability and may result in significant fines, which could harm the Group's business and impact its operating results. The Group must comply with the European regulation on the protection of personal data of April 27, 2016 known as the "**GDPR**", as well as the national data protection laws implementing the GDPR in the EU Member States where the Company operates – typically, in France, law n° 78-17 relating to Information Technology, Data Files and Individual Liberties and its implementing decree. In addition to the GDPR, the Company and its subsidiaries may be subject to data protection laws in countries where its service is provided even when they are not established in such countries, as a result of the extraterritorial reach of certain data protection laws. Finally, the implementation of unsolicited marketing communications using electronic communication means, as well as the use of cookies and other tracking technologies for purposes such as content customization and targeted advertising in relation to the users of its website, application and/or services, requires the Company to comply with the provisions of Directive 2002/58/CE relating to the protection of privacy in electronic communications, as implemented in the relevant EU Member States ("**ePrivacy Rules**"). Such implementation legislation requires, in certain circumstances, that user consent be obtained before (i) engaging in marketing communications using electronic communication means, and/or (ii) implementing cookies and other tracking technologies that are not strictly necessary for the provision of the online service/content requested by the user. Enforcement by public regulatory authorities in the EU in respect of GDPR and ePrivacy Rules is increasing and may limit the Group's ability to collect and use data and could therefore reduce the perceived value of its service, by preventing it from providing a customized user interface to its users, from serving targeted advertisements to users or prospects, or from effectively calculating royalties owed to content owners. Any of these events could harm the Group's business, if occurring in one of its core markets.

The Group is also required to comply with various regulations protecting literary and artistic property, particularly with regard to copyright and neighboring rights which protect the music content and podcasts distributed by it. Copyright protects all creations of the human mind while neighboring rights were created for people who are not technically authors: performing artists, producers of phonograms, and those involved in radio and television broadcasting. The Group relies on the protection by copyright for its creations (*i.e.*, proprietary software, mobile application and databases). In addition, the reproduction, publication and distribution of music content and podcasts on the Group platform require prior authorization from the rights holder and respect of the creators' moral rights. Trademarks are also protected in the entertainment and leisure industry, including the digital sector. In France, Article L. 713-3 of the French Intellectual Property Code *(Code de la propriété intellectuelle)* specifies that, unless expressly authorized by the owner, "the reproduction, use or affixing of a trademark, as well as the use of a reproduced trademark" are prohibited. The "imitation of a mark and the use of an imitated mark" are also prohibited. Trademark infringement can take various forms in the entertainment and leisure industry, such as the evocation of the trademark in the name of a page or in a username, a hypertext link to an infringing site, or the use of a tag or keyword. The Group has defended itself and expects to continue to defend itself against claims and legal proceedings regarding alleged infringement of the intellectual property rights (including patent rights) of third parties. Such claims, whether or not meritorious, may result in the expenditure of significant financial and managerial resources, injunctions against the Group, or the payment of damages. As a result, the Group may have to develop non-infringing technology. Alternatively, the Group may need to obtain licenses from third parties who allege the infringement, to continue to use its platform and technology, and provide its products, but such licenses may not be available on terms acceptable to the Group, or at all. These actions may be costly or cause delays in the provision of the services.

In addition, the Group has relied, and expects to continue to rely, on a combination of trademark, copyright, database rights, technical protection measures and trade secret protection laws to protect its intellectual property and other proprietary rights. While the Group strives to ensure that its intellectual property rights are sufficient to allow it to provide its service independently, it cannot guarantee that the intellectual property rights protecting the technology associated with its business will provide adequate protection:

- **trademarks.** The Group has filed, and expects to file, trademark applications on the main signs that are used in relation to its activities (in particular, the name used to designate its services, podcasts, playlists and any other proprietary content on which the Group focuses its advertisement campaigns). Nevertheless, these applications may not be approved and third parties may challenge any trademarks issued to or held by the Group;
- **domain names.** The Group currently holds various domain names relating to its brand, including "Deezer.com" and it may not be able to acquire or maintain the domain names that incorporate its brand names in the future. Failure to protect the Group's domain names in a specific country could make it more difficult for users to find its website and its service, and would force the Group either to incur significant additional expenses in connection with marketing the Group's platform or to elect not to provide its service in such country;
- **patents.** Although the Group's activities are not dependent on third-party patents, several aspects of the technologies developed by the Group, including the platform distributing online streaming music, may be protected by patents, in France or in other jurisdictions. The protection of such inventions *via* the filing of patent applications may incur additional expenses, without any guarantee that it adequately protects the Group's rights or prevent third parties from infringing or misappropriating the Group's proprietary rights. The Group cannot be certain that other operators will not independently develop, or otherwise acquire, equivalent or superior designs, functionalities, services, platforms, websites or other intellectual property rights, that may affect the Group's ability to operate its system or license its technology. To date, the Group has not faced a patent lawsuit brought by a competitor. If a claim from a competitor or from any owner of a technology were successfully upheld, the Group may be required to redesign impacted services, enter into costly settlement or license agreements, pay damage awards or unfavorable royalty or license agreements to obtain the right to use technologies, content, or materials, or face a temporary or permanent injunction prohibiting it from providing services;
- **litigations.** The Group may also seek to enforce its intellectual property or proprietary rights through court proceedings. Third parties may, knowingly or unknowingly, infringe the Group's intellectual property rights, and it may not be able to prevent infringement or misappropriation without substantial expense. Additionally, in recent years, non-operating companies have purchased and collected intellectual property assets and are monetizing them by bringing infringement claims against companies like the Group's. The sole purpose of such claims is to extract money from the defendant company through settlements or collection of royalties. Even if the Group believes that such claims are without merit, defending against such claims may be time consuming and expensive. The Group's policy has been to defend against these claims to dissuade additional lawsuits by non-operating companies. If the Group is unable to convince non-operating companies to drop or to settle such cases, the Group may need to pay negotiated settlement fees or engage in protracted litigation, possibly through trial, which could result in an award of damages against the Group.

If the Group is unable (or without significant costs) to adequately protect its intellectual property rights from unauthorized use or misappropriation by third parties, the reputation of its brand may be diminished, competitors may be able to more effectively mimic its service and methods of operations, and its ability to attract subscribers may be adversely affected, which could as a result, have an adverse effect on its business, operating results, financial position and prospects.

Lastly, the Group uses open-source software in its business, including in connection with the development of its website and mobile application. Open-source software is generally made available to the public under license. There are several types of open-source licenses, which often impose obligations on users such as the Group, in the event that they distribute derivative works of the open-source software. Any non-compliance with licensing terms could be harmful to the Group's business. This may harm the Group's competitive position and adversely affect the performance of the business.

Management of the risk

The Group has put in place internal legal monitoring to track the evolution of laws and regulations applicable to its activities, and may call on the expertise of external legal advisors in order to assess the impact of new regulations on the Group. The Group is also taking an active role in several forums aiming at anticipating and limiting the impact of new laws and regulations, *e.g.*, by being a member of the Digital Music Europe. Prior to launching a new product or service, the Group conducts an in-depth legal analysis in the main jurisdictions involved to make sure it complies with applicable laws and regulations. In order to limit the risk of providing illegal content on its platform, the Group has also put in place internal controls to ensure that any illegal content be removed from its platform quickly, notably thanks to heightened attention to feedback received from users.

In order to comply with the European Digital Services Act, the Group is implementing new processes to ensure the notification by users and removal of illegal online content, and the public release of an annual report.

Furthermore, the risks with respect to personal data of customers are managed and monitored with the presence of an internal Data Protection Officer (DPO) who is leading the implementation of any necessary policies and processes to ensure that data protection obligations are respected among the Group.

Risk management measures set in place with respect to the protection of the Group's trademarks and domain names include the monitoring of third party's rights conducted by external providers to identify potential infringers. This includes a specific monitoring conducted by an external provider to identify any website that would offer content in association with the name "Deezer". Deezer has also launched in 2023 an internal audit to identify if certain Group's inventions could be protected *via* the filing of patent applications. In addition, in order to protect the confidential nature of its technology, the Group includes robust confidentiality undertakings in employment agreements and in agreements entered into with external providers.

Regarding the use of open-source software, the Group constantly strives to select and combine open-source code subject to licensing terms that are compatible with its strategic business objectives and to closely monitor its use of open-source software to limit as much as possible that none is used in a manner that would conflict with applicable licensing terms.

2.1.2 Risks related to the Group's organization and operations

2.1.2.1 The Group relies on its ability to negotiate and maintain license agreements on terms acceptable to it with rights holders

Description of the risk

The Group's ability to provide its users with musical and other audio content depends on reaching agreements with more than 300 music rights holders, including record labels, publishers, artists, songwriters, composers, performers and other copyright owners, over whom it has no control. For more information, please refer to Section 1.1.3 *"Content licensing"* of this Universal Registration Document. Certain rights holders have refused to license their copyrights to streaming services without significant financial incentives, exclusive licenses, or at all. If the Group is unsuccessful in convincing a broad range of stakeholders of the value of the Group's audio streaming service, to negotiate and maintain licensing agreements with one or more music rights holders, it could have a significant adverse effect on the Group's popularity and ability to provide quality content on its platform. The loss of a large amount of content, particularly from popular artists, could cause a significant decline in the perceived value of the Group's music service and damage its ability to attract and maintain subscribers. The Group may otherwise be unsuccessful in negotiating and maintaining licensing agreements on terms economically acceptable to it, and therefore be subject to varying terms that could impact its costs and margins, and materially harm its business and revenue. Violation of the provisions of license agreements may also result in legal claims, the termination of the agreement or damages, which could negatively affect the Group's subscriber growth, brand and revenue.

The Group has historically maintained licensing arrangements with global and local labels. As a limited number of labels make up the majority of music consumed on the Group's audio streaming service (as of December 31, 2023, 55% of Deezer's catalog is licensed by Universal Music Group, Sony Music Entertainment, Warner Music Group and Merlin), rights holders may attempt to use their position to seek onerous financial or other terms from the Group or otherwise impose restrictions (*e.g.*, on marketing, features or offering strategy) that hinder the Group's ability to further innovate its service offerings. The Group cannot guarantee that these rights holders will always grant license to the Group on terms that are acceptable to the Group or at all. Therefore, the Group's subscribers base and revenue growth may be adversely affected if its access to music is limited or delayed because of deterioration in its relationships with major rights holders.

In addition, publishers which hold copyrights in musical compositions tend to be dispersed and fragmented. In some cases, it can be challenging for the Group to establish and maintain the necessary license agreements with rights holders to access the same content in several jurisdictions. As a result, the loss of rights with respect to a major publisher catalog would force the Group to take down a significant portion of popular repertoire in the applicable territories, which would significantly disadvantage the Group in such territories. The fractional ownership of numerous publishers enhances their market position, which accordingly, could incur increased transaction costs for the Group.

Moreover, performing rights organizations (such as SACEM *(Société des auteurs, compositeurs et éditeurs de musique)* in France) manage the collection of performance royalties on behalf of certain individual rights holders. If significant amounts of attractive content are not centralized in performing rights organizations, the Group may be forced to incur significantly higher transaction costs in negotiating individual license agreements with a greater number of dispersed rights holders. Similarly, the Group's licenses with the record labels are deemed to include licenses with respect to the performer rights of the musicians who perform on the tracks the label produces, and the Group is consequently not supposed to enter into contracts directly with performers' collective societies (such as ADAMI *(Société civile pour l'administration des droits des artistes et musiciens interprètes)* or SPEDIDAM *(Société de perception et de distribution des droits des artistes-interprètes)* in France) which manage the performer rights of their members. Sometimes, performers' collective societies of a few countries bring claims against the Group, or threaten to do so, arguing that it should license performer rights directly from them. The Group had therefore no other choice but to sign direct licenses with AIE in Spain and EJI in Hungary, and has a litigation pending since 2018 against HUZIP (a Croatian performers' rights collecting society) which challenges the validity of the Group's offer in Croatia in the absence of a license agreement with HUZIP. If such claims are successful, it may increase the Group's costs and make operation of its service in such markets commercially undesirable.

As part of its agreements with content rights holders listed above, the Group has been and may in the future be subject to several audits, which could give rise to legal disputes as to the accuracy of the payment system and underlying reporting systems. Royalty payments to rights holders, calculated on the basis of their respective "market share", represent the large majority of the Group's cost of revenue ("**Cost of Revenue**"). In 2023, the Cost of Revenue including music rights were €393 million (representing 81% of revenue) compared to €386 million (representing 86% of revenue) in 2022. For more information, please refer to Section 1.1.3.1 *"Record Labels"* of this Universal Registration Document. Payments are subject to adjustment following rights holders' audits on the Group reporting, leading to penalties in case of late payment, which could result in increased operating costs and jeopardize the Group's relationships with key content providers which result in increased operating costs affecting the Group's margins, and jeopardize the Group's relationships with key content providers. Furthermore, the Group's royalties payment may increase if its streaming offering expands to include other categories of audio and video content, which may be more costly or difficult to acquire than the music content. There can be no assurance that revenue will increase sufficiently to offset the incremental cost of acquiring new categories of audio and video content. If not, the Group's expansion into new categories of streaming content could have a negative adverse effect on its operating results. The Group's royalties payment may also be impacted due to certain mechanisms included in agreements entered into with certain content rights holders according to which the Group would have to pay to such content rights holders more than 100% of their market share.

In addition, the Group is currently subject to minimum guaranteed payment requirements (irrespective of the actual listening figures of subscribers and users) with certain rights holders and expects to continue to be so in the future, applicable either generally, in specific geographic markets or to specific offers through distribution partners. If the Group does not generate sufficient revenue in a market to cover the minimum guaranteed payments, if the Group incorrectly forecasts its subscriber growth and streaming volume in connection with geographic expansion or new distribution offers, or if rights holders demand higher minimum guaranteed payments, its margins, operating profitability and cash position will be adversely impacted.

Finally, the Group may be subject to disputes or liabilities associated with content made available by creators on its streaming services. Because of the limited information the Group has on the wide variety of stakeholders, it may be difficult for the Group to identify the ultimate rights holders for the musical compositions, either to acquire the licensing rights to content, pay corresponding royalties, or to remove tracks of a given rights holder, notably if the Group has not obtained or lost a license. As a result, the Group may inadvertently fail to comply with the obligations with those rights holders; this may affect the size of the Group's catalog, impact its ability to control content acquisition costs, and lead to additional expenses and potential copyright infringement claims. Indeed, given the large volume of content that third parties make available on the Group's streaming platform, it is challenging for the Group to accurately verify the integrity and legitimacy of such content or ensure that it complies with the Group's license agreements, terms and conditions of use and policies.

Management of the risk

To lower the risks of non-renewal of its license agreements entered into with the major rights holders, the Group thrives to maintain a close relationship with the major right holders with which exchanges take place on a regular basis.

The good relationships maintained by the Group with the major rights' holders has always resulted in the finding of amicable solutions when necessary. To date, the Group has always managed to renew the license agreements entered into with the major rights holders.

2.1.2.2 The Group's operating results depend on its ability to establish and maintain relationships on favorable terms with distribution partners that promote and distribute the Group's service as well as with third party service providers that perform certain functions that are important to the functioning of its service and business

Description of the risk

Historically, the majority of Deezer's Partnership subscribers have been obtained through distribution partnerships with leading telecommunications and media companies. Such partnerships remain a key part of the Group's sales and distribution channels and growth strategy, as illustrated by the signing in 2023, of a partnership with Sonos in the US and with Mercado Libre in Latin America. Establishing partnerships in new geographical markets is essential to the Group's ability to penetrate those markets. For the fiscal year ended December 31, 2023, 73% of the Group's indirect revenue results from the following partnerships: Orange, TIM Brazil, Mercado Libre, RTL and Sonos (compared to 68% in 2022 from Orange and TIM Brazil). For more information, please refer to Sections 1.1.2.2 *"Partnership distribution"* and 1.4.1.2 *"Partnership-led growth"* of this Universal Registration Document.

If the Group fails to establish and maintain partnerships on acceptable terms or at all, with leading telecommunications, media and other companies with complementary business activities (such as audio equipment or automobile manufacturers) or geographic reach, the value of the partnerships to the Group may be reduced, which could adversely affect its business, operating results and financial position. It is also the case if the Group is not able to renew or replace its partnership arrangements as they expire, if new partnership arrangements are not entered into on equally favorable terms or if the partnership agreements do not achieve expected results especially in key territories (such as in France, Brazil or Germany). The Group's partnership arrangements typically provide for the sharing of subscription fees between the Group and its partners (in the case of standalone subscriptions) or the payment by its partners of a monthly fee per subscriber or per active subscriber (in the case of bundled subscriptions). If the Group's share of revenue under bundled and standalone offers is insufficient to offset the costs associated to these offers, including in particular the royalty payments to rights holders, the Group's margins could be adversely affected. The volume of standalone subscriptions that the Group is able to generate through partnerships remains uncertain for a number of reasons, including, competition from promotional offers from other streaming service providers. For bundled offers, whether it is true or not, the subscribers may allege that the Group is responsible for any issues with the services of the Group's partner, which could harm its reputation and reduce its ability to retain subscribers. In addition, the Group may not succeed in converting bundle subscribers to standalone subscribers before the relevant partnership arrangements expire, which could result in increased subscriber churn and a decrease in the Group's consolidated revenue. For more information, please refer to Section 2.1.1.2 *"The Group may not be successful in attracting or retaining consumers to its paid subscription"* of this Universal Registration Document. If one or more of the Group's partners are unable to maintain and grow their subscriber base, lose market share, fail to provide quality services and products to their consumers, are subject to reputational harm, file for bankruptcy or otherwise experience business difficulties, the Group's ability to reach potential subscribers may be greatly diminished, which could have an adverse effect on the Group's business, reputation, operating results and financial position.

The Group's ability to generate revenue from these partnerships largely depends on the partners' efforts to promote the Group's service offerings. This is particularly true when the Group's service is offered on a standalone basis, rather than as part of a bundle with the partner's product or service, because a consumer should specifically decide to subscribe to the Group's service and a partner's promotional efforts may have a significant influence on this decision. The Group's partners may have other priorities or may perceive that promoting the Group's offerings is not the best use of their marketing and promotional resources. If the partners do not promote the Group's offerings sufficiently, the Group will have difficulty achieving its growth objectives.

Moreover, the Group relies in part on integration agreements with its distribution partners to be able to offer its service through such partners' operating systems, devices and technological platforms. There is no guarantee that the Group will be successful in integrating and maintaining a service that can be easily integrated into the technology of any of its partners, or that market standards will not change thereby rendering the Group's technology obsolete.

In addition to its distribution partners, the Group relies on third party service providers to perform certain functions that are important to the functioning of its service and business including: hosting, monitoring and maintaining its storage servers; providing its content distribution network (CDN); programing and maintaining certain software for its servers and internal operating systems; and processing payments. For more information, please refer to Section 1.5.3 *"Information technology"* of this Universal Registration Document. If errors or disruptions occur in third-party software and infrastructure, the operation of the Group's service could be impaired, including problems with platform availability or security, and damage to its subscriber loyalty, through no fault and no control of the Group. Furthermore, there can be no assurance that any third-party licensors of software and service providers will continue to make their products and services available to the Group on acceptable terms or at all, or to invest the appropriate levels of resources in their products or services to maintain and enhance their capabilities, which may require the Group to incur additional expenses to locate replacements. The Group's subscribers may allege that the Group is responsible for any such failures, which could damage its reputation and the perceived value of its service. For more information, please refer to Section 2.1.3.1 *"Technology issues and disruptions could materially and adversely impact the Group's ability to operate and harm its reputation and business"* of this Universal Registration Document. The Group also partially relies on third-party application stores, such as

Apple App Store and Google Play Store, to distribute its mobile application and collect subscription fees. Should any of the operators of popular application stores reject the Group's application from their store, or amend the terms of their license in such a way that impedes the Group's ability to distribute its application *via* such stores, the Group's ability to grow its subscriber base and revenue would be adversely affected. While there is global pressure for app stores to relax in-app payments, if these fees were to increase, or if a significantly higher portion of the Group's subscribers were to be indirectly billed in this manner, it could reduce the Group's revenue and margins and make it more difficult to achieve profitability.

The Group finally depends on hardware providers, who may fail to deliver components according to schedules, prices, quality and volumes that are acceptable to it. This exposes the Group to multiple potential sources of component shortages, or may cost the Group more to replace them with other sources. Unavailability of any component or unexpected changes beyond the Group's or its suppliers' control could result in loss of access to important technology and tools for the Group's business. Additionally, the Group may be unsuccessful in its continuous efforts to negotiate with existing suppliers or source less expensive suppliers. If the Group is unable to accurately match the timing and quantities of component purchases to its actual needs, or secure additional or alternate sources of its components quickly or at all, the Group may incur unexpected disruption, storage, transportation and write-off costs.

Management of the risk

The Group has implemented measures to lower the risks of non-renewal of its strategic partnerships and maintained a close relationship with its major partners. The renewal of strategic partnerships is discussed in advance to ensure the continuity of the relationship. Dedicated account managers are assigned to the relationship with partners such as Orange, TIM Brazil, Mercado Libre and RTL in order to monitor the relationship and ensure due performance of the parties' obligations.

The Group also benefits from its long-term relationship with its hardware provisions' partner to ensure delivery (although the Group aims at reducing its dependence on hardware providers by building services in the cloud or on-premises – for more information, please refer to Section 2.1.3.1 *"Technology issues and disruptions could materially and adversely impact the Group's ability to operate and harm its reputation and business"* of this Universal Registration Document).

Finally, the Group benefits from a procurement department which closely monitors optimization of the Group's costs incurred with its suppliers and service providers.

2.1.2.3 The Group depends on certain key members of its management team and skilled personnel, and any failure to attract, retain and motivate well-qualified employees could harm its business

Description of the risk

The Group believes that its success relies on the efforts and talents of its management team. The loss of any of the Group's senior management could materially and adversely affect its ability to formulate and implement an effective business plan, and it may be unable to find adequate replacements. The Group's success also depends on the performance of its employees, particularly those in key strategic functions such as information technology, product development and strategic partnerships. Most of the Group's employees may terminate their employment relationship at any time or subject to a notice period, and their knowledge of the Group's business and industry may in some cases be difficult or expensive to replace, or may be used for the benefit of competitors. If the Group fails to properly identify its personnel needs or to locate and attract qualified candidates, it may be more difficult to support its growth. Any failure by the Group to attract, develop, motivate and retain highly qualified personnel may reduce the effectiveness of its organization and its ability to execute its business plan. The Group also faces significant competition for highly qualified personnel and may incur significant costs to attract and retain them.

Management of the risk

As part of its CSR policy, the Group is committed to supporting the development of its employees throughout their careers, including regular training, and coaching where appropriate, in order to provide them with the best working environment and development. Twice a year, the Group conducts engagement surveys to assess the employees commitment and receive feedback, in order to improve the employee experience and to implement action plans that affect retention. Employees also meet their manager twice a year in a biannual interview regarding their objectives, performance, and satisfaction at work. This process allows the Company to monitor the employees' career path.

Moreover, the Group regularly benchmarks its compensation package to ensure external competitiveness and alignment with each local market. In order to limit the risk of experienced employees leaving the Group, the Group has implemented bonus policy based on the performance or achievement of KPIs for certain top managers. The Group also intends to continue to associate Group's key members of its management team and skilled personnel with free performance share plans, and a variable part in their compensation, the payment of which is conditional on the achievement of quantitative and qualitative performance criteria.

2.1.3 Risks related to information systems and cyberattacks

2.1.3.1 Technology issues and disruptions could materially and adversely impact the Group's ability to operate and harm its reputation and business

Description of the risk

The Group operates its service through an integrated technology network. For more information, please refer to Section 1.5.3 *"Information technology"* of this Universal Registration Document. The Group has been subject to a few cyber-attacks intended to cause a disruption in service and is likely to be subject to such attacks in the future. Any disruptions in the availability of its networks and systems as a result of cyber-attacks, hacking or sabotage could lead to the Group's service becoming unavailable for an extended period of time, which could adversely affect its reputation and cause it to lose subscribers. The Group may also have to incur additional expenses to repair its network and improve its security functions, and such improvements may not be successful in preventing further attacks.

The Group may also be unable to meet the service level obligations set forth in certain partnership agreements and other license agreements. For more information, please refer to Section 1.1.2.2 *"Partnership distribution"* of this Universal Registration Document. As a result of any disruptions, the Group may be exposed to increased risk of litigation and other liabilities, harm to its reputation and brand and decreased revenue if consumers cancel their subscriptions as a result of disruptions in the level of service. Losses related to such incidents may not be fully indemnified by third-party service providers or the Group's insurance policies.

Furthermore, as the Group's business and user base grows, it expects to continue to invest significant resources in upgrading and maintaining its information technology platform to handle increases in customer traffic on its website interface and mobile application, expansions of its catalog of audio content, the processing of subscription fees, the calculation of royalty payments owed to content owners, and other related processes. The Group performs much of the development of its systems in-house, including its website and mobile application, and continued growth will place additional pressure on these systems. For more information, please refer to Section 1.5.3 *"Information Technology"* of this Universal Registration Document. If the Group experiences any disruptions with this system, it may be unable to determine its content costs and pay content rights holders in a timely manner and may be required to invest additional time and financial resources to improve its systems to maintain its licensing relationships. If the Group miscalculates the royalties owed, it may be subject to penalties and other liquidated damages under its license agreements, which would increase its content costs and adversely affect its profitability.

The products the Group offers are highly technical and complex, especially as they are available on a wide range of operating systems and/or devices offered by different manufacturers. These products or any other product the Group may introduce in the future may contain undetected software bugs, hardware errors, and other vulnerabilities. These bugs and errors can manifest in any number of ways in the Group's products, including through diminished performance, security vulnerabilities, malfunctions, or even permanently disabled products. Additionally, the Group's products operate in conjunction with, and the Group is dependent upon, third-party products and services, and any security vulnerability, error, or other bug in one of these third-party products or services could thwart the Group's users' ability to access its products and service and harm its reputation. Any errors, bugs, or other vulnerabilities discovered in the Group's code or backend after release could damage its reputation, drive away users, allow third parties to manipulate or exploit the Group's software, affect the Group's ability to accurately calculate royalty payments, lower revenue, and expose the Group to claims for damages, any of which could seriously harm the Group's business. The Group could also face claims for product liability, tort, or breach of warranty. Lastly, if the Group's liability insurance coverage proves inadequate or future coverage is unavailable on acceptable terms or at all, the Group's business could be seriously harmed.

The Group also relies on the availability of reliable and cost-effective Internet and mobile networks in the geographies in which it operates to deliver its streaming service to its users. If the Internet or mobile networks in any one or more of the Group's geographies were to experience outages, delays or reductions in speed or availability for any reason, including as a result of damage to infrastructure, adverse weather conditions, natural disasters, terrorist attacks, war, power loss or legal or regulatory changes, the Group's service may not be viable in such markets. Furthermore, for certain geographies, the Internet and mobile network infrastructure may be less developed and Internet service may be less reliable and effective, as a result of which the Group may be unable to expand to or remain in certain geographies, which could adversely affect user growth, lower revenue and lead to an inability to achieve profitability.

In addition, the Group stores its data, which principally comprises its audio content of 8 petabytes, in two physical data centers located near Paris, France. For more information, please refer to Section 1.5.3 *"Information Technology"* of this Universal Registration Document. Due to evolutions in digital audio technology and the different types of audio files that the Group must maintain for its various service offerings, the data storage capacity required to effectively operate a multi-tier service offering is large and increasing. In addition, as the Group increases the size of its audio catalog, its data storage and processing requirements are growing, and there is no guarantee that the Group will be able to obtain sufficient storage without a significant increase in data storage costs.

The Group's audio data and system log information is almost exclusively stored on Netapp servers that it owns, which are hosted, monitored and maintained by a third-party service provider, Iguane Solutions. The Group's integrated system architecture has been designed around the availability of this data. Any disruption in access to this data, or any loss of this data, could limit the Group's ability to provide content, to track activity in sufficient detail to meet its contractual obligations to rights holders, and to continue to offer its service. The Group's network hardware is vulnerable in the event of any damage to or destruction of the data centers where it is housed, including as a result of natural disasters, terrorist attacks, fires, or structural or systems issues. Any losses resulting from damage to its network infrastructure may not be fully covered by the Group's insurance policies or by its service providers under the relevant service contracts. In addition, because of the huge volume of data associated with its extensive audio library, any lost data would likely require a significant period of time to be restored on its system and any disruption or loss could cause significant service disruptions or delays, which would have an adverse impact the Group's operation.

In parallel, the Group is in the process of transitioning part of its data storage (including data of users and rights holders) from its own servers to Google Cloud Platform ("**GCP**"), notably to operate certain aspects of its business, and to process and store data. For more information, please refer to Section 1.5.3 *"Information Technology"* of this Universal Registration Document. GCP provides a distributed computing infrastructure platform for business operations, or what is commonly referred to as a cloud computing service. Any disruption of, or interference with, the Group's transition and its use of GCP could have a material adverse effect on the Group's business, financial position and operating results.

Generally speaking, there is a risk of service disruption, and the Group cannot guarantee that the recovery of a minimum service in the cloud infrastructure will be achieved in a 24-hour timeframe or at all. Failure to recover a minimum service in the cloud infrastructure would result in the impossibility for the Group to provide any service to its users. Failure to rapidly recover an optimal service may leave users dissatisfied and result in the cancellation of their subscriptions or the deletion of their accounts, in addition to damages they may claim for. Failure to calculate the royalties owed for music streamed on the Group's platform may result in the termination of the agreements entered into with the right owners, an imposition of penalties or other liquidated damages pursuant to the terms of these agreements, and/or liability claims from said right owners. The Group may also have to incur additional expenses to restore its network hardware completely and recover an optimal service.

Management of the risk

To ensure the ongoing availability, integrity and confidentiality of its IT environment, the Group has implemented technical and organizational measures which are designed to be in accordance with the state of the art and adapted to the level of risk the Group is facing.

Infrastructure. The Group uses on-premises and cloud computing resources which are distributed over several locations within the European Union. The Group only uses data centers, cloud providers and carriers that are certified for compliance with the highest security standards. The electrical power systems in the data centers are designed to be redundant and maintainable with no impact to continuous operations, 24/7. Each data center is equipped with backup power systems that are designed to supply consistently reliable power protection during any outage (blackouts, brownouts, over and under voltage, out-of-tolerance frequency conditions). All data centers use high-sensitivity smoke detection systems and water mist systems to prevent and fight fire. The Group has duplicated critical components and functions of its infrastructure to increase its reliability and improve its performance. Each server is redundant with others and data is replicated over multiple servers to help protect it against accidental outage, destruction, or loss. The Group is progressively moving to a service-oriented architecture based on Kubernetes and cloud services (Google Cloud Platform and Amazon Web Services) which are also certified for compliance with the highest security standards and allow to ensure better scalability as the volume of storage needed and computation complexity increases over time. This infrastructure allows the Group to host 1.1 million users simultaneously (approximately 83,000 requests per second on front-end servers at peak). The infrastructure availability of the production platform served to the Group's customers was 99.98% in 2023.

Security Capabilities. The Group has a team dedicated to managing and maintaining its IT infrastructures, including some members specifically in charge of the cybersecurity of the systems. This team ensures that the infrastructures are perfectly sized to meet the Group's needs, whether in terms of load or security. It ensures that service levels are complied with, particularly regarding contracts concluded with the Group's strategic partners. The teams in charge of cybersecurity perform annual risk assessments, internally and with the support of external firms, to ensure that the Group's security posture is state-of-the-art. These cybersecurity teams also ensure that all necessary cybersecurity solutions and systems – like antivirus, antimalware, firewalls – are implemented and operating efficiently. Finally, the Group has also strengthened its defense capabilities against information attacks, in particular distributed denial-of-service attacks (also known as DDoS attacks). The Group has also implemented a bug bounty program, inviting anyone to report a bug to its cybersecurity team. In 2023, the Group performed a cybersecurity risk analysis in order to determine a security roadmap for 2024.

Finally, the Group has also strengthened its defense capabilities against information attacks, in particular distributed denial-of-service attacks (also known as DDoS attacks).

Backup & Redundancy. The Group maintains full backup systems for all information in different locations, such as its web and mobile application platforms, images, graphics, databases and codes. The Group maintains full redundancy systems for its sizable audio content catalog, with full backup of all audio content in all formats (*e.g.*, MP3 128, MP3 320, and FLAC).

Disaster Recovery Plan. The Group has taken steps to ensure that service may be rapidly restored to users in case of disaster. The Group has implemented a "disaster recovery plan" to mitigate the risk of damage to or destruction of the data centers where the Group's network hardware is housed, including because of natural disasters, fires, floods, or structure or system issues. The disaster recovery plan is designed to ensure the recovery of a minimum service in a cloud infrastructure. This minimum service may be limited in terms of content or functionality, performance or loading time, or availability and does not include certain features, such as the Group's recommendation engine, the possibility for the user to pay for their subscription, the calculation of royalties, notifications, and the management of the audio catalog.

Audits. To reduce the risk of errors in calculating royalty payments, the Group's solution is audited each year. Knowledge attached to this royalties calculation software is ensured through dedicated teams and relevant succession plans. Knowledge maintenance and transmission is audited each year.

2.1.3.2 Security breaches could materially and adversely impact the Group's ability to operate and harm its reputation and business

Description of the risk

Security breaches resulting in unauthorized access to, or disclosure of user data could damage the Group's reputation. The Group collects, maintains, transmits and stores confidential, personal, and proprietary information about its business, users, content providers and other parties. The Group also employs third-party service providers, including online payment processing partners that store, process and/or transmit data, which is confidential and personal by nature, on its behalf. In addition, the Group uses freely available software, email accounts, cloud storage services to perform and support various business functions. For more information, please refer to Section 1.5.3 *"Information Technology"* of this Universal Registration Document. Although the Group and its service providers take measures to protect the security, integrity and confidentiality of confidential information they collect, store and transmit, they may be subject to attempts to break into its systems and access such data. Advances in computer capabilities, new technological discoveries or other developments could increase the frequency or likelihood of security breaches. Furthermore, security breaches may occur as a result of non-technical issues, including intentional or inadvertent breaches by the Group's employees or by persons with whom it has commercial relationships.

Any breaches of the Group's security measures or those of its third-party service providers or other cyber security incidents could result in unauthorized access to, and misappropriation of, users' personally identifiable information or personal data, including payment details, or other confidential or proprietary information about the Group or third parties. Unauthorized use or access to user information could violate applicable privacy, data security and other laws, and cause significant legal and financial risks, adverse publicity, and a potentially severe loss of confidence in the Group's security measures among consumers and damage to its brand and reputation. Potential users may become unwilling to provide the Group with the information necessary to become users, and existing users may cancel their subscriptions. The Group may also be required to expend significant capital and other resources to address such breaches, and the Group's cybersecurity insurance policies may not cover all types and occurrences of cybersecurity events.

Any breaches of the Group's security measures or those of its third-party service providers or other security incidents resulting in unauthorized access to, and misappropriation of, users personally identifiable information or personal data may also constitute an infringement of the regulations on the protection of personal data, including the European General Data Protection Regulation, and give rise to the application of administrative or criminal sanctions by the authorities, including monetary fines.

In addition to such security breaches, the Group is also at risk of attempts at unauthorized access to its service, and may have difficulty effectively preventing and remediating such attempts. Unauthorized access to its service may cause the Group to misstate key performance indicators, which once discovered, corrected, and disclosed, could undermine investor confidence in the integrity of its key performance indicators and could, if and when listed, cause its stock price to drop significantly. The Group has been in the past, and keeps being, impacted by attempts by third parties to gaining unauthorized access to its service, notably to provide users a way to enjoy the Group's paid service for free and remove advertisements without payment. If in the future the Group fails to successfully detect and address such issues, it may have artificial impacts on its key performance indicators, which may harm the Group's relationship with advertisers and rights holders. This may impact the Group's operating results and expose the Group to claims for damages including, but not limited to, from rights holders, any of which could seriously harm its business.

The Group has also been in the past, and continues to be, impacted by attempts by third parties to artificially manipulate stream counts, notably to generate revenue for rights holders or to influence placement of content on the Group's platform (*e.g.*, create fake user accounts to stream songs repeatedly to generate revenue or utilize fake user accounts to stream specific content). Even if the Group implements various methods to detect fraudulent streams, it may not be successful in detecting, removing, and addressing all fraudulent streams and any related user accounts. If in the future the Group fails to successfully detect, remove, and address fraudulent streams and associated user accounts, it may result in the manipulation of its data, including the key performance indicators, which may harm the Group's relationship with advertisers and rights holders, and which could expose the Group to the risk of litigation. In addition, once the Group detects, corrects, and discloses fraudulent streams and associated user accounts and the key performance indicators they affect, investor confidence in the integrity of its key performance indicators could be undermined.

In November 2022, the Group learned that one of its former service providers had suffered a security incident in 2019 that resulted in a data leak involving approximately 200 million users, and that this data was subsequently offered for sale on a hacker forum in November 2022. The Group immediately notified the CNIL *(Commission nationale de l'informatique et des libertés)* of the incident and then filed a complaint with the *Procureur de la République*. Following this incident, some users have initiated legal disputes against the Group in Germany to obtain compensation for the damage resulting from the leakage of their data. At this stage, no conviction has been handed down against the Group, the courts having considered that the plaintiffs had not suffered any damages. The Group is in discussions with its former service provider to obtain reimbursement of all sums incurred to manage and contain the consequences of the incident.

Management of the risk

The Group's information system is an essential asset necessary for conducting its business activities and subject to considerable legal and regulatory constraints. The effective protection of this asset is of major importance to the Group.

Access Controls. Access rights are necessary for accessing and using the Group's IT resources. To ensure that only authorized persons can access the IT resources they are authorized to access, access rights are granted pursuant to the least privilege principle: (i) access rights are only granted to persons who need them to perform their duties and tasks, (ii) access rights are limited to what is strictly necessary to enable the authorized persons to perform their duties and tasks, and (iii) access rights are regularly reviewed and updated, including revocation, where appropriate. Accessing and using the Group's IT resources requires authentication through a Single Sign-On (SSO) platform. This SSO platform aims to harden authentication by requiring the use of complex passwords and the activation of a multi-factor authentication. When accessing critical Deezer's IT resources remotely, authorized persons are required to connect *via* the Group's virtual private network (VPN). All connections and changes to the Group's IT environment are logged by name and date and time of access, in order to create an audit trail for accountability. Unauthorized activity and failed access attempts are also logged and investigated, as appropriate.

Encryption. All communications to the Group's servers are secured with HTTPS encryption (TLS) and a virtual private network (VPN).

Intrusion Detection. The Group has various systems in place to detect, prevent and block any suspicious activity suggesting an attack or an intrusion into its IT environment. Each access point and each server are secured with firewalls and intrusion detection and prevention systems. All WiFi access points are secured using an integrated firewall with mobile device policy management, real-time wireless intrusion detection and prevention systems with alerting and automatic containment, encryption, and flexible guest access with device isolation. All Ethernet access points are secured using an integrated multi-factor authentication dashboard.

Software Update. There is a constant stream of attacks using widely published exploits, often called "zero day" (an attack that exploits a previously unknown vulnerability), against otherwise secured systems. To prevent these attacks, the Group monitors a variety of trusted sources for vulnerability information and maintains comprehensive procedures that prioritize patches for critical infrastructure and ensure that high-priority systems and devices are protected from vulnerabilities as soon as possible after a patch is released.

Technical Tests. To ensure that its security controls continue to be adequate, the Group frequently tests the security of its IT resources. The Group regularly performs vulnerability scans to expose potential vulnerabilities that could be found and exploited by malicious individuals, and penetration tests to detect and demonstrate the existence of security vulnerabilities by simulating the behavior of an attacker. Each exploitable vulnerability identified during testing is corrected and subject to a verification procedure to ensure the effectiveness of the corrective measures that have been implemented.

Policies. The Group's employees are required to conduct themselves in a manner consistent with the Group's guidelines regarding confidentiality, business ethics, appropriate usage, and professional standards. Employees are required to abide by the Group's IT & security policy, which sets out the employees' rights and duties when they use the IT resources made available to them by the Group, the conditions pursuant to which the Group monitors the use of the IT resources, and the applicable sanctions in case of abusive use of the IT resources and/or breach of the confidentiality, integrity and availability of the Group's IT environment. The Group's employees are provided with regular security training.

Security Capabilities. The Group has implemented monitoring and surveillance capabilities to detect any suspicious activity. Specifically, to fight against any fraudulent use of its customers' accounts, the Group has implemented the following security measures:

- isolation of login credentials (password) in a separate database, with restricted access;
- use of Captcha and Bot Manager systems to identify login attempts by bots;
- sending an email informing the user of the connection on a new device;
- requirement to enter a code addressed to the user's current email address to validate email address or password changes; and
- sending an email and displaying a message in the application to prompt the user to change password when a suspicious activity is identified on the Company's platform.

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2.1.4 Financial and market risks

2.1.4.1 Given the Group's limited operating history, history of net losses and fluctuating operating results, the Group may not be successful in achieving profitability and generating positive cash-flows in the future

Description of the risk

The Group's rapidly evolving business and its relatively limited operating history may not provide an adequate basis for evaluating its business prospects and financial performance, and makes it difficult to predict future operating results. The Group has experienced significant net losses since its inception and it may be unable to increase revenue or control costs to levels necessary to generate profit or positive cash-flows in the future. In addition, once it does generate profit and positive cash-flows, there can be no assurance that the Group will be able to sustain or increase its margins and cash-flows. To achieve and sustain profitability and positive cash-flows, the Group must accomplish numerous objectives, the main ones being detailed in Section 1.4.2 *"Information on trends, objectives and guidance for 2024/2025"* of this Universal Registration Document, which notably include a successful execution of Partnerships strategy, improvement of gross margin and strict management of fixed costs. Failure by the Group to achieve any of these objectives could negatively impact its ability to generate profit and positive cash-flows.

In addition, the Group intends to continue to make investments to support its business growth and may require additional funds to respond to business challenges, including the need to develop new features or enhance its existing service, expand into additional markets around the world, improve its infrastructure, or acquire complementary businesses and technologies. Accordingly, the Group has in the past engaged, and may in the future engage, in equity and/or debt financings to secure additional funds. If the Group raises additional funds through future issuances of equity or convertible debt securities, the existing shareholders of the Company could suffer significant dilution, and any issuance of new equity securities could have rights, preferences and privileges superior to those of holders of ordinary shares of the relevant Group company. Any future debt financing of the Group could also contain restrictive covenants relating to its capital-raising activities and other financial and operational matters, which may entail further difficulties for the Group to obtain additional capital and pursue business opportunities, including potential acquisitions. The Group may not be able to obtain additional financing (or on terms favorable to it). If the Group is unable to obtain adequate financing or financing on terms satisfactory to it when required, its ability to continue to support its business growth, acquire or retain users, and to respond to business challenges could be significantly impaired, and its business may be harmed.

To finance its business growth, the Group entered into various financing. The Group's cash and cash equivalents amounted to €64 million as at December 31, 2023. Nevertheless, the Group may in the future seek to refinance its existing debt, or incur new debt, to, among other things, finance its continuing operations and provide cash for acquisitions. No assurance can be given that financing will be available in the future on terms acceptable to the Group, or at all.

If the Group increases its indebtedness, that will pose additional risks to the Group's business. A high degree of leverage could have important consequences for the Group. For example, it could increase the Group's vulnerability to interest rates increase or to adverse economic and industry conditions, and therefore limit the Group's flexibility in planning for, or reacting to, changes in its business and in its industry. It could also require the Group to dedicate a substantial portion of cash from operations to the payment of debt service, thereby reducing the availability of cash to fund working capital, capital expenditures and other general corporate purposes. Finally, it could limit the Group's ability to obtain additional financing for working capital, capital expenditures, general corporate purposes or acquisition, and place the Group at a disadvantage compared to its competitors that are less leveraged.

The Group's ability to make payments on and refinance its current debt and any future debt that it may incur will depend on its ability to generate cash in the future from operations, financings and/or asset sales. The Group's ability to generate cash is subject to general economic, financial, competitive, legislative, regulatory and other factors that the Group cannot control. If the Group cannot service its debt or repay or refinance its debt as it becomes due, the Group may be forced to sell assets or take other disadvantageous actions, including (a) reducing financing in the future for working capital, capital expenditures and other general corporate purposes or (b) dedicating an unsustainable level of its cash flow from operations to the payment of principal and interest on the Group's indebtedness. The lenders or other investors holding debt that the Group fails to repay or otherwise defaults could also accelerate the repayment of such debt, which may trigger a cross-default or acceleration of other debt of the Group.

In addition, the Group's revenue and operating results could vary from a period to another due to a variety of factors, many of which are outside of its control, and which make the Group's business difficult to predict. As a result, comparing its operating results on a period-to-period basis may not be straight-forward. Factors that may contribute to the variability of the Group's quarter, half and annual results include its ability to pursue, and the timing of, entry into and growth in new geographic markets, the Group's ability to more effectively monetize its service on mobile and other connected devices, subscriber churn and conversion rates, the effect of increased competition in the Group's business, an increase in royalty payments and research and development, marketing, sales and other operating expenses, the timing of recognitions or reversals of its provisions related to minimum guarantee payments under its licensing agreements, the impact of general economic conditions on the Group's revenue and expenses and on the sales of its standalone and bundled offers through its partners and changes in regulation affecting its business. Seasonal variations in subscriber and advertising behavior may also cause fluctuations in the Group's financial results. There can typically be a peak in subscriber acquisition rates during the holiday season supported by higher marketing investments.

Moreover, the Group currently benefits from structurally negative working capital as a result of the time lag between the time its customers stream audio and the date on which payments are made to rights holders. If rights holders' (including major record labels) royalty payment processing systems become more efficient or they demand higher advance royalty payments, the Group may need to access funding sources in order to finance working capital. Financing for working capital needs may not be available on reasonable terms or at all. If it is obtained, the cost of such financing may affect the Group's operating results.

The Group's performance depends on global and regional economic conditions, which have historically shown significant volatility. In economic downturns, free streaming and music entertainment services (such as YouTube or TikTok) may attract more users than paid subscriptions offerings, which could adversely affect the Group's business and operating results given that its revenue are generated principally from paid subscription fees. In addition, economic downturns may negatively impact the Group's partners in the telecommunications, Internet, mobile and consumer electronics industries, which, in turn, may have an adverse effect on the Group's revenue from distribution partnerships. Furthermore, economic downturns may negatively impact advertising budgets globally, which, in turn, may have an adverse effect on the Group's revenue from advertising. Any of these developments could negatively impact the Group's ability to implement its business plan or achieve its performance objectives.

Finally, the growth outlook for the Group's activities and financial objectives for 2023 and over the medium term presented in this Universal Registration Document are based on numerous variables and assumptions which are inherently uncertain and beyond the Company's control. These variables and assumptions may vary, including as a result of the factors described above, or may prove to be inaccurate. As a result, the forward-looking statements presented in this Universal Registration Document may not be realized.

Management of the risk

The successful implementation of the Group's profitable growth strategy together with a greater focus on cost and cash management as well as its strengthened financial structure allow the Group to consistently improve its financial profile:

- in 2023, Deezer successfully executed on its strategic priorities, with the strengthening of its global business footprint through continued investment in France and the expansion of its partnerships business while optimizing marketing costs and keeping tight control over its fixed costs. The Group also successfully repositioned its brand and continued to foster industry wide innovation through the pioneering of a new model for artist remuneration and new features and experiences for its users;
- as a result of the successful execution of this strategy, the Group was able to deliver solid revenue growth (an increase of 7% in 2023 compared to 2022), while recording a significant improvement in adjusted EBITDA loss (at €(29) million in 2023, a reduction of €27 million compared to 2022);
- with respect to 2024, the Group will continue to execute on its profitable growth strategy and expects to further reduce its adjusted EBITDA loss, notably thanks to accelerated revenue growth and gross margin improvement alongside the strict management of its cost base with an aim to keep staff and general & administrative costs flat year-over-year, setting a clear path to profitability;
- Deezer also benefits from a strong financial structure, as reflected by cash and cash equivalents amounting to €64 million as at December 31, 2023 while the Group expects to become free cash flow positive in 2024.

2.1.4.2 The Group is subject to payments-related risks and fluctuations in currency exchange rates

Description of the risk

The Group accepts payments using a variety of methods, including credit and debit card transactions. For credit and debit card payments, the Group pays interchange and other transaction fees, which may increase over time. An increase in those fees would require the Group to either increase the prices it charges for its premium service, which could cause the Group to lose premium subscribers and subscription revenue, or suffer an increase in the Group's costs without a corresponding increase in the price it charges for its premium service, either of which could harm the Group's business, operating results, and financial condition. The Group relies on third-party service providers for payment processing services, including the processing of credit and debit cards. The Group's business could be materially disrupted if these third-party service providers become unwilling or unable to provide these services. If the Group or its service providers for payment processing services have problems with its billing software, or the billing software malfunctions, it could have a material adverse effect on the Group's user satisfaction and could cause one or more of the major credit and debit card companies to disallow the Group's continued use of their payment products. In addition, if the Group's billing software fails to work properly and, as a result, the Group does not automatically charge its premium subscribers' credit or debit cards on a timely basis or at all, the Group's business, operating results, and financial condition could be materially adversely affected.

The Group is also subject to payment card association operating rules, certification requirements, and rules governing electronic funds transfers, including the PCI DSS (Payment Card Industry Data Security Standard) v4, which could change or be reinterpreted to make it more difficult for the Group to comply. Any failure to comply with these rules or requirements may subject the Group to higher transaction fees, fines, penalties, damages, and civil liability, and may result in the loss of the Group's ability to accept credit and debit card payments. Further, there is no guarantee that, even if the Group complies with such rules or requirements, such compliance will prevent illegal or improper use of the Group's payment systems or the theft, loss, or misuse of data pertaining to credit and debit cards, credit and debit card holders, and credit and debit card transactions. Certain payment card associations have proposed additional requirements for trial offers for automatic renewal subscription services, which may hinder the Group's ability to attract or retain premium subscribers.

If the Group fails to adequately control fraudulent credit or debit card transactions, the Group may face civil liability, diminished public perception of its security measures, and significantly higher credit card-related costs. If the Group is unable to maintain its chargeback rate or refund rates at acceptable levels, credit card and debit card companies may increase the Group's transaction fees or terminate their relationships with the Group. The termination of the Group's ability to process payments on any major credit or debit card would significantly impair the Group's ability to operate its business.

In addition to these payment-related risks, as the Group's international operations continue to grow, foreign exchange fluctuations could affect its operating results and financial condition, as a result of settlement risk impacting income and expenses incurred in foreign currencies and risks relating to the translation into euros of the balance sheets and income statements of the Group's subsidiaries outside the eurozone. The Group seeks to pay most of its content costs and operating expenses for such subsidiaries in the same currency as the reporting currency for such subsidiaries in order to hedge against the impact of exchange rate fluctuations on its gross margin and operating income.

The Group is also exposed to euro exchange rate fluctuations in respect of the direct and indirect distribution of its service. The Group receives direct subscription fees in currencies other than the euro that are settled through the Group's bank accounts in the local countries and the Group's accounts with payment processing providers such as Adyen or PayPal or mobile app stores such as the Apple App Store. The Group also receives payback revenue from distribution partners in local currencies other than the Euro.

The Group's exposure to foreign exchange risk could increase as its international operations come to represent a greater share of its overall activities.

Management of the risk

For incoming payments, the Company implements monitoring procedures to anticipate consumers' payment fraud. The Group, in particular complies with payment card association operating rules, certification requirements, and rules governing electronic funds transfers, including the PCI DSS (Payment Card Industry Data Security Standard) v4 in order to prevent illegal or improper use of the Group's payment systems or the misuse of data pertaining to credit and debit card holders and transactions. The Group also works with selected Payment Partners who have all the high level of security certifications.

For outgoing payments, the Company implements internal control procedures, which are reviewed by its statutory auditors. Validation circuits have been set up to control and monitor the payment transactions (*e.g.*, with a multi-layer approval system for purchase orders and payments above specific thresholds).

Although the Group has not taken out any currency hedges with a banking institution, a large part of the disbursements in USD and GBP are offset by receipts in these two currencies.

2.1.5 Risks related to the listing of the Company's shares on the Professional Segment of Euronext Paris

2.1.5.1 The issue by the Company or the sale by the main shareholders of a significant number of the Company's shares may adversely impact the Company's share price

Description of the risk

Following the completion of the Merger, I2PO's Founders and certain shareholders of the Company were bound by lock-up undertakings with respect to their Company's shares (including market shares, Founders' Shares and Ordinary Shares) and securities giving right to the Company's Ordinary Shares (including Founders' Warrants), which all lapsed on April 5, 2023 at the latest.

On March 31, 2023, the main Company's shareholders agreed to be bound by a coordinated sale agreement ("**Coordinated Sale Agreement**"). The purpose of which was to ensure the coordination through a placement agent, under conditions provided for in the agreement, of any disposal of shares (representing 75% of the share capital of the Company on a non-diluted basis), in order to avoid massive unorderly sales after the expiration of the lock-up period, while the liquidity of the Company's shares remained very limited, to materially and negatively impact the stock price to the detriment of all shareholders and the Company. The Coordinated Sale Agreement terminated on April 5, 2024. For more information on the Coordinated Sale Agreement, please refer to Section 4.3.3.2.1 "*Coordinated sale agreement with certain shareholders and related engagement letter with Société Générale*" of this Universal Registration Document.

As a consequence, the shareholders of the Company could decide to sell, directly or indirectly, on the market or by mutual agreement, all or part of their shareholding, which could have an adverse effect on the share price of the Company.

2.1.5.2 The volatility and liquidity of the Company's shares may experience significant fluctuation

Description of the risk

Stock markets generally have experienced significant fluctuations in recent years that have not always been related to the performance or prospects of the specific companies whose shares are traded. Market fluctuations and economic conditions could increase the volatility of the Company's shares. The market price of the Company's Shares may experience significant volatility and may fluctuate significantly due to a variety of factors, which may include risk factors described in Sections 2.1.4 *"Financial and market risks"* and 2.1.5 *"Risks related to the listing of the Company's shares on the Professional Segment of Euronext Paris"* of this Universal Registration Document, many of which are beyond the Company's control.

In addition, given the Company's shares are listed on the Professional Segment *(Compartiment Professionnel)* of the regulated market of Euronext Paris, the Company cannot ensure investors that an active or liquid trading market will develop for its shares or, if such a market develops, that it will persist. If the Company's securities remain listed on the Professional Segment of Euronext Paris (in particular if the Company does not implement a transfer from the Professional Segment), given trading restrictions applicable to non-qualified investors on the Professional Segment of Euronext Paris, the Company's securities may then be subject to a limited liquidity.

Management of the risk

The Company implemented in 2022 a liquidity contract with BNP Paribas to provide support to the Company's stock price and stability.

The Company regularly provides financial communication through press-releases, live conference calls, webcasts and Q&A sessions (*e.g.*, quarterly on its revenue, and half-yearly and annually on its results) to ensure analysts and investors a clear and transparent information on the Company's performance and strategy.

The Company also fosters its relationships with investors and market analysts (*e.g.*, by participating in panels and roadshows) to strengthen their understanding of the Company's operations and growth opportunities and to enhance the quality of analyst coverage.

2.1.6 Risks related to taxation

2.1.6.1 The use of tax losses carryforwards may be limited as a result of the Merger, and could be impacted by change of tax law

As of December 31, 2023, the Company reported a pre-tax consolidation loss available for carryforward of €670 million in France, including €567 million of tax losses initially generated by Deezer S.A. (511 716 573 R.C.S. Paris) whose transfer has been submitted for approval (tax ruling) by Deezer S.A. (511 716 573 R.C.S. Paris) in May 2022, and approved by the French tax authorities under a tax ruling dated April 12, 2024.

The tax consolidated group (whose members are the Company and Deezer Production) generated a tax loss available for carryforward of €52 million as of December 31, 2024.

The use of tax loss carryforwards in France is capped at €1 million per year, plus 50% of the portion of profits in excess of that limit. The unused loss balance can be carried forward to upcoming periods under the same conditions for an unlimited period. Specific rules may apply to carry limited amounts back. It is possible that, due to upcoming changes in corporate taxation rules applicable in France, the use of previous, existing or future tax loss carryforwards will be limited.

2.1.6.2 Change of tax law in foreign countries and/or newly-enacted legislation (including international regulations), targeting particularly the digital sector, may trigger adverse tax consequences for the Group

Description of the risk

Due to the global nature of the Internet, it is possible that certain jurisdictions impose new or revised regulations on the business of the Group and its subsidiaries, or additional or new taxes or contributions based notably on business income or sales that can be subject to different interpretation in the various countries in which the Group and its subsidiaries operate. Tax authorities worldwide are currently reviewing the appropriate treatment of companies engaged in the digital sector and certain jurisdictions have adopted a tax on digital services. This is the case of the new tax also known as "musical streaming tax" introduced by French financial law for 2024 due to apply to income collected in France from January 1, 2024, onwards at a rate equal to 1.2%.

Newly implemented taxes in certain jurisdictions, modification of territoriality rules as well as interpretation by tax authorities of taxes applicable to cross-border services may lead to adjustments or reassessments of the Company's and its subsidiaries' tax position and liabilities, for past and current periods. The Group's service is potentially subject to several sector-specific taxes and levies, the interpretation of which is not always clear. Such taxes and levies may sometimes apply in addition to VAT or other similar indirect taxes (such as taxes related to digital services). In certain jurisdictions, the registration process and the payment process also remain uncertain. As a result, these matters can generally lead to higher legal and tax advisory costs and create significant uncertainty for the Group in several jurisdictions.

Furthermore, tax laws and regulations may change, as well as their interpretation and application by the relevant authorities, especially in the context of international and European initiatives (*e.g.*, introduction of a minimum effective tax rate of 15% by the OECD *i.e.*, "Pillar II" regulation, BEPS initiatives, G-20, EU directives and regulations). The occurrence of any of the preceding factors may result in a loss of tax losses carried forward and an increase in the tax burden of the Group that could adversely affect the Group business and thus the financial results of the Group.

Management of the risk

The Group conducts tax review of local tax legislation applicable in countries where Deezer is broadcasted and regular monitoring on change of law in the world thanks to subscription to international tax-related database. The Group may also call on the expertise of external tax advisors in order to assess the impact of new tax regulations for the Group and subsidiaries.

2.1.6.3 The Group business operations may be subject to tax risks

Description of the risk

As an international group doing business in several countries, the Group has structured its commercial and financial activities in light of diverse regulatory requirements and its commercial and financial objectives. As such, the structure of the Group is subject to change in light of developments in the Group's activities, most notably, its international expansion. Since laws, regulations and case law in the various jurisdictions in which the Group operates and in which the Company's subsidiaries are located or operate or may in the future be located or operate may not provide clear-cut or definitive guidelines, the tax regime applied to intra-group transactions, to third-party's transactions or to transactions in the frame of reorganizations, as well as the tax and social regime applied to incentive plans is or may sometimes be based on the Group's interpretation of French or foreign tax laws and regulations.

The Group cannot guarantee that the relevant tax authorities will not question such interpretation. More generally, any failure to comply with the tax laws or regulations of the countries in which the Group or its subsidiaries are located or operate may result in reassessments, late payment interests, fines and penalties.

The Group and its subsidiaries are generally subject to periodic review and audit by tax authorities. Tax authorities may challenge certain positions the Group or its subsidiaries have or will take, and any adverse outcome of such a review or audit could have a negative effect on the Group's or its subsidiaries' business, and thus on the financial results of the Group or its subsidiaries.

Management of the risk

The Group commits to complying with all applicable laws and regulations in the countries in which it operates along with applicable international standards. This means:

- preparing and filing tax returns in an accurate and timely manner, in accordance with applicable regulations;
- understanding how and where value is created and ensuring that transfer pricing reflects this;
- refuse any aggressive tax planning and the use of artificial structures located in "tax heavens";
- cooperating with local tax authorities during tax audits;
- employing appropriately qualified and trained tax professionals, in close contact with business operations and working with operating teams.

2.2 Risk management and insurance

Risk management is closely monitored within the Group, with the involvement of the management and Board of Directors including its Audit Committee.

Two permanent committees of the Board of Directors have been set up: the Audit Committee *(Comité d'Audit)* and the Nomination and Remuneration Committee *(Comité des Nominations et des Rémunérations)*. For more information, please refer to Section 4.1.4 *"Committees of the Board of Directors"* of this Universal Registration Document.

The main mission of risk management is to identify, evaluate and prioritize (based on potential impact and probability of occurrence) risks, as well as to assist Group management in choosing the most appropriate risk management strategy and, in order to limit the remaining significant risks, to define and monitor the related action plans.

2.2.1 Organizational framework

The identification, assessment, prioritization and management of the risks faced by the Group are closely and regularly monitored by senior management under the supervision and responsibility of the Board of Directors and its Audit Committee. In order to adequately monitor the Group's risks and the implementation of mitigating measures, the Board of Directors meets at least every quarter, with additional meetings convened when necessary, to discuss year-to-date activity and results, risk management, external audits, specific operations and ongoing material litigation. The Audit Committee meets at least once a year, with additional meetings convened when necessary, to review annual financial statements and specific operations before approval by the Board of Directors.

Members of the Group's management team, in departments such as Finance, Legal, Tax, Human Resources, Commercial, Marketing, Innovation, Product and Technology, Contents and Strategy amongst others, may, at the request of the Board of Directors', present risks identified in their respective scope and suggest solution and implementation plan to the Board of Directors.

In addition, the Group has appointed a Data Protection Officer, which role is to Inform and advise the Group and its employees who carry out processing of personal data of their obligations pursuant to applicable data protection regulations, monitor compliance with applicable data protection regulations and with the Group's policies in relation to the protection of personal data (including related audits), provide advice where requested as regards the data protection impact assessment and monitor its performance, and act as the contact point for competent supervisory authorities on issues relating to processing of personal data.

The Group has also appointed a Compliance Officer, which role is to inform and advise the Group and its employees of their obligations in terms of business ethics and in particular in the fight against bribery and corruption, monitor compliance with applicable regulations such as the *Loi Sapin II* and with the Group's Code of Ethics ("**Code of Ethics**").

The Group has also set up a "Community of Practice", bringing together all IT security experts within the Group, to define guidelines and areas for improvement in cybersecurity.

General principles adopted to proceed to risk assessment and mitigation are the following:

- description and assessment of the risks faced by the Group (for example, business (including license agreements with right holders and distribution agreements with partners), operational (including product and technology), or finance (including debt and tax));
- mitigating measures being contemplated or taken to prevent or offset such risks (including internal policies and insurance policies);
- prioritization and implementation of such mitigating measures;
- regular reporting on the status of new or on-going external audits and/or threatened or on-going litigation; and
- frequent assessment of the level of the Group's exposure in relation to such audits or litigation.

Members of the Group's management teams are in charge of identifying, addressing and monitoring risks in relation to their respective scope, reporting them and designing and implementing mitigating measures.

2.2.2 Internal control and compliance principles

Internal control and compliance monitoring in place are based upon:

- delegation of authority through matrixes which set out when authority from certain individuals is needed before certain actions can be taken;
- budget and reforecast procedures including the approval of the annual budget and reforecasts by the Board of Directors;
- review of cash forecasts for the next 4, 12 or 24 months by members of the Group's management team before presentation to the Board of Directors;
- presentation of annual financial statements and specific operations to the Audit Committee before approval by the Board of Directors;
- centralization of the finance, compliance, and legal functions (including accounting, financial controlling and finance planning & analysis, tax matters, and personal data protection) within the Group's headquarters in Paris, France;
- appointment of a Compliance Officer and a Data Protection Officer, in the person of the Group's Vice-President of Corporate and Compliance;
- implementation of a compliance program to ensure the protection of personal data of users of the Service, including the implementation of privacy and security policies and related online training plans, the implementation and maintenance of the accountability documentation (recording of processing activities, recording of data breaches, inventory of subcontractors), the performance of regular audits on processing activities, and the setting up data breach management processes;
- implementation of a compliance program to combat bribery and corruption, including the production of risk mapping at Group level, the overhaul of the Code of Ethics (with a particular focus on gifts and invitations as well as conflicts of interest), implementation of a new whistleblowing system, implementation of a third-party evaluation process, and related online training plans;
- cooperation with external legal advisors to ensure compliance with local regulations;
- cooperation with external tax advisors to ensure compliance with French and foreign tax regulations and assistance from those advisors in the event of a tax audit;
- common finance IT systems used by the Company and its wholly-owned subsidiaries; and
- common reporting procedures for the Company and its wholly-owned subsidiaries (including monthly and year-end closing procedures).

2.2.3 Insurance

The implementation and management of the Group's insurance policies, on its own behalf and on behalf of its subsidiaries, is mainly coordinated by the legal department, acting with the support of the relevant operational departments which provide the necessary information to identify and qualify the insurable risks. On this basis, the legal department, with the assistance of a broker, negotiates annually with internationally recognized insurance companies in order to implement the most appropriate coverage for these risks.

The Group adapts its insurance coverage according to the evolution of risks related to its activities, and believes that its insurance policies offer a reasonable protection against the risk incurred in the course of the Group's operations. The definition of the policies terms is based on an evaluation of the level of coverage necessary to meet the reasonably-estimated occurrence of liability, damage or risks. Potential uninsured risks are those for which there is no offer of coverage available on the current insurance market, or for which the offer of coverage and/or its costs is not commensurate with the potential benefit of insurance, or for which the Group considers that the risk does not need insurance coverage.

The Group's primary insurance policies entail a group-wide master insurance policy, which covers the Group for professional and general liabilities, and provides for a worldwide coverage for the Group and its wholly-owned subsidiaries. Where appropriate for risk management purposes or when required by local laws, the Group has also subscribed to local insurance policies. In case where local policies are in place, the latter shall cover smaller claims while the master insurance policy shall cover damages in excess of local policies limits and claims not covered by the local policies (subject so sub limit and exclusions).

The Group has also subscribed to an insurance policy covering directors' and corporate officers' liability, a cyber insurance policy, and specific insurances in relation to its IT hardware, data centers and premises.

The Group regularly proceeds with a review of its insurance policies to make sure permanent and adequate insurance coverage.

3

NON-FINANCIAL PERFORMANCE STATEMENT

3.1 Live the Music

Deezer's business model detailed in Chapter 1 *"Presentation of the Company"* of this Universal Registration Document is consistently aligned with the Company's commitment to corporate social responsibility (**"Corporate Social Responsibility"** or "**CSR**").

In 2023, specifically, Deezer strengthened this commitment by reinventing itself as an experience services platform, with expression and connection as guiding principles to help artists, fans and partners to be and belong through music. Everyone is invited to Live the Music as Deezer embraces shared experiences and a new brand identity with a purple heart at its core.

Acknowledging its influence and the corresponding responsibilities, Deezer is committed to maintain respect for society. 17 years after its inception, Deezer is still dedicated to playing a pivotal role in the continuous development of the music market. This entails both (i) supporting and creating value for artists and creators and (ii) ensuring the optimal user experience.

3.1.1 Value for artists and creators

As a leading global player, Deezer is actively contributing to the growth of the music industry, primarily driven by streaming, hence ensuring a steady compensation for artists.

Furthermore, Deezer has always been committed to the development of fairer artist compensation models. In 2023, Deezer, in partnership with Universal Music Group, unveiled the first groundbreaking advancement in the artist remuneration mechanism, through the launch of the innovative artist centric model (for more information, please refer to Section 1.1.3 *"Content licensing"* of this Universal Registration Document).

As part of its strategy centered on product innovation and brand differentiation, Deezer is also developing new and innovative features to enrich user experiences and build strong connections between fans and artists, representing additional monetization opportunities that will benefit artists and the music ecosystem.

Since 2017, Deezer has also been committed to promoting the emergence of new talents through a dedicated program called Deezer Next. This initiative has already played a significant role in showcasing now recognized artists such as Angèle, Pomme, PLK, Juliette Armanet, Yseult, SDM, Lous and the Yakuza, and more recently, Werenoi, Vacra or Yamê. Deezer further facilitates the discovery of talent by curating playlists specifically designed for exploration.

In addition, since 2021, artists and creators can access "Deezer for Creators", a platform designed to help musicians and content creators improve their reach and performance with personalized insights and meaningful statistics. More specifically, this application includes listening trends, audience details and other tools to optimize visibility and content performance.

3.1.2 Value for users

As a musical companion, Deezer has accompanied its users on a daily basis since its creation. Deezer has been continuously innovating to offer a state of the art product to its users. Deezer has often been amongst the first in its industry to launch new innovative features and is still the only music streaming service to include in-app features such as the Flow one-click radio curated by moods/genres and SongCatcher. Deezer is also inviting users to Live the Music together as demonstrated by the launch of Shaker in November 2023 and Deezer's new multiplayer mode for music quizzes launched in May 2023.

In addition, Deezer provides a seamless experience to its users thanks to multiple hardware partnerships. These partnerships allow Deezer's users to stream music through smart speakers, voice assistants, smart watches, smart TVs, connected cars, smartphones, laptops, tablets and other wireless audio systems.

Deezer offers access to a full-range catalog of high-quality music which covers all genres of music, including mainstream popular tracks and specialized local content that enhances the relevance and attractiveness of Deezer's service in each market it serves. Deezer is also dedicated to offering fans unforgettable experiences alongside their favorite artists, as exemplified by the launch of "Deezer Sessions Live" and "Purple Door" events in 2023.

Furthermore, Deezer makes its best efforts to offer a universal music streaming platform so that any of its users, regardless of race, ethnicity, age, religion, sexual orientation, or gender identity or expression, can feel at home while streaming content on Deezer. By way of illustration, in 2023, Deezer celebrated International Women's Month with a dedicated "Women's Impact" channel, a 100% Women's version of Flow and new music quizzes. Deezer does its utmost to ban hatred, violence, sexually explicit material, and illegal content from its platform.

Lastly, since 2023, Deezer further promotes self-care and wellbeing with the introduction of Zen by Deezer in France. Supported by over 50 experts, people across France can now choose a personalized mix of content to find serenity and take care of their bodies and minds. Zen by Deezer is also available to companies investing in the mental and physical wellbeing of employees and customers.

3.2 Main non-financial risks and policies identified by the Company

In the preparation of this 2023 Non-Financial Performance Statement (“**NFPS**”), Deezer reviewed the primary non-financial risks specific to its business, taking into account their materiality and relevance for the Company and its subsidiaries[(1)].

The risks identified were then divided into four main areas, namely (A) social responsibility, (B) environment, (C) governance responsibility, and (D) relationship with stakeholders as follows:

	Main inherent risks identified	KPI/Practices	NFPS reference
Labour	• Risk related to talent attraction and retention (absenteeism, employees’ leave, lack of attraction of the Company)	• Turnover rate • Number of hires and departures of staff • Average seniority • Number of internally promoted employees • Learning and development plan • Number of employees enrolled in at least one external training and number of hours of training • Compensation policy and profit-sharing agreements • Number of meetings with staff representatives in France • Absenteeism rate • Organization and work time agreement	3.3.1.1 *“Talent development and engagement”*
	• Psychological risk in relation to well-being at work (mental health, psychosocial risk in the workplace)	• Mental health plan • Coaching application on Well Being, psychological hotline, “Work in Confidence” platform • Parenthood’s support • Number of work-related accidents	3.3.1.2 *“Health, safety and well-being”*
	• Risk in mastering diversity and inclusion issues (including risks related to discrimination and safety at work and unequal treatment between employees and between applicants)	• Diversity and inclusion program • Engagement survey • Gender equality policy • E-learning on DE&I, workshops and talks • Gender equality index • Percentage of women in the total workforce, on the Executive Committee and on the Board of Directors • Percentage of employees with disabilities	3.3.1.3 *“Diversity, equity & inclusion program”*
Environment	• Risk related to the non-control of energy, water and raw material consumption (data centers only) (including risks related to energy consumption of buildings, pollution, social impact, and increase of carbon footprint) • Risk related to the failure to consider environmental impacts in the design of the Group’s services/ products (including risks related to environmental pollution, reputation and non-compliance with ESG policy) • Risk related to greenhouse gas emissions in connection with the use of the Group’s service and products and digital activity (data centers, cloud providers, etc.) (including risks related to the Group’s environmental impact and non-compliance with applicable regulations).	• Tons of CO_2 produced (scopes 1/2/3 of the GHG protocol carbon assessment), and related action plan • Group practices regarding energy consumption and data centers • Travel policy • Distance traveled by employees (Air) km • The sustainability mobility package • Group actions regarding hardware recycling • Annual energy consumption per site and per type of energy in kWh • Group practices regarding waste recycling	3.5 *“Environmental responsibility”*

3

(1) Excluding, for the purpose of this Chapter 3, Driift Holdings Ltd, which is not a company wholly-owned by the Group, except for Section 3.5.1 “*Carbon footprint*” of this Universal Registration Document with respect to the Group’s carbon footprint, which includes Driift Holdings Ltd.

	Main inherent risks identified	KPI/Practices	NFPS reference
Governance	• Risk related to maintaining impeccable business ethics and governance (including risks related to reputation and failures in the implementation of measures to detect corruption, non-compliance of employees or business partners with international regulations)	• Group policies in terms of prevention of conflicts of interest, anti-corruption, anti-money laundering and prevention of tax evasion, and related e-learning programs • Group compliance with economic sanctions regulations • Group actions in favor of human rights	3.4.1 *"Business ethics and the fight against corruption, money laundering and tax evasion"*
Stakeholders	• Risk related to personal data management (including risks related to breach in security related datas, non-compliance with application regulation, and potential litigations)	• Group policy in terms of protection of personal data	3.3.2.1.2 *"Protection of personal data"*
	• Risk related to computer infrastructure security (risks related to cybersecurity, network failures, slowdown, or interruptions of the Company's information system)	• Group policy in terms of information security • Number of penetration tests and vulnerability scans	3.3.2.1.3 *"Information security"*
	• Risk related to subscriber acquisition and churn (including risks related to subscriber satisfaction, the quality of products or services, reputation and loss of customers and market share)	• Satisfaction rate among users • Group practices in terms of subscriber satisfaction	3.3.2.1.1 *"Subscriber satisfaction"*
	• Risks related to third-party providers (including risks related to non-compliance by third-party providers with laws, regulations, conventions or code of ethics and reputation) • Risks related to partnerships (including risks related to reputation and non-compliance of the partners with laws, regulations, conventions and the Group's ESG policy or Code of Ethics)	• Group policy in terms of relationships with suppliers, subcontractors and partners	3.3.2.2 *"Management of relationships with suppliers, subcontractors and partners"*

3.3 Actions towards employees and stakeholders

3.3.1 Social responsibility

The Group's employees are a vital resource for the Company, and therefore keeping them engaged and helping them learn and develop themselves is at the heart of the human resources' policies and strategy.

The Group's human resources team strives to create and maintain a passionate and inclusive workplace, giving its employees the opportunity to grow and make an impact every day.

In line with the Group strategic vision and growth objectives, the human resources department focuses on an ambitious policy around talent engagement and development. The Group particularly focuses on the physical and psychological wellbeing and personal growth of employees, and makes sure everyone can be their true self through a diversity and inclusion program.

The positive impact of the Group's culture and human resources policies can be shown through the score of the overall engagement of employees, with 83% of them recommending Deezer as a great place to work.

3.3.1.1 Talent development and engagement

3.3.1.1.1 Culture

In 2023, the Group reworked its values. Over the past 2 years, Deezer has evolved, went public and has taken on new challenges. The Group has also recruited a lot, in a spirit of diversity and inclusion.

All these positive developments, which are in line with the Group's strategy of setting itself apart from its competitors through its fresh, innovative, unifying spirit around music, have enabled Deezer to redefine the contours of its corporate culture.

The Group's new "Be & Belong" values – **Be You, Be Bold, Be Curious, and Belong** – represent the Group's way of being together, of working and of thinking.

In this collaborative spirit, the Group has chosen to include its employees in the process of reflecting on these values, so that they sincerely reflect the working atmosphere at Deezer.

3.3.1.1.2 Employment data

As of December 31, 2023, the Group had 602 employees (including permanent and fixed-term contracts), including 529 in France. The 2023 headcount is stable compared to the 2022 one, with 605 employees. This is the result of the Company's efforts to focus the workforce on the strategic axes and promote internal mobility.

The table below shows the headcount (permanent and fixed-term contracts) at the end of each year, over the past three financial years, by geography:

	December 31,		
	2023	2022	2021
France	529	531	460
Brazil	20	20	15
Germany	13	17	20
United Kingdom	33	32	44
United States	3	2	7
Other countries	4	3	17
Total	**602**	**605**	**563**

The Group mostly recruits permanent contracts as a normal and general form of employment relationship and uses fixed-term contracts only on rare occasions to provide temporary replacements of staff.

The table below shows the headcount (permanent and fixed-term contracts) at the end of each year, over the past three financial years, by type of contract:

	December 31,		
	2023	2022	2021
Permanent contracts	**595**	**590**	**551**
Women	240	219	202
Men	355	371	349
Fixed-term contracts	**7**	**15**	**12**
Women	3	7	9
Men	4	8	3
Total	**602**	**605**	**563**

3

The table below shows the headcount (permanent contract only) at the end of each year, over the past two financial years, by activity:

	December 31, 2023	2022
Research & Development	**299**	**295**
Women	71	64
Men	228	231
Sales & Marketing	**121**	**114**
Women	80	71
Men	41	43
Content Production & Customer Service	**101**	**100**
Women	45	39
Men	56	61
General & Administrative	**74**	**81**
Women	44	45
Men	30	36
Total	**595**	**590**
Women	250	219
Men	355	371

The average employee age in 2023 is 35,1 years, representing a slight increase compared to 2022 (*i.e.*, 34,4 years).

The table below presents the breakdown of headcount (permanent and fixed-terms contracts) by age group at the end of each year, over the past two financial years:

	December 31, 2023	2022
Under 30	**157**	**178**
Women	68	71
Men	89	107
30 to 50 years	**429**	**413**
Women	172	153
Men	257	260
Over 50 years	**16**	**14**
Women	3	2
Men	13	12
Total	**602**	**605**

3.3.1.1.3 Staff turnover

As mentioned above, attracting, engaging and retaining talent is at the heart of the Group's human resources actions.

This year, a less dynamic tech market and the Group's efforts to limit turnover contributed to a significant decrease in staff turnover.

In 2023, 94 employees left the Group (compared to 149 in 2022) while 99 employees joined (compared to 188 in 2022), resulting in a turnover rate of 15.5% in 2023 (as compared to 26.6% in 2022)[(1)].

Turnover rate

	2023	2022	2021
Turnover rate	**15.5%**	**26.6%**	**21.2%**

Breakdown of hires by geographical area (permanent employees)

	2023	2022	2021
France	89	160	93
Brazil	3	8	6
Germany	1	9	0
United Kingdom	3	11	10
United States	2	0	1
Other countries	1	0	5
Total	**99**	**188**	**115**

Breakdown of hires by type of contract

	2023	2022	2021
Permanent contracts	99	188	115
Fixed-term contracts	13	22	19
Total	**112**	**210**	**134**

Breakdown of hires in 2023 by gender and age
(permanent employees)

	Total	Under 30	30 to 50 years	Over 50 years
Women	59	30	29	0
Men	40	17	22	1
Total	**99**	**47**	**51**	**1**

(1) "Turnover" is calculated by dividing (i) the number of departures of employees with permanent contracts during the year by (ii) the average number of employees with permanent contracts during the year.

Breakdown of departures of staff by geographical area

(permanent employees)

	2023	2022	2021
France	88	92	79
Brazil	2	3	8
Germany	1	13	2
United Kingdom	2	22	20
United States	1	5	1
Other countries	0	14	9
Total	**94**	**149**	**119**

Breakdown of departures of staff by type of contract

	2023	2022	2021
Permanent contracts	94	149	119
Fixed-term contracts	21	19	23
Total	**115**	**168**	**142**

The Group's efforts to promote internal mobility and encourage employees to develop their expertise, as well as a decrease in turnover, led to an increase in seniority. In 2023, the average seniority reached 3 years and 8 months (compared to 3 years, 3 months in 2022).

Average seniority (permanent employees)

	2023	2022	2021
Average seniority (in years and months)	**3 years, 8 months**	**3 years, 3 months**	**3 years, 5 months**
Women	3 years, 0 month	2 years, 8 months	2 years, 11 months
Men	4 years, 1 month	3 years, 7 months	3 years, 8 months

The bi-annual performance management reviews and career interviews both allow employees to better define their career development goals. The Group offers the possibility for employees to say if they would be interested in a complementary career meeting with the human resources team. In 2023, about 100 employees had a career interview with HR team. These conversations allow for more career opportunities and internal mobility: the Group pays particular attention to creating a space for feedback and conversations between employees and managers. In 2023, the Group promoted 12% of its staff.

Number of internally promoted employees by gender

(permanent employees)

	2023	2022	2021
Number of internally promoted employees	**81**	**140**	**97**
Women	27	57	47
Men	54	83	50

3.3.1.1.4 Training policy

The Group believes that a strong learning culture is the key to employee engagement, retention and performance, and has invested in a robust learning and development plan.

Each employee is the owner of their learning journey and the Group provides the frame for learning to happen every day in different ways.

Deezer 2023 learning and development plan was based on 3 pillars:

- **functional expertise:** it is key for Deezer to remain at the cutting edge of business expertise. Therefore, in line with its business priorities, the Groups has focused for example particularly on maintaining technical skills for its engineering teams and negotiation skills training for targeted groups of employees (*e.g.*, sales, music industry relations and infrastructure engineer). On top of this, when needed, the Group gives the possibility for technical training related to expertise on *ad hoc* needs and also gives access to platforms with online courses. 706 hours of e-learning were provided in 2023;
- **management and leadership skills:** this year, Deezer continued to train new managers through the manager program, as well as individual coaching. As implementing a feedback culture is a key part of Deezer's plan to improve performance and target excellence, the Group has decided to develop a new internal program on the art of giving feedback. This training is mandatory for managers and will be rolled out to employees in 2024. In 2023, 168 people, representing 91% of managers, were enrolled. In addition, and in order to support its managers, the Group offered them the possibility to register for an additional external training to practice on concrete cases;
- **soft-skills training and language courses:** to support the development of growing international teams, and as a testament to the Group commitment towards a more diverse workforce, it has focused global investment on a language-learning platform for all employees, extensive external management training as well as a variety of internal trainings to support an inclusive and collaborative culture.

The Group ensures to offer a variety of learning formats, from on-site training to online courses and from regular outside speakers to companywide sharing opportunities and to train the maximum number of employees. In 2023, 4,558 hours of training were organized for 289 employees in addition to the e-learning hours either internally or externally (compared to 4,512.5 hours for 315 employees). In addition, 36 different external training actions were conducted in 2023.

Number of permanent employees with external training action in 2023

Division	Number of employees enrolled in at least one external training
Commercial	12
Music Industry Relations	2
Corporate	8
Innovation	21
Legal & Compliance	3
Management	4
Marketing	54
Operations	43
People	6
Product and Technology	57
Total	**211**

3.3.1.1.5 Compensation policy

Deezer pays particular attention to the fairness and structure of its compensation policy.

In 2022, the Group built solid compensation foundations, redesigning its grading system. All positions are evaluated using the same methodology for their scope, leadership, and accountability. In 2023, Deezer pursued its efforts to structure compensation guidelines based on grade, career progression, and external benchmarks for internal consistency and external competitiveness.

During the annual salary review, compensation is reviewed based on employee performance, internal fairness, gender pay equity and external competitiveness. To ensure its competitiveness, Deezer participates in several external benchmarks across tech and non-tech industries.

In 2023, emphasizing that everyone is contributing to the Group's success and should be recognized, Deezer introduced a profit-sharing scheme. The scheme is a great way to make sure everyone's efforts are aligned with Deezer's strategy, as incentives are based on the Group's key financial performance indicators. These incentives are uniformly distributed to employees, based on their respective attendance in order to recognize each and everyone's contribution.

3.3.1.1.6 Social dialogue

The Group's employees are represented by the Work Council (*Comité social et économique* (“**CSE**”)), set up at the Company level. The current CSE was elected in November 2021 and is composed of 13 members.

At least six CSE meetings are held annually, and four of these meetings are entirely or partially dedicated to the responsibilities of the CSE: health, safety and working conditions.

Extraordinary meetings of the CSE can be held at the initiative of its chairman or at the request of at least half of its tenured members. During the year, the CSE reunites for different kinds of meetings such as recurring consultations and one-off consultations. The former are distinguished into three types: the consultation on the strategic orientations, on the economic and financial situation, and on the social policy of the Group. During those three consultations, the CSE hears the Company's representatives explaining the reasons behind results or achievements of objectives, before delivering its opinion, whether it is positive or negative.

As part of its prerogatives in economic matters, the CSE is consulted each year on the economic and financial situation of the Group and may be assisted by an external accountant for the review of the Group's financial statements.

In addition, two members of the CSE attend the meetings of the Board of Directors in accordance with applicable French laws, which enables employees to be involved in the definition of the Group's strategy.

The Group's human resources department and management team maintain a permanent and constructive dialogue with the CSE. The CSE met notably in 2023 on the following subjects:

- the strategic orientations of the Group;
- the economic and financial situation of the Group;
- the social politic of the Group;
- the Company KPIs;
- the Deezer budget and the forecast management document;
- the engagement survey;
- the work time organization;
- the compensation & benefits policy;
- the profit-sharing (mandatory profit-sharing and voluntary profit-sharing);
- the gender equality plan;
- parenthood;
- the menstrual day;
- the sustainability mobility package; and
- the flex office.

In 2023, five agreements were executed with the CSE:

- three profit-sharing agreements: the *accord de participation*, *accord d'intéressement* and *règlement de plan d'épargne d'entreprise*;
- the sustainability mobility package agreement; and
- the organization and work time agreement.

Also, two co-built plans with the CSE were implemented:

- the gender equality plan; and
- the mental health plan.

Number of meetings with staff representatives in France

	2023	2022	2021
France	12	13	20

3.3.1.2 Health, safety and well-being

Physical and psychological wellbeing is one of the pillars of the Group's human resources policy. Deezer is committed to the health of its employees and invests in prevention.

Mental health plan

Deezer has launched in 2023 a mental health plan that will run over 2024. The plan focuses on three areas: prevention, detection and actionable measures.

It includes training for the human resources team and members of the CSE, the development of an awareness-raising initiative for managers, as well as an assessment of various indicators enabling proactive detection.

Coaching application on Well-Being

Since 2023, all employees have access to Zen by Deezer, a coaching app for well-being. It offers a holistic approach to sleep, relaxation, personal development, yoga, nutrition, sport, and meditation.

Mental Health Awareness Week

In 2023, Deezer organized a mental health awareness week open to all employees. The event, attended by over 170 employees, included inspiring speeches and testimonials from members of the management team, as well as workshops led by experts. The workshops covered emotional management, non-violent communication, meditation, breathwork, and journaling.

Bringing flexibility with remote working

The Group's remote working policy allows employees to benefit from flexible and autonomous working conditions while supporting them in shaping a proper remote working environment and preserving the Group's corporate culture and team spirit at all times.

Support of Parenthood

With almost a third of its employees worldwide being parents, Deezer is dedicated to enhancing the quality of life for its employees by providing support for parenthood. To strengthen its commitment to support gender equity and sharing of family care, Deezer became in 2023 a signatory company of the "Parental Challenge Charter". The Company has established a parenting assistance program for both employees and managers with a post-parental-leave re-onboarding program, including educating and supporting managers on the topic. Additional flexibility is offered to pregnant employees, those going through the MAP (medically-assisted procreation) and adoption process to support them through these life events. Deezer also proposes measures to help parents psychologically, during pregnancy, parenthood or miscarriage. After maternity or co-parent leave workers are also more flexible when returning to work. All parents with sick children are given extra paid leave.

Psychological hotline

Starting from 2020, all the Group employees have had free, no-compulsory access to psychological assistance services. A partner company has been providing support through a dedicated telephone hotline that operates in the local language. The use of a third-party service provider ensures total confidentiality of exchanges and guarantees impartial, independent assistance tailored to each situation.

"Work in Confidence" platform

A "Work In Confidence" platform managed by a third-party service provider enables employees to provide feedback or raise concerns within the organization with guaranteed confidentiality. Using a third-party service provider ensures total confidentiality of exchanges and guarantees impartial, independent assistance tailored to each situation.

Deezer is committed to the health of its employees, as evidenced by the low absenteeism rate of the Group.

	2023	2022	2021
Absenteeism rate*	2.5%	2.3%	1.9%

* Methodology: number of hours of absence due to sickness, work related and life events on the number of hours that should have been worked worldwide.

The Group's absenteeism rate has slightly increased with 2.5% in 2023 (compared to 2.3% in 2022). This can be explained by some employees with long sick leaves.

3.3.1.2.1 Safe workplace

The Group takes the safety of its employees very seriously. In 2023, the Group counted three work-related accidents (compared to one in 2022), corresponding to 0.5% of the total number of employees. Even though the work-related accidents must be considered very seriously, it is important to note that they are not necessarily due to a lack of safety or careless working conditions in the office (*e.g.*, domestic individual misgesture).

Regarding safety, the Group put in place a fire crisis management system, meeting the highest safety standards.

Also, in 2023 and because of remote work, which became more frequent over these past years and especially after the COVID-19 pandemic, the Group has set up ergonomics sessions for its employees, with a professional, in order to share various tips on how to adopt the best possible ergonomic position during their workday, at home or at the office.

Number of work-related accidents

	2023	2022	2021
Total	**6**	**3**	**4**
Work-related accidents	*3*	*1*	*1*
Commute related accidents	*3*	*2*	*3*

Frequency rate*

	2023	2022	2021
Frequency rate	1.807%	0.000%	0.979%

* Total number of accidents in the workplace, resulting in incapacity of at least one day, divided by the annual hours normally worked, multiplied by 1,000,000.

Severity rate*

	2023	2022	2021
Severity rate	0.033%	0.000%	0.002%

* Number of days lost due to workplace accidents divided by the number of annual hours normally worked, multiplied by 1,000.

3.3.1.2.2 Others benefits

Deezer's employees benefit from various other cultural activities, offered at discounted prices through financing from the Work Council (CSE) of the Company.

The Group also promotes employee wellbeing through sports activities at a discounted price, through subsidies paid by its CSE. The Group's employees may subscribe to various courses (pilates, yoga, etc.) taking place at its offices, or may use the headquarters' gym for their individual sports practice.

The CSE supports cultural activities (shows, cinema tickets, etc.), sports activities (sport lessons, sport competitions, etc.) or travel-related activities (hotels, train tickets, etc.) up to €400 per year per employee.

3.3.1.3 Diversity, equity & inclusion program

The Group focuses on its employees by ensuring that everyone feels fulfilled in their work environment and in the Group in general. The Group makes every effort to recognize, appreciate and respect the diversity of its employees, so everyone can be their true, full self at work.

The global diversity and inclusion program "Every voice matters" was launched in December 2020 and focuses on three main goals: **educate, inspire and impact**. The Group strives to create a caring, safe and inclusive environment, where everyone can be their true self.

The Group is committed to raising awareness through global communication campaigns, talks with external and internal speakers, e-learning programs and internal workshops in order to educate and train everyone on diversity and inclusion in the workplace. The Group believes continuous action is key, rather than one shot, and aims to have initiatives all year long.

The Group facilitates several employee resource groups ("**ERG**"), which participate in the Group's Diversity, Equity & Inclusion action plan over the year on different themes:

- Gender Inclusion & Women in Tech ERG;
- Disability ERG;
- LGBTQIA+ visibility and inclusion ERG.

As part of the on-boarding program of new employees, an e-learning on Diversity, Equity & Inclusion is sent to all employees, including interns, apprentices and fixed-term contracts, the first week they arrive. The objective is to sensibilize all of the Group's employees to DE&I. In total, **176** people were invited to complete this e-learning course in 2023.

In 2023, the Group wanted to measure progression on Diversity, Equity & Inclusion and therefore decided to add six new questions about Inclusion in the "Belong Survey" (*i.e.*, Deezer engagement survey) launched in November 2023. The results showed the employees feel Inclusion is already a reality at Deezer. Among the highest scores in the "Belong Survey", two questions are related to inclusion:

- "I can be my authentic self at work": 88% agree or strongly agree with the statement;
- "I feel respected at Deezer": 86% agree or strongly agree with the statement.

The Group will continue its efforts to ensure diversity, equality and inclusion remains a reality at Deezer through the various dimensions of the diversity & inclusion program and monitoring these questions regularly.

3.3.1.3.1 Gender equality

The Group actively develops a gender equality policy for all its workforce, including the Executive Committee and top management to fight against the under-representation of women in the tech industry, with a view to increase the proportion of women overall and in particular in the Group's "Product and Tech" division.

The Group has put in place internal and external actions for better representation of women. For example, the Group continues to dedicate efforts on recruiting and integrating women and making sure job ads are gender neutral – indeed, the job descriptions are carefully drafted in order to attract more women candidates and are submitted to a "Gender Decoder" to check whether it contains gender-coded words that might discourage candidates.

Moreover, 11 workshops "Fighting Gender Bias in the Workplace" have been held in 2023, mandatory for managers and open to all. Those workshops gathered an average of 11 employees per session, with a total of 123 participants in the whole year.

For International Women's Day, a special talk was held with internal speakers, the Chief Operations Officer, Chief Marketing Officer, and Chief People Officer, on 2023's theme "Embracing Equity" to inspire Deezer teams.

The Group and its Women in Tech ERG partnered with Social Builder, the first association specialized in the support and inclusion of women in tech, for workshops and mentoring on how to look and apply for jobs in tech. The Group also gave part of its apprenticeships tax to Social Builder and P-Tech as well, a global program that aims to make tech more inclusive and brings high schools and companies together.

Today, the Group cultivates an active policy of gender equality translating into a proportion of 40% women in its workforce in 2023.

Women represent 23.3% of the Group's "Product and Tech" headcount in 2023 (compared to 21.3% in 2022) while ultimately aiming for gender parity in its overall workforce. The under-representation of women is characteristic of the digital industry in which the Group operates and is explained, in particular, by the under-representation of women in engineering schools.

As a result of this continuous focus, the Group made significant progress as 59% of total job offers accepted in 2023 were addressed to female candidates. Specifically, on the tech functions, the Group maintained a ratio that improves the representation of women in the division with 28.5% of job offers for "Product and Tech" division roles made to female candidates.

Gender equality is also demonstrated by the top management. In 2023, the Group is pleased to count four women out of eight members of the Executive Committee while the Board of Directors of the Company is led by a Chairwoman and composed of five women out of a total of ten members.

The Group also pays particular attention to gender equality when it comes to employees' compensation. During each salary review, the Company specifically checks the employee's compensation from a gender perspective. The salaries are compared by gender according to the grade and to the benchmarked position to identify and correct any anomalies. Women on maternity leave are always included in the salary review and they, at least, benefit from the average percentage of salary increase.

The Group uses the *"Pénicaud-Schiappa"* gender equality index. Deezer scored 79 out of 100 in 2023 (compared to 75 in 2022). This increase in 2023 is the result of the increase in the number of women within the Executive Committee which allowed us to gain 5 points.

	2023	2022	2021
% of women in the total workforce(1)	40%	37%	37%
% of women on the Executive Committee	50%	38%	25%
% of women on the Board of Directors(2)	50%	50%	40%
Gender equality index	79	75	88

(1) Total workforce: permanent and fixed-term contracts.

(2) At December 31, for Deezer S.A. (511 716 573 R.C.S. Paris) for fiscal years 2021 and for Deezer S.A. (898 969 852 R.C.S. Paris) for fiscal year 2022 and 2023.

3.3.1.3.2 Disability focus

The Group is committed to employing and integrating people with disabilities and to combating discrimination against them.

This year, the Disability ERG focused on raising awareness and breaking stereotypes by focusing on different types of disabilities, visible and non-visible ones. As a result, the Disability ERG held two talks on the subject: "Neurodiversity: New Understandings, New Possibilities", and "Orchestrate our talents", a talk with a blind external speaker.

The Group also organized with its disability referent, two in-person workshops on French sign language, with a total of 24 participants, to celebrate the "European Disability Employment Week".

As outlined by the table below, the number of employees recognized with disabilities is increasing although, still under the legal 6% headcount required (2023 rate is 0.7%). Therefore, the Company contributes in return to the annual "Agefiph" contribution.

	2023	2022	2021
Number of employees with disabilities*	4	3	2
Percentage of employees with disabilities	0.7%	0.5%	0.4%

* Employees declared by the Group in its mandatory declaration of employment of disabled employees (*Déclaration obligatoire d'emploi des travailleurs handicapés* (DOETH)).

3

3.3.1.3.3 Other actions

The Group supports diversity and inclusion by supporting the LGBTQIA+ community. The LGBTQIA+ ERG celebrated pride month by holding a roundtable on “The Impact of Queer Culture on Music”, with well-known representatives of the LGBTQIA+ community. In the same month, the Group organized the first French meet-up between tech companies on “LGBTQIA+ community in Tech”. At this event, Tiktok, Blablacar and Qonto representatives attended, and national associations such as Diversidays and Talent LGBT as well.

Earlier in the year, the LGBTQIA+ ERG also worked on an awareness campaign about LGBTQIA+ people in the workplace, with posters plastered in all offices. The aim of this campaign was to show that Deezer does not tolerate discrimination and is a safe place for the LGBTQIA+ community.

Finally, the Group held another talk on the broader theme of music and diversity “Let the music speak!”, and had a total of five talks on DE&I topics during the year 2023.

Around the world, music is often being used as a vehicle for social change and bringing communities together. The Group launched in early 2023 a taskforce called “Music 4 Good”, dedicated to ESG subjects, especially on the social part. Music 4 Good’s objective is to find local NGOs or partners to collaborate with them.

In May 2023, the Group held its first event with the association Musique Pour Tous, whose aim is to give young and unprivileged children access to music. During this event, the Group welcomed 26 teenagers who immersed themselves in a day filled with music activities and games such as music quizzes, the recreation of iconic album covers, and a karaoke session.

Later in the year, the Group partnered with *Orchestre à L’Ecole*, another association whose aim is to turn classrooms into orchestras all over France. The partnership between *Orchestre à l’Ecole* and the Group consists of financing instruments for a classroom, skill-based patronage with Deezer external communication team and free publicity on Deezer app.

Deezer has not yet implemented in 2023 any actions to promote enlistment in the French army reserves.

3.3.2 Relationships with stakeholders

Through its business, the Group has relationships with a variety of external stakeholders, from its users, to the creators of content on its platform, to its suppliers, subcontractors and partners, to its shareholders and other investors. The Group needs to be transparent and responsive to them, and reflect its CSR considerations and expectations in its dealings with each of them.

More specifically, in CSR matters, the Group has implemented a certain number of measures relating to the management of the relationship with (i) its users, and (ii) its suppliers, subcontractors and partners.

3.3.2.1 Management of relationships with users

3.3.2.1.1 Subscriber satisfaction

The Group is particularly attentive to the quality of its services and the satisfaction of its users. The Group conducts regular satisfaction surveys to benefit from its users’ experience and to improve its offering accordingly.

	2023	2022	2021
Number of satisfaction surveys*	17,337	21,228	14,993
Satisfaction rate among users	81%	81.1%	84.8%

* Including all users who contacted Deezer Customer Care *via* chat during the periods in all countries in which the Group operates and at all subscription levels. Over the past 3 years, the Group has changed how it measures surveys and satisfaction. As such, the data comparison between years is not consistent. The trend of increased volume of surveys and reduced satisfaction over time is linked to automation of the service experience, allowing for more user requests to be handled.

The Group’s target satisfaction score has been set at 80% or more for 2021, 2022 and 2023.

3.3.2.1.2 Protection of personal data

The protection of users’ personal data is a key issue for the Group. Beyond simply complying with its legal obligations, the Group is committed to protecting user privacy and ensuring that the collection, use and retention of their data is performed to the highest industry standards.

Internally, the Group has created, and kept current, processes and documentation complying with the provisions of the GDPR, including the appointment of a Data Protection Officer (DPO), the maintenance of a record of processing activities, the application of internal data protection policies and the performance of regular audits.

Externally, the Group strives to be as clear as possible with its users – for example, by providing them with a privacy policy explaining, in plain language and understandable terms, how the Group uses their data. The Group has also introduced a new feature in its applications, enabling users to request a copy of their data *via* their user account, and receive their dataset by email in just a few days.

Finally, the Group scrupulously respects the strictest personal data processing and protection standards, whether these standards are industry-based (for example, the “Payment Card Industry Data Security Standard” for the processing of banking data) or are defined by certain key players (for example, the “Apple Privacy Framework”).

The Group discovered in November 2022 that a former service provider experienced a security incident in 2019 that resulted in a data leak involving approximately 200 million users, and that this data was subsequently offered for sale on a hacker forum in November 2022. The data offered for sale included email addresses, usernames, genders, dates of birth/age, account information (such as registration date, type of account, internal identifier) and user preferences (such as number of favorite tracks, communication preferences, etc.), but no password, payment data, nor any information related to the use of the Group's service. Although the leaked data was non-sensitive, the Group reacted by (i) setting up an advisory support on its website to inform users, (ii) contacting users directly by email, (iii) maintaining a constant dialogue with the CNIL and (iv) filing a complaint with the *Procureur de la République* in January 2023. Following this incident, the Group strengthened its security capabilities. For more information, please refer to the risk factor presented in Section 2.1.3.2 *"Security breaches could materially and adversely impact the Group's ability to operate and harm its reputation and business"* of this Universal Registration Document.

3.3.2.1.3 Information security

The Group's information system is an essential asset, necessary for conducting its business activities and achieving its strategic objectives, and subject to considerable legal and regulatory constraints. The effective protection of this asset is of paramount importance to the Group.

Each employee is, therefore, subject to a strict IT policy and undertakes to use the IT resources made available in a vigilant and secure manner, ensuring that the confidentiality necessary to protect the Group's interests is at all times maintained.

Awareness-raising actions are regularly conducted with the Group employees, such as "phishing" campaigns that are conducted with all employees or among different categories of employees (with phishing campaigns targeting specific tools used by the employees) and training on current topics or on more specific themes such as the pitfalls of computer security.

Security awareness training sessions are sent randomly to employees of the Group and carried out through immersive and interactive chat-based courses.

In addition, the Group conducts a yearly training for PCI DSS certification (Payment Card Industry Data Security Standard) for the employees working notably in the Customer and Monetization Department and Customer Care Department who are likely to handle payment card details. PCI DSS is an information security standard used to handle credit cards from major card brands, and is administered by the Payment Card Industry Security Standards Council in order to better control cardholder data and reduce credit card fraud. In 2023, 58 employees were trained for PCI DSS certification. The Company is also audited each year by an external Qualified Security Assessor (QSA) in this respect.

Finally, vulnerability scans and penetration tests are conducted several times a year, either by the Company's IT security team or by external auditors. In 2023, the Group conducted 1 internal penetration test and 4 third-party vulnerability scans.

The Group conducts weekly scans of its IT corporate infrastructure with an ISO 27001-certified third-party solution and quarterly audits of its active directory (the global internal directory for the Group's resources).

3.3.2.2 Management of relationships with suppliers, subcontractors and partners

The Group takes particular care in choosing its suppliers, subcontractors and partners by applying specific selection criteria to each business relationship. The Group has developed a general purchasing policy and is implementing a third-party evaluation policy to strengthen its suppliers' onboarding process.

Deezer implements ethical and equitable practices in the selection of suppliers, ensuring alignment with the values and objectives of the organization. The RFP (request for proposal) process is employed for all strategic expenditures to ensure fairness and objectivity in selection, in line with the Group's strategy.

3.4 Governance responsibility

The Group cultivates a true culture of sharing and transparency toward its employees. To set a good example, the Group has implemented clear and concrete action plans with which its corporate officers and employees must comply. The response to these issues is mainly based upon (i) business ethics and the fight against corruption, anti-money laundering and tax evasion and (ii) consideration of CSR issues in the governance of the Group.

3.4.1 Business ethics and the fight against corruption, money laundering and tax evasion

In 2024, the Group is reviewing its Code of Ethics (formerly known as “compliance manual”) to update the requirements and fundamental principles applicable to the way it intends to conduct its activities. The Group’s policy in this regard consists of maintaining the highest level of professional, ethical and legal standards in conducting the Group’s business. Emphasis was placed on the Group’s policy on gifts and invitations, and on managing conflicts of interest.

Responsible business practices are indeed essential to ensuring the Group’s long-term competitiveness. As the Group grows, it is important that it conducts its daily activities in an ethical and responsible manner to avoid criminal liabilities or lost business opportunities, upholding Deezer’s reputation and maintaining stakeholders’ trust.

These standards may only be achieved and maintained through the efforts of the Group’s employees and its management team. For this reason, any violation of the Group’s compliance manual is subject to disciplinary action. In the event of any questions concerning any of these applicable laws or regulations, employees of the Group should contact the Compliance Officer.

To increase the scope of the Group’s Code of Ethics, the latter is widely disseminated and is also sent to each new employee at the time of assumption of his or her duties. In 2023 and 2024, the Group reinforced its training program with e-learnings dedicated to anti-bribery and corruption, conflict of interests, insider trading and data protection for all its employees.

Several topics are addressed in the Group’s Code of Ethics, including (i) prevention of conflicts of interest, (ii) the fight against bribery and corruption, (iii) the fight against money laundering and (iv) compliance with economic sanctions regulations.

3.4.1.1 Prevention of conflicts of interest

Employees must refrain from participating in any activity that may be contrary to the interests of the Group. For example, employees are asked not to take any action in their capacity as an employee of the Company for personal gain.

Also, employees must notify the Compliance Officer of any conflicts of interest of which they may be aware.

3.4.1.2 Anti-corruption policy

The Group employees are prohibited from offering items of value or any other form of consideration (such as a bribe or kickback) to a government official to influence the latter or to reward him or her for his or her actions. In 2023 and 2024, the Group mapped bribery and corruption risks with the support of an external consultancy and reinforced its internal measures to fight against bribery and corruption, including the dissemination of a revamped Code of Ethics, mandatory training for employees, and the introduction of a new whistleblowing system.

Employees must report to the Compliance Officer any gifts or invitations they may receive or offer, if their value exceeds €100 (including tax).

3.4.1.3 Anti-money laundering policy

Group employees are prohibited from engaging in or facilitating money laundering activities and, in particular, from attempting to conceal or disguise the source, ownership or control of money through financial transactions or transfers of funds from one financial institution or jurisdiction to another.

Employees must report the transactions that they suspect may be related to money laundering to the Compliance Officer.

3.4.1.4 Compliance with economic sanctions regulations

The Group complies with all national and international regulations applicable to its business in terms of economic sanctions and embargoes. Employees are forbidden to do business with individuals or entities whose names appear on economic sanctions lists. Verification procedures are in place to ensure that the Company does not enter into business relationships with individuals or entities appearing on these lists.

3.4.1.5 Fight against tax evasion

The Group commits to complying with all applicable laws and regulations in the countries in which it operates along with applicable international standards. This means:

- comply with the tax laws applicable in each country;
- prepare and file tax returns in an accurate and timely manner, in accordance with applicable regulations;
- understand how and where value is created and ensure that transfer pricing reflects this;
- employ appropriately qualified and trained tax professionals with the right levels of tax expertise and understanding of the business.

As a result, the Group pays and collects numerous other taxes and contributions as part of the Group's economic contribution (in addition to corporate income tax).

The Group applies the following principles in tax matters:

- compliance: support for operational activities in compliance with applicable regulations;
- transparency: the Group is committed to being open and transparent with tax authorities requests and to disclosing relevant information to enable them to carry out their work;
- tax management strategy: tax management that is both proactive and efficient to preserve and maximize the value generated for the Group and its shareholders;
- accountability & Governance: the Group ensures that, as a business, it has the mechanisms in place to adhere to the above principles.

The Group is vigilant as to the operational and commercial reality of its transactions and refuses to take part in any artificial tax arrangements. The Group only uses tax incentives after considering their impact on its brands and reputation. The Group does not promote any form of tax evasion.

Related-party transactions are done in accordance with the Group's transfer pricing policy, which is based on the arm length principles and available guidelines.

The tax legislation in the countries in which the Group operates is complex and may be open to interpretation. The Group manages such uncertainties with the support of internal and external tax experts. Tax provisions are measured based on the Group's best estimate using available information.

3.4.1.6 Actions in favor of human rights

The Group already promotes and complies with the International Labour Organization's fundamental conventions.

Freedom of association and collective bargaining

The Group respects the freedom of association and collective bargaining (for more information, please refer to Section 3.3.1.1.6 *"Social Dialogue"* of this Universal Registration Document).

Elimination of discrimination in respect of employment and occupation

The Group employs talented people from a wide variety of backgrounds (for more information, please refer to Section 3.3.1.3 *"Diversity, equity & inclusion program"* of this Universal Registration Document) and thus endeavors to combat all forms of discrimination by recruiting a diverse range of profiles.

Abolition of forced labour

The Group complies with the conventions of the International Labour Organisation and, in particular, undertakes not to use forced labour.

Effective abolition of child labour

The Group complies with the United Nations conventions on children's rights and, in particular, undertakes not to use child labour.

In addition, the Group promotes a culture of respect for people, and is committed to improving human rights, in particular towards its employees (for more information, please refer to Section 3.3.1.2 above *"Health, safety and well-being"* of this Universal Registration Document).

In addition, as part of the update of the Group's Code of Ethics to be carried out in 2023, the Group will insert a section dedicated to the respect of human rights by its employees.

3.4.2 CSR governance

Since the Merger, the Company has changed its governance and aims at aligning with the highest standards of listed companies.

Maintaining good corporate governance helps to prevent financial and accounting issues and exposure to civil or criminal liability, and above all helps to preserve a strong reputation of ethics that is key to maintain the brand of the Group and favor the conclusion of visible business partnerships.

3.4.2.1 Increasing the role of the Board of Directors in the CSR of Deezer

The governance code that the Company chose to comply with, the AFEP-MEDEF Code as revised in December 2022 strengthens the Board of Directors' missions to make it the guarantor of the Group's CSR strategy, and recommends that (i) the Board of Directors determine multi-year strategic orientations in these areas, particularly with regards to climate change, for which this strategy must be accompanied by precise objectives; (ii) CSR issues be the subject of preparatory work by a specialized committee of the Board of Directors and (iii) executive compensation include at least one criterion related to climate objectives among the CSR criteria.

The Company has assessed its first carbon footprint for 2022 and 2023 fiscal years and will develop in 2024 its strategic guidelines on environmental sustainability. The management team will then work on a multi-annual CSR strategy which should be approved by the Board of Directors in 2025.

3.4.2.2 Enhancing the compliance of the Company with the best corporate governance practices

Since the Merger, the Company has significantly improved its governance practices but is still working to implement some of the recommendations of the AFEP-MEDEF Code. The Company aims to further enhance its compliance with best governance practices. For more details on the Company's compliance with respect to corporate governance, please refer to Chapter 4 *"Corporate governance"* of this Universal Registration Document.

3.4.2.3 The Group's shareholder holding a significant portion of the Company's share capital

AI European Holdings Sàrl held approximately 38.3% of the Company's voting rights as of December 31, 2023. AI European Holdings Sàrl could be in position to *de facto* determine the decisions made at ordinary and possibly extraordinary shareholder's meeting of the Company and therefore could be considered as controlling the Company pursuant to Article L. 233-3-I. 3° of the French Commercial Code *(Code de commerce)* (for more information, please refer to Section 7.3.3 *"Control of the Company"* of this Universal Registration Document).

The Group has implemented measures, notably through its corporate governance, to ensure that any potential control of AI European Holdings Sàrl is not exercised in an abusive manner. Those measures include in particular:

- the presence on the Board of Directors of half of independent directors;
- the existence of specialized committees (Audit Committee, Nomination and Remuneration Committee);
- the three members of the Audit Committee are independent, including its Chair (Mari Thjømøe);
- the Nomination and Remuneration Committee is chaired by an independent director (Sophie Guieysse) and two-thirds of the directors are independent; and
- article 4.3 of the internal rules of the Board of Directors stipulates that the directors shall not, in any event, act in their own interests against the interests of the Group. Pursuant to the same article, each director has an obligation to notify the Board of Directors of any situation of a conflict of interest, even potential conflicts, and must abstain from participating in any debate or voting in corresponding deliberations, and in extreme cases, resign from its directors' position.

3.5 Environmental responsibility

The Group made environmental concerns a major topic of its CSR policy. Ecological considerations are at the heart of its thinking in defining its strategy and managing its day-to-day business.

In 2023, the Group's main achievement was to measure its first carbon footprint. Throughout the year, the Group continues to implement concrete actions to actively participate in environmental protection, its objectives in this area are especially targeted at minimizing the environmental impact of its business activities and premises. The Group must also comply with non-financial information disclosure obligations in accordance with the European taxonomy regulation.

3.5.1 Carbon footprint

Besides the legal obligations of measuring its greenhouse gas emission, the Group is deeply involved to make progress and is committed to implementing actions to reduce its CO_2 emissions, by:

- identifying and understanding risks and opportunities associated with value chain emissions;
- identifying GHG (greenhouse gas) reduction opportunities, setting reduction targets and track performance;
- engaging suppliers and other value chain partners in GHG management and sustainability; and
- enhancing stakeholder information and corporate reputation through public reporting.

The Company has trained five employees contributing to this data collection in 2023. Five more are going to be trained in 2024. The objectives of this training are to:

- understand the challenges associated with the organization's carbon footprint;
- master the concepts and methods of carbon footprinting; and
- be able to monitor, manage and articulate a strategy for reducing the organization's emissions based on the carbon footprint.

Launched in 2022 and implemented since 2023, the Group has been able to measure its first carbon footprints for 2022 and 2023 fiscal years, associated with the use of Deezer applications and services. The scope of analysis for the elaboration of the Group's carbon footprint concerns Deezer S.A. and all its subsidiaries (*i.e.*, including Driift Holdings Ltd which is not a company wholly-owned by the Group).

All departments of the Company were involved in this data collection: Workplace, Human Resources, Marketing, Communication, Corporate IT, Infrastructure, Product and Technology and Innovation. The data collection has been made on scopes 1, 2 & 3, using the GHG protocol*:

Scopes	Description
1	Direct emissions from owned or controlled sources
2	Indirect emissions from the generation of purchased energy
3	all indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions

* Methodolody: data sources splitted as follows: 80.5% from physical data and 19.5% from monetary ratios.

The total gas emissions of the Group were 34,287 $KtCO_2e$ in 2022, and 35,057 $KtCO_2e$ in 2023. The below table shows the result of the Group's carbon footprint for 2022 and 2023 by scopes:

Scopes ($ktCO_2e$)	2023	2022
1	17	18
2	127	131
3	34,913	34,138
Total	**35,057**	**34,287**

The below table shows the biggest sources of the Group's greenhouse gas emissions in 2022 and 2023, based on scopes 1, 2 & 3, as presented by activities:

Goods & services purchased	2023 $KtCO_2e$	2023 %	2022 $KtCO_2e$	2022 %
Network & data transfer	17,785	51%	13,292	39%
App feature energy consumptions*	6,692	19%	5,269	15%
Adds about Deezer	1,935	6%	3,719	11%
Marketing events*	1,243	4%	3,106	9%
Data Centers embodied emissions	890	3%	659	2%

* Greenhouse gas emissions based on theoretical assumptions elaborated with the assistance of a third-party expert, in the absence of official emission factors available.

After analyzing its first carbon footprints, the Group has decided to implement the following action plan for 2024:

- environmental strategy refinement;
- the carbon footprint assessment reconduction;
- five more internal contributors training to gas emissions data collection;
- the Sustainability Director training to the Corporate Sustainability Reporting Directive and new reporting obligations (double materiality assessment and risk/opportunity analysis);
- internal working groups mobilization to improve and implement impactful actions;
- external workgroups with the music industry mobilization;
- awareness raising about environmental sustainability among the employees, by proposing climate fresk workshops and conferences;
- analysis of promotion of low fidelity sound quality listening among users; and
- cleaning of the music catalog to reduce music delivery carbon emissions.

3.5.2 Main initiatives in favor of the Environment

3.5.2.1 Data centers

The Group has always measured the power consumption of its datacenters. From 2020 onwards, the Group has undertaken to improve these measurements in order to have a more accurate history and measurement of its power consumption. In particular, the Group has begun to measure the energy consumption of IT equipment (servers, racks).

Following the recommendation of the French government regarding the energy saving plan *(Plan de sobriété énergétique)*, the Group managed in 2022 to reduce the power consumption of its infrastructure by approximately 13% in its main data center, and by approximately 8% in all its data centers, by stopping more than 85 servers. In 2022, the Group also started to move IT equipment to the new data center – PAR8, operated by Interxion – which presents an excellent energy efficiency index (PUE design for "Power usage effectiveness design") of 1.23. Scaleway DC3 also presents an excellent PUE of 1.36 (compared to 1.35 in 2022). For information, the average PUE in France is 1.6.

The Group is aware that given the continued growth of its activities, it is inevitable that its energy consumption will continue to increase in the future. The Group has therefore decided to install in 2022 a "metered power distribution unit" in the PAR8 datacenter, to follow the evolution of relevant indicators to better control its consumption and, as far as possible, to reduce it.

Furthermore, the Group tries to limit its ecological footprint by systematically subscribing to product warranties. The Group has continued to extend its warranties to keep its equipment for a minimum of 5 years. In 2024, the Group takes a step further by purchasing servers with 8-year warranties and extending its existing server warranties to 8 years.

3.5.2.2 Travel policy

The Group overhauled its employee travel policy in 2022 to reduce travel as much as possible and to be as neutral as possible in terms of CO_2 emissions.

The Group encourages its employees to avoid unnecessary or polluting travelling, and to prefer video-conferencing or train travelling. The Group also encourages the use of public transportation for its employee's daily commute, the cost of which it partially subsidizes. In order to assess the effectiveness of this travel policy, the Group annually tracks the distances travelled by its employees for national and international business trips. In 2023, the Group's employees travelled 2,110,000 km by plane.

As far as business travel is concerned, the Group encourages its employees to use videoconferencing to avoid unnecessary travel, especially by plane. If a physical meeting is strictly necessary, the Group encourages its employees to use the train whenever possible. However, the Group's travel policy provides that when a trip by train exceeds 5 hours, air travel can be used. The Group's main action in 2024 will be to track the trips made by plane when the train was an option.

The Group also encourages the use of alternatives to the use of cars for its employees' commutes. Its offices are, therefore, located in areas that are easily accessible by public transportation, and the Company subsidizes the cost of public transportation to promote its use. In 2023, the Company launched a new allowance "sustainability mobility package" granted to all employees to reimburse the use of sustainable transports (*e.g.*, bicycles, electrical scooters) equally to public transport to encourage environmentally-friendly commuting. To limit the use of cars by employees, access to the headquarters' parking lot is limited and is reserved, in priority, for two-wheel vehicles.

The below table shows the distance traveled by employees by air, which represents 82% of CO_2e emission in 2023 of total business travel:

	2023	2022	2021[(1)]
Distance traveled by employees (Air) in km[(2)]	2,110K	1,520K	263K
Tons of CO_2[(2)]	429	310	42

(1) Lower figures in 2021 due to the traveling restrictions during the COVID-19 pandemic.

(2) Discrepancy with figures communicated in the Company's 2022 Universal Registration Document are due to miscalculation in data collection by the Company's third-party providers.

3.5.2.3 Awareness-raising programs

Education is certainly the most effective tool at the Group's disposal to change individual habits. The Group regularly conducts information and other awareness-raising programs with its employees on subjects such as environmental preservation (with a dedicated webinar on the results of the Group' carbon footprint) and various green initiatives carried out within the Company (for example, the Group's financing of beehives).

3.5.2.4 Hardware recycling

The recycling of the Group's computer equipment, qualified as Waste Electrical and Electronic Equipment (WEEE), is entrusted to associations and eco-responsible companies specialized in the recycling of WEEE. These partners allow us to ensure the reinsertion of a maximum of products on the market to fight against waste and to promote a circular economy. In 2022, hardware that was considered obsolete was recycled *via* this network of certified partners, which ensures equipment dismantling as well as the extraction and reuse of raw materials.

In addition to these recycling actions, the Group decided in 2023 to prioritize the resale or donation of its unnecessary equipment. The Group therefore donated in 2023 approximately 70 screens to the employees and 144 IT equipments to *Les Restos du Cœur*, an association recognized as being of public interest.

Furthermore, the Group tries to limit its ecological footprint by systematically subscribing to product warranties (up to 5 years of warranty), allowing the use of hardware equipment for their maximum life span.

3.5.2.5 Headquarters

In 2020, the Group moved its headquarters to a new location in Paris, which is certified under the French High Environmental Quality standard (*Norme Française Haute Qualité Environnementale* or "NF HQE"). This building, which houses the bulk of the Group's headcount, has been designed to limit its environmental impact, including, in particular, thanks to several "green roofs", a better thermal insulation preventing loss of heating or air conditioning, an optimized rainwater management system, and general LED lighting. The Group's office management policy favors the use of agile solutions such as videoconferencing and co-working, with the opening of any new office being conditioned upon solid business prospects in the relevant country and the use of eco-friendly working environments.

Finally, energy audits of the Paris, Bordeaux, Berlin and London offices were completed in 2022 with the aim of identifying intensive energy consumption spots and related solutions to reduce the Group's energy consumption and impact on the environment. The good results of this audit were logged with the ADEME *(Agence de l'Environnement et de la Maîtrise de l'Énergie)* as per requirements. These results also emphasize improvements to be made in rented tertiary spaces, such as the continuing education of the employees on environmentally friendly behaviors.

The building, which houses the majority of the Group's workforce, was designed to limit its environmental impact, in particular:

- smart building with full building management system (BMS), which controls the building environment and lighting based on real occupancy and external factors, such as temperature, to reduce power consumption;
- several "green roofs" covered with greenery allow (i) the development of an ecosystem beneficial to the environment, (ii) better insulation, partly avoiding the loss of heating or of air conditioning, (iii) the reduction of carbon emissions, (iv) the better management of rainwater, and (v) an improvement in the surrounding air quality;
- the heating, ventilation and air conditioning system is based upon a geothermal well using ground heat for its operation, thus reducing the premises' energy consumption; and
- the building is lit with very energy efficient 100% LED lights that also adapt luminosity depending on incoming levels of light.

Given the international nature of its activities, the Group also has offices abroad, the primary ones being in Sao Paolo, Berlin and London, and a second office in France, in Bordeaux. This international network is the result of an office management policy favoring the use of agile solutions such as telecommuting and co-working. Under the terms of this policy, the opening of new offices is conditional upon solid business prospects in the country in question and a minimum number of employees attached to the office. When opening an office in a new country, the Group systematically strives to choose environmentally friendly spaces, like its Paris headquarters. The table below represents electricity consumption data for offices in Europe.

Europe 2021-2023

Deezer's energy consumption (Kwh) from January 2021 through December 2023 is as follows:

City	Paris	Bordeaux	London	Berlin
Energy source	Electricity	Electricity	Electricity	Electricity
2021	540,696	47,322	114,426*	4,065
2022	608,014	43,466	31,961	2,928
2023	**607,084**	**46,254**	**38,065**	**3,106**

* From November 18, 2020 to November 25, 2021. Estimated by referencing the Real Estate Environmental Benchmark (REEB) data set for typical practice air-conditioned offices electrical equivalent energy benchmark.

3.5.2.6 Waste recycling

The Group takes various actions to limit office waste globally:

- the progressive elimination of single-use consumables:
  - washable or recyclable cups that can be cleaned and reused indefinitely,
  - coffee machine with eco-friendly coffee beans and packaging,
  - water fountains, and
  - a "green" welcome kit containing eco-friendly products (water bottle, reusable cutlery, solar battery, etc.);
- the promotion of "zero paper", which translates into a just-in-time management of printing consumables and the absence of individual waste garbage cans for employees;
- a composting solution through a company that collects the Company's employees' food scraps.

As the production of waste by its employees is unavoidable, the Group combines efforts in terms of office waste management with an active recycling policy, managed in conjunction with specialized partners, which include, in particular, the installation of differentiated bins allowing for recycling on each floor of its premises, according to local specificities for countries other than France.

Finally, the Group implements waste reporting with its suppliers to collect data related to tons of recycled waste and tons of avoided CO_2 emissions.

3

3.5.3 Implementation of the European taxonomy

The European Green Taxonomy (EU Regulation 2020/852) (the "**European Taxonomy**") seeks to facilitate sustainable investment. To do so, it creates a classification system for economic activities, common to the European Union, to identify economic activities considered "sustainable" from an environmental viewpoint. The European Taxonomy thus defines criteria for assessing the substantial contribution of activities for companies subject to the NFRD, including, in particular, listed companies, to at least one of the environmental objectives, without harming the other objectives and while complying with minimum safeguards.

As part of the implementation of the European Commission's program to achieve carbon neutrality by 2050 in the European Union and the financing plan for the ecological transition, with application of the European Taxonomy and in accordance with its Article 8, the Group has carried out an analysis of its activities that (i) may be eligible to the European Taxonomy and (ii) may align with the expected eligibility criteria defined in the Climate Delegated Act (EU 2021/2139), as amended. As a non-financial undertaking under the European Taxonomy, the Group is required to publish a number of KPIs based on revenue, capital expenditure (CapEx) and operating expenses (OpEx) provided under Annex I to the Disclosure Delegated Act (EU 2021/2178), as amended.

The European Taxonomy sets a framework around six quantitative and qualitative environmental objectives:

- climate change mitigation;
- adaptation to climate change;
- sustainable use and protection of aquatic and marine resources;
- transition to a circular economy, including waste recycling;
- pollution prevention and reduction; and
- protection and restoration of biodiversity and healthy ecosystems.

The Climate Delegated Act (EU 2021/2139) includes sustainability criteria for these six objectives. The sections below present, as a non-financial parent company, the eligible economic activities and the share of the Group's income, capital expenditure and operating expenses for the 2023 financial year associated with economic activities eligible for the taxonomy and linked to the six objectives, in accordance with Article 8 of the European Taxonomy.

3.5.3.1 Eligibility to the European Taxonomy of economic activities operated by the Group

The eligibility is based on the description of the activities, as provided under Annex I and Annex II, as applicable, of the Climate Delegated Act (EU 2021/2139).

Turnover

The turnover associated with the activities of the Group are mainly based on:

- end user subscriptions directly with Deezer;
- subscriptions through a distribution partner or as part of a service or product sold by the distribution partner; and
- other sources of turnover, in particular advertisement.

Based on the list of economic activities listed under Annex I regarding "Technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives" and Annex II regarding "Technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives" of the Climate Delegated Act (EU 2021/2139), the Group mainly operates activities eligible to the European Taxonomy referenced under Activity 8.3. *"Programming and broadcasting activities"*, in Annex II of the Climate Delegated Act (EU 2021/2139).

In 2023, the turnover for the Direct and Indirect activities amounted to €466.826 million (for more information, please refer to Note 5 of the consolidated financial statements, enclosed in Chapter 6 *"Financial statements"* of this Universal Registration Document), corresponding to 96.3% of the consolidated turnover of the Group. These activities are eligible to the European Taxonomy under 8.3 *"Programming and broadcasting activities"*.

Other sources of turnover, in particular advertisement, amounted to €17.830 million (for more information, please refer to Note 5 of the consolidated financial statements, enclosed in Chapter 6 *"Financial statements"* of this Universal Registration Document) corresponding to 3.7% of the consolidated turnover of the Group. Such activities are not eligible to the European Taxonomy and do not participate in the subscription activities. In this context, the Group does not have to report on CapEx or OpEx associated with these activities.

CapEx

The CapEx undertaken by the Group in 2023 amounted to €2.960 million and broke down as follows:

Type of asset	Amount (in € millions)	Note of the consolidated financial statements, enclosed in Chapter 6 *"Financial statements"* of this Universal Registration Document
Intangible assets	0.331	Note 11
Property and equipment	1.766	Note 12
Right-of-use assets	0.863	Note 13
Total	**2.960**	

The CapEx corresponding to the above-mentioned Direct and Indirect activities which are eligible activities amounted to €2.960 million, as there was no CapEx corresponding to other sources of turnover in 2023. Therefore, all CapEx are related to eligible activities.

The Group must also report on CapEx associated with the premises leased by the Group in the scope of IFRS 16, *Leases*, related to eligible activity 7.7 *"Acquisition and ownership of buildings"* under the European Taxonomy. These CapEx are around €0.1 million in 2023, which is not material compared to the total CapEx undertaken by the Group.

OpEx

With respect to KPIs related to OpEx, only direct non-capitalized costs that related to R&D, building renovation measures, short-term lease, maintenance and repair and other direct expenditure related to the day-to-day servicing of assets of property, plant and equipment (operated by the Group and outsourced) that are necessary to ensure the continued and effective functioning, must be taken into account. Such OpEx amount to €40.158 million for the Group and mainly comprises Product and Development costs (€34.711 million) detailed in Note 6.1 of the consolidated financial statements, enclosed in Chapter 6 *"Financial statements"* of this Universal Registration Document. Such amount is not material compared to the total OpEx of €549.065 million, comprising €393.223 million of Cost of Revenue and €155.842 million of Operating expenses, respectively detailed in Notes 5 and 6.1 of the consolidated financial statements, enclosed in Chapter 6 *"Financial statements"* of this Universal Registration Document.

Such OpEx are not material for the business model of the Group, because Cost of Revenue, Sales and Marketing costs and General and Administrative costs represent the major portion of the total OpEx. In this context, the OpEx associated with taxonomy-eligible economic activities are equal to zero. As a consequence, the Group benefits from the materiality exemption with respect to reporting on KPIs related to OpEx with respect to the European Taxonomy provides under Article 1.1.3.2 of Annex I of the Disclosures Delegated Act (EU 2021/2178). The exemption analysis was carried out on the criterion of OpEx in the denominator as defined in the Taxonomy regulation.

3.5.3.2 Alignment to the European Taxonomy of economic activities operated by the Group

Alignment of an eligible activity is assessed based on a number of technical screening criteria listed under the Climate Delegated Act (EU 2021/2139).

8.3 *"Programming and broadcasting activities"* is considered by Annex II of the Climate Delegated Act (EU 2021/2139) as an "enabling" activity. Pursuant to the definition provided under Article 16 of the European Taxonomy, it that such activity may contribute substantially to one or more of the six, above-listed environmental objectives by directly enabling other activities to make a substantial contribution to one or more of those objectives, provided that such economic activity (a) does not lead to a lock-in of assets that undermine long-term environmental goals, considering the economic lifetime of those assets; and (b) has a substantial positive environmental impact, on the basis of life-cycle considerations.

In order to determine whether Deezer's programming and broadcasting activities are aligned with an enabling activity, it was considered that Deezer subscribers have access to a full-range of music tracks and audio content such as radio and podcasts, some of which may be relevant to climate change issues. The question is whether those podcasts provide information, or promotes the use of products or services to increase the level of resilience to physical climate risks of other people, of nature, of cultural heritage, of assets and of other economic activities; or contribute to adaptation efforts of other people, of nature, of cultural heritage, of assets and of other economic activities.

It was determined by Deezer that listening time for podcasts dealing with the environment and climate change adaptation issues represent 0.1% of the subscribers' total listening time. In this context, the share of aligned programs and therefore aligned revenue is considered extremely marginal.

As a consequence, Deezer's programming and broadcasting activities are not aligned as an enabling activity under the European Taxonomy.

7.7 *"Acquisition and ownership of buildings"*: While the Group does not own buildings, it must report based on IAS 16 Property, plant and equipment § 73, point (i) and point (iii). The alignment analysis for this activity is performed for the Paris headquarter, a building leased by the Group, which amounts for the majority of the CapEx associated with this activity. No material physical risk which would require adaptation solutions to climate change has been identified for this building located in Paris. In addition, this building was built before December 31, 2020 is not within the top 30% of the national building stock expressed by an operation Primary Energy Demand. As a consequence, such activity is not aligned with the European Taxonomy and the associated aligned CapEx is zero.

3

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities

				Substantial Contribution Criteria					
Economic Activities (1)	Code (2)	Turnover (3)	Proportion of Turnover, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)
		Currency € million	%	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)
A. Taxonomy-eligible activities									
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
Activity 1	N/A								
Activity 2	N/A								
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)									
Of which Enabling									
Of which Transitional									
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)									
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)
Activity 1: 8.3 “Programming and broadcasting activities”	8.3 (CCA)	466.826	96.3%		EL				
Turnover of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy -aligned activities) (A.2)									
Turnover of Taxonomy- eligible activities (A.1+A.2)		466.826	96.3%						
B. Taxonomy-non-eligible activities									
Turnover of Taxonomy-non-eligible activities		17.830	3.7%						
Total		**484.656**	**100%**						

DNSH criteria ("Does Not Significantly Harm")									
Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
Y/N	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*		*T*
							96.6%		
							96.6%		

	Proportion of turnover/Total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	N/A	N/A
CCA	N/A	96.3%
WTR	N/A	N/A
CE	N/A	N/A
PPC	N/A	N/A
BIO	N/A	N/A

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities

				Substantial Contribution Criteria					
Economic Activities (1)	Code (2)	CapEx (3)	Proportion of CapEx, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)
		Currency € million	%	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)
A. Taxonomy-eligible activities									
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
Activity 1	N/A								
Activity 2	N/A								
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)									
Of which Enabling									
Of which Transitional									
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)									
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)
Activity 1: 8.3 “Programming and broadcasting activities”	8.3 (CCA)	2.860	96.6%		EL				
Activity 2: 7.7 “Acquisition and ownership of buildings”	7.7 (CCA)	0.1	3.4%	EL	EL				
CapEx of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy -aligned activities) (A.2)									
CapEx of Taxonomy- eligible activities (A.1+A.2)		2.960	100%						
B. Taxonomy-non-eligible activities									
CapEx of Taxonomy-non-eligible activities									
Total		**2.960**	**100%**						

DNSH criteria ("Does Not Significantly Harm")									
Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
Y/N	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*	*E*	*T*
							97.6%		
							2.4%		
							100%		

	Proportion of Capex/Total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	N/A	N/A
CCA	N/A	100%
WTR	N/A	N/A
CE	N/A	N/A
PPC	N/A	N/A
BIO	N/A	N/A

3

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities

Economic Activities (1)	Code (2)	OpEx (3)	Proportion of CapEx, year N (4)	Substantial Contribution Criteria Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)
		Currency € million	%	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)
A. Taxonomy-eligible activities									
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
Activity 1	N/A								
Activity 2	N/A								
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)									
Of which Enabling									
Of which Transitional									
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)									
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)
Activity 1: 8.3 “Programming and broadcasting activities”	8.3 (CCA)	0	0%		EL				
OpEx of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy -aligned activities) (A.2)									
OpEx of Taxonomy- eligible activities (A.1+A.2)		0	0%						
B. Taxonomy-non-eligible activities									
OpEx of Taxonomy-non-eligible activities									
Total		**0**	**0%**						

DNSH criteria ("Does Not Significantly Harm")									
Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
Y/N	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*	*E*	*T*
							0		
							0		

	Proportion of OpEx/Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	N/A	N/A
CCA	N/A	0%
WTR	N/A	N/A
CE	N/A	N/A
PPC	N/A	N/A
BIO	N/A	N/A

3

3.6 Methodological note

This non-financial performance statement, presented in this Universal Registration Document, endeavours to produce the most relevant non-financial information specific to the Group with regard to its business model, a description of the main non-financial risks, a presentation of the policies applied with regard to these risks and the results of these policies, including key performance indicators, in accordance with the provisions of Articles L. 225-102-1, L. 22-10-36 and R. 225-105 *et seq.* of the French Commercial Code.

Given the Group's activities and the information available to it, certain items mentioned in Articles L. 225-102-1, L. 22-10-36 and R. 225-105 *et seq.* of the French Commercial Code have not been addressed in the NFPS as they are, in this instance, inapplicable or irrelevant.

These items include:

- the amount of provisions and guarantees for environmental risks;
- actions to fight against food waste and insecurity; and
- respect for animal welfare.

To provide transparent and reliable information on the Group's CSR issues, the Group has mandated an independent third-party organization (ITO) to conduct the necessary verifications, in accordance with applicable legal and regulatory provisions.

Main characteristics of the NFPS

NFPS version	Third edition of the Group NFPS.
Reporting period	The information presented covers the period relating to fiscal year 2023, and is compared to information relating to fiscal year 2022 and to fiscal year 2021 for certain data.
Reporting scope	As the Group prepares consolidated financial statements within the meaning of Article L. 233-16 of the French Commercial Code, the NFPS presented to you is a consolidated statement of non-financial performance, including data relating to the entities included in the Group's scope of consolidation (excluding Driift Holdings Ltd which is not a company wholly-owned by the Group, except for Section 3.5.1 *"Carbon footprint"* of this Universal Registration Document).
Stakeholders	The Group has based an assessment of its risks and opportunities in terms of sustainable development thanks to the collaborative work of its internal teams.

The methodology used in the development of the NFPS is as follows:

- a questionnaire was distributed to the main representatives involved in any area having an impact on the Group's CSR policies and procedures, based upon relevant market benchmarks in light of the Group's performance, activities and situation, to first gather the information needed to draw up the NFPS, and to define actions undertaken, and prioritize issues, in each CSR area;
- interviews with key employees responsible for various CSR issues were conducted to assess CSR risks and opportunities, and to establish a CSR risk map and associated action plans;
- from the analysis of these questionnaires and interviews, the primary Group CSR risks and opportunities were identified, as well as updates retained within the framework of the 2023 NFPS. These were treated by theme in the final document. In addition, the Group noted the absence of major changes in the main CSR risks and opportunities compared to fiscal year 2022; and
- the Group has chosen to build its NFPS around four components (labour, environmental, governance and stakeholder relationships), mentioning for each component the primary risks identified and the policies implemented to mitigate them or limit their impact.

3.7 Report of the independent third party on the verification of the consolidated non-financial performance statement

This is a free English translation of the independent third-party's report on the Group's non-financial performance statement, included in the management report, which is provided solely for the convenience of English-speaking readers. This report should be construed in accordance with French law and professional standards applicable in France.

Fiscal year ended December 31, 2023

To the attention of the Shareholders' General Meeting,

In our capacity of independent third-party organization ("third-party"), accredited by Cofrac validation/verification under number 3-2162 (scope available on the website www.cofrac.fr), we conducted our work in order to provide a motivated opinion expressing a moderate level of assurance on the historical information (observed or extrapolated) contained in the consolidated non-financial performance statement prepared in accordance with the entity's procedures (the "Reporting Criteria"), for the fiscal year ended December 31, 2023 (the "Information" and the "Statement" respectively), presented in the Group's management report, in accordance with the requirements provided for in articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French commercial code.

1. Conclusion

3

Based on the procedures we performed, as described in the "Nature and scope of work" section, and on the information we have obtained, nothing has come to our attention that causes us to believe that the consolidated non-financial performance statement is not prepared, in all material respects, in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is presented fairly in accordance with the Reporting Criteria.

2. Preparation of the non-financial performance statement

The absence of a generally accepted and commonly used reference framework or established practices on which to base the assessment and measurement of Information means that different, but acceptable, measurement techniques may be used, which may affect comparability between entities and over time.

Consequently, the Information must be read and understood with reference to the Reporting Criteria whose significant elements are presented in the Statement.

3. Limitations inherent in the preparation of Information

The Information may be subject to uncertainty inherent in the state of scientific or economic knowledge and in the quality of the external data used. Some information is sensitive to the methodological choices, assumptions and/or estimates used in its preparation and presented in the Statement.

4. Responsibility of the entity

It is the role of the management to:

- select or establish appropriate criteria for the preparation of the Information;
- prepare a Statement that complies with legal and regulatory requirements, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied with regard to these risks as well as the results of these policies, including key performance indicators and, in addition, the information required by article 8 of (EU) Regulation 2020/852 (green taxonomy);
- prepare the Statement by applying the entity's Reporting Criteria as mentioned above; and to
- implement the internal control procedures it deems necessary to ensure that the Information is free from material misstatement, whether due to fraud or error.

The Statement has been prepared by the Board of Directors.

5. Responsibility of the independent third party

It is our responsibility, based on our work, to express a reasoned opinion with a moderate level of assurance on:

- the compliance of the Statement with the provisions of article R. 225-105 of the French commercial code;
- the fairness of the historical information (recorded or extrapolated) provided in accordance with the 3rd paragraph of section I and section II of article R. 225-105 of the French commercial code, namely the results of policies, including key performance indicators, and actions relating to the main risks.

As it is our responsibility to form an independent conclusion on the Information as prepared by management, we are not authorised to be involved in the preparation of this Information, as this could compromise our independence.

It is not our responsibility to express an opinion on:

- the entity's compliance with other applicable legal and regulatory requirements (in particular with regard to the information required by article 8 of (EU) Regulation 2020/852 (green taxonomy) and the fight against corruption and tax evasion);
- the sincerity of the information provided for in article 8 of (EU) Regulation 2020/852 (green taxonomy);
- the compliance of products and services with applicable regulations.

6. Regulatory provisions and applicable professional doctrine

The work described below was carried out in accordance with the provisions of Articles A. 225-1 et seq. of the French Commercial Code, which set out the terms and conditions under which the independent third-party organisation carries out its mission, the technical opinion of the Compagnie nationale des commissaires aux comptes, the intervention of the statutory auditors – the intervention of the OTI – the non-financial performance statement and the audit program.

7. Independence and quality control

Our independence is defined by the provisions of Article L. 821-28 of the French Commercial Code and the Code of Ethics of the profession of statutory auditor. In addition, we have implemented a quality control system that includes documented policies and procedures designed to ensure compliance with applicable laws and regulations, ethical rules and the professional doctrine of the *Compagnie Nationale des Commissaires aux Comptes* (CNCC) relating to this activity.

8. Means and resources

Our work involved the skills of 4 people and took place between November 2023 and April 2024 over a total project duration of 8 weeks.

We conducted 6 interviews with the people responsible for preparing the Statement.

9. Nature and scope of work

We planned and performed our work considering the risks of material misstatement of the Information.

We believe that the procedures we have performed in the exercise of our professional judgment enable us to provide a moderate level of assurance:

- we have reviewed the activities of all the entities included in the scope of consolidation and the main risks;
- we have assessed the appropriateness of the Reporting Criteria in terms of relevance, completeness, reliability, neutrality and understandability, considering, where appropriate, best practices in the sector;
- we have verified that the Statement covers each category of information provided for in section III of article L. 225-102-1 of the French Commercial Code with regard to social and environmental issues, human rights and the fight against corruption and tax and includes, where appropriate, an explanation justifying the absence of the information required by the 2nd paragraph of section III of article L. 225-102-1;
- we have verified that the Statement presents the information required by section II of article R. 225-105, where they are relevant to the main risks;
- we have verified that the Statement presents the business model and a description of the main risks of all the companies included in the scope of consolidation, including, where relevant and proportionate, the risks created by business relationships, products or services, as well as policies, actions and results, including key performance indicators on the main risks;

- we have consulted documentary sources and conducted interviews to:
  - assessed the process for selecting and validating the main risks and the consistency of the results, including key performance indicators, with the main risks and policies described in the Statement;
  - corroborate the qualitative information (actions and results) that we considered to be the most important presented in the notes to the financial statements.
- we have verified that the Statement covers the scope of consolidation, i.e., all the companies included in the scope of consolidation in accordance with article L. 233-16 of the French Commercial Code, with the limits specified in the Statement;
- we have examined the internal control and risk management procedures implemented by the entity and we have assessed the data collection aimed at ensuring that the Information is complete and accurate;
- for the key performance indicators and other quantitative results that we considered the most important, we have implemented:
  - analytical procedures consisting in verifying the correct integration of the data collected and the consistency of their evolutions over time;
  - detailed testing on samples or other selection methods, to verify the correct application of definitions and procedures and to reconcile data with supporting documents. This work was carried out at the consolidating entity level and covers 100% of the consolidated data;
- we have assessed the overall consistency of the Statement in regards to our knowledge of all the entities included in the scope of consolidation.

The procedures performed as part of a moderate assurance engagement are less extensive than those required for a reasonable assurance engagement performed in accordance with the professional doctrine of the *Compagnie Nationale des Commissaires aux Comptes*; a higher level of assurance would have required more extensive audit work.

Paris, April 29, 2024

The independent third-party

Aca Nexia

Represented by Sandrine Gimat

Appendix

Key performance indicators and other quantitative or qualitative results considered most important that have been tested in detail:

Quantitative information
Labour
Turnover rate
Number of hires of staff
Number of departures of staff
Average seniority
Number of internally promoted employees
Number of permanent employees with external training action
Number of hours of training
Number of meetings with employee representatives in France
Absenteeism rate
Number of work-related accidents
Percentage of workers with disabilities
Percentage of women in the total workforce
Gender equality index
Environmental
Total CO_2 emissions
CO_2 emissions - Scope 1
CO_2 emissions - Scope 2
CO_2 emissions - Scope 3
Distance traveled by employees (Air) in km
Tones of CO_2 produced in connection with the Group's travel policies
Annual energy consumption per site in kWh (Paris, Bordeaux, London, Berlin)
Governance
Percentage of women on the Executive Committee
Percentage of women on the Board of Directors
Stakeholder relationships
Satisfaction rate among users
Number of penetration tests and vulnerability scans

Qualitative information
Labour
Learning and development plan
Compensation policy and profit-sharing agreements
Organization and work time agreement
Mental health plan
"Work in Confidence" platform
Group policy in terms of parenthood’s support
Diversity and inclusion program
Engagement survey
Gender equality policy
E-learning on DE&I, workshops and talks
Environmental
Group policy regarding energy consumption and data centers
Travel policy
Sustainability mobility package
Group actions regarding hardware recycling
Group policy regarding waste recycling
Governance
Group policies in terms of prevention of conflicts of interests, anti-corruption, anti-money laundering and prevention of tax evasion, and related e-learning programs
Group compliance with economic sanctions regulations
Group actions in favor of human rights
Stakeholder relationships
Group policy in terms of protection of personal data
Group policy in terms of information security
Group policy in terms of subscriber satisfaction
Group policy in terms of relationships with suppliers, subcontractors and partners

4

CORPORATE GOVERNANCE

This Chapter presents the corporate governance of the Company.

4.1 Board of Directors

4.1.1 Rules and principles of corporate governance

4.1.1.1 Corporate governance code

The Company refers to the corporate governance code for listed corporations *(Code de gouvernement d'entreprise des sociétés cotées)*, drawn up jointly by the French employers' associations, AFEP *(Association française des entreprises privées)* and MEDEF *(Mouvement des entreprises de France)* (the "**AFEP-MEDEF Code**"), with reference to the version revised and made public on December 2022.

The AFEP-MEDEF Code, as amended in December 2022, and the related Application Guide of the AFEP-MEDEF Code published on March 2024 *(https://hcge.fr/guide-dapplication-du-code-afep-medef/)* can be consulted at www.afep.com (in French and English for the AFEP-MEDEF Code, and in French for the guidelines).

The Company intends to continuously improve its governance, by complying with the recommendations of the AFEP-MEDEF Code. In particular, the Company will make improvements in the following two areas:

Recommendations of the AFEP-MEDEF Code	Company's practices and justifications
Staggered terms of office for the members of the Board of Directors (Art. 15.2 of the AFEP-MEDEF Code) *"The staggering of terms of office is organized in such a way as to prevent a situation where all terms of office of incumbent members of the Board of Directors would have to be renewed altogether and to promote a harmonious renewal of directors".*	An amendment to the article of association of the Company will be proposed to the shareholders' annual general meeting to be held on June 13, 2024 in order to allow a staggered renewal of Directors' terms of office. Three members of the Board of Directors have yet a different term of office compared to the rest of the members, thereby allowing the Company to comply partially with this recommendation of the AFEP-MEDEF Code. In addition, two other members of the Board of Directors were appointed later, in December 2022 and February 2023, compared to the rest of the members.
Multi-annual strategic guidelines on corporate social responsibility (Art. 5 of the AFEP-MEDEF Code) *"At the proposal of the executive management, the Board of Directors shall establish multi-annual strategic guidelines on corporate social responsibility."*	The Company has assessed its first carbon footprints for 2022 and 2023 fiscal years and will develop in 2024 its strategic guidelines on environmental sustainability. The management team will then work on a multi-annual CSR strategy, which should be approved by the Board of Directors in 2025.

4.1.1.2 Governance structure

4.1.1.2.1 Membership structure of the Board of Directors

The articles of association of the Company provide that the Board of Directors is composed of a number of members comprised between three (3) and eighteen (18), who can be individuals or legal entities and can be selected outside the shareholders.

The members of the Board of Directors are appointed and dismissed by decision of the shareholders' ordinary general meeting.

The term of office of members of the Board of Directors is three (3) years which shall expire at the end of the shareholders' ordinary general meeting called to approve the financial statements for the previous fiscal year. The members of the Board of Directors may be removed by the shareholders' ordinary general meeting.

The Board of Directors appoints a Chair *(Président)* and, where applicable, a Vice-Chair *(Vice-Président)* from amongst its members, (respectively the "**Chair of the Board of Directors**" and the "**Vice-Chair of the Board of Directors**"). The Board of Directors sets the terms of office of the Chair of the Board of Directors and, where applicable, the Vice-Chair of the Board of Directors, that may not exceed their respective term of office as members of the Board of Directors.

In accordance with Article L. 225-51-1 of the French Commercial Code, the general management of the Company is carried out under its responsibility either by the Chair of the Board of Directors or by another individual appointed by the Board of Directors and who takes the title of Chief Executive Officer (the "**Chief Executive Officer**").

The Board of Directors may choose between these two methods of exercising general management at any time and, at least, at each expiry of the term of office of the Chief Executive Officer or the term of office of the Chair of the Board of Directors when the latter also assumes general management of the Company. It informs shareholders and third parties in accordance with regulatory requirements. The decision of the Board of Directors on the choice of the method of exercising general management is taken by a majority of the members present or represented. At its meeting of July 5, 2022, the Board of Directors of the Company decided to split the two functions of Chair of the Board of Directors and Chief Executive Officer.

4.1.1.2.2 Role of the Chair of the Board of Directors and of the Vice-Chair of the Board of Directors

The Chair of the Board of Directors represents the Board of Directors. He/she organizes and directs the work of the Board of Directors and reports thereon to the shareholders' meeting. He/she ensures that the Company's governing bodies function properly and, in particular, that the members of the Board of Directors are able to carry out their duties.

In the event of the absence, incapacity, resignation or dismissal of the Chair of the Board of Directors, the ViceChair of the Board of Directors is called upon to deputize for the Chair of the Board of Directors and shall assume the duties of Chair of the Board of Directors for the duration of the incapacity, or in the other above mentioned cases, until the election of the new Chair of the Board of Directors. In the event of the absence or incapacity of the Chair of the Board of Directors and the ViceChair of the Board of Directors, the Board of Directors shall designate the chair of the meeting.

As of the date of this Universal Registration Document, Iris Knobloch serves as Chair of the Board of Directors and Guillaume d'Hauteville serves as Vice-Chair of the Board of Directors, both since January 1, 2023.

4.1.1.2.3 Role of the Chief Executive Officer

The Chief Executive Officer is vested with the broadest powers to act on behalf of the Company in all circumstances. He/she exercises these powers within the limits of the corporate purpose, and subject to the powers expressly attributed by law to the shareholders' meeting and the Board of Directors.

He/she represents the Company in its dealings with third parties. The Company is bound even by acts of the Chief Executive Officer that do not fall within its corporate purpose, unless it proves that the third party knew that the act in question exceeded such corporate purpose or that such third party could not have been unaware of it in the circumstances, it being specified that publication of the articles of association of the Company alone is not sufficient to constitute such proof.

In accordance with the provisions of Articles L. 225-149 and L. 232-20 of the French Commercial Code, the Chief Executive Officer is authorized to update the Company's articles of association, upon delegation by the Board of Directors, following a capital increase resulting from the issue of securities or the payment of a dividend in shares.

The Chief Executive Officer may be dismissed at any time by the Board of Directors.

As of the date of this Universal Registration Document, Stuart Bergen serves as interim Chief Executive Officer *(Directeur général)*.

4.1.1.2.4 Role of the Deputy Chief Executive Officer *(Directeur Général Délégué)*

On the proposal of the Chief Executive Officer, whether this function is performed by the Chair or by another person, the Board of Directors may appoint one or more individuals to assist the Chief Executive Officer with the title of Deputy Chief Executive Officer. According to the Company's articles of association, the maximum number of Deputy Chief Executive Officers is set at five (5).

In agreement with the Chief Executive Officer, the Board of Directors determines the scope and duration of the powers granted to the Deputy Chief Executive Officers and determines their compensation. However, when a Deputy Chief Executive Officer is a member of the Board of Directors, his/her term of office as Deputy Chief Executive Officer may not exceed his/her term of office as member of the Board of Directors.

With respect to third parties, the Deputy Chief Executive Officers have the same powers than the Chief Executive Officer.

The Deputy Chief Executive Officers may be dismissed at any time by the Board of Directors.

As of the date of this Universal Registration Document, it is not contemplated that a Deputy Chief Executive Officer of the Company will be appointed.

4.1.1.2.5 Gender balance

Pursuant to Articles L. 22-10-3 and L. 225-18-1 of the French Commercial Code, the Board of Directors must be comprised of a minimum of forty per cent (40%) of members of each gender.

As of the date of this Universal Registration Document, five out of the ten members of the Board of Directors are men and five out of the ten members of the Board of Directors are women, hence ensuring the compliance by the Company with the abovementioned legal requirements.

Upon each appointment or renewal of one or several of its members, the Board of Directors, based on the recommendations of the Nomination and Remuneration Committee, will proceed with the review of the profiles of potential candidates to ensure a continued compliance with the abovementioned legal requirements.

4.1.1.2.6 Diversity policy within the Board of Directors

On February 28, 2024, the Board of Directors, on the basis of recommendations issued by the Nomination and Remuneration Committee, met to review the composition of the Board and approve the implementation of its diversity policy.

In accordance with its internal regulations, the Board of Directors examines the desirable balance of its composition and that of its committees, particularly in terms of diversity (representation of women and men, nationalities, age, qualifications and professional experience).

In this context, the Board carefully analyzed its composition and that of its committees with regard to these elements:

- **age:** the age of directors over the past financial year was between 51 and 64 years old, with an average of 59 years. The Board considered that this average age was satisfactory and remains quite far from the statutory average age;
- **gender equality:** the Board of Directors is composed of five women directors out of the ten directors to be taken into account, thus representing 50% of women on the Board of Directors. The Board considered this percentage to be satisfactory and remains vigilant in maintaining a rate above the legal ratio of 40%;
- **diversity of skills:** the directors of the Company come from different backgrounds and have various experience and skills, thus reflecting the targets of the Board of Directors. The presentation of the biography of each director in this chapter provides a better understanding of this diversity and complementarity of experience. The Board considered that the diversity of the profiles of the directors was excellent;
- **nationalities:** as of the date of this Universal Registration Document, six out of ten directors are of foreign nationality, representing a great diversity in the Board of Directors;
- **independence of directors:** the Board of Directors assessed the independence of the directors with regard to the criteria recommended by the AFEP-MEDEF Code and considered that five of the ten members of the Board of Directors are independent (*i.e.*, Mrs. Valérie Accary, Mrs. Ingrid Bojner, Mrs. Sophie Guieysse, Mrs. Mari Thjømøe and Mr. Mark Simonian), representing 50% of independent directors on the Board of Directors.

4.1.2 Composition of the Board Directors

4.1.2.1 List of the members of the Board of Directors

As of the date of this Universal Registration Document, the Board of Directors is comprised of the following ten members.

Name	Age	Gender	Natio-nality	Number of shares held[1]	Number of positions held in listed companies outside the Group	Position	Independ. status	Date of appointment	End of term	Committee member
Iris Knobloch[2]	61	F		2,226,366[3]	2	Chair Member	No	June 22, 2021	AGM 2024	-
Guillaume d'Hauteville	60	M		387,778	-	Vice-Chair Member	No	June 30, 2022	AGM 2025	
Stuart Bergen	57	M		1,000	-	Member Chief Executive Officer	No	February 28, 2023[8]	AGM 2025	-
Combat Holding[4] (Matthieu Pigasse)	55	M		2,291,666[5]	2	Member	No	June 22, 2021	AGM 2024	-
Hans-Holger Albrecht	60	M		0[6]	3	Member	No	June 30, 2022	AGM 2025	-
Sophie Guieysse	61	F		1000	1	Member	Yes	June 30, 2022	AGM 2025	*
Valérie Accary	58	F		200	-	Member	Yes	June 30, 2022	AGM 2025	
Mari Thjømøe	61	F		3,200[7]	2	Member	Yes	June 30, 2022	AGM 2025	*
Ingrid Bojner	51	F		1,000	2	Member	Yes	December 13, 2022[8]	AGM 2025	
Mark Simonian[4]	64	M		200	-	Member	Yes	December 13, 2022[8]	AGM 2024	

(1) On a non-diluted basis.

(2) It is contemplated to propose to the shareholders' annual general meeting to be held on June 13, 2024 to renew the term of office of Iris Knobloch as director. Subject to the approval of the shareholders' annual general meeting of such renewal, the Board of Directors intends to renew Iris Knobloch's term of office as Chair of the Board of Directors for the duration of her office as director.

(3) Including the Ordinary Shares, Class A2 Shares and Class A3 Shares held through SaCh27 SAS.

(4) It is contemplated to propose to the shareholders' annual general meeting to be held on June 13, 2024 to renew their term of office.

(5) Including the Ordinary Shares, Class A2 Shares and Class A3 Shares.

(6) Hans-Holger Albrecht will be entitled to acquire 492,425 Ordinary Shares through the final acquisition of free shares at the end of a five-year extension period ending on April 5, 2028 unless he decides to waive this extension, and to subscribe up to 1,570,875 Ordinary Shares through the exercise of stock options.

(7) Including shareholding held through Thjømøekranen AS.

(8) Appointments as ratified by the shareholders' annual general meeting dated May 31, 2023.

Means the Nomination and Remuneration Committee. Means the Audit Committee. * Means Chair of the relevant committee.

Change in membership of the Board of Directors and its committees during the 2023 fiscal year:

	Departures	Appointments/Cooptations	Renewals
Board of Directors	February 28, 2023: • Amanda Cameron	February 28, 2023: • Stuart Bergen	N/A
Audit Committee	March 22, 2023 • Combat Holding (Matthieu Pigasse)	October 26, 2023: • Ingrid Bojner	N/A
Nomination and Remuneration Committee	March 22, 2023 • Iris Knobloch	N/A	N/A

The business address of the directors is 24, rue de Calais – 75009 Paris.

4.1.2.2 Independence of the members of the Board of Directors

The criteria for determining the independence of the members of the Board of Directors are set out in the Company's internal rules as adopted by the Board of Directors. These criteria, which comply with the AFEP-MEDEF Code, are as follows:

"A member of the Board of Directors is independent when he/she/it has no relationship of any kind whatsoever with the Company, the Group or the management thereof which may color their judgment. The criteria for a member to qualify as independent are as follows:

1. not to be and not to have been during the course of the previous five years:
   - an employee or executive corporate officer *(dirigeant mandataire social exécutif)* of the Company,
   - an employee, executive corporate officer or director of a company belonging to the Group;
2. not to be an executive corporate officer of a company in which the Company holds a directorship, directly or indirectly, or in which an employee designated as such or an executive corporate officer of the Company (currently in office or having held such office during the last five years) is a director;
3. not to be a customer, supplier, commercial banker or investment banker (or be linked directly or indirectly to any of them):
   - that is material to the Company or the Group, or
   - of which the Company or its Group represents a significant part of his/her/its business;
4. not to be related by close family ties to a Company's corporate officer *(mandataire social)*;
5. not to have been a statutory auditor of the Company within the previous five years;
6. not to have been a director of the Company for more than 12 years.

Members of the Board of Directors representing shareholders who do not have a controlling interest in the Company are considered independent directors. However, if a member of the Board of Directors represents a shareholder holding more than 10% of the share capital or voting rights, the Board of Directors determines whether that member is an "independent director," based on the written opinion of the Nomination and Remuneration Committee. This opinion takes into account (i) the composition of the Company's share capital and (ii) the existence of a potential conflict of interest."

Based on the above, and on the criteria set forth by the AFEP-MEDEF Code to assess independence, the Board of Directors of the Company believes that five of the ten members of the Board of Directors are independent and free from relationships or circumstances which are likely to affect, or could appear to affect, their judgment.

Situation of each member of the Board of Directors regarding the independence criteria defined by the AFEP-MEDEF Code

Member	Not an employee or executive officer	No cross directorship	No significant business relationship	No family ties	Not an auditor	Term has not exceeded 12 years	Does not represent a major shareholder	Independent member
Iris Knobloch	●*	●	●	●	●	●	○	○
Guillaume d'Hauteville	●	●	●	●	●	●	○	○
Stuart Bergen	○	●	●	●	●	●	●	○
Combat Holding (Matthieu Pigasse)	●	●	●	●	●	●	○	○
Hans-Holger Albrecht	○	●	●	●	●	●	○	○
Sophie Guieysse	●	●	●	●	●	●	●	●
Valérie Accary	●	●	●	●	●	●	●	●
Mari Thjømøe	●	●	●	●	●	●	●	●
Ingrid Bojner	●	●	●	●	●	●	●	●
Mark Simonian	●	●	●	●	●	●	●	●

● When the independence criterion is met.

○ When the independence criterion is not met.

* Iris Knobloch served as the Chief Executive Officer and Chair of the Board of Directors of I2PO S.A. before its Merger with Deezer S.A.

4.1.2.3 Biographies of the members of the Board of Directors

Iris Knobloch

Chair of the Board of Directors

German Citizen

Expertise and Experience

Iris Knobloch is the President of the Cannes Film Festival, Vice Chairman and Lead Independent Director of the Board of Directors of AccorHotels, a member of the Board of Directors of Lazard Bank, and a member of the Board of Directors of Vail Resorts. She is Governor of the American Hospital in Paris.

She spent 25 years in Senior Leadership positions at Warner Bros., Time Warner and Warner Media, most recently as President of WarnerMedia France, Germany, Benelux, Austria and Switzerland. She was previously President of Warner Bros. Entertainment France beginning in 2006. Prior to that, Iris served as Senior Vice-President of Time Warner, in charge of International Relations and Strategic Policy, Europe, and since 1996 has worked in several positions including General Counsel for WB Europe, out of Warner Bros.' offices in Los Angeles, London and Paris. Prior to working with Warner Bros., Iris Knobloch was an attorney with Norr, Stiefenhofer & Lutz and O'Melveny & Myers in Munich, New York and Los Angeles.

Iris Knobloch is trilingual in English, German and French. She received a J.D. degree from Ludwig-Maximilians-Universitaet in Munich, Germany in 1987 and an L.L.M. degree from New York University in 1992. She is licensed to practice law in Germany, New York and California.

She was previously a member of the Boards of LVMH, the Axel Springer Group and CME Central European Media Enterprises. In 2008, she was named *Chevalier de la Légion d'Honneur*.

Positions currently held (in France)
- Vice-President and lead independent director of the Board of Directors of AccorHotels
- President of SaCh27

Positions currently held (outside France)
- Member of the Board of Directors of Lazard Bank
- Member of the Board of Directors of Vail Resorts

Positions previously held (in France) during the past five years
- President, Warner Bros. Entertainment France
- President and Country manager, WarnerMedia France, Germany, the Benelux, Austria and Switzerland
- Board member of LVMH

Positions previously held (outside France) during the past five years
- Board Member of Axel Springer
- Board member of CME

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Guillaume d'Hauteville

Vice-Chair of the Board of Directors

French Citizen

Expertise and Experience

Guillaume d'Hauteville is Executive Vice-President, Europe of Access Industries and serves notably as Vice-Chair of the Board of Directors of Deezer and as director of DAZN Group Limited. He is also the President of STT Properties.

Before joining Access Industries in 2011, Guillaume d'Hauteville has previously worked in Investment Banking for more than 25 years. Guillaume d'Hauteville was Vice Chair of Nomura International and served as Chair and CEO of Banque Lehman Brothers France. He was also a Managing Director of Lehman Brothers Inc. in charge of French investment banking before becoming Vice Chair of Lehman Brothers International. During his career in banking, Guillaume has advised on many transactions in corporate finance, M&A and capital issuances. He has worked in New York, London and Paris.

Guillaume d'Hauteville has also been the Treasurer and General Secretary of the Fondation Hôpital Foch, member of HEC Advisory Board and Board Member of AROP (Opéra de Paris).

Guillaume d'Hauteville graduated from HEC and holds an M.B.A. from Harvard Business School.

Positions currently held (in France)

None.

Positions currently held (outside France)
- Executive Vice-President, Europe of Access Industries, Inc.
- President of STT Properties
- Director of DAZN Group Limited

Positions previously held (in France) during the past five years

None.

Positions previously held (outside France) during the past five years
- Chair of the Board of Directors of AINMT Group ASA

Stuart Bergen

Member of the Board of Directors and interim Chief Executive Officer

American Citizen

Expertise and Experience

Stuart Bergen has been the interim Chief Executive Officer of the Company since April 1, 2024.

Stuart Bergen is a music industry veteran, having held key leadership positions with multiple record labels in the past three decades, including Warner Music for over 14 years.

Most recently he oversaw Warner Music Group's International Recorded Music operations outside the US and UK as CEO, International and Global Commercial Services. He also managed WEA, WMG's Artist & Label Services division, which includes consumer brands such as EMP, HipHopDX, Songkick and UPROXX. Prior to this, he served as Warner Music Group's President, International, Recorded Music, and before that, he was Executive Vice President, International & Head of Global Marketing.

Before joining WMG, Stuart held key positions at several major record labels, including serving as EVP of Rock Music for Columbia Records, EVP of Island Records, and VP of Promotion for Epic Records. Stuart began his music industry career in 1988 at TVT Records, after which he became Director Promotion at Relativity Records.

Stuart holds a BA degree from Princeton University.

Positions currently held (in France)

- CEO of Deezer S.A.

Positions currently held (outside France)

- Advisory board member of Jukebox
- President and Sole Director of Deezer Inc.
- Director and Chair of Driift Holding Ltd

Positions previously held (in France) during the past five years

None.

Positions previously held (outside France) during the past five years

- CEO of International and Global Commercial Services Warner Music

Combat Holding represented by Matthieu Pigasse

Member of the Board of Directors

French Citizen

Expertise and Experience

Matthieu Pigasse, who is currently Partner at Centerview, in charge of France and Continental Europe, previously served as Global Head of Mergers & Acquisitions and Sovereign Advisory of Lazard Group and CEO of Lazard France, has developed a strong financial expertise and worked on the largest recent M&A transactions worldwide and on the largest sovereign debt restructurings including Argentina, Iraq, Greece and Ukraine. During his career, Matthieu advised a large number of clients active in the digital space.

Moreover, Matthieu Pigasse is also the Chair *(Président)* of Combat Media, of which he owns 99.89% of the share capital. Through his personal investments, he developed a deep understanding of the media sector. In 2009, he purchased the weekly magazine *Les Inrockuptibles* of which he is chair of the Board of Directors. Along with Pierre Bergé and Xavier Niel, Matthieu Pigasse became co-owner of Le Monde Group (which controls the daily newspaper, its digital editions, and various magazines) in 2010 and of the French weekly magazine L'Obs in 2014. In 2012, he launched the French edition of the "Huffington Post" website. In 2015, he acquired Radio Nova. He is also a controlling shareholder of music festivals, like *Rock en Seine*, and of the independent record store Rough Trade.

Matthieu Pigasse is one of the founders and one of the main shareholders of the first two SPACs created in France with Mediawan and 2MX Organic.

Matthieu Pigasse started his career as the financial and industrial advisor to the French Minister of Economy and Finance, Dominique Strauss-Kahn, from 1997 to 1999, before joining, one year later, Laurent Fabius' cabinet, then Minister of Economy and Finance, as Chief of Staff. As former Chief of Staff of the French Minister of Economy and Finance, Matthieu Pigasse has an intimate knowledge of the public sector as well as the European regulations. He graduated from *École Nationale d'Administration*.

Positions currently held (in France)

- Member of the Board of Directors of TERACT S.A.
- Member of the Supervisory Board of Mediawan S.A.S.
- Chair of the Board of Directors of Combat Media S.A.S.
- President of Combat Holding S.A.S.U.
- Chair of the Board of Directors of Radio Nova SARL
- Member of the Board of Directors of Groupe Derichebourg S.A.
- Member of the Supervisory Board of Société Editrice du Monde S.A.
- Member of the Supervisory Board of *Le Nouvel Observateur*
- Member of the Board of Directors of ETX Studio S.A.

Positions currently held (outside France)

None.

Positions previously held (in France) during the past five years

- Chief Executive Officer of Lazard France
- Vice-President of the Management Board of Lazard Group
- Vice-President of the Management Board of Lazard Afrique
- Director of Groupe Lucien Barrière
- Chair of the Board of Directors of Les Editions Numériques S.A.S.
- President of Ysatis S.A.S.

Positions previously held (outside France) during the past five years

- Director of BskyB Group

Hans-Holger Albrecht

Member of the Board of Directors

German Citizen

Expertise and Experience

Hans-Holger served as the CEO and Member of the Board of Directors of Deezer between 2015 and 2021.

Prior to joining Deezer, Hans-Holger worked at Millicom where he was President and CEO of the international telecom and media group. Before joining Millicom, Hans-Holger was the President and CEO of Modern Times Group, one of Europe's largest media groups with TV, radio, publishing, production and new media assets and 1,500 employees in over 20 countries. He has also worked for RTL Group in Luxembourg and served as Non-Executive Board Director for VEON.

He is currently serving as Chairman of the Board for Scout24 Group and Chairman of the Board for Storytel.

Hans-Holger holds a Doctorate from the Ruhr-University of Bochum in Germany and a Master of Law from the University of Freiburg in Germany.

Positions currently held (in France)

None.

Positions currently held (outside France)

- Chair of the Board of Directors of Storytel AB
- Chair of the Supervisory Board for Scout24 AG
- Senior Advisor, EQT, Sweden
- Chair of the Board of Directors of Superbet Group

Positions previously held (in France) during the past five years

- CEO of Deezer

Positions previously held (outside France) during the past five years

- Non-Executive Board Director of VEON Ltd
- Chair of the Digital & Innovation Committee of VEON Ltd
- President and Member of the Board of Deezer Inc.
- Non-Executive Board Director of AINMT Group ASA
- Chairman of the Board at Ice Group ASA, Norway
- Member of the Digital Expert Board of PostBank, Deutsche Bank AG

Sophie Guieysse

Member of the Board of Directors

French Citizen

Expertise and Experience

Sophie is an engineer by education having graduated from the Ecole Polytechnique and the *École Nationale des Ponts et Chaussées* and holds an MBA from the College of Engineers.

After a first part of her career dedicated to urban development and public infrastructure within the Ministry of Public Works and ministerial cabinets, Sophie has been Director of Human Resources in several large French and international companies such as LVMH, CANAL+ and Richemont.

Sophie has also extensive experience as Board member and other specialized committees. Over the past ten years, she has been member of the Boards of GO Sport, Rallye Group, TVN (Poland), Compagnie Financière Richemont (Switzerland), and Maisons du Monde. She is currently member of the Board of Directors of ABC Arbitrage and Deezer.

She is also member of the Remuneration Committees of the Paris 2024 Olympic Games.

Positions currently held (in France)

- Managing Director of VAXE S.A.S.
- Member of the Board of Directors of ABC Arbitrage S.A.
- Member of the Supervisory Board of Promod S.A.S.

Positions currently held (outside France)

None.

Positions previously held (in France) during the past five years

- Member of the Board of Directors of Maisons du Monde S.A.

Positions previously held (outside France) during the past five years

- Executive Board member of Compagnie Financière Richemont S.A.

Valérie Accary

Member of the Board of Directors

French Citizen

Expertise and Experience

After graduating from ESSEC business school, Valérie entered the advertising industry because it uniquely joined business/brand strategic thinking and creativity. She became a leader in France and a global leader.

After 5 years as MD of CLM BBDO in France, she moved to London and became MD of BBDO EMEA in charge of multinational clients and new business. She led many clients targeting youth, in particular PepsiCo brands at the global level.

As the CEO of BBDO in France for 15 years, she transformed the French agency into an international agency based in Paris. Her three key obsessions have been to recruit and manage a talented multicultural team, to reach global standard creative excellence, and to achieve strong financial results.

More recently the COVID-19 pandemic and her entrepreneurial spirit encouraged her to co-found, in 2021, the non-profit organisation *Les MétamorFoses - Sublimer les imperfections* dedicated to artistic upcycling.

Positions currently held (in France)
- Independent Member of the Board of Directors of Banque Populaire Rives de Paris
- Independent Member of the Board of the Banque Populaire Rives de Paris Foundation
- Founder and Chair of SAS Maison Orfose

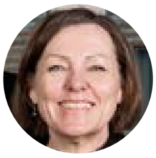
Positions currently held (outside France)

None.

Positions previously held (in France) during the past five years
- Independent Member of the Board of Directors of Holder S.A.S.
- Chair of the Board of Directors and Chief Executive Officer of BBDO S.A.S.

Positions previously held (outside France) during the past five years
- Board Member of BBDO Worldwide

Mari Thjømøe



Member of the Board of Directors

Norwegian Citizen

Expertise and Experience

Mari is an independent non-executive director of Deezer and serves at the Board in a number of large Scandinavian companies. She is Norwegian and amongst others, serves at the Board of the Danish insurance giant Tryg, the renewable energy producer Hafslund, and the Pan-Nordic Engineering firm Norconsult ASA.

Mari holds a MSc in Economy and Business Administration from Norwegian School of Management (BI) and American Graduate School of International business, is a Chartered Financial Analyst (CFA) from Norwegian School of Economics and Business Administration (NHH), and has taken the Senior Executive Program at London Business School and Making Corporate Boards More Effective at Harvard Business School.

Mari has extensive senior management and CFO experience from leading Norwegian companies. As an independent Board member, she is engaged in developing sustainable businesses and good governance. She runs a consultancy and is a non-executive director and Head of the Audit Committee in several companies.

Mari headed the Norwegian IR associations for ten years and has won the Women's Board Award for Norway.

Positions currently held (in France)

None.

Positions currently held (outside France)
- Chair of the Board of Directors of Thjømøekranen AS
- Chair of the Board of Directors of Seilsport Maritimt Forlag AS
- Member of the Board of Directors of Tryg A/S & Tryg Forsikring A/S
- Member of the Board of Directors of Hafslund Eco AS
- Vice-Chair of the Board of Directors of Norconsult ASA and Norconsult Norge AS
- Member of the Board of Directors of FCG Fonder AB
- Member of the Board of Directors of SINTEF Eiendom Holding AS
- Member of the Board of Directors of Varme & Bad AS

Positions previously held (in France) during the past five years

None.

Positions previously held (outside France) during the past five years
- Chair of the Board of Directors of Billington Process Technology AS
- Member of the Board of Directors of ICE ASA
- Member of the Board of Directors of Scatec ASA
- Member of the Board of Directors of TF Bank AB

Ingrid Bojner

Member of the Board of Directors

Swedish Citizen

Expertise and Experience

Ingrid Bojner currently acts as an angel investor, professional Board member and business advisor.

Between 2018 and 2023, she was part of the global management team of Storytel, an audiobook and e-book streaming services traded on the Swedish stock exchange, first as CCO – Chief Commercial Officer and during 2022 as acting CEO turning the Company back to positive cash flow and earnings.

From 2013 to 2015, she served as Deputy Chief Executive Officer and Head of Communication, Brand & Strategy at the Stockholm School of Economics, responsible for strategy and transformation process. From 2010 to 2013, she was Vice-President and Head of Sales at Swedish telecom operator Telia Company, in charge of the Nordic and Baltic region. From 1998 to 2010, she served as Associate Principal at global management consulting firm McKinsey & Company, advising clients across diversified industries such as media & entertainment, financial services, retail and real estate.

She holds a MSc in Management & Financial Accounting from the Stockholm School of Economics.

Positions currently held (in France)

None.

Positions currently held (outside France)

- Board member of Carnegie Investment Bank AB
- Chair of the Board of Directors of New Republic P.A.
- Board member of Falck Group A/S
- Board member of Apoteket AB

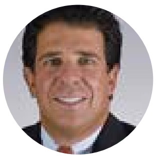
Positions previously held (in France) during the past five years

None.

Positions previously held (outside France) during the past five years

- CEO of Storytel AB
- CCO of Storytel AB
- Chair of the Board of Directors of Bambuser AB
- Board member of Movestic Llivförsäkring AB

Mark Simonian



Member of the Board of Directors

American Citizen

Expertise and Experience

Mark Simonian currently serves as an Advisory Director to Sentilink, Senior Executive Advisor to GI Partners Acquisitions and partner in Clara Vista Investment Partners.

Mark spent 35 years as an investment banker focused on the telecom, media and technology sectors, retiring as chair of Global TMT Investment Banking at Credit Suisse in August 2021. From 2010 to 2018, he served as global co-head of the TMT Group at Credit Suisse, with management responsibility for *c.* 150 professionals worldwide generating on average over US$1 billion in revenue for the firm annually. His client work extended across the TMT space and geographies and included transactions in the media, entertainment, wireless, data center and technology sectors amongst others.

From 1997 to 2010, Mark worked at Citigroup *via* Salomon Brothers, where he served as vice chair and co-head of Global TMT. From 1994 to 1997, he was also one of four principals in ECE Management Group that partnered with Goldman Sachs Capital Partners to acquire Diamond Cable Communications PLC, at the time the UK's fifth largest cable television company. Prior to that, he served as director in the Communications Group at First Boston.

Mark holds an M.B.A. from Harvard Business School and a B.A. from Stanford University.

Positions currently held (in France)

None.

Positions currently held (outside France)

- Advisory Director of Sentilink
- Senior Advisory Director of GI Partners Acquisitions
- Partner of Clara Vista Investment Partners

Positions previously held (in France) during the past five years

None.

Positions previously held (outside France) during the past five years

- Managing Director of Crédit Suisse
- Global Merchant Banking Partner of Consello Group

4.1.3 Preparation and organization of the work of the Board of Directors

4.1.3.1 Role and duties of the Board

The Board performs the duties and exercises the powers conferred on it by law, the Company's articles of association and the internal rules of the Board.

The Board of Directors determines the orientations of the Company's business and ensures their implementation. Subject to the powers expressly attributed by law to the shareholders' meeting and within the limits of the Company's purpose, it deals with all matters concerning the proper operation of the Company and settles, through its deliberations, matters that concern it.

In particular, the Board of Directors is entrusted with the following duties:

- drawing up the financial statements and the annual management report;
- determining all strategic orientations of the Company's activities and oversee their implementation. It endeavors to promote long-term value creation by the Company. Subject to the powers expressly attributed to the shareholders' meeting and within the limits of the Company's purpose, it deals with any question concerning the proper operation of the Company and settles, through its deliberations, matters that concern it;
- oversee the senior management in the competent and ethical operation of the Company;
- opt for the mode of governance that it deems appropriate from time to time (dissociation or unicity of the functions of Chairman of the Board of Directors and Chief Executive Officer);
- appoint and dismiss the Chairman and Vice-Chairman of the Board of Directors, the Chief Executive Officer and any Deputy Chief Executive Officer and set their respective compensation;
- authorize the related-party agreements and undertakings referred to in Article L. 225-38 of the French Commercial Code; and
- recommend the appointment of the statutory auditors to the shareholders' meeting.

Pursuant to the provisions of Article L. 225-35, paragraph 4 of the French Commercial Code, the Board of Directors must also approve in advance any security *(caution)*, endorsement *(aval)* and guarantee proposed to be granted by the Company.

4.1.3.2 Preparation and organization of Board meetings

In accordance with the Board of Directors' internal rules and the Company's articles of association, the Board of Directors meets as often as required at the discretion of the Chair of the Board or upon request of a majority of the directors in office or, if no Board meeting has been held for more than two (2) months, upon request of at least 1/3 of the directors in office. Directors may participate in meetings by video conference or telecommunication. The Board of Directors may also appoint a secretary, chosen from among the directors or not. The Board of Directors shall validly deliberate only if at least half of the members are present. Decisions are taken by a majority of members present or represented. In the event of a tie vote, the Chair of the Board, or the Chair of the meeting in its absence, shall cast the deciding vote.

Furthermore, the Board of Directors' internal rules provide that, at least once a year, the Board shall meet, without any of the executive corporate officers attending.

Finally, in accordance with the Board of Directors' Internal rules, once a year, the Board of Directors shall review its and its committees' operating methods and, at least once every three years, it shall carry out a formal evaluation with the assistance of an external consultant, if necessary. In that respect, the Board of Directors reviewed its operating methods on March 13, 2024 based on a detailed questionnaire answered by the Directors – whose purpose was (i) to check that important issues are properly prepared and discussed and (ii) to measure the contribution of each member to the work of the Board of Directors, particularly in terms of his or her competence and involvement. A positive picture emerges from the results of the questionnaires and discussions as a whole. Various proposals were examined in response to the conclusions of the self-assessment and the following recommendations, already in the process of being implemented, were issued:

- updating and reviewing the strategy and business development topics in line with the appointment of the interim Chief Executive Officer and the future Chief Executive Officer; and
- ensuring that a synthesis of all strategic initiatives, key topics with understood priorities and decisions matters are sent prior to the meetings in addition to the long-form presentations.

4.1.3.3 Information on the work of the Board during the past fiscal year

During the fiscal year ended December 31, 2023, the Board of Directors of the Company met nine times. The attendance rate of members was 95%. The Board met notably to discuss the following topics:

- review and approval of the statutory and consolidated financial statements for the year ended December 31, 2022, review and approval of the half-year consolidated results for the six-month period ended on June 30, 2023;
- approval of the Company's budget for 2024;
- review of the independence of directors;
- M&A strategy;
- cooptation of a new director;
- appointment of a new member of the Audit Committee;
- self-assessment of the Board performance;
- approval of the performance conditions for the variable component of the Chief Executive Officer's compensation; and
- approval of long-term incentive plans.

In addition, five execution sessions, bringing together the directors without the Chief Executive Officer, were held in 2023.

4.1.4 Committees of the Board of Directors

Pursuant to the articles of association of the Company and its internal rules, the Board of Directors may decide to create permanent or temporary committees of the Board of Directors, setting their composition, attributions and, if applicable, the compensation of its members. Such committees are in charge of reviewing matters submitted by the Board of Directors or the Chair or Vice-Chair of the Board of Directors on a consultative basis. Such committees exercise their activity under the responsibility of the Board of Directors.

The following two permanent committees have been created by the Board of Directors and are functional:

- the Audit Committee *(Comité d'Audit)*; and
- the Nomination and Remuneration Committee *(Comité des Nominations et des Rémunérations)*.

4.1.4.1 Audit Committee

As of the date of this Universal Registration Document, the Audit Committee is composed of the three following independent members of the Board of Directors: Mari Thjømøe (Chair of the Audit Committee), Mark Simonian and Ingrid Bojner (the latter who was appointed on October 26, 2023).

The composition of the Audit Committee meets the requirements of the AFEP-MEDEF Code regarding the two-third proportion of independent members and the exclusion of any executive directors. The Audit Committee is chaired by Mari Thjømøe (independent), it being specified that the appointment or renewal of the Chair of the Audit Committee, proposed by the Nomination and Remuneration Committee among the independent members of the Board of Directors, shall be subject to a specific review by the Board of Directors. The term of office of the Audit Committee's members may not exceed that of their office as members of the Board of Directors.

In accordance with the applicable legal provisions, the members of the Audit Committee possess finance and accounting expertise.

The Audit Committee is in charge of (i) monitoring matters relating to the preparation and the review and control of Company's accounting and financial information and (ii) ensuring the effectiveness of the Company's internal control system.

The Audit Committee shall be responsible for, in particular:

- following up on the preparation of financial information and financial communication and, in particular, ensuring the relevance and consistency of the accounting principles applied when establishing financial statements;
- following up on the effectiveness of internal control and risk management systems; and, where applicable, of the internal audit of the procedures relating to the preparation and processing of financial and extra-financial accounting information;
- reviewing the major risks and off-balance-sheet commitments, assessing the significance of any deficiencies or weaknesses of which it has been notified in that respect and informing the Board of Directors accordingly if necessary;
- following up the work program of the Company's statutory auditors and, more generally, supervising the audit of the statutory and consolidated financial statements by the Company's statutory auditors;
- reviewing the independence of the Company's statutory auditors;
- assisting with the selection, appointment and/or renewal process of the Company's statutory auditors and submitting the result of this selection to the Board of Directors;
- reviewing and monitoring the Company's systems and procedures in place to ensure the dissemination and implementation of policies and rules of good practice in areas of ethics, competition, fraud and corruption and, more generally, compliance with applicable regulations;
- following up on the preparation of ESG reporting; and
- more generally, providing any advice and making any appropriate recommendations in relation with the above matters.

4

During the fiscal year ended December 31, 2023, there were five formal meetings of the Audit Committee. The attendance rate of members was 100%. The Audit Committee met to discuss the following topics, in order to formulate opinions and recommendations to the Board of Directors:

- reviewing the statutory and consolidated financial statements for the year ended December 31, 2022, review of the half-year consolidated results for the six-month period ended on June 30, 2023;
- reviewing the financial reports;
- reviewing the accounting and financial documents for the first half and third quarter of 2023;
- preparing the closing of the fiscal year 2023 and presentation of the scope of work and key focus area of the Company's statutory auditors;
- reviewing the internal control;
- reviewing the Company's updated ABC compliance program; and
- reviewing the Company's carbon footprint results for fiscal year 2022.

In addition, an execution session, bringing together the members of the Audit Committee without the executive officers, was held on March 21, 2023.

4.1.4.2 Nomination and Remuneration Committee

As of the date of this Universal Registration Document, the Nomination and Remuneration Committee is composed of three members appointed from among the members of the Board of Directors of the Company, namely, Sophie Guieysse (Chair of the Nomination and Remuneration Committee), Valérie Accary and Guillaume d'Hauteville.

The composition of the Nomination and Remuneration Committee meets the requirements of the AFEP-MEDEF Code regarding the majority proportion of independent members and the exclusion of any executive directors. The Nomination and Remuneration Committee is chaired by Sophie Guieysse (independent).

The term of office of the Nomination and Remuneration Committee's members may not exceed that of their office as members of the Board of Directors.

The Nomination and Remuneration Committee shall be responsible for, in particular:

- appointment matters:
  - providing the Board of Directors with substantiated recommendations on the composition of the Board of Directors and its respective committees;
  - preparing a list of persons whose appointment as a member of the Board of Directors or observer, as the case may be, may be recommended;
  - preparing a list of members of the Board of Directors whose appointment to a committee of the Board of Directors may be recommended;
  - on an annual basis, submitting to the Board of Directors a list of its members who qualify as independent members in accordance with the criteria set by the AFEP-MEDEF Code;
  - preparing a succession plan for the Company's corporate officers *(mandataires sociaux);* and
  - providing the Board of Directors with substantiated recommendations on the recruitment of any executive employees *(salariés dirigeants non mandataires sociaux)*;
- compensation matters:
  - reviewing the compensation policy as well as the main objectives suggested by the Company's management and formulate recommendations and proposals for the Board of Directors with regard to the compensation of executive and non-executive corporate officers *(mandataires sociaux dirigeants ou non)* and executive employees *(salariés dirigeants non mandataires sociaux)* of the Company including, as the case may be, any fixed and/or variable compensation, grant of stock options, allocation of free shares, retirement and pension schemes, severance pays, non-compete indemnities, benefits in kind or special benefits and any other potential element of direct and indirect compensation of such persons;
  - formulating recommendations and proposals for the Board of Directors with regard to any grant of incentive instruments (such as free shares and stock-options) to the benefit of employees of the Group;
  - reviewing the total amount of compensation of the Board members (including the Chair and Vice-Chair of the Board of Directors) and the rules of allocation thereof among them, as well as the conditions for reimbursing any expenses incurred by the members of the Board of Directors; and
  - preparing any other recommendations or reports that may be requested by the Board of Directors with respect to compensation.

Generally speaking, the Nomination and Remuneration Committee provides advice and makes appropriate recommendations in the areas mentioned above.

During the fiscal year ended December 31, 2023, there were six formal meetings of the Nomination and Remuneration Committee. The attendance rate of members was 100%. The Nomination and Remuneration Committee met to discuss the following topics, in order to formulate opinions and recommendations to the Board of Directors:

- preparing recommendations relating to the performance conditions for the variable component of the compensation of the Chief Executive Officer and the compensation of the members of the Executive Committee;
- preparing recommendations relating to the compensation policy of directors;
- preparing recommendations on the implementation of an employee shareholding plan;
- preparing recommendations on the long-term incentive plans;
- preparing the succession plan for the Chief Executive Officer;
- preparing recommendations relating to the composition of the Board of Directors and its committees;
- reviewing the independence of directors; and
- preparing the self-assessment of the Board performance.

In addition, an execution session, bringing together the members of the Nomination and Remuneration Committee without the executive officers, was held in January 2023.

4.1.5 General management

4.1.5.1 Chief Executive Officer

4.1.5.1.1 Appointment of the Chief Executive Officer

At its meeting of July 5, 2022, the Board of Directors of the Company decided to split the offices of Chair of the Board and Chief Executive Officer of the Company until further decision of the Board to the contrary.

Jeronimo Folgueira was appointed Chief Executive Officer at the Board of Directors' meeting of July 5, 2022 and resigned with effect on March 31, 2024. As of December 31, 2023, Jeronimo Folgueira holds 588,400 Ordinary Shares.

Stuart Bergen was appointed interim Chief Executive Officer at the Board of Directors' meeting of March 13, 2024 with effect on April 1, 2024. As of December 31, 2023, Stuart Bergen holds 1,000 Ordinary Shares.

The business address of the Chief Executive Officer is 24, rue de Calais – 75009 Paris.

4.1.5.1.2 Biography of the Chief Executive Officers

Jeronimo Folgueira

Former Chief Executive Officer

Spanish Citizen

Expertise and Experience

Jeronimo Folgueira was the Chief Executive Officer of Deezer S.A. (511 716 573 R.C.S. Paris) since July 2021 and of the Company since July 5, 2022, until March 31, 2024.

Prior to joining Deezer, Jeronimo Folgueira served as Chief Executive Officer and director of the Board of Spark Networks in Berlin. During that time, he led the transformation of Spark Networks through three strategic M&A transactions, quadrupling the size of the Company in four years. He also oversaw the Company's listing on the New York Stock Exchange in November 2017. Jeronimo Folgueira has held a number of senior management positions, including at Betfair, Bigpoint and RTL Group.

Jeronimo Folgueira holds an MBA from Columbia Business School and a Bachelor's degree in Economics from University of Navarra.

Positions currently held (in France)

None.

Positions currently held (outside France)

None.

Positions previously held (in France) during the past five years

- Chief Executive Officer of Deezer S.A.
- President of Deezer Production S.A.S.

Positions previously held (outside France) during the past five years

- Chief Executive Officer and Member of the Board of Directors of Spark Networks SE
- Member of the Board of Directors and Chair of the Audit Committee of Tio Tech A
- Chair of the Board of Directors of Driift Holdings Ltd
- President and Sole Director of Deezer Inc.
- Sole Director of Musica Ilimitada S.A. de C.V.
- Managing Director of Magic Internet Musik GmbH
- Sole Director and General Manager of DeezerMENA FZ-LLC

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Stuart Bergen

Interim Chief Executive Officer and member of the Board of Directors

American Citizen

Expertise and Experience

Stuart Bergen has been the interim Chief Executive Officer of the Company since April 1, 2024.

Stuart Bergen is a music industry veteran, having held key leadership positions with multiple record labels in the past three decades, including Warner Music for over 14 years.

Most recently he oversaw Warner Music Group's International Recorded Music operations outside the US and UK as CEO, International and Global Commercial Services. He also managed WEA, WMG's Artist & Label Services division, which includes consumer brands such as EMP, HipHopDX, Songkick and UPROXX. Prior to this, he served as Warner Music Group's President, International, Recorded Music, and before that, he was Executive Vice President, International & Head of Global Marketing.

Before joining WMG, Stuart held key positions at several major record labels, including serving as EVP of Rock Music for Columbia Records, EVP of Island Records, and VP of Promotion for Epic Records. Stuart began his music industry career in 1988 at TVT Records, after which he became Director Promotion at Relativity Records.

Stuart holds a BA degree from Princeton University.

Positions currently held (in France)

- CEO of Deezer S.A.

Positions currently held (outside France)

- Advisory board member of Jukebox
- President and Sole Director of Deezer Inc.
- Director and Chair of Driift Holding Ltd

Positions previously held (in France) during the past five years

None.

Positions previously held (outside France) during the past five years

- CEO of International and Global Commercial Services Warner Music

4.1.5.2 Executive Committee

Under the responsibility of the Chief Executive Officer, the Executive Committee constitutes the management body of the Group (the "**Executive Committee**").

Focused on operations, it steers and ensures the operational implementation of the Group's strategy (as approved by the Board of Directors of the Company), the monitoring of performance and the coordination of projects and priorities in the Group's various operating countries and regions. The Executive Committee notably ensures the adequacy of the organization with respect to changes in the environment and expectations of stakeholders.

As at December 31, 2023, the Executive Committee includes eight members. In addition to the Chief Executive Officer, it is composed of the Deputy Chief Executive Officer & Chief Financial Officer, the Chief Operations Officer, the General Counsel & Board Secretary, the Chief Human Resources & Sustainability Officer, the Chief Product & Technology Officer, the Chief Marketing Officer and the Chief Innovation Officer.

The Executive Committee meets approximately once a week, thus fostering communication, sharing and close exchanges among its members within their respective areas of responsibility.

As at December 31, 2023, 50% of the members of the Executive Committee are women, and its composition also reflects the geographical diversity of the Group's geographical regions and markets, since 38% of its members are of foreign nationality (Spanish, American and German). In addition, within the Group, as at December 31, 2023, 36% of the leadership team positions are held by women.

The Group is very attentive to both the diversity, in all respects, and gender balance of its teams. The diversity policy described in Section 3.3.1.3 *"Diversity, equity & inclusion program"* of this Universal Registration Document does not only apply to the Executive Committee and the management team of the Company, but also to all the employees of the Group.

4.2 Compensation and benefits of corporate officers

4.2.1 Compensation policy for the 2024 fiscal year

According to the "say on pay" regime and its internal rules, the Board of Directors shall determine the compensation policy for the corporate officers *(mandataires sociaux)* of the Company based on the recommendations of the Nomination and Remuneration Committee, it being specified that the implementation of such policy remains subject to the prior approval of the shareholders of the Company (vote *ex ante*).

The compensation policy defines all components of the fixed and variable compensation of the corporate officers and the decision-making process followed for its determination, revision and implementation. The policy must be consistent with the Company's corporate interest, contribute to its sustainability and be in line with its strategy. In determining the compensation policy, the Board of Directors takes into account, in particular, the following principles mentioned in the AFEP-MEDEF Code:

- comprehensiveness;
- balance between compensation components;
- comparability;
- consistency;
- understandability of the rules; and
- proportionality.

In application of Articles L. 22-10-8 and R. 22-10-14 of the French Commercial Code, the compensation policy for corporate officers established by the Board of Directors, on the proposal of the Nomination and Remuneration Committee, will be subject to the prior approval of the shareholders' annual general meeting to be held on June 13, 2024.

In accordance with applicable legal and regulatory requirements, the compensation policy for corporate officers will include (i) information relating to all corporate officers and (ii) items specific to each category of corporate officers.

The compensation policy applied to all corporate officers will follow the criteria defined in Article R. 22-10-14 I. of the French Commercial Code. The following developments constitute the compensation policy for the Company's corporate officers.

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4.2.1.1 Compensation of the Chair of the Board of Directors

The Chair of the Board of Directors shall receive a compensation in accordance with the principles set forth below.

Compensation elements	Principles	Determining criteria
Fixed compensation	The Chair shall receive a fixed compensation.	€30,000
Variable compensation	None.	-
Incentives	The Chair may be granted stock options and/or free shares subject to continued service and performance conditions.	The Company does not plan to grant the Chair any such incentive for the 2024 fiscal year.
Exceptional compensation	None.	-
Benefits in kind	None.	-
Supplementary retirement plan	None.	-

Pursuant to Article L. 22-10-8 of the French Commercial Code, the above principles and amount will be submitted to shareholders' approval during the shareholders' annual general meeting to be held on June 13, 2024 (vote *ex ante*).

4.2.1.2 Compensation of the members of the Board of Directors

The members of the Board of Directors *(administrateurs)*, including for the avoidance of doubt, the Chair and the Vice-Chair, and observers *(censeurs)* (if any) are entitled to compensation within the limits of the global annual amount set by the shareholders' meeting of the Company (compensation for serving on the Board of Directors and each of the committees set up by the Board of Directors – formerly known as attendance fees *(jetons de presence)*). Such a maximum global annual amount was set by the shareholders' meeting of the Company held on May 31, 2023 at €550,000 for the fiscal year ending December 31, 2023 and each subsequent fiscal year until a new decision of the shareholders' meeting.

At its meeting of February 28, 2024, the Board of Directors of the Company has determined the amount awarded to each member and observer for the fiscal year 2024, if any, based on the principles described below and within the limit of the aggregate amount approved by the shareholders' meeting:

Member office(1)	Fixed compensation(2)	Compensation for each attended committee meeting(3)	Compensation for each attended Board meeting(4)	Compensation for each attended update Board meeting(5)
Members of the Board of Directors (excluding the Chief Executive Officer and Deputy Chief Executive Officers (if any) but including, for the avoidance of doubt, the Chair and Vice-Chair of the Board of Directors and observers (if any))	€13,000		€2,500	€1,000
Chair of the Board of Directors	€30,000		€2,500	€1,000
Vice-Chair of the Board of Directors	€10,000		€2,500	€1,000
Chair of the Audit Committee		€4,000		
Member of the Audit Committee		€2,000		
Chair of the Nomination and Remuneration Committee		€4,000		
Member of the Nomination and Remuneration Committee		€2,000		

(1) The following compensation items are cumulative (*e.g.*, a director, including the Chair and the Vice-Chair of the Board of Directors of the Company, that has been a member or chair of a committee shall receive a compensation for his/her role as member of the Board of Directors and chair or member of the relevant committee).

(2) Compensation due for a full year of office, to be adjusted *prorata temporis* should the beneficiary remain in office for a shorter period.

(3) Compensation due for each committee meeting attended by the relevant beneficiary.

(4) Compensation due for each Board meeting attended by the relevant beneficiary, excluding update boards.

(5) Compensation due for each update board attended by the relevant beneficiary. An update board is defined as a video meeting, that does not exceed one hour and does not include any votes.

In addition, members and observers, if any, of the Board of Directors may receive a compensation for specific assignments that may be delegated to them by the Board of Directors in accordance with applicable French law. The amount of such compensation will be set by the Board of Directors based on the nature of the specific assignment entrusted to the relevant member or observer, as applicable. The assignments being subject to the French related party agreements procedure, they would need to be approved by the shareholders' meeting.

Furthermore, reasonable travel expenses are reimbursed for each physical attendance upon presentation of an expense report.

Lastly, if it is not remuneration per se, the members of the Board of Directors may be offered the option of subscribing, at fair market value and under market conditions, for warrants *(bons de souscription d'actions)*, the issue price of which will be determined on the day of issuance of the warrants on the basis of their characteristics, if necessary with the assistance of an independent expert. The Board of Directors may issue up to 4,500,000 warrants, each warrant giving the right to subscribe for one Ordinary Share with a par value of 0.01 euro.

In 2023, no warrants were issued to the members of the Board of Directors.

Pursuant to Article L. 22-10-8 of the French Commercial Code, the above principles and amounts will be submitted to shareholders' approval during the shareholders' annual general meeting to be held on June 13, 2024 (vote *ex ante*), with payment of any variable and exceptional component remaining subject to the shareholders' approval during the next annual shareholders' meeting (vote *ex post*).

4.2.1.3 Compensation of the Chief Executive Officer

Principles

The Chief Executive Officer *(Directeur général)* of the Company shall receive compensation solely in his/her capacity as Chief Executive Officer, to the exclusion of any compensation that would be due to him/her in his/her capacity as member of the Board of Directors of the Company.

Compensation elements	Principles	Determining criteria
Fixed compensation	The Chief Executive Officer shall receive a fixed compensation payable in equal monthly installments in accordance with the Company's standards.	The gross annual amount of this fixed compensation has been set at €550,000 for the 2024 fiscal year, and will be paid *pro rata temporis* should the Chief Executive Officer remain in office for a shorter period.
Variable compensation	The Chief Executive Officer may receive variable compensation up to 150% of his/her fixed compensation.	The final amount of the variable compensation due to the Chief Executive Officer will be determined by the Board of Directors in accordance with the principles described below in this Section 4.2.1.3 *"Compensation of the Chief Executive Officer"* of this Universal Registration Document.
Incentives	The Chief Executive Officer may be granted stock options and/or free shares subject to continued service and performance conditions.	The number of free shares granted to the Chief Executive Officer will be determined by the Board of Directors in accordance with the principles described below in this Section 4.2.1.3 *"Compensation of the Chief Executive Officer"* of this Universal Registration Document.
Non-Competition clause	The Chief Executive Officer is bound by an exclusivity and non-competition clause for the duration of his/her office and during a period of 6 months thereafter.	During a 6-month period following the termination of his/her office for any reason (other than for retirement), the Chief Executive Officer is entitled to the payment of a monthly amount equal to 50% of the average of his/her monthly fixed compensation paid to him/her over the last 12 months immediately preceding the effective date of his/her termination, unless the Board of Directors releases the Chief Executive Officer from such non-compete obligation. Such non-compete payment shall not be paid if the officer is over 65 at the time his duties terminate.
Exceptional compensation	The Chief Executive Officer may be awarded exceptional compensation.	This exceptional compensation would be intended to compensate exceptional performance on one or more projects that have a major impact on the Company's development, such as acquisitions, mergers, change of control or any other strategic transaction.
Termination benefits	The Chief Executive Officer may only be awarded an indemnity in the event that the Company does not comply with its six-month notice of termination.	The Chief Executive Officer's office may be terminated at any time, for any reason, with or without cause, and without termination benefits, subject in each case to a six (6) months' written notice, starting from the date of receipt of such notice. However, the Board of Directors may determine in its discretion to waive/reduce such 6-month notice period provided that the Company shall pay to the Chief Executive Officer during such notice period a monthly amount equal to the average monthly net fixed compensation paid to him over the last twelve months and his bonus prorated to the period between his last bonus payment and the effective date of his termination.
Benefits in kind	None.	-
Supplementary retirement plan	None.	-

Incentives: the Chief Executive Officer may be granted stock options and/or free shares subject to continued service and performance conditions.

The Chief Executive Officer is required to keep 40% of the shares issued upon exercise or definitive acquisition of such incentives throughout the term of his/her office.

This requirement to hold shares no longer applies when the Chief Executive Officer holds a number of shares of the Company representing an amount equivalent to 300% of his/her yearly fixed annual compensation. The fixed compensation used for that purpose is that for the year during which the Chief Executive Officer intends to sell shares.

In accordance with the AFEP-MEDEF Code, the Chief Executive Officer must undertake, until the expiration of his/her term of office, not to use any hedging strategies to manage the risk related to the shares awarded under long-term incentive plans.

Other compensation: the Chief Executive Officer does not receive any compensation of any kind whatsoever in respect of his/her duties within the Company's subsidiaries and does not benefit from a long-term multi-annual compensation mechanism, other than, on a case-by-case basis, the granting of stock options and/or free shares subject to continued service and performance conditions.

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Exceptional circumstances: in the event of exceptional circumstances such as (i) a change in accounting standards, (ii) a significant change in the scope of consolidation, (iii) the completion of a transforming transaction, (iv) a substantial change in market conditions, or (v) an unforeseen change in the competitive environment with significant consequences for the Group that were unforeseeable at the time of approval of this remuneration policy by the Board of Directors for presentation to the shareholders' annual general meeting, the Board of Directors will have discretionary powers to adapt and/or modify, either upwards or downwards, one or more of the parameters attached to the performance criteria (weighting, trigger thresholds, objectives, targets, calculation grid, etc.) of the Chief Executive Officer's annual variable or incentives' compensation[(1)]. In such a case, the Board shall (i) make such decision upon the recommendations of the Nomination and Remuneration Committee, (ii) ensure that any amendment that is made remains aligned with the general principles described above, it being specified that any such adaptations shall not, under any circumstances, lead to an increase in the ceiling of the annual variable compensation compared to the fixed compensation, and (iii) provide a detailed explanation of the amendments made.

Pursuant to Article L. 22-10-8 of the French Commercial Code, the amounts resulting from implementation of the aforementioned compensation policy will be submitted for shareholders' approval during the shareholders' annual general meeting to be held on June 13, 2024 (vote *ex ante*), with payment of variable and exceptional compensation remaining subject to the shareholders' approval during the next annual shareholders' meeting (vote *ex post*).

Annual variable compensation

The final amount of the variable compensation due to the Chief Executive Officer, which will be submitted for approval during the shareholders' annual general meeting that will be called to approve the financial statements for the year ended December 31, 2024 (vote *ex post*), shall be determined by the Board of Directors in accordance with the following principles[(2)(3)]:

- **target:** the annual variable component is equal to 100% of the fixed compensation if targets are achieved in full;
- **floor:** no annual variable compensation shall be due to the Chief Executive Officer in case he/she is unable to meet at least the minimum of the annual objectives set by the Board of Directors;
- **overperformance:** the percentage of variable compensation attached to each specific annual objective may be increased by the Board of Directors in case of overperformance of the related objective, without the variable compensation being able, in any event, to exceed 150% of the Chief Executive Officer's fixed compensation;
- **objectives:** the annual variable compensation for 2024 is based on the following criteria:

Objectives	Weighting	Nature
Quantitative financial conditions (80% of the total)		
Achievement of a certain level of consolidated revenue during FY 2024 set by the Board of Directors in line with the annual budget approved by the Board of Directors	16%	Financial
Achievement of a certain number of Group subscribers (from Direct and Partnership channels) at the end of FY 2024	16%	Financial
Achievement of a certain level of consolidated adjusted EBITDA during FY 2024 in line with the annual budget approved by the Board of Directors	16%	Financial
Achievement of a certain level of consolidated free cash flow during FY 2024 in line with the annual budget, approved by the Board of Directors	32%	Financial
Qualitative non-financial conditions (20% of the total)		
(i) individual qualitative KPIs **(ii)** ability to get employees to adhere to the Company's project measured through a social climate survey conducted among the Group's employees at least once a year	20%	Non-financial

The level of performance required to achieve these objectives is established in a precise, demanding and rigorous manner but cannot be disclosed for confidentiality reasons.

The calculation method and the definition of the assessment scale are reviewed by the Board of Directors at the beginning of each year. To assess the achievement of financial objectives, indicators are calculated by neutralizing factors beyond the Chief Executive Officer's control (such as exchange rate fluctuations).

Pursuant to Article L. 22-10-8 of the French Commercial Code, the annual variable compensation will be submitted for shareholders' approval during the shareholders' annual general meeting to be held on June 13, 2024 (vote *ex ante*), with payment remaining subject to the shareholders' approval during the next annual shareholders' meeting (vote *ex post*).

(1) Such powers granted to the Board of Directors apply in addition to the legal provision of Article L. 22-10-8-III paragraph 2 of the French Commercial Code allowing the Board of Directors to deviate from the compensation policy in the Company's corporate interest and if necessary to ensure the long-term viability of the Company.

(2) The amount of the variable compensation will be calculated after validation of the annual accounts 2024 according to the level of achievement of these performance criteria and will be paid on a *pro rata temporis* basis, should the Chief Executive Officer remain in office for a shorter period.

(3) Which principles will be submitted for shareholders' approval during the shareholders' annual general meeting to be held on June 13, 2024 (vote ex ante on the compensation policy).

Incentives

The potential free shares that could be granted in 2024 to the future Chief Executive Officer will be subject to performance and presence conditions. The vesting will take place over 3-year with 100% delivery in the third year of the grant. These free shares will not be subject to a holding period. These free shares are subject to the following annual performance conditions defined by the Board of Directors and which will be assessed each year:

Objectives	Weighting	Nature
Quantitative (80% of the total)		
Achievement of a certain level of consolidated revenue during FY 2024, 2025 and 2026	30%	Financial
Achievement of a certain level of consolidated free cash flow during FY 2024, 2025 and 2026	40%	Financial
Achievement of a certain level of shareholder return ranking during FY 2024, 2025 and 2026*	10%	Financial
Qualitative (20% of the total)		
Achievement of a certain level of employees' engagement which is measured through a social climate survey conducted among the Group's employees at least once a year	20%	Non-financial

* The shareholder return ranking consists in a comparison of the total shareholder return evolution among the following benchmark companies: Euronext tech leaders, Nasdaq, Spotify, Anghami, Netflix, RTL Group, Believe, Warner Music, Universal Music Group, Sirius XM and Deezer. The total shareholder return is calculated as the overall appreciation in the stock's price per share, plus any dividends paid by the Company between January 1 and December 31.

The level of performance required to achieve these objectives is established in a precise, demanding and rigorous manner but cannot be disclosed for confidentiality reasons.

The calculation method and the definition of the assessment scale are reviewed by the Board of Directors at the beginning of each year. To assess the achievement of financial objectives, indicators are calculated by neutralizing factors beyond the Chief Executive Officer's control (such as exchange rate fluctuations).

Compensation of the interim Chief Executive Officer

For the duration of his office as Interim Chief Executive Officer (Directeur général) of the Company, Stuart Bergen shall receive compensation solely in his capacity as Chief Executive Officer, to the exclusion of any compensation that would be due to him in his capacity as member of the Board of Directors of the Company.

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The Chief Executive Officer compensation policy for 2024 will be applicable to Stuart Bergen, with the following adjustments:

- **variable compensation:** the variable compensation due to the interim Chief Executive Officer will be calculated and approved in accordance to the same principles as the Chief Executive Officer, as described above in this Section 4.2.1.3 "*Compensation of the Chief Executive Officer*" of this Universal Registration Document, to the exception of the weight and individual KPIS, described in the following table:

Objectives	Weighting	Nature
Quantitative financial conditions (60% of the total)		
Achievement of a certain level of consolidated revenue during FY 2024 set by the Board of Directors in line with the annual budget approved by the Board of Directors	12%	Financial
Achievement of a certain number of Group subscribers (from Direct and Partnership channels) at the end of FY 2024	12%	Financial
Achievement of a certain level of consolidated adjusted EBITDA during FY 2024 in line with the annual budget approved by the Board of Directors	12%	Financial
Achievement of a certain level of consolidated free cash flow during FY 2024 in line with the annual budget, approved by the Board of Directors	24%	Financial
Qualitative non-financial conditions (40% of the total)		
Individual KPIs: Impulsion of a dynamic in the company to think and launch strategic projects and ensure foundations for 2025 and 2026; Initialization of 1 to 3 strong partnerships; Empowerment of the Executive Committee and key executives; Ability to get employees to adhere to the Company's project measured through a social climate survey conducted among the Group's employees at least once a year	40%	Non-financial

- **incentives:** None;
- **non-competition clause:** None;
- **exceptional compensation:** None;
- **termination benefits:** None;
- **benefits in kind:** None;
- **supplementary retirement plan:** None;
- **other compensation:** None.

4.2.2 Compensation paid or awarded to corporate officers during the fiscal year ended December 31, 2023

4.2.2.1 Situation of corporate officers

Since January 1, 2023 until the date of this Universal Registration Document, the situation of the corporate officers of the Company has been as follows:

- Iris Knobloch: Chair of the Board of Directors(1);
- Jeronimo Folgueira: Chief Executive Officer until March 31, 2024(2);
- Stuart Bergen: Interim Chief Executive Officer as from April 1, 2024.

4.2.2.2 Compensation paid or granted to the Chair of the Board of Directors for the fiscal year ended December 31, 2023

The compensation paid or granted to the Chair of the Board of Directors for the fiscal year ended December 31, 2023 is described in the table below:

Compensation elements	Amounts	Description
Iris Knobloch, Chair of the Board of Directors		
Fixed compensation (including both compensation as Chair of the Company (€20,000) and as Director (€13,000))	€33,000	Fixed compensation due for 2023 and paid in 2024
Attendance fee	€26,000	Attendance fees to meetings as Chair of the Board of Directors of the Company.
Variable compensation		No variable compensation.
Total	**€59,000**	-

(1) For the fiscal year ended December 31, 2022, Iris Knobloch served as Chair of the Board of Directors of I2PO S.A. until the Merger on July 5, 2022. For the period from the Merger on July 5, 2022 to December 31, 2022, Iris Knobloch served as Vice-Chair of the Board of Directors of the Company and Guillaume d'Hauteville served as Chair of the Board of Directors. He became Vice-Chair of the Board of Directors on January 1, 2023.

(2) For the fiscal year ended December 31, 2022, Iris Knobloch served as Chief Executive Officer of the Company until the Merger on July 5, 2022 and Jeronimo Folgueira served as Chief Executive Officer of Deezer S.A. (511 716 573 RCS Paris) until the Merger and was appointed Chief Executive Officer of the Company on July 5, 2022 until March 31, 2024.

4.2.2.3 Compensation of the Directors for the fiscal year ended December 31, 2023

The table below shows the individual compensation received by the members of the Board of Directors (fixed, variable and exceptional components combined) for their mandate as Directors in respect of fiscal years 2022 and 2023.

Table 3 (AMF nomenclature): compensation received by Directors and other compensations received by non-executive officers

(in €)	Independent director	FY 2023		FY 2022	
		Amount granted	Amount paid	Amount granted	Amount paid
Iris Knobloch	No	€59,000	€438,842[1]	€438,842[1]	€0
Guillaume d'Hauteville[2]	No	€57,000	€31,274[3]	€31,274	€0
Stuart Bergen	No	€30,434	€0	N/A	N/A
Combat Holding (Matthieu Pigasse)	No	€31,000	€27,411	€27,411	€0
Dr. Hans-Holger Albrecht	No	€27,500	€16,411	€16,411	€0
Sophie Guieysse	Yes	€59,000	€30,911	€30,911	€0
Valérie Accary	Yes	€47,000	€23,411	€23,411	€0
Mari Thjømøe	Yes	€63,000	€33,411	€33,411	€0
Ingrid Bojner	Yes	€34,000	€677	€677	€0
Mark Simonian	Yes	€49,000	€677	€677	€0
Jeronimo Folgueira[4]	No	N/A	€0	€0	€0
Alban Gréget[4]	Yes	N/A	€18,270	€18,270	€0
Amanda Cameron[5]	No	€2,101	€18,512	€16,411	€0
Total	-	**€459,035**	**€639,806**	**€637,705**	**€0**

(1) Including the exceptional compensation granted by the Board of Directors at its meeting of June 22, 2021 to Iris Knobloch in connection with the completion of the Merger.

(2) Guillaume d'Hauteville served as Chair of the Board of Directors of Deezer S.A. (511 716 573 R.C.S. Paris) and became Chair of the Board of Directors of the Company upon the Merger until December 31, 2022. Guillaume d'Hauteville has been serving as Vice-Chair of the Board of Directors of the Company since January 1, 2023.

(3) It is specified that Guillaume d'Hauteville has been granted 387,779 free shares before the Merger, whose vesting was accelerated in 2023 due to the Merger (valued at €511,868).

(4) Alban Gréget and Jeronimo Folgueira resigned from their position as director on December 13, 2022.

(5) Amanda Cameron resigned from her position as director on February 28, 2023.

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4.2.2.4 Compensation paid or granted to the former Chief Executive Officer

4.2.2.4.1 Compensation paid or granted to the former Chief Executive Officer for the fiscal year ended December 31, 2023

The compensations paid or granted to the Chief Executive Officer for fiscal years ended December 31, 2023 and 2022 are described below:

Fixed component

The Board of Directors of the Company held on July 5, 2022, resolved that Jeronimo Folgueira will receive for his role as Chief Executive Officer an annual base gross salary of €550,000 for 2023.

Variable component

Upon recommendation of the Nomination and Remuneration Committee, the Board of Directors held on April 24, 2023 defined the Chief Executive Officer's annual performance-based bonus at a maximum gross amount of €550,000 subject to the achievement of 100% of the following performance conditions which achievement was assessed by the Board of Directors held on March 13, 2024, in accordance with the recommendation of the Nomination and Remuneration Committee, as follows:

Objectives	Weighting
Quantitative financial conditions (80% of the total)	
Achievement of a certain level of consolidated revenue during FY 2023 set by the Board of Directors in line with the annual budget approved by the Board of Directors	16%
Achievement of a certain number of Group subscribers (from Direct and Partnership channels) at the end of FY 2023	16%
Achievement of a certain level of adjusted EBITDA during FY 2023 in line with the annual budget approved by the Board of Directors	16%
Achievement of a certain level of free cash flow during FY 2023 in line with the annual budget approved by the Board of Directors	32%
Qualitative non-financial conditions (20% of the total)	
(i) implementation of strategy, and (ii) ability to get employees to adhere to the Company's project measured through a social climate survey conducted among the Group's employees at least once a year	20%

Hence, the total payout of the bonus is 99.25% and the Chief Executive Officer will receive a 2023 bonus of €545,860.

Pursuant to Article L. 22-10-34 of the French Commercial Code, all the items composing the Chief Executive Officer's compensation for the fiscal year ended December 31, 2023 will be submitted for approval at the shareholders' annual general meeting to be held on June 13, 2024, as an *"ex post say-on-pay"* vote and the Chief Executive Officer's variable compensation shall only be paid until and subject to the favorable vote of the shareholders.

Incentives

Free shares granted in 2023

During its meeting on April 24, 2023, the Board of Directors granted 94,800 free shares to Jeronimo Folgueira with a vesting and delivery at the third anniversary of the grant, subject to presence and performance conditions. As a result, all of these free shares were forfeited on the departure of Jeronimo Folgueira (i.e., on March 31, 2024).

Free shares granted in 2022

During its meeting on July 21, 2022, the Board of Directors granted 216,000 free shares to Jeronimo Folgueira. The vesting of the shares is subject to a yearly vesting, with a first delivery on or around the second anniversary of the grant, subject to presence condition. The vesting is also subject to performance conditions, with targets for the fiscal year ended December 31, 2022, 2023 and 2024. The Board of Directors held on March 22, 2023 assessed the achievement of the performance conditions for the fiscal year ended December 31, 2022 at 63.15% and decided as a result that Jeronimo Folgueira will receive 37,890 free shares for the first year of this plan. Following the departure of Jeronimo Folgueira on March 31, 2024, all the unvested free shares were forfeited.

Please also refer to table 6 (AMF nomenclature) *"Free shares granted to each corporate officer"* below and Section 7.2.4.3 *"Free shares (attribution d'actions gratuites or AGA)"* of this Universal Registration Document.

4.2.2.4.2 Compensation terms of departure of the former Chief Executive Officer

Fixed annual compensation

As a result of his resignation effective as of March 31, 2024, Jeronimo Folgueira will receive his fixed annual compensation pro rata temporis.

Variable annual compensation

In respect of 2023 variable annual compensation, following the assessment of the performance conditions made by the Board of Directors, in accordance with the recommendation of the Nomination and Remuneration Committee, which resulted in a global satisfaction of quantitative and qualitative performance conditions of 99.25%, the variable annual compensation of Jeronimo Folgueira will be set to €545,860.

This amount will be submitted for approval to the shareholders' ordinary annual general meeting called to approve the financial statements for the year 2023, pursuant to article L. 22-10-34 of the French Commercial Code.

In respect of 2024, no variable annual compensation will be due to Jeronimo Folgueira.

Incentives

All incentives allocations which have not vested prior to or on March 31, 2024 forfeited on such date. This includes the second and third tranches of the allocation made on July 21, 2022 as well as all allocations made on April 24, 2023.

In accordance with the Afep-Medef Code, no allocation has been granted, or will be granted, to Jeronimo Folgueira in 2024.

Non-compete

The Board of Directors decided to release Jeronimo Folgueira from complying with the non-competition clause. As a result, no financial compensation will be paid to him in this respect.

Other compensation terms

Jeronimo Folgueira is not eligible to any exceptional compensation in respect of 2023 and 2024. He is neither eligible to any severance or any supplementary retirement plan.

Jeronimo Folgueira resigned from all his other corporate offices within the Deezer group and will not benefit from any other compensation paid by any subsidiary of Deezer.

4.2.2.5 Equity ratios

Methodology

To build its methodology for the calculation of the ratios required under article L. 22-10-9, I, 6° of the French Commercial Code, the Group referred to the AFEP guidelines on remuneration multiples as updated in February 2021.

In accordance with the AFEP guidelines, the elements included in the calculation of the ratios concern all the elements of compensation, excluding Employer social security contributions, theoretically due, for the concerned fiscal year, to the Chief Executive Officer, the Chair of the Board of Directors and the employees (gross theoretical fixed compensation, gross annual variable (assuming 100% of KPIs achieved), benefits in kind and any other benefit allocated or paid during the fiscal year, and where applicable the amount of stock options or shares awarded recognized under IFRS 2 during the reporting period).

The calculation of the ratios takes into account only employees of the Company (which absorbed Deezer S.A. (511 716 573 R.C.S. Paris)), under a permanent or fixed-term contract, who were included in the workforce as at December 31, 2023. The Company has 578 permanent and fixed-term contracts as of December 31, 2023, representing around 96% of the Group's[(1)] headcount (including permanent and fixed-term contracts) which amounted to 602.

The Group's performance is measured by changes in its "Revenue". This indicator makes it possible to measure the performance of the Chair of the Board of Directors and of the Chief Executive Officer on an annual basis.

Comparison of the compensation of corporate officers with the Company's performance and average and median compensation of employees

	2023	2022[(1)]
Chief Executive Officer		
Change (in %) in the compensation of the Chief Executive Officer	-76%	N/A
Information on the Company's scope		
Average compensation of employees	€74,873	€79,490[(1)]
Change (in %) in average employee compensation	-5.81%	-
Ratio to average employee compensation	17.43	68.81[(1)(2)]
Change in ratio (in %) from previous financial year	-74.66%	-
Median compensation of employees	€60,000	€58,000
Ratio to median employee compensation	21.76	94.30[(1)(2)]
Change in ratio (in %) from previous financial year	-76.93%	-
Chair of the Board of Directors		
Change (in %) in the compensation of the Chair of the Board	-92%	-
Information on the Company's scope		
Average compensation of employees	74,873	€79,490[(1)]
Change (in %) in average employee compensation	-5.81%	-
Ratio to average employee compensation	0.79	9.69[(1)]
Change in ratio (in %) from previous financial year	-91.87%	-
Median compensation of employees	€60,000	€58,000
Ratio to median employee remuneration	0.98	13.29[(1)]
Change in ratio (in %) from previous financial year	-92.60%	-
Performance of the Company		
Total Revenue (in € millions)	484.6	451.2
Change (in %) from previous financial year		-

(1) 2022 figures are impacted by the full acceleration of the vesting of free share plans granted in the previous years due to the Merger. The total charge of the previous free share plans is accounted for in 2022. The value per share and per free share plan used in the charge booked in 2022 is detailed in Note 19 of the consolidated financial statements, enclosed in Chapter 6 *"Financial statements"* of this Universal Registration Document.

(2) Including the free share plan of 2022 for 216,000 free shares (assuming over-performance) granted to the Chief Executive Officer, and the previous free share plan of 2021 for 200,000 free shares (*i.e.*, corresponding to 588,400 free shares post-Merger). The valuation at the time of grant of these free shares is not representative of the value as at December 31, 2022.

(1) Excluding Driift Holdings Ltd, which is not a company wholly-owned by the Group.

4.2.2.6 Standardized presentation of the compensation of corporate officers

Table 1 (AMF nomenclature): Summary table of the compensation, options and shares granted to each executive corporate officer

	FY 2023	FY 2022
Jeronimo Folgueira, *Former Chief Executive Officer*[(1)]		
Compensation due for the year (prorated) *(detailed in Table 2)*	€1,095,860	€584,419
Value of the multi-year variable compensation granted during the financial year	€0	€0
Value of options granted during the year *(detailed in Table 4)*	€0	€0
Valuation of free shares allotted *(as detailed in Table 6)*	€12,327	€4,369,631[(2)]
Valuation of other long-term incentive plans	€0	€0
Total	**€1,108,187**	**€4,954,050**

(1) Jeronimo Folgueira served as Chief Executive Officer until March 31, 2024 and Stuart Bergen has served as interim Chief Officer Officer since April 1, 2024.

(2) 2022 figures are impacted by the full acceleration of the vesting of free share plans granted in the previous years due to the Merger. The total charge of the 4-year free share plans is accounted for in 2022. The value per share and per free share plan used in the charge booked in 2022 is detailed in Note 19 of the consolidated financial statements, enclosed in Chapter 6 “Financial statements” of this Universal Registration Document.

	FY 2023	FY 2022
Iris Knobloch, *Chair of the Board of Directors*		
Compensation due for the year *(detailed in Table 2)*	€59,000	€438,842[(1)]
Value of the multi-year variable compensation granted during the financial year	€0	€0
Value of options granted during the year *(detailed in Table 4)*	€0	€0
Valuation of free shares allotted *(detailed in Table 6)*	€0	€0
Valuation of other long-term incentive plans	€0	€0
Total	**€59,000**	**€438,842**

(1) Including the exceptional compensation granted by the Board of Directors at its meeting of June 22, 2021 to Iris Knobloch in connection with the completion of the Merger.

Table 2 (AMF nomenclature): Summary table of the compensation of each corporate officer

	FY 2023		FY 2022	
	Amounts due	Amounts paid	Amounts due	Amounts paid
Jeronimo Folgueira, *Former Chief Executive Officer*[(1)]				
Fixed compensation (prorated)	€550,000	€550,000	€271,233[(2)]	€271,233[(2)]
Annual variable compensation (prorated)	€545,860	€313,186[(3)]	€313,186[(3)]	€0
Multi-year variable compensation	€0	€0	€0	€0
Exceptional compensation	€0	€0	€0	€0
Directors' fees[(4)]	N/A	N/A	€0	€0
Benefits in kind	€0	€0	€0	€0
Total	**€1,095,860**	**€863,186**	**€584,419**	**€271,233**

(1) Jeronimo Folgueira served as Chief Executive Officer until March 31, 2024 and Stuart Bergen has served as the Chief Officer Officer since April 1, 2024.

(2) Prorated fixed compensation due in respect of his mandate as Chief Executive Officer of the Company for the period from July 5, 2022 to December 31, 2022.

(3) Prorated bonus compensation due in respect of his mandate as Chief Executive Officer of the Company for the period from July 5, 2022 to December 31, 2022.

(4) Jeronimo Folgueira became a member of the Board of Directors of the Company upon the Merger until December 13, 2022.

	FY 2023		FY 2022	
	Amounts due	Amounts paid	Amounts due	Amounts paid
Iris Knobloch, *Chair of the Board of Directors*				
Fixed compensation	€20,000	€0	€0	€0
Annual variable compensation	€0	€0	€0	€0
Multi-year variable compensation	€0	€0	€0	€0
Exceptional compensation	€0	€412,500	€412,500	€0
Directors' fees	€39,000 composed of fixed compensation (€13,000) and attendance fee (€26,000)	€26,342	€26,342 composed of fixed compensation (€11,342) and attendance fee (€15,000)[(1)]	€0
Benefits in kind	€0	€0	€0	€0
Total	**€59,000**	**€438,842**	**€438,842**	**€0**

(1) Compensation due to Iris Knobloch with respect to her mandate as Vice-Chair of the Company from July 5, 2022 to December 31, 2022.

Table 4 (AMF nomenclature): Stock options granted during financial year 2023 to each corporate officer by the Company or by any Group company

Not applicable.

Table 5 (AMF nomenclature): Stock options exercised during financial year 2023 by each executive corporate officer

Not applicable.

Table 6 (AMF nomenclature): Free shares granted to each corporate officer during financial year 2023

Free shares allotted by the shareholders' meeting in financial year 2023 to each corporate officer by the Company and by any company of the Group (listed by name)	Number and date of the plan	Number of shares granted in financial year 2023	Valuation of the shares using the method used for the consolidated financial statements	Vesting date	Availability date	Performance conditions
Jeronimo Folgueira, *Former Chief Executive Officer*	Plan 2023-1 April 24, 2023	94,800 shares	€12,327	April 24, 2026	April 24, 2026	Yes*
Iris Knobloch, *Chair of the Board of Directors*	N/A	N/A	N/A	N/A	N/A	N/A

* The vesting of the shares is subject to performance conditions linked to quantitative financial conditions defined by the Board of Directors (e.g., achievement of a certain level of consolidated revenue, cash flow or shareholders' return ranking) and qualitative conditions (*e.g.*, employees engagement score). The grant includes potential overperformance. All of these free shares were forfeited on the departure of Jeronimo Folgueira (*i.e.*, on March 31, 2024).

Table 7 (AMF nomenclature): Free shares granted that became available for the Chief Executive Officer during financial year 2023

Not applicable.

Table 8 (AMF nomenclature): Historical information about stock option allocation

For historical information about stock option allocation, please refer to Section 7.2.4.2 *"Stock options (Options or OSAs)"* of this Universal Registration Document.

Table 9 (AMF nomenclature): Stock options granted to the top ten employees excluding corporate officers and options exercised by said employees

Not applicable.

Table 10 (AMF nomenclature): Historical information about free share plans

For historical information about free share plans, please refer to Section 7.2.4.3 *"Free shares (attribution d'actions gratuites or AGA)"* of this Universal Registration Document.

Table 11 (AMF nomenclature)

The following table provides details on the terms and conditions of compensation and other benefits for corporate officers:

	Employment contract		Supplementary pension plan		Payments or benefits due or likely to be due as a result of termination or change of office		Indemnities pursuant to a non-compete clause	
Corporate officers	Yes	No	Yes	No	Yes	No	Yes	No
Jeronimo Folgueira, *Former Chief Executive Officer*		✓		✓		✓*		✓*
Iris Knobloch, *Chair of the Board of Directors*		✓		✓		✓		✓

* For more information, please refer to Section 4.2.2.4.2 "*Compensation terms of departure of the former Chief Executive Officer*" of this Universal Registration Document.

4.3 Other information

4.3.1 Conflicts of interest and statements regarding corporate officers

In accordance with the Board of Directors' internal rules, each member of the Board of Directors has an obligation to inform the Board of Directors of any conflict of interest, including potential conflicts as soon as he/she/it is aware of the conflict or potential conflict of interest.

Participation of the members of the Board of Directors in a transaction in which the Company, or any company of the Group, is directly involved, requires to be brought to the attention of the Board of Directors prior to the completion of the relevant transaction.

As part of an annual declaration, and as soon as he/she/it is aware of such situation, each member of the Board of Director informs the Board of Directors of the corporate offices and positions he or she holds in other companies and must request the opinion of the Nomination and Remuneration Committee prior to accepting any new directorship. The member of the Board of Directors must, more specifically, make an annual declaration of any conflicts of interest, including potential conflicts, he or she has identified.

In this context, one of the directors has declared that he holds personal passive investments in two of the Group's suppliers. Such a situation shall be treated pursuant to the internal rules of the Board of Directors which provide that the relevant director shall draw any appropriate consequence such as abstaining from participating in any vote on a deliberation relating to such suppliers.

In addition, a consulting agreement, into force from March 1, 2023 until June 30, 2023, entered between the Company as principal and DIRGNI DEVELOPMENT AB[(1)] as consultant. This agreement has been treated by the Company as a regulated agreement (for more information, please refer to Section 4.3.3.2.2 *"Consulting agreement with DIRGNI DEVELOPMENT AB"* of this Universal Registration Document).

To the Company's knowledge, with respect to the members of the Board of Directors and the Chief Executive Officer of the Company:

- there are no potential conflicts of interest between the duties to the issuer, and the private interests and/or other duties to third parties, of the corporate officers, subject to the aforementioned declaration of one director;
- none of the corporate officers has a service contract with the Company or any of its subsidiaries providing for the award of benefits at the end of such contract.

To the Company's knowledge, there are no family ties between corporate officers of the Company.

In addition, to the Company's knowledge:

- none of the corporate officers has been convicted of a fraudulent offense in the past five years;
- none of the corporate officers has been associated with bankruptcy, receivership or liquidation as a member of a corporate, management or supervisory body or as Chief Executive Officer within the past five years;
- none of the corporate officers has been publicly charged and/or sanctioned by statutory or regulatory bodies (including designated professional bodies).

As of the date of this Universal Registration Document, and to the Company's knowledge, there are no restriction accepted by any member of the Board of Directors or the Chief Executive Officer concerning the sale of the Company's shares they hold, with the exception of:

- rules on the prevention of insider trading; and
- the obligations for Directors to hold at least 200 shares of the Company (with the exception of directors representing employees and employees shareholders) pursuant to the internal rules of the Board of Directors.

4.3.2 Agreements entered into under normal conditions in the ordinary course of business during 2023 fiscal year

In order to fulfill the legal requirements set forth in articles L. 22-10-10 and L. 22-10-12 of the French Commercial Code applicable to companies listed on a regulated market regarding related-party agreements entered into under normal conditions in the ordinary course of business *(conventions portant sur des opérations courantes conclues à des conditions normales)*, the management of the Company shall inform the Board of Directors on an annual basis on the conclusion of such agreements during the past financial year. The Board shall review the purpose and financial conditions of such agreements and confirm or deny their classification as related-party agreements entered into under normal conditions and in the ordinary course of business.

(1) Ingrid Bojner, a director of the Company, is the Managing Director of DIRGNI DEVELOPMENT AB, a company organized under the laws of Sweden.

4.3.3 Regulated agreements and other agreements active during 2023 fiscal year

The content of the agreements and commitments presented in this Section is detailed in the special report of the statutory auditors appearing in Section 4.3.4 *"Statutory auditors' report on regulated agreements"* of this Universal Registration Document below.

4.3.3.1 General provisions

Pursuant to the articles of association of the Company and to Articles L. 225-38 and L. 225-39 of the French Commercial Code, any agreement entered into directly or through an intermediary, between the Company and its Chief Executive Officer, Deputy Chief Executive Officer(s) (if any) and one of the members of the Board of Directors or one of its shareholders holding more than ten percent (10%) of the voting rights, or in case of a shareholder being a legal entity, the company controlling it within the meaning of Article L. 233-3 of the French Commercial Code, must be authorized by the Board of Directors.

The same should apply to the agreements in which one of the persons mentioned in the paragraph above has an indirect interest. Prior authorization is also required regarding agreements entered into between the Company and another legal entity if one of the members of the Board of Directors is the owner, a partner, a manager, a director, a member of that legal entity's Supervisory Board or, more generally, a person involved in its management.

The prior authorization from the Board of Directors is justified by the interest of the agreement to the Company. Members of the Board of Directors are also provided with the financial conditions attached to that agreement.

Such prior authorization from the Board of Directors shall apply neither to agreements relating to ordinary transactions conducted under normal conditions, nor to agreements entered into between two (2) companies of which one holds, directly or indirectly, the entirety of the other's share capital, after deducting, as the case may be, the minimum number of shares necessary to the requirement of Article 1832 of the French Civil Code *(Code civil)* or of Articles L. 225-1, L. 22-10-1, L. 22-10-2 or L. 226-1 of the French Commercial Code.

Pursuant to Article L. 225-40 of the French Commercial Code, the interested person shall inform the Board of Directors as soon as he/she/it is aware of an agreement subject to the prior authorization of the Board of Directors. If he/she/it serves in the Board of Directors, he/she/it cannot take part in the vote regarding the requested authorization in accordance with applicable legal provisions.

The Chair of the Board of Directors informs the statutory auditors of all the related party agreements and submits them to the approval of the shareholders' meeting. The statutory auditors present a special report with respect to such related party agreements to the next shareholders' meeting, which shall then rule on this special report. The interested person may not take part in the vote of the shareholders' meeting and his/her/its shares are not taken into consideration for the calculation of the quorum or the majority.

4.3.3.2 Regulated agreements entered into by the Company

4.3.3.2.1 Coordinated sale agreement with certain shareholders and related engagement letter with Société Générale

Following the completion of the Merger on July 5, 2022, I2PO's Founders and certain shareholders of the Company, representing in aggregate 92% of the Company's share capital, were bound by lock-up undertakings with respect to their Company's shares (including market shares, Founders' Shares and Ordinary Shares) and securities giving right to the Company's Ordinary Shares (including Founders' Warrants). These lock-up undertakings all lapsed on April 5, 2023 at the latest.

As a result, on March 31, 2023, the main shareholders of the Company entered into the Coordinated Sale Agreement, the purpose of which is to ensure the coordination of any disposal of shares, representing 75% of the share capital of the Company (on a non-diluted basis) (other than shares subscribed in the PIPE completed concomitantly with the Merger or acquired after that but including any shares resulting from the vesting or exercise of free shares, stock options or warrants), after the expiration of the lock-up period, in order to avoid that massive unorderly sales, while the liquidity of the Company's shares remains very limited, may materially and negatively impact the stock price to the detriment of all shareholders and the Company. The parties undertake that stock transfers on the market (but not off market) shall be made through a placement agent (or sale agent) under conditions provided for in the agreement. The sale agent shall act independently from the Company, which may not give it any instructions. The Coordinated Sale Agreement was meant as a framework agreement and terminated on April 5, 2024.

This agreement was authorized by the Board of Directors' meeting of March 22, 2023, in accordance with the provisions of Article L. 225-38 of the French Commercial Code and will be submitted to the shareholders' annual general meeting to be held on June 13, 2024.

In connection with the setting up of the procedures contemplated in the Coordinated Sale Agreement, a separate engagement letter has been entered into between the Company and Société Générale which provides for a fixed fee of €250,000 to be paid by the Company. The Coordinated Sale Agreement provides that each shareholder would be solely liable, through a separate agreement entered into with Société Générale, for the variable fees due to Société Générale as sale's agent in relation to the sale of such shareholder's shares. The engagement letter was authorized by the Board of Directors' meeting of March 22, 2023, in accordance with the provisions of Article L. 225-38 of the French Commercial Code and will be submitted to the shareholders' annual general meeting to be held on June 13, 2024. The engagement letter and the agreement both entered into with Société Générale terminated on April 5, 2024.

4.3.3.2.2 Consulting agreement with DIRGNI DEVELOPMENT AB

A consulting agreement was entered into on March 29, 2023, between the Company as principal and DIRGNI DEVELOPMENT AB[(1)], as a consultant. This agreement aims at promoting the strategic development of the Company's business and was duly authorized by its Board of Directors at its meetings of February 28, 2023, in accordance with Article L. 225-38 of the French Commercial Code and subsequently approved by the shareholders' meeting dated May 31, 2023.

The agreement provides for a compensation of €2,800 (excluding taxes) for each full day during which the consultant shall have rendered consulting services to the Company, up to a maximum of €49,000 (excluding taxes). In addition, the Company shall, in accordance with its policies, reimburse the consultant for any reasonable travel costs, accommodation costs and other external costs incurred by the consultant in connection with the provision of the consulting services. An amount of €39,200 was paid by the Company, during the year ended December 31, 2023, to DIRGNI DEVELOPMENT AB.

This agreement came into force on March 1, 2023 and terminated on June 30, 2023.

4.3.3.2.3 Management agreement with Jeronimo Folgueira

The management agreement was entered into on July 5, 2022, between the Company and Jeronimo Folgueira, acting as Chief Executive Officer of the Company. This agreement sets out the terms and conditions of the Chief Executive Officer's mandate, among which the terms of his compensation described in Section 4.2.1.3 *"Compensation of the Chief Executive Officer"* and Section 4.3.4 *"Statutory auditors' report on regulated agreements"* of this Universal Registration Document.

This agreement was duly authorized by the Board of Directors of the Company at its meeting held on July 5, 2022, in accordance with Article L. 225-38 of the French Commercial Code and subsequently approved by the shareholders' meeting dated May 31, 2023.

Following the resignation of Jeronimo Folgueira, this agreement terminated on March 31, 2024.

4.3.3.2.4 Fairness opinion from Lazard Frères

In the context of the Merger, I2PO S.A. entered on April 11, 2022, into an agreement with Lazard Frères SAS. The conclusion of such agreement was authorized by a decision of the Board of Directors of I2PO S.A. dated April 11, 2022 in accordance with the provisions of Article L. 225-38 of the French Commercial Code, and subsequently approved by the shareholders' annual general meeting dated June 30, 2022.

Under this agreement, Lazard Frères SAS has been appointed as financial advisor to I2PO S.A.'s Board of Directors for the purpose of rendering an opinion as to the fairness to I2PO S.A., from a financial standpoint, of the stock consideration to be paid by it in the potential direct or indirect acquisition of Deezer S.A. (511 716 573 R.C.S Paris), whatever the form or structure of such transaction.

An amount of €1.1 million was paid by the Company, during the year ended December 31, 2023, to Lazard Frères under this agreement.

4.3.3.2.5 License agreement with Rotana Studios FZ-LLC

The digital streaming and tethered download license agreement (the "**Rotana License Agreement**") was entered into on August 1, 2018 (as amended on September 8, 2021, February 25, 2022 and April 1, 2022) between Deezer S.A. (511 716 573 R.C.S Paris) as licensee and Rotana Studios FZ-LLC, subsidiary of the Rotana group, as licensor, under which Deezer S.A. has been granted rights to a significant catalog in the MENA region. The Rotana License Agreement was subsequently assigned by Rotana Studios FZ-LLC to Rotana Audio Visual LLC, also a subsidiary of the Rotana group, under an assignment and assumption agreement dated January 15, 2019, and since the Merger, the Rotana License Agreement has been assumed by the Company.

In accordance with Article L. 225-38 of the French Commercial Code, the Rotana License Agreement and its amendments were duly authorized by the Board of Directors of Deezer S.A. (511 716 573 R.C.S Paris) at its meetings of July 26, 2018, September 16, 2021, March 23, 2022 and April 14, 2022.

An amount of US$667,000 was received by the Company, during the year ended December 31, 2023, under these agreements.

The agreement terminated on September 30, 2023.

4.3.3.2.6 Management agreement with Stuart Bergen

On March 28, 2024, the Company entered into a management agreement with Stuart Bergen relating to his terms of office as interim Chief Executive Officer. This agreement clarifies, in the interest of the Company, the main conditions of his office and contains provisions relating notably to the compensation to be received during his term of office, as described in Section 4.2.1.3. "*Compensation of the Chief Executive Officer*" of this Universal Registration Document, and to the non-solicit obligation to be complied with after termination of his duties.

This agreement was authorized by the Board of Directors' meeting of March 28, 2024, in accordance with the provisions of Article L. 225-38 of the French Commercial Code and will be submitted to the annual shareholders' meeting to be held on June 13, 2024.

(1) Ingrid Bojner, a member of the Board of Directors of the Company, is the Managing Director of DIRGNI DEVELOPMENT AB, a company organized under the laws of Sweden.

4.3.4 Special report of the auditors on the regulated agreements

General Meeting for the approval of the financial statements for the year ending 31 December 2023

This is a free translation into English of the Special Report of the Auditors on the Regulated Agreements issued in French and is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the General Meeting of Deezer S.A.,

In our capacity as statutory auditors of your company, we hereby present our report on the regulated agreements.

Based on the information provided to us, it is our responsibility to report to you on the terms and conditions of the related party agreements of which we have been informed or that we may have identified in the course of our engagement, as well as the reasons justifying that such agreements are in the company's interest, without commenting on their usefulness or appropriateness or without looking for the possible existence of other agreements. It is your responsibility, under the terms of Article R. 225-31 of the French Commercial Code, it remains your responsibility to assess the interest involved in respect of the conclusion of these agreements for the purpose of approving them.

Moreover, and where applicable, it is our responsibility to provide you with the information provided for in Article R. 225-31 of the French Commercial Code relating to the execution during the past financial year of agreements already approved by the General Meeting.

We performed the procedures that we considered necessary in accordance with the professional standards of the French National Institute of Auditors *"la Compagnie Nationale des Commissaires aux Comptes"* (CNCC) relating to this engagement. These procedures consisted in verifying that the information provided to us is consistent with the source documents from which it was extracted.

Agreements to be submitted for approval to the General Meeting

Agreement approved and entered into during the past financial year

Pursuant to Article L. 225-40 of the French Commercial Code, we have been advised of the following agreement entered into during the past financial year and which had received the prior approval by your Board of Directors.

Coordinated sale agreement entered into between Deezer and its main shareholders

<u>Shareholders concerned</u>: Main shareholders holding circa 75% of share capital (on a non-diluted basis).

<u>Nature, purpose, terms and reasons:</u> On March 22, 2023, the Board of Directors of Deezer authorized the signature on March 31, 2023 of a coordinated sale agreement between the company and its main shareholders. The purpose of this agreement is to limit the risk that unorderly sales on the market will mechanically fuel downward pressure on the share price, which the company believes to be disconnected from operating performance. On August 1, 2023, the company also entered into an engagement letter with Société Générale S.A., the purpose of which is to implement the coordinated sale procedure.

The amounts paid by the company during the year ended December 31, 2023 under the engagement letter amounted to 250,000 euros.

This agreement and the engagement letter signed with Société Générale S.A. expired on April 5, 2024.

Agreement approved and entered into since the closing of the last financial year

We have been advised of the following agreement, which has been approved and entered into since the end of the last financial year, which had received prior approval by your Board of Directors.

Management agreement entered into with the interim Chief Executing Officer of Deezer, Mr. Stuart Bergen

<u>Person concerned</u>: Mr. Stuart Bergen, interim Chief Executing Officer of Deezer, since April 1, 2024.

<u>Nature, purpose, terms and reasons</u>: On March 28, 2024, Deezer entered into an agreement with Mr. Stuart Bergen relating to his office as interim Chief Executive Officer. This agreement clarifies, in the interests of the company, the main conditions of his office, and contains provisions relating in particular to the compensation to be received during his office and the non-solicitation obligation to be respected after the termination of his duties. Mr. Stuart Bergen will receive a fixed annual remuneration of €550,000, which will be paid pro rata temporis for the duration of his term of office, and, subject to the achievement of targets set by the Board of Directors, a gross annual variable remuneration of the same amount, which may be increased up to €825,000 by the Board of Directors.

This agreement was authorized by the Board of Directors on March 28, 2024.

Agreements previously approved by the General Meeting

Agreements approved in previous years and which continued to run during the past financial year

Pursuant to Article R. 225-30 of the French Commercial Code, we have been informed that the following agreements already approved by the general meetings of Deezer in previous years, continued to run in the last financial year.

Digital streaming and tethered download license agreement entered into between Deezer and Rotana Studios FZ-LLC, a subsidiary of the Rotana group

<u>Shareholder concerned</u>: Rotana Audio Holding Ltd.

<u>Nature, purpose, terms and reasons:</u> On July 26, 2018, the Board of Directors of Deezer approved the signing on August 1st, 2018 of a license agreement between Deezer and Rotana Studios FZ-LLC, under the terms of which Deezer was granted exclusive rights to a significantly sized catalogue allowing it to differentiate itself considerably from its competitors in the MENA region. This license was subsequently assigned by Rotana Studios FZ-LLC to Rotana Audio Visual LLC, also a subsidiary of the Rotana group, under a deed of transfer dated January 15, 2019.

This license agreement was the subject of a first amendment dated September 8, 2021, approved by the Board of Directors of Deezer on September 16, 2021, under the terms of which certain provisions of the license were specified to enable the parties to better perform their respective contractual obligations.

A further amendment, approved by the Board of Directors of Deezer on March 23, 2022, was signed on February 25, 2022 by which Deezer and Rotana Audio Visual LLC decided to extend the agreement entered into on September 8, 2021 to the period from October 1st, 2022 to September 30, 2023, thereby allowing Rotana Audio Visual LLC to maintain its catalogue on YouTube Music in return for a payment of US$4.15 million to Deezer.

The license agreement was also amended on April 1st, 2022, approved by the Board of Directors of Deezer on April 14, 2022, by which Deezer allowed Rotana Audio Visual LLC to exploit its catalogue in the territory and to sub-license it to third parties in return for a payment of a guaranteed minimum of US$4 million payable in 6 instalments as well as royalties equal to 65% of Rotana's revenues for such exploitation (after deduction of the guaranteed minimum).

Deezer received a total of US$667,000 for the year ended December 31, 2023. The license agreement expired on September 30, 2023.

Agreement entered into between Deezer and Lazard Frères

Person concerned: Mrs. Iris Knobloch, Chairwoman of the Board of Directors of Deezer (post-merger), formerly Chairwoman and CEO of Deezer (previously I2PO) and member of the Board of Directors of Lazard Bank.

Nature, purpose, terms and reasons: On April 11, 2022, the Board of Directors authorized the signing on April 11, 2022, of an agreement between (i) Deezer (previously I2PO) on the one hand, and (ii) Lazard Frères on the other. The purpose of this agreement was (i) to provide financial advice to I2PO in the context of the proposed business combination through the merger of Deezer into I2PO and (ii) to issue a fairness opinion confirming the value of Deezer's pre-money securities.

No amount was paid by the Company to Lazard Frères during the financial year ended December 31, 2022 under this engagement letter. Amounts paid by Deezer in the year ended December 31, 2023 under this agreement amounted to 1,098,526.10 euros.

Management agreement entered into with the Chief Executive Officer of Deezer, Mr. Jeronimo Folgueira

Person concerned: Mr. Jeronimo Folgueira, Chief Executive Officer of Deezer, until March 31, 2024.

Nature, purpose, terms and reasons: A management agreement was entered into on July 5, 2022 between Deezer (post-merger) and Mr. Jeronimo Folgueira, acting in his capacity as Chief Executive Officer of the company. This agreement sets out the terms and conditions of his office as Chief Executive Officer, including the terms and conditions of his gross annual fixed remuneration of EUR 550,000 and his gross annual variable remuneration of the same amount, the latter being potentially increased by the Board of Directors to EUR 825,000 according to and dependent on the fulfilment of performance conditions set by said Board of Directors. This agreement also included a non-competition clause for 6 months following the termination of his duties in return for a monthly indemnity of 50% of the average net monthly salary of the last 12 months unless the non-competition clause is waived by the Board of Directors within 30 days of the effective termination of Mr. Folgueira's duties. This agreement was duly approved by the Board of Directors of the company at its meeting of July 5, 2022.

For the year ended December 31, 2023, Mr. Jeronimo Folgueira's gross fixed annual compensation amounted to 550,000 euros and his variable compensation was set at 545,860 euros following the assessment of the performance conditions by the Board of Directors.

Following the resignation of Mr. Jeronimo Folgueira, this agreement expired on March 31, 2024.

Agreements approved in the last financial year

We have also been informed of the following agreement which was effective during the past financial year, and which had already been approved by the general meeting of Mai 31, 2023 of Deezer upon the special report of the statutory auditors of April 24, 2023.

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Consulting agreement between Deezer and Dirgni Development AB

Person concerned: Mrs. Ingrid Bojner, member of the Board of Directors of Deezer since December 13, 2022 and Managing Director of Dirgni Development AB.

Nature, purpose, terms and reasons: On February 28, 2023, the Board of Directors' authorized the signing, on March 29, 2023 of a consulting agreement between (i) Deezer as principal on the one hand, and (ii) Dirgni Development AB as consultant on the other. The purpose of this agreement is to promote the strategic development of the company's activities.

The agreement provides for a remuneration of €2,800 (excluding tax) for each full day during which the consultant will provide consulting services to Deezer up to a limit of €49,000 (excluding taxes). In addition, and in accordance with the Company's policy, all reasonable travel, accommodation, and other external costs incurred by the consultant in relation to the provision of the consulting services, will be reimbursed by Deezer.

Deezer paid 39,200 euros under this contract in the year ended December 31, 2023.

This agreement came into force on March 1st, 2023 and has expired on June 30, 2023 (included).

Issued at Neuilly-sur-Seine and Paris-La Défense, on 29 April 2024

Statutory auditors

GRANT THORNTON French member firm of Grant Thornton International	MAZARS	ERNST & YOUNG Audit
Laurent Bouby	Erwan Candau	Frederic Martineau

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MANAGEMENT REPORT

5.1 Comments on consolidated results and financial position

5.1.1 Key figures

5.1.1.1 Breakdown of revenue by segment

The table below provides the split of total revenue by segment for the years ended December 31, 2023 and 2022:

	Year ended December 31,			
(in € millions)	2023	2022	Change (in %)	Chg. at constant FX (in %)
Direct	331.1	317.2	+4.4%	+4.8%
Partnerships	135.7	118.5	+14.5%	+14.0%
Other	17.8	15.5	+15.4%	+16.5%
Total revenue	**484.7**	**451.2**	**+7.4%**	**+7.6%**

5.1.1.2 Breakdown of revenue by geography

The table below provides the split of total revenue by geography for the years ended December 31, 2023 and 2022:

	Year ended December 31,			
(in € millions)	2023	2022	Change (in %)	Chg. at constant FX (in %)
France	288.1	273.2	+5.5%	+5.5%
Rest of World	196.6	178.0	+10.4%	+10.9%
Total revenue	**484.7**	**451.2**	**+7.4%**	**+7.6%**

5.1.1.3 Key performance indicators

The table below provides the split of subscribers by segment as at December 31, 2023 and 2022:

	December 31,		
(in millions)	2023	2022	Change (in %)
Direct	5.6	5.6	(0.0)%
o/w France	3.7	3.5	+5.9%
o/w Rest of World	2.0	2.2	(9.4)%
Partnerships	4.8	3.8	+28.9%
Total subscribers	**10.5**	**9.4**	**+11.5%**

The table below provides the average measure of ARPU on a monthly basis for the years ended December 31, 2023 and 2022:

	Year ended December 31,		
(in €)	2023	2022	Change (in %)
Direct	4.9	4.7	+3.9%
Partnerships	2.8	2.6	+11.0%

5.1.2 Analysis of consolidated results

5.1.2.1 Simplified income statement

(in € millions)	Year ended December 31, 2023	2022	Change (in %)
Total revenue	**484.7**	**451.2**	**+7.4%**
Adjusted gross profit[1]	**110.3**	**98.0**	**+12.6%**
In % of total revenue	*22.7%*	*21.7%*	*+1.0 pt*
Adjusted EBITDA[1]	**(28.8)**	**(55.7)**	**(48.4)%**
In % of total revenue	*(5.9)%*	*(12.4)%*	*+6.4 pt*
Operating loss (EBIT)	**(64.4)**	**(166.7)**	**(61.4)%**
In % of total revenue	*(13.3)%*	*(37.0)%*	*+23.7 pt*
Net loss	**(59.6)**	**(168.5)**	**(64.6)%**

(1) Refer to Section 5.1.4 *"Reconciliation of non-IFRS financial indicators"* of this Universal Registration Document.

5.1.2.2 Consolidated revenue

Consolidated revenue amounted to €484.7 million in 2023 compared to €451.2 million in 2022, representing an increase of €33.5 million, or 7.4% (7.6% at constant currency).

This revenue increase mainly reflected a solid Direct performance (+4.4%), especially in France, as well as the ongoing profitable Partnerships expansion (+14.5%).

5.1.2.2.1 Revenue by segment

Direct revenue amounted to €331.1 million in 2023 compared to €317.2 million in 2022, representing an increase of €13.9 million, or 4.4% (4.8% at constant currency).

This revenue increase mainly reflected a continued expansion of the Group's subscriber base in France (+5.9%), which allowed for clearly offsetting a decline of (9.4)% in the Rest of World as a result of Deezer's strategy to focus on selected key markets. Direct ARPU also improved year-on-year (+3.9%), driven by a double-digit growth in the Rest of World and a new price increase being implemented during the fourth quarter of 2023, despite the expected gradual end of the price increase effect implemented in France in January 2022. Direct ARPU in the Rest of World also increased on the back of the remaining price increases implemented in the second part last year and the positive impact of the Group's refocus on key geographies.

Partnerships revenue amounted to €135.7 million in 2023 compared to €118.5 million in 2022, representing an increase of €17.2 million, or 14.5% (14.0% at constant currency).

This revenue increase mainly reflected a good performance of new and existing deals with large Telecom operators in Rest of World: the progressive ramp ups of the RTL partnership launched in Q3 2022, the Sonos partnership launched in Q2 2023 and the Mercado Libre partnership launched at the end of Q3 2023.

Other revenue, which is made up of advertising and ancillary revenue, amounted to €17.8 million in 2023 compared to €15.5 million in 2022, representing an increase of 15.4% (16.5% at constant currency).

This revenue increase mainly reflected the progressive ramp up of the Sonos Radio partnership launched in Q2 2023 offset by the like-for-like impact of a one-off revenue from a hardware company partnership booked in 2022.

5.1.2.2.2 Revenue by geography

In France, revenue amounted to €288.1 million in 2023 compared to €273.2 million in 2022, representing an increase of €14.9 million, or 5.5%.

This revenue increase mainly reflected a continued expansion of Deezer's Direct subscriber base (+5.9%).

In the Rest of World, revenue amounted to €196.6 million in 2023 compared to €178.0 million in 2022, representing an increase of €18.5 million, or 10.4% (10.9% at constant currency).

This revenue increase mainly reflected the ongoing profitable Partnerships expansion (+35.8%) with the progressive ramp ups of the RTL partnership launched in Q3 2022, the Sonos partnership launched in Q2 2023 and the Mercado Libre partnership launched at the end of Q3 2023.

5.1.2.2.3 Subscriber base

The Group's total number of subscribers reached 10.5 million as at December 31, 2023 compared to 9.4 million as at December 31, 2022, representing an increase of +11.5%. This change mainly reflected the continued growth of the Direct subscriber base in France and the Partnerships expansion, which allowed to partly offset a Direct subscriber decline recorded in the Rest of World.

In Direct, the Group's number of subscribers was 5.6 million as at December 31, 2023 at par with that of December 31, 2022, reflecting the Group's strategy to concentrate in France.

In France, the Direct subscriber base remained at a strong level of 3.7 million at end December 2023 (+5.9%).

In the Rest of World, the number of Direct subscribers declined to 2.0 million at end December 2023, representing a decrease of (9.4)%, as the Group's strategy to focus on selected key markets led to a significant reduction of unprofitable spend, thus impacting new Direct subscriber acquisitions throughout 2022 and the first half of 2023.

In Partnerships, the Group's number of subscribers was 4.8 million as at December 31, 2023 compared to 3.8 million as at December 31, 2022, representing an increase of +28.9%. This change mainly reflected the Partnerships expansion with new deals like RTL, Sonos and Mercado Libre.

5.1.2.2.4 ARPU

The Group's ARPU stood at €4.0 in 2023 compared to €3.8 in 2022, representing an increase of 5.5%.

This change reflected growth across both Direct (+3.9%) and Partnerships (+11.0%) segments, underscoring the relevance and successful execution of the Group's strategy to improve business economics and a price increase at the end of Q4 2023.

5.1.2.3 Cost of Revenue

The Cost of Revenue, which mainly includes costs related to licensing rights, costs related to hosting infrastructure servers, network bandwidth costs and commissions charged by sales platforms and payment service providers, amounted to €393.2 million in 2023 compared to €386.1 million in 2022, representing an increase of €7.2 million. This change mainly reflected the higher level of activity and the impact of better terms with key rights holders.

Deezer management uses adjusted Cost of Revenue as described in Section 5.1.4 *"Reconciliation of non-IFRS financial indicators"* of this Universal Registration Document.

On an adjusted basis, the Cost of Revenue amounted to €374.4 million in 2023 compared to €353.2 million in 2022, representing an increase of €21.2 million, or 6.0%.

5.1.2.4 Adjusted gross profit and gross profit

	Year ended December 31,		
(in € millions)	2023	2022	Change (in %)
Adjusted gross profit	**110.3**	**98.0**	**+12.6%**
In % of total revenue	*22.7%*	*21.7%*	*+1.0 pt*
o/w Direct	80.1	76.5	+4.8%
In % of Direct revenue	*24.2%*	*24.1%*	*+0.1 pt*
o/w Partnerships	28.2	24.5	+15.2%
In % of Partnerships revenue	*20.8%*	*20.6%*	*+0.1 pt*
o/w Other	2.0	(3.0)	(167.4)%

Adjusted gross profit amounted to €110.3 million in 2023 compared to €98.0 million in 2022, representing an increase of €12.3 million, or 12.6%.

This change mainly reflected a higher level of activity, the positive impact of the shutdown of the Group's freemium service in some countries, and a positive contribution from New Verticals revenues.

As a result, adjusted gross profit margin increased from 21.7% in 2022 to 22.7% in 2023.

Direct adjusted gross profit amounted to €80.1 million in 2023 compared to €76.5 million in 2022, representing an increase of €3.6 million, or 4.8%.

This change mainly reflected Direct revenue growth and a lower spend of content expenses, partly offset by increased publishing rates. As a result, Direct adjusted gross profit margin slightly increased from 24.1% in 2022 to 24.2% in 2023.

Partnerships adjusted gross profit amounted to €28.2 million in 2023 compared to €24.5 million in 2022, representing an increase of €3.7 million, or 15.2%.

This change mainly reflected a higher level of activity and a lower spend of content expenses, partly offset by increased publishing rates. As a result, Partnerships adjusted gross profit margin slightly increased from 20.6% in 2022 to 20.8% in 2023.

Adjusted gross profit of the Other segment amounted to €2.0 million in 2023 compared to €(3.0) million in 2022, representing an improvement of €4.9 million.

This change mainly reflected the positive impact of the shutdown of the Group's loss-making freemium service in long-tail countries, as well as positive contribution from New Verticals revenues.

Gross profit amounted to €91.4 million in 2023 compared to €65.1 million in 2022, representing a decrease of €26.3 million, or 40.4%.

This change mainly reflected a lower level of non-recurring charges included in adjusted items.

Adjusted items amounted to €18.8 million in 2023 compared to €32.8 million in 2022, representing a decrease of €14.0 million. This change reflected the decrease in non-recurring charges related to the licensing agreements signed with music labels between the end of 2020 and the beginning of 2021 as these contracts gradually come to an end.

5.1.2.5 Product and development expenses

Product and development expenses amounted to €34.7 million in 2023 compared to €34.0 million in 2022, representing an increase of €0.7 million, or 2.0%.

Employee costs increased by €3.0 million as a result of higher headcount and increased average compensation, while external expenses decreased by €2.8 million. The amortization charge was higher by €0.7 million.

5.1.2.6 Sales and marketing expenses

Sales and marketing expenses amounted to €61.7 million in 2023 compared to €76.0 million in 2022, representing a decrease of €14.2 million, or 18.8%.

Marketing costs decreased by €14.8 million to €41.1 million as a result of the Group's strategy to focus on selected key markets, which led to a significant reduction of spending in non-core markets. External expenses decreased by €0.3 million, while employee costs grew by €1.6 million as a result of higher headcount on average and increased average compensation. The amortization charge was lower by €0.7 million.

5.1.2.7 General and administrative expenses

General and administrative expenses amounted to €59.4 million in 2023 compared to €121.8 million in 2022, representing a decrease of €62.4 million, or 51.2%.

Employee costs decreased by €10.7 million mostly due to lower share-based expenses. External expenses decreased by €59.1 million due to costs incurred in 2022 for the business combination of Deezer S.A. with I2PO S.A. and a positive effect of a non-recurring provision. The amortization charge was higher by €7.7 million mostly due to the impact of goodwill impairment of Driift (€7.6 million).

5.1.2.8 Adjusted EBITDA

Adjusted EBITDA[1] amounted to €(28.8) million in 2023 compared to €(55.7) million in 2022, representing an improvement of €26.9 million, cutting in half the Adjusted EBITDA of 2022.

This change mainly reflected higher adjusted gross profit and lower marketing expenses as well as strict management of fixed operating expenses.

As a result, adjusted EBITDA margin increased from (12.4)% in 2022 to (5.9)% in 2023.

5.1.2.9 Operating loss (EBIT[2])

Operating loss amounted to €64.4 million in 2023 compared to an operating loss of €166.7 million in 2022, representing a decrease of €102.3 million.

This change mainly reflected increased gross profit and lower operating costs, including other non-recurring charges related to the licensing agreements and a €54.9 million non-cash listing service charge recognized in 2022 as part of the business combination of Deezer S.A. with I2PO S.A.

Operating margin increased from (37.0)% in 2022 to (13.3)% in 2023.

5.1.2.10 Financial result

Finance income amounted to €8.7 million in 2023 compared to €4.3 million in 2022, representing an increase of €4.4 million. Finance costs amounted to €3.0 million in 2023 compared to €3.7 million in 2022, representing a decrease of €0.7 million.

This change mainly reflected the recognition of €2.8 million fair value adjustment of financial liabilities related to Market Warrants (A and B BSARs[3]), which were issued by I2PO S.A. concomitantly to the Group's Merger in July 2022 as well as the positive impact of financial interests on cash.

5.1.2.11 Income tax

Income tax expense amounted to €0.9 million in 2023 compared to an income tax expense of €1.0 million in 2022.

5.1.2.12 Equity affiliates

There was no share of profit/loss of equity affiliates in 2023 compared to a share of loss of €1.4 million in 2022.

This change mainly reflected the consolidation under the equity method of Dreamstage Inc. until May 24, 2022 and of Driift Holdings Ltd until September 29, 2022 (both being fully consolidated since these dates respectively).

5.1.2.13 Net loss

Net loss amounted to €59.6 million in 2023 compared to a net loss of €168.5 million in 2022, representing an increase of €108.9 million.

This change mainly reflected the improved operating loss and the positive financial result.

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(1) Earnings before interest, taxes, depreciation and amortization.
(2) Earnings before interest and taxes.
(3) Bon de Souscription d'Actions Remboursables.

5.1.3 Cash flows and financial resources

5.1.3.1 Consolidated cash flows

The following table provides a summary of the cash flows for the years ended December 31, 2023 and 2022:

	Year ended December 31,	
(in € millions)	2023	2022
Net cash flows (used in)/from operating activities	(40.0)	(48.8)
Net cash flows (used in) investing activities	(2.0)	279.1
Net cash flows (used in) financing activities	(8.4)	(152.5)

5.1.3.1.1 Operating activities

Net cash flows used in operating activities amounted to €40.0 million in 2023 compared to net cash flows from operating activities of €48.8 million in 2022, representing a decrease of €8.8 million.

This change mainly reflected the improved adjusted EBITDA loss, offset by lower generation of working capital compared to 2022.

5.1.3.1.2 Investing activities

Net cash flows used in investing activities amounted to €2.0 million in 2023 compared to net cash flows from investing activities of €279.1 million in 2022, representing a decrease of €281.1 million.

In 2023, the Group's investing activities mainly reflected purchases of property and equipment and intangible assets for €2.1 million. In 2022, the Group's investing activities mainly reflected the funds obtained from the release of a €275 million escrow account as a result of the business combination of Deezer S.A. with I2PO S.A.

5.1.3.1.3 Financing activities

Net cash flows used in financing activities amounted to €8.4 million in 2023 compared to net cash flows used in investing activities of €152.5 million in 2022, representing a decrease of €144.1 million.

In 2023, the Group's financing activities mainly reflected the beginning of the reimbursement of its three state-guaranteed loans for €5.2 million, as well as the payment of leases for €5.2 million. In 2022, the Group's financing activities mainly reflected a €105.2 million increase in share capital more than offset by €251.3 million liability repayment as part of the business combination of Deezer S.A. with I2PO S.A.

5.1.3.2 Free cash flow

The following table provides the free cash flow for the years ended December 31, 2023 and 2022:

	Year ended December 31,	
(in € millions)	2023	2022
Adjusted EBITDA	**(28.8)**	**(55.7)**
Change in working capital requirement	12.5	24.4
Capital expenditure	(2.0)	(3.0)
Leases[(1)]	(3.9)	(6.1)
Others	(22.2)	(3.1)
Free cash flow	**(44.3)**	**(43.6)**

(1) Including repayment of lease liabilities and net interest paid (including finance leases).

In 2023, the Group recorded a negative free cash flow of €44.3 million compared to a negative free cash flow of €43.6 million in 2022, representing a decrease of €0.7 million.

This change mainly reflected the reduction of adjusted EBITDA loss, offset by lower generation of working capital as compared to 2022, as well as higher other cash items (one-off items including the impact of tax regularizations).

Excluding one-one cash items, change in working capital requirement totaled €12.5 million in 2023, reflecting the higher level of activity and increasing Royalties Liabilities in the balance sheet, offset by an increase of the trade receivables at the end of December 2023 due to the acceleration of the Partnerships growth in Q4.

5.1.3.3 Net cash

(in € millions)	Year ended December 31, 2023	2022
Cash and cash equivalents	63.6	113.6
Financial debt	(21.0)	(28.3)
Net cash	**42.6**	**85.3**

Cash and cash equivalents amounted to €63.6 million as at December 31, 2023 compared to €113.6 million as at December 31, 2022, representing a decrease of €50.0 million.

This change mainly reflected the negative free cash flow recorded in 2023.

Financial debt amounted to €21.0 million as at December 31, 2023 compared to €28.3 million as at December 31, 2022, representing a decrease of €7.2 million.

As a result, the Group's net cash amounted to €42.6 million as at December 31, 2023 compared to €85.3 million as at December 31, 2022, representing a decrease of €42.8 million.

5.1.4 Reconciliation of non-IFRS financial indicators

5.1.4.1 Adjusted gross profit

Adjusted gross profit corresponds to the gross profit (revenue less Cost of Revenue) excluding non-recurring expenses related to license agreements such as costs relating to equity warrants and unused minimum guarantees. The Group excludes non-recurring items from its adjusted gross profit to allow management to more accurately evaluate the gross profit period.

The table below illustrates the reconciliation between gross profit and adjusted gross profit for the years ended December 31, 2023 and 2022:

(in € millions)	Year ended December 31, 2023	2022
Gross profit	**91.4**	**65.1**
License agreements non-recurring expenses	18.8	32.9
Adjusted gross profit	**110.3**	**98.0**

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5.1.4.2 Adjusted EBITDA

Adjusted EBITDA corresponds to the operating income/(loss) adjusted by the non-recurring expenses excluded and presented above in Section 5.1.4.1 *"Adjusted gross profit"* of this Universal Registration Document to define the adjusted gross profit and, by certain non-cash items such as depreciation and amortization, share-based expenses and other non-recurring provisions. Management excludes such non-cash items as it believes that they do not reflect the Group's current operating performance.

The table below illustrates the reconciliation between operating loss and adjusted EBITDA for the years ended December 31, 2023 and 2022:

(in € millions)	Year ended December 31, 2023	2022
Operating loss	**(64.4)**	**(166.7)**
Gross profit adjustments	18.8	32.9
Depreciation and amortization	16.3	8.7
Share-based expenses	3.1	68.6
Other non-recurring provisions	(2.6)	0.9
Adjusted EBITDA	**(28.8)**	**(55.7)**

5.2 Comments on Q1 2024 revenue

5.2.1 Key figures

5.2.1.1 Breakdown of revenue by segment

The table below provides the split of total revenue by segment for the three-month periods ended March 31, 2024 and 2023:

	Three-months ended March 31,			
(in € millions)	2024	2023	Change (%)	Chg. at constant FX (%)
Direct	86.0	81.7	+5.2%	+5.0%
Partnerships	43.3	30.8	+40.3%	+37.6%
Other	3.2	2.6	+23.1%	+23.3%
Total revenue	**132.5**	**115.2**	**+15.0%**	**+14.2%**

5.2.1.2 Breakdown of revenue by geography

The table below provides the split of total revenue by geography for the three-month periods ended March 31, 2024 and 2023:

	Three-months ended March 31,			
(in € millions)	2024	2023	Change (%)	Chg. at constant FX (%)
France	76.1	70.2	+8.5%	+8.5%
Rest of World	56.4	45.0	+25.2%	+23.1%
Total revenue	**132.5**	**115.2**	**+15.0%**	**+14.2%**

5.2.1.3 Key performance indicators

The table below provides the split of subscribers by segment as at March 31, 2024 and 2023:

	March 31,		
(in € millions)	2024	2023	Change (%)
Direct	5.5	5.6	(1.8)%
o/w France	3.7	3.5	+3.6%
o/w Rest of World	1.9	2.1	(11.0)%
Partnerships	4.9	3.6	+35.4%
Total subscribers	**10.5**	**9.3**	**+12.8%**

The table below provides the average measure of ARPU on a monthly basis for the three-month periods ended March 31, 2024 and 2023:

	Three-months ended March 31,		
(in €)	2024	2023	Change (%)
Direct	5.1	4.8	+6.4%
Partnerships	2.9	2.8	+5.5%

5.2.2 Analysis of Q1 2024 consolidated revenue

Consolidated revenue amounted to €132.5 million in 2024 compared to €115.2 million in 2023, representing an increase of €17.3 million, or 15.0% (14.2% at constant currency).

This revenue increase mainly reflected a solid Direct performance (+5.2%), especially in France, as well as the ongoing profitable Partnerships expansion (+40.3%).

5.2.2.1 Revenue by segment

Direct revenue amounted to €86.0 million in 2024 compared to €81.7 million in 2023, representing an increase of €4.3 million, or 5.2% (5.0% at constant currency).

This revenue increase mainly reflected an improvement of Direct ARPU year-on-year (+6.4%) driven by a new round of price increases implemented during the fourth quarter of 2023. Deezer's subscriber base continued expansion in France (+3.6%) was offset by a decline of (11.0)% in the Rest of World as a result of Deezer's strategy to focus on selected key markets.

Partnerships revenue amounted to €43.3 million in 2024 compared to €30.8 million in 2023, representing an increase of €12.4 million, or 40.3% (37.6% at constant currency).

This revenue increase mainly reflected a good performance of new and existing deals including the ramp up of Mercado Libre partnership launched at the end of Q3 2023, the RTL partnership launched in Q3 2022, and the Sonos partnership launched in Q2 2023.

Other revenue, which includes advertising and ancillary revenue, amounted to €3.2 million in 2024 compared to €2.6 million in 2023, representing an increase of 23.1% (23.3% at constant currency).

This revenue increase mainly reflected the performance of the Sonos Radio partnership launched in Q2 2023.

5.2.2.2 Revenue by geography

In France, revenue amounted to €76.1 million in 2024 compared to €70.2 million in 2023, representing an increase of €5.9 million, or 8.5%.

This revenue increase mainly reflected the improvement of the Direct ARPU as a result of a new wave of price increase implemented in the fourth quarter of 2023, and the continued expansion of Deezer's Direct subscriber base (+3.6%).

In the Rest of World, revenue amounted to €56.4 million in 2024 compared to €45.0 million in 2023, representing an increase of €11.4 million, or 25.2% (23.1% at constant currency).

This revenue increase mainly reflected the ongoing profitable Partnerships expansion with the ramp up of Mercado Libre partnership launched at the end of Q3 2023, the RTL partnership launched in Q3 2022, and the Sonos partnership launched in Q2 2023.

5.2.2.3 Subscriber base

The group's total number of subscribers reached 10.5 million as at March 31, 2024 compared to 9.3 million as at March 31, 2023, representing an increase of +12.8%. This change mainly reflected the continued growth of the Direct subscriber base in France and the Partnerships expansion, which allowed to offset a Direct subscriber decline recorded in the Rest of World.

In Direct, the group's number of subscribers was 5.5 million as at March 31, 2024 compared to 5.6 million as at March 31, 2023, reflecting our strategy to focus our marketing investments on France.

In France, the Direct subscriber base reached 3.7 million at the end of March 2024 (+3.6%).

In the Rest of World, the number of Direct subscribers declined by (11.0)% to 1.9 million at the end of March 2024 as the group's strategy to focus on selected key markets led to a significant reduction of unprofitable spend, thus impacting new Direct subscribers.

In Partnerships, the group's number of subscribers was 4.9 million as at March 31, 2024 compared to 3.6 million as at March 31, 2023, representing an increase of +35.4%. This change mainly reflected the Partnerships expansion with new partnerships such as Mercado Libre, RTL, and Sonos.

5.2.2.4 ARPU

The group's ARPU stood at €4.1 in the first quarter of 2024 compared to €4.0 in the first quarter of 2023, representing an increase of 2.2%.

This change reflected growth across both Direct (+6.4%) and Partnerships (+5.5%) segments, underscoring the relevance and successful execution of the group's strategy to improve business economics and a price increase at the end of Q4 2023. It also reflected the increased contribution of Partnerships revenues in the Company's revenue mix.

5.3 2024 priorities and outlook

In line with its strategy and medium-term outlook, the Group will continue to prioritize profitability while targeting revenue growth from Partnerships and Direct subscriptions in selected key markets.

Deezer confirms it remains on a path to generate a positive cash flow in 2024, thanks to:

- an acceleration of revenue growth compared to 2023, to reach 10% in 2024 driven by the development of Partnerships, subscriber growth and the impact of the latest round of price increases;
- another significant improvement of adjusted EBITDA, expected to be better than €(15) million in 2024, driven by a further increase of the adjusted Gross Margin and a better absorption of costs enabled by the improvement of our operating leverage on the back of continued strict management of the operating expenses.

Given its focus on profitable growth, Deezer confirms it will achieve a positive adjusted EBITDA in 2025.

5.4 Subsequent events

On January 9, 2024, Deezer announced the appointment of Ivana Kirkbride as Chief Commercial Officer to accelerate global expansion and drive partnership growth. The new Deezer CCO will lead a growth strategy to scale Deezer's global footprint and drive major commercial partnerships across key markets worldwide.

On January 17, 2024, the Company and Fnac Darty announced the renewal of their long standing partnership.

On January 23, 2024, the Company and TIM Brazil announced the renewal of their long term partnership in Brazil.

On March 4, 2024, Deezer Russia LLC has been closed. This liquidation is not material in Deezer S.A.'s financial statements.

On March 13, 2024, the Company announced the appointment of Stuart Bergen as interim Chief Executive Officer, effective April 1, 2024, following the announcement on February 28, 2024 of the resignation of Jeronimo Folgueira as Chief Executive Officer, effective March 31, 2024.

On March 21, 2024, the Company and Merlin, the independent's digital music licensing partner, announced the renewal of their partnership.

To the Company's knowledge, there was no significant change in the financial situation of the Group since the end of the fiscal year ended December 31, 2023.

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FINANCIAL STATEMENTS

6.1 Consolidated financial statements as of and for the year ended December 31, 2023

Deezer S.A.

A French *Société anonyme à conseil d'administration* with share capital of €1,216,876,81 whose registered office is located at 24, rue de Calais, 75009 Paris and registered with the Trade and Companies Register of Paris under number 898 969 852.

6.1.1 Consolidated income statements

		For the year ended December 31,	
(in € thousands)	Note	2023	2022
Revenue	**5**	**484,656**	**451,199**
Cost of revenue	5	(393,223)	(386,103)
Gross Profit		**91,433**	**65,095**
Product and development	6.1	(34,711)	(34,025)
Sales and marketing	6.1	(61,727)	(75,973)
General and administrative	6.1	(59,404)	(121,843)
Operating loss		**(64,409)**	**(166,746)**
Finance income	8	8,727	4,319
Finance costs	8	(2,986)	(3,685)
Financial result – Net		5,741	634
Loss before income tax		**(58,668)**	**(166,112)**
Income tax expense	9	(917)	(997)
Share of loss of equity affiliates		-	(1,368)
Net loss for the period		**(59,586)**	**(168,477)**
of which attributable to owners of the parent		**(57,666)**	**(167,702)**
of which attributable to non-controlling interests		**(1,920)**	**(775)**
Net loss per share attributable to owners of the parent			
Basic	10	(0.47)	(1.55)
Diluted	10	(0.47)	(1.55)
Weighted-average ordinary shares			
Basic	10	121,508,524	108,475,324
Diluted	10	121,508,524	108,475,324

The accompanying notes form an integral part of these financial statements.

6.1.2 Consolidated statements of comprehensive loss

(in € thousands)	Note	For the year ended December 31, 2023	2022
Net loss for the period		**(59,586)**	**(168,477)**
Other comprehensive income/(loss):			
Items that may be subsequently reclassified to consolidated statement of operations (net of tax):			
Currency translation adjustments		(1,790)	(3,806)
Items not to be subsequently reclassified to consolidated statement of operations (net of tax):			
Actuarial gains and losses on defined benefit plans	21	384	583
Other comprehensive income/(loss) (net of tax)		**(1,406)**	**(3,223)**
Total comprehensive loss for the period		**(60,992)**	**(171,700)**
Of which attributable to owners of the parent		*(59,106)*	*(171,011)*
Of which attributable to non-controlling interests		*(1,886)*	*(689)*

The accompanying notes form an integral part of these financial statements.

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6.1.3 Consolidated statements of financial position

		As of December 31,	
(in € thousands)	Note	2023	2022
Assets			
Non-current assets			
Goodwill	11	7,487	15,070
Intangible assets	11	260	524
Property and equipment	12	4,915	5,881
Right-of-use assets	13	16,736	21,061
Investments in equity affiliates		-	-
Non-current financial assets	14	5,337	5,440
Other non-current assets	15	525	1,705
Total non-current assets		**35,260**	**49,681**
Current assets			
Trade and other receivables	16	70,362	47,713
Other current assets	17	25,769	23,051
Cash and cash equivalents	26	63,605	113,610
Total current assets		**159,736**	**184,374**
Total assets		**194,996**	**234,055**
Equity and liabilities			
Equity			
Share capital	18	1,216	1,211
Share premium	18	483,970	483,976
Treasury shares		(363)	(320)
Consolidated reserves		(654,079)	(501,852)
Net loss		(57,666)	(167,702)
Equity attributable to owners of the parent		**(226,922)**	**(184,687)**
Non-controlling interest reserves		940	2,866
Total Equity		**(225,982)**	**(181,821)**
Non-current liabilities			
Provision for employee benefits	21	500	692
Lease liabilities	13	15,097	19,040
Financial liabilities	26	13,933	23,288
Total non-current liabilities		**29,530**	**43,020**
Current liabilities			
Provisions	20	14,838	16,018
Lease liabilities	13	3,676	4,060
Financial liabilities	26	7,115	4,988
Trade payables and related accrued expenses	22	298,990	283,373
Tax and employee-related liabilities	23	31,446	37,990
Deferred revenue	24	33,781	23,193
Other liabilities	25	1,602	3,234
Total current liabilities		**391,448**	**372,856**
Total liabilities		**420,978**	**415,876**
Total equity and liabilities		**194,996**	**234,055**

The accompanying notes form an integral part of these consolidated financial statements.

6.1.4 Consolidated equity

(in thousands of euros, except share numbers)	Note	Number of shares	Share capital	Share premium	Treasury shares	Consolidated reserves	Total shareholders' equity – Group share	Non-controlling interests	Total shareholders' equity
Balance at January 1, 2022 – Restated*	**18**	**94,386,129**	**944**	**368,471**	**-**	**(586,748)**	**(217,333)**	**-**	**(217,333)**
Net loss		-	-	-	-	(167,702)	(167,702)	(775)	(168,477)
Other comprehensive income		-	-	-	-	(3,221)	(3,221)	(2)	(3,223)
Total Comprehensive income						***(170,923)***	***(170,923)***	***(777)***	***(171,699)***
Issuance of ordinary shares granted to employees	18, 19	71,055	1	(1)	-	-	-	-	-
Treasury shares		-	-	-	(320)	-	(320)	-	(320)
Combinaison between I2PO et Deezer	4	11,296,305	113	10,363	-	54,944	65,420	-	65,420
Capital Increase	18	15,334,181	153	105,142	-	(131)	105,165	-	105,165
Share-based payments (Including listing service cost)	19	-	-	-	-	33,291	33,291	-	33,291
Changes in the scope of consolidation		-	-	-	-	-	-	3,643	3,643
Other		-	-	-	-	13	13	0	13
Balance at December 31, 2022		**121,087,670**	**1,211**	**483,976**	**(320)**	**(669,554)**	**(184,688)**	**2,866**	**(181,822)**
Net loss		-	-	-	-	(57,666)	(57,666)	(1,920)	(59,586)
Other comprehensive income		-	-	-	-	(1,440)	(1,440)	34	(1,406)
Total Comprehensive income		**-**	**-**	**-**	**-**	***(59,106)***	***(59,106)***	***(1,886)***	***(60,992)***
Issuance of ordinary shares granted to employees	18, 19	550,011	5.5	(5.5)	-	-	-	-	-
Treasury shares		-	-	-	(43)	-	(43)	-	(43)
Combinaison between I2PO et Deezer	4	-	-	-	-	-	-	-	-
Capital Increase	18	-	-	-	-	-	-	-	-
Share-based payments	19	-	-	-	-	16,967	16,967	-	16,967
Changes in the scope of consolidation		-	-	-	-	(52)	(52)	(40)	(92)
Other		-	-	-	-	-	-	-	-
Balance at December 31, 2023		**121,637,681**	**1,216**	**483,970**	**(363)**	**(711,745)**	**(226,922)**	**940**	**(225,982)**

* In accordance with IFRS 3, Business combinations, as applied to a reverse acquisition, the share capital has been restated and reflects the share capital of the legal acquirer, I2PO S.A.

The accompanying notes form an integral part of these financial statements.

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6.1.5 Consolidated statements of cash flows

(in € thousands)	Note	For the year ended December 31, 2023	2022
Operating activities			
Net loss		(59,586)	(168,477)
Adjustments for:		-	-
• Depreciation and amortization (excluding those related to current assets)	11,12,13	16,319	8,780
• Provisions	20, 21	(1,014)	4,649
• Unrealized gains and losses on fair value operations		-	-
• Share-based compensation expense	19	16,968	88,235
• Gains and losses on disposals		(16)	(7,449)
• Share of Loss of Equity Affiliates (net of dividends distributed)		-	360
• Discounting profits and losses		(2,776)	(1,821)
• Net debt costs (including interest on lease liabilities)		(1,325)	1,543
• Income tax paid	9	917	997
Changes in working capital:		-	-
• (Increase)/decrease in trade receivables and other assets		(31,951)	(20,711)
• Increase/(decrease) in trade and other liabilities		23,896	45,122
Income tax paid		(1,426)	(6)
Net cash flows from operating activities		**(39,994)**	**(48,778)**
Investing activities:		-	-
Purchases of property and equipment and intangible assets	11, 12	(2,095)	(3,053)
Release of the escrow account and Other		-	274,875
Proceeds from the disposal of intangible and tangible assets		16	22
Proceeds from the disposal of non-current financial assets	14	102	12
Impact of changes in the scope of consolidation		-	7,220
Net cash flows used in investing activities		**(1,977)**	**279,076**
Financing activities:		-	-
Increase in share capital and share premium (net of costs)	18	-	105,165
Repayments on short-term debt	26	(5,164)	(251,569)
Repurchases of ordinary shares		(44)	(390)
Proceeds from issuance of long-term debt	26	747	422
Repayment of lease liabilities	13	(5,190)	(4,512)
Net interest paid (including finance leases)		1,317	(1,617)
Other cash flows relating to financing activities		(92)	-
Net cash flows (used in)/from financing activities		**(8,426)**	**(152,501)**
Effect of foreign exchange rate changes on cash and cash equivalents		392	716
Change in net cash position		**(50,005)**	**78,513**
Cash and cash equivalents at the beginning of the period	26	113,610	35,097
Cash and cash equivalents at the end of the period	26	63,605	113,610
Change in net cash position		**(50,005)**	**78,513**

The accompanying notes form an integral part of these financial statements.

6.1.6 Notes to the consolidated financial statements

In the present notes to the consolidated financial statements:

- Deezer S.A. refers to the accounting acquirer before the merger completion on July 5, 2022;
- I2PO S.A. refers to the accounting acquiree before the merger completion on July 5, 2022;
- the Company refers to the combined entity after the merger completion on July 5, 2022.

The merger is described in Note 18.

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Note 1 Company information

1.1 Company information

The Company or the Ultimate Parent is a French *société anonyme à conseil d'administration* incorporated on May 4, 2021 and registered in France under number 898 969 852 RCS Paris, with its registered office at 24, rue de Calais, 75009 – Paris.

The Group comprises the Company and its subsidiaries (the "Group"). The Company is the holding company of the Group that operates a streaming music service through the Deezer.com website and a mobile application and operates in more than 180 countries.

Deezer Group makes more than 120 million music tracks available to its customers.

The main activities of the Group's companies are:

- an online music listening service, provided free of charge to users (financed by advertising) or by way of subscriptions;
- advertising sales (sale of advertising space online).

1.2 Significant events

1.2.1 Board

With effect as of December 31, 2022, Guillaume d'Hauteville has resigned from his office as Chairman of the Board of Directors of the Company and was appointed Vice-Chairman. Iris Knobloch was appointed chairwoman of the Board of Directors of the Company, effective January 1, 2023.

With effect as of March 22, 2023, Combat Holding has resigned from his office as member of the Audit Committee of the Company.

On February 28, 2023, Stuart Bergen was co-opted by the Board of Directors to replace Amanda Cameron, who resigned from her position as director. The cooptation of Stuart Bergen as director of the Company has been ratified during the shareholders' general meeting of the Company held on May 31, 2023, for the remaining term of his predecessor, that is, until the annual general meeting is called to approve the financial statements for the fiscal year ending December 31, 2024.

1.2.2 Key transactions

On February 16, 2023, the Company and Sonos announced a long-term partnership whereby the Company will deliver key services and curated music streaming for Sonos' streaming radio service Sonos Radio and its subscription service Sonos Radio HD. On April 20, 2023, the Company and Sonos announced the launch of Sonos Radio and Sonos Radio HD for Sonos users in 16 countries.

On March 31, 2023, the Company acquired an additional 0.85% stake in Driift Holdings Limited, through the purchase of 2,400 ordinary shares from its founder (€92 thousand). This operation is reflected in the cash flow statement under "Other cash flows relating to financing activities".

On April 4, 2023, the Company announced that its major shareholders reached an agreement, to which the Company is a party, under the terms of which they undertake, until April 5, 2024, to coordinate any upcoming sale o f their shares on the market by centralizing their share transfers through the same sale agent. The purpose of this coordinated sale agreement, which covers approximately 75% of the existing share capital of the Company, is to limit the risk that unorderly sales on the market, especially without price limits and given the current liquidity of the Company's shares, will mechanically fuel downward pressure on the stock price, which the Company believes to be disconnected from operating performance.

On June 1, 2023, the Company has officially launched Zen by Deezer in France, its dedicated wellbeing application. The catalogue includes more than 2,000 pieces of audio and video content, produced by more than 50 recognized wellbeing experts in France. The launch reflects Deezer's continued diversification of its business, with original content and new interactive experiences.

On June 6, 2023, the Company announced developing its AI music detection capabilities and building a set of cutting-edge tools, to ensure fairer artist remuneration, increased transparency and more efficient fraud prevention. In a world where AI generated music is quickly taking off, Deezer expands its commitment to help artists monetize their music better, fight fraud, and create a better user experience for fans.

On July 20, 2023, the Company and Orange announced the renewal of their long-standing partnership.

On August 31, 2023, the Company announced that it is expanding its partnership with Mercado Libre, the leading Latin American e-commerce platform, in joining Meli+ (an all-inclusive retail and entertainment subscription service, which is now introduced in Mercado Libre's main markets Brazil and Mexico).

On September 6, 2023, the Company and Universal Music Group announced the launch of an artist-centric streaming model designed to better reward the artists and music that fans value the most.

On November 7, 2023, Deezer revealed its bold new brand identity and logo, setting the stage for an era of music experiences. The Company is reinventing itself as an experience services platform, with expression and connection as guiding principles to help artists, fans and partners to be and belong through music.

On December 7, 2023, Deezer announced its partnership with France Billet for its in-app concert discovery. The new partnership gives users easy access to thousands of events through France Billet's ticketing system.

Note 2 Summary of material accounting policies

The consolidated financial statements as of and for the year ended December 31, 2023 were prepared under management's supervision and were authorized for issue by the Board of Directors on February 28, 2024.

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

2.1.1 Compliance with IFRS

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and interpretations published by the International Accounting Standards Board (IASB) and endorsed by the European Union and whose application is mandatory as of December 31, 2023.

The preparation of the consolidated financial statements in conformity with IFRS requires the application of certain critical accounting estimates and assumptions. It also requires management to exercise its judgment in the process of applying the accounting policies. The areas involving a greater degree of judgment or complexity, or areas in which assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 3.

On February 28, 2024, the Board of Directors has reviewed the financial position of the Group, together with its forecast cash flows and financing facilities available and have a reasonable expectation that the Group has adequate resources to continue in operational existence for a minimum of 12 months following the signing of these financial statements. For this reason, the Group has adopted the going concern basis in preparing the financial statements.

2.1.2 New and amended standards adopted by the Group

At the end of the accounting period, there are no differences between the reference standards used and the standards adopted by the IASB, whose application is mandatory for the accounting period presented.

The main accounting policies remain unchanged compared to last period, except for the following standards, amendments and interpretations applied since January 1, 2023:

- IFRS 17, *Insurance Contracts*;
- amendments to IFRS 17, *Initial Application of IFRS 17*, and IFRS 9, *Comparative Information*;
- amendments to IAS 8, *Definition of accounting estimates*;
- amendments to IAS 1 and IFRS Practice Statement 2, *Disclosure of accounting policies*;
- amendments to IAS 12, *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*;
- amendments to IAS 12, *International Tax Reform – Pillar Two Model Rules*.

2.1.3 New standards and interpretations not yet effective

Newly published IFRS standards, amendments and interpretations which are not yet effective but which will be mandatory for periods opened after January 1, 2024, and not early adopted by the Group, which may have an impact on the Group's consolidated financial statements are as follows:

- amendments to IFRS 16, *Lease Liability in a Sale and Leaseback*;
- amendments to IAS 1:
  - *Classification of Liabilities as Current or Non-current Date*,
  - *Classification of Liabilities as Current or Non-current – Deferral of Effective Date*,
  - *Non-current Liabilities with Covenants*;
- amendments to IAS 7 and IFRS 7, *Supplier Finance Arrangements*;
- amendments to IAS 21, *Lack of Exchangeability*.

2.2 Basis of consolidation

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Companies, or subsidiaries, over which the Company exercises exclusive control are fully consolidated.

Companies, or subsidiaries, over which the Company exercises a significant influence on operational and financial strategies are consolidated under equity method.

2.3 Foreign currency translation

2.3.1 Functional and reporting currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Euro, which is the reporting currency and the functional and presentation currency of the Parent.

2.3.2 Transactions and balances

Transactions in foreign currencies are translated into their respective functional currencies using the exchange rate at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency using the exchange rate effective at that date.

The resulting exchange gains or losses are recorded in the consolidated income statement.

2.3.3 Group companies

The financial statements of consolidated foreign subsidiaries whose functional currency is not the Euro are translated into Euros:

- for statement of financial position items at the closing exchange rate at the date of the statement of financial position; and
- for the income statements, statement of comprehensive loss and statement of cash flows items at the average rate for the period presented, except where this method cannot be applied due to significant exchange rate fluctuations during the applicable period.

The resulting currency translation adjustments are recorded in other comprehensive income (loss) as a cumulative currency translation adjustment.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2.4 Revenue Recognition

2.4.1 Direct Revenue and Partnerships Revenue

The Group generates subscription revenue from the sale of its streaming music service. Subscription revenue is generated directly from end users (“**Direct Revenue**”) and through partners who are generally telecommunication and media companies or audio equipment manufacturers that collect payment for the stand-alone subscriptions from their end customers or bundle the subscription with their own goods and services (“**Partnerships Revenue**”). The Group satisfies its performance obligation, and revenue from these services is recognized over time for the subscription period. Typically, subscriptions are paid for monthly in advance.

Direct Revenue and Stand-Alone subscriptions (Partnerships Revenue)

These subscriptions are taken out directly by the user or through a distribution partner who may be a telecom company or an audio equipment manufacturer for example:

- subscriptions sold by the Group and collected through payment platforms as well as subscriptions taken out through “Stores” (Apple, Android) are recognized for their gross value. The commission charged by the platform is included in “Cost of Revenue”;
- for subscriptions subscribed through distribution partners (“**Stand-Alone**”):
  - where the Group concludes that it is principal in the transaction with regard to the analysis of the control of services or access rights to services, in particular with regard to the latitude in setting the selling price to the end customer, revenue is recognized for its gross value. If a commission is invoiced by the distributor in accordance with the distribution agreement, it is recorded as an expense in “Sales and Marketing”,
  - where the Group concludes that the distribution partner is principal in the transaction with regard to the analysis of the control of services or access rights to services, in particular with regard to the latitude in setting the selling price to the end customer, revenue is recognized for its net value, having deducted the sales commission.

Revenue from Direct and Stand-Alone subscriptions, whether recognized gross or net, have one material performance obligation, that being the delivery of the streaming music service.

Revenue from Bundle (Partnerships Revenue)

When the Deezer subscription is included in the service or product sold by the distribution partner, the distribution partner pays the Group based on all subscriptions sold or active subscriptions depending on the terms of the contract (an active subscriber is a user who has listened to music for at least 30 seconds over the last 30 days).

The Group has analysed that the distributor is principal, and the performance obligation is the delivery of the streaming music service. Revenue is recognized on a straight-line basis over the subscription period, for the net amount paid by the distributor.

The Group has signed certain contracts with distribution partners, mostly telecom and media companies, including a minimum guarantee to be received. The revenue recognized corresponds to the monthly sales reported by the distribution partners. If it is estimated that revenue will be below the minimum guarantee, any difference between the actual sales and the minimum guarantee is recognized as revenue over the remaining years of the contract, in accordance with the terms and conditions of the contract.

2.4.2 Other Revenue

The Group has two other sources of revenue:

- the Group’s advertising revenue is primarily generated through display, audio, and video advertising delivered through impressions on the Deezer free service. The Group enters into arrangements with advertising agencies that purchase advertising on its platform on behalf of the agencies’ clients, or enters into arrangements directly with advertisers. These advertising arrangements are typically sold on a cost-per-thousand basis and are evidenced by an Insertion Order (“IO”), a submission of order placements through a self-serve platform that includes the online acceptance of terms and conditions, or contracts that specify the terms of the arrangement such as the type of ad product, pricing, insertion dates, and number of impressions in a stated period. Advertising revenue is recognized in the period in which the advertising service is provided;
- ancillary revenue corresponds to income received by the Deezer Group from partners, in particular from sales of access codes.

Deferred revenue is mainly comprised of subscription fees collected for services not yet performed, and therefore, the revenue has not been recognized. Revenue is recognized over time as the services are performed.

2.5 Cost of revenue

Cost of revenue consists predominantly of royalty and distribution costs related to content streaming.

2.5.1 Royalty and guaranteed minimum costs

Royalty and guaranteed minimum costs include the royalties due to rights holders as a result of content streaming.

Royalties are typically calculated using negotiated rates in accordance with license agreements and are based on either subscription and advertising revenue earned, user/usage measures, or a combination of these. The determination of the amount of the rights holders' costs is based on a number of variables, including the revenue recognized, the type of content streamed and the country in which it is streamed, identification of the appropriate license holder and size of user base. Some rights holders have allowed the use of their content on the platform while negotiations of the terms and conditions or determination of statutory rates are ongoing. In such situations, royalties are calculated using estimated rates. In certain jurisdictions, rights holders have several years to claim royalties for musical compositions, and therefore, estimates of the royalties payable are made until payments are made.

When signing multi-annual royalty contracts with minimum guaranteed amounts the Group assesses the amount of royalties to be consumed over the entire contractual period. Any difference between the guaranteed minimum and the royalties assessed is accrued for under Trade payables and related accrued expenses and this Cost of Revenue is spread over the same period. When the amount of the guaranteed minimum cannot be allocated to accounting periods covered by the term of the contract, this amount is spread *pro rata temporis.*

For onerous contracts, any difference between the guaranteed minimum and the royalties over the entire contractual period assessed on the date on which the contract is signed is recognized as an intangible asset (access right according to the criteria of IAS 38). This intangible asset is amortized over the contract term and the annual amortization charge is presented under Product and Development.

At the end of each financial year, the Group updates the estimated unused minimum guaranteed. If the new estimate is higher than the initial amount of the intangible asset, a charge in Cost of Revenue is recognized for the difference through an impairment of advance payments on music rights, if any, or through a provision for onerous contract if such difference is higher than advance payments.

2.5.2 Distribution and other costs

Distribution and other costs of revenue include commissions charged by the sales platforms, server hosting and network bandwidth.

2.6 Product and development expenses

Product and development expenses are primarily comprised of costs incurred for the development and improvements of the product and its interfaces. The costs incurred mainly include related salaries and social contributions.

2.7 Sales and marketing expenses

Sales and marketing expenses are predominantly comprised of subscriber acquisition costs, communication expenses relating to public relations, commissions paid to distributors, as well as the costs of providing free trials of the Deezer subscriptions. They also include salaries, social contributions and expenses relating to employees assigned to advertising sales, central and local marketing teams, as well as customer support teams. Expenses included in the costs of providing free trials are primarily derived from per user royalty fees determined in accordance with the rights holder agreements.

2.8 General and administrative expenses

General and administrative expenses are primarily comprised of salaries, social contributions and expenses relating to employees assigned to management and support functions such as Content, Finance, Human Resources, Legal and Strategy, to the department in charge of relations with the right holders, as well as costs related to premises.

2.9 Income tax

The tax expense for the period comprises current and deferred tax. Tax is recognized in the consolidated income statements except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

2.9.1 Current tax

The current tax represents the amount of income tax based on the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries and associates operate and generate taxable income.

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2.9.2 Deferred tax

Deferred income tax is determined using the liability method on temporary differences between the carrying amount of assets and liabilities in the consolidated financial statements and their tax bases. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

When recognized, deferred tax assets and liabilities are offset only if certain criteria are met, such as when there is a legally enforceable right to offset.

2.10 Earnings per share

Basic earnings per share are calculated by dividing profit (loss) for the period by the weighted average number of ordinary shares existing during the period, less the average number of ordinary shares bought and held as treasury shares.

Diluted earnings per share are calculated by dividing profit (loss) for the period by the weighted average number of shares issued or to be issued at the end of the period, excluding treasury shares and including the impact of all potentially dilutive ordinary shares and in particular the exercise of stock options.

The calculation of basic earnings per share is detailed in Note 10 – Loss per share.

2.11 Goodwill

Goodwill is the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed. Goodwill is not amortized and is tested annually for impairment, or more regularly if certain indicators are present. The value in use is defined as the sum of discounted cash flows generated by the asset's continued use over its useful life, and the cash flow expected from its disposal. If the recoverable amount of an asset is less than its net carrying amount, an impairment charge is determined.

The key assumptions used for these tests are as follows:

- business plan of the activity supported by the goodwill prepared by Management on the basis of growth and profitability, and consistent with the Deezer Group's business plan validated by the Board of Directors;
- exit revenue multiple;
- revenue growth rate;
- gross margin growth rate;
- discount rate.

2.12 Intangible assets

2.12.1 Development costs

Internal development costs may be capitalized when the following criteria are met:

- high probability of technical success allowing the completion of the intangible asset for commissioning or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of appropriate resources (technical, financial and other) to complete the development and use or sell the intangible asset;
- the ability to reliably measure the expenses spent on the intangible asset development.

Some of the above criteria are not met during the presented period. Development costs are therefore recorded as expenses.

2.12.2 Software and licenses

Acquired software and licenses are recognized at cost and amortized using a straight-line method over their useful life.

2.12.3 Other intangible assets

Other intangible assets include acquired databases. They are recognized at acquisition cost and are amortized over their useful life.

2.12.4 Amortization

Intangible assets with a finite life are amortized over their useful life using a straight-line method. Useful lives are reviewed annually, and any resulting adjustments are recognized prospectively.

Intangible assets with indefinite life are not amortized and are tested for impairment annually, either individually or as part of the cash generating unit to which they belong.

The estimated useful lives are the following:

- licenses: 1 to 3 years;
- websites: 1 year;
- customer database: between 1 and 2 years;
- other assets: between 1 and 3 years;
- exclusive rights and access rights: term of the contract.

2.13 Property and equipment

Property and equipment are measured at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes any expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Group.

When components of property, plant and equipment have different useful lives, they are recognized as separate property and equipment.

Depreciation is recorded using a straight-line basis over the estimated useful life for each component of an item of property and equipment.

The estimated useful lives used are as follows:

- building improvements: 5 to 10 years;
- technical equipment and tools: 3 years;
- fixtures and fittings: between 5 and 8 years;
- vehicles: 5 years;
- office and computer equipment: 3 years;
- furniture: 5 years.

The carrying amounts of property and equipment are tested for impairment whenever events or changes in circumstances indicate that an asset might be impaired.

Should any such event or circumstances occur, the recoverable amount of the asset is estimated. The recoverable amount of property and equipment is the higher of the net selling price and the value in use.

2.14 Right-of-use assets and lease liabilities

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

As a lessee, the Group recognizes:

- an asset corresponding to the right of using such asset during the lease term.

  At the effective date of the lease agreement, the right-of-use is measured at cost comprising the amount of the initial measurement of lease liability, any lease payments made at or before the commencement date less any leases incentives received, any initial directs costs and restoration costs. The right-of-use is amortized over the useful life of the underlying asset. This useful life always corresponds to the lease contract period, given the nature of assets leased by the Group;
- a lease liability resulting from the obligation to pay this right-of-use.

  At the effective date of the lease agreement, the lease liability include the net present value of the fixed payments, less any lease and incentives receivable, variable lease payment that are based on an index or a rate, amounts expected to be payable by the Group under residual value guarantees, the exercise price of a purchase option if the Group reasonably certain to exercise that option, and payments of penalties for terminating the lease, if the lease reflects the Group exercising that option. Discounting rentals is carried out by using an incremental borrowing rate specific to each country and specific to each lessee.

  These rates correspond to interest rates which the lessee would have to pay in order to borrow, for the same period and with a similar guarantee, the necessary amount to purchase a similar asset in a similar economic environment.

During the lease term, the lease liability and the right-of-use asset may be adjusted based on events resulting in an increase or decrease of the lease term and of the rental.

The duration of the contract considered is the reasonably certain duration including the non-cancellable period, the periods possibly covered by renewal or termination options. This duration is assessed on the date of the lease start and this assessment must consider all the facts or circumstances creating an economic incentive. Main simplified measures allowed by IFRS 16 are used by the Group.

Leases meeting the following conditions are excluded from the scope of IFRS 16:

- leases in relation to assets with a value lower than €5,000;
- short-term leases with a term of 12 months or less;

Rentals in relation to leases excluded from the scope of IFRS 16 are directly booked as operating costs.

2.15 Impairment of non-financial assets

Assets that are subject to depreciation or amortization are reviewed for impairment whenever events or changes in the market in which the entity operates indicate a risk of impairment of tangible and intangible assets, an impairment test is performed to determine whether the carrying amount of the asset remains below its recoverable amount, defined as the higher of fair value less costs to sell and value in use. Prior impairments of non-financial assets other than are reviewed for possible reversal each reporting period.

2.16 Financial instruments

2.16.1 Financial assets

Initial recognition and measurement

The Group's financial assets are comprised of non-current financial assets, other non-current assets, trade and other receivables, other current assets and cash and cash equivalents. All financial assets (other than trades receivables) are recognized initially at fair value plus transaction costs that is attributable to the acquisition of the financial asset. Purchases and sales of financial assets are recognized on the settlement date; the date that the Group receives or delivers the asset. Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets except for those with maturities greater than 12 months after the reporting period.

6

Derecognition

Financial assets are derecognized when the rights to receive cash flows from the asset have expired.

Impairment of financial assets

Financial assets such as trade receivables are impaired according to an impairment model based on expected losses. The Group applies the provisions of IFRS 9 relating to the simplified model of the original provision over the maturity of the instrument.

Credit risk is assessed upon recognition in the balance sheet at each closing date taking into account reasonable and justifiable information available as well as statistics in terms of collection. The main factors considered when identifying these potential impairment losses include actual financial difficulties of a debtor or payment delays.

2.16.2 Financial liabilities

Initial recognition and measurement

The Group's financial liabilities are comprised of non-current and current lease liabilities, non-current and current financial liabilities, current liabilities including trade and other payables and contingent consideration and excluding deferred income. All financial liabilities except lease liabilities are recognized initially at fair value.

The Group accounts for some warrants as a financial liability measured at fair value through profit or loss. In accordance with IAS 32, *Financial instruments: Presentation,* the Group determined that the warrants were precluded from equity classification, as the BSARs can be converted into a variable number of new ordinary shares, they are accounted for as derivatives at fair value through profit or loss.

The Group accounts for contingent consideration as a financial liability measured at fair value through profit or loss. The fair value of the contingent consideration is presented as a component of provisions, accrued expenses and other liabilities on the consolidated statement of financial position. Changes to the fair value of the contingent consideration are recorded as operating expenses within general and administrative expenses.

Subsequent measurements

Financial liabilities at amortized cost

After initial recognition, payables are subsequently measured at amortized cost using the effective interest method. The effective interest method amortization is included in finance costs in the consolidated statement of operations. Gains and losses are recognized in the consolidated statement of operations when the liabilities are derecognized.

Payables are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Financial liabilities at fair value through profit or loss

After initial recognition, financial liabilities at fair value through the profit or loss are subsequently re-measured at fair value at the end of each reporting period with changes in fair value recognized in finance income or finance costs in the consolidated statement of operations.

Derecognition

Financial liabilities are derecognized when the obligation under the liability is discharged, cancelled, or expires.

2.16.3 Fair value measurements

For financial assets and liabilities measured at fair value on a recurring basis, fair value is the price the Group would receive to sell an asset or pay to transfer a liability in an orderly transaction with a market participant at the measurement date. In the absence of active markets for identical assets or liabilities, such measurements involve developing assumptions based on market observable data and, in the absence of such data, internal information that is consistent with what market participants would use in a hypothetical transaction that occurs at the measurement date. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Group's market assumptions. All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, and are based on the lowest level input that is significant to the fair value measurement as a whole:

- level I: quoted (unadjusted) prices in active markets for identical assets or liabilities;
- level 2: other techniques for which inputs are based on quoted prices for identical or similar instruments in markets that are not active, quoted prices for similar instruments in active markets, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the asset or liability;
- level 3: techniques which use inputs that have a significant effect on the recognized fair value and require the Group to use its own assumptions about market participant assumptions.

The Group maintains policies and procedures to determine the fair value of financial assets and liabilities using what it considers to be the most relevant and reliable market participant data available. It is the Group's policy to maximize the use of observable inputs in the measurement of its Level 3 fair value measurements. To the extent observable inputs are not available, the Group utilizes unobservable inputs based upon the assumptions market participants would use in valuing the asset or liability. In determining the fair value of financial assets and liabilities employing Level 3 inputs, the Group considers such factors as the current interest rate, equity market, currency and credit environments, expected future cash flows, the probability of certain future events occurring, and other published data. The Group performs a variety of procedures to assess the reasonableness of its fair value determinations including the use of third parties.

2.16.4 Derivative instruments

The Group does not use any derivatives for operational hedging and management of exposure to exchange rate fluctuations.

2.17 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, as well as short-term deposits with maturities of three months or less and any money-market investment subject to an insignificant risk of changes in value.

Short-term investments are considered as being held-for-trading and measured at fair value on the closing date. Changes in fair value are recognized in profit or loss.

2.18 Share capital

As at December 31, 2023, the Company's share capital is divided into 121,637,681 shares, each with a par value of €0.01. All outstanding ordinary shares have equal rights to vote at general meetings.

Ordinary shares and preferred shares (class A2 and A3) are classified as equity.

2.19 Share-based payments

The Group has plans under which directors, executives and certain employees are granted new shares issued and stock options and certain commercial partners are granted equity warrants.

For equity-settled share-based payment transactions, the Group must measure the goods or services received and the corresponding increase in equity, at the fair value of the goods or services received. If a reliable measurement of the goods or services received is not possible, the Group measures these by determining the fair value of the equity instruments awarded.

The fair value of the stock-options awarded to employees and of some equity warrants granted to commercial partners has been determined using the Black-Scholes model with the following key parameters:

- valuation of Deezer S.A. on the date the financial instrument is granted;
- maturity of the financial instrument (estimated date of its liquidity);
- government bond yields on the date of valuation of the financial instrument;
- company volatility index based on comparable companies;
- exercise value of the financial instrument.

The fair value of free shares granted to employees has been determined based on the Deezer S.A. or on the Company valuation on the date of grant and on the rights attached to those free shares.

The value of equity instruments awarded to employees is recognized over the vesting period and is recorded under Employee benefit expenses with a corresponding increase in the Group' s equity.

The value of equity instruments paid to directors and employees as consideration of services or goods received and granted to third parties as consideration of commercial partnerships is recognized as a cost in the income statement or as an asset in the balance sheet, with a corresponding increase in Capital reserves in the Group's equity.

2.20 Provisions for risks

Provisions are recognized in the consolidated statement of financial position when the Group has a present obligation (legal or implicit) arising from past events, that can be reliably estimated, provided it is probable that an outflow of economic benefits will be required to settle the obligation.

Where there is a significant time value effect, the amount of the provision is determined by discounting expected future cash flows at a rate that reflects current market assessment of the time value of money and, where appropriate, risks specific to this liability.

2.21 Provision for employee benefits

The Group's obligations for retirement and similar post-employment benefits relate to defined benefit plans paid at retirement date, in line with relevant legal and regulatory obligations in France. These obligations are measured using the projected unit credit method. Under this method, benefit entitlements are attributed to service periods in accordance with vesting conditions, using a straight-line basis to stagger the expense generated when the entitlement does not vest in a uniform manner over the remaining service periods to retirement.

The amount of future payments is measured on the basis of assumptions including salary increases, retirement age, life expectancy, employee turnover and discounting assumptions for anticipated payments using a rate that reflects the anticipated repayment period.

The variation of provisions resulting from changes in actuarial assumptions are recognized in other comprehensive income.

Note 3 Critical accounting estimates and judgments

Preparing financial statements under IFRS requires management to make estimates and assumptions that affect the application of accounting policies and the amounts of assets and liabilities, income and expenses. The underlying estimates and assumptions are based on past experience and other factors considered reasonable under the circumstances. They act as a basis for making assumptions necessary to the determination of the carrying amount of assets and liabilities, which cannot be obtained directly from other sources. Actual values may differ from these estimates.

The underlying estimates and assumptions are regularly reviewed. The impact of changes in accounting estimates is recognized in the period in which the change is made and in all subsequent affected periods.

Information on the key assumptions underpinning the estimates made in application of the accounting policies, that materially affect the amounts recognized in the financial statements, can be found in the following notes:

3.1 Cost of revenue

The Group assesses the royalties over the entire contractual period for license agreements which include a guaranteed minimum. This assessment is based on variables such as forecast revenue and market shares per label. Any difference between the guaranteed minimum and the royalties estimated over the entire contractual period is accrued for under Trade payables and related accrued expenses and this Cost of Revenue is spread over the same period.

The Group measures costs of revenue including costs relating to equity warrants issued in March 2021 and in September 2021, as presented in Notes 18 and 19. These costs are recognized at the fair value of warrants issued by taking into consideration the number of warrants which could be exercised, based on the estimated royalty costs compared to minimum guaranteed costs over the contractual period, and the value per share estimated at the effective date of the contract. The Group has recognized costs amounting to €14,116 thousand and €20,033 thousand for the years ended December 31, 2023 and 2022, respectively.

3.2 Share-based payments

The Group measures the fair value of stock options and warrants granted to certain employees, executives and commercial partners based on actuarial models. These actuarial models require that the Group use certain calculation assumptions with respect to characteristics of the grants (*e.g.*, vesting terms) and market data (*e.g.*, expected share volatility) (see Note 20).

3.3 Goodwill

Assumptions used in the impairment test are based on a business plan reviewed by management. The key assumptions are detailed in Note 2 (k) – Goodwill.

3.4 Provisions for claims and litigation

Provisions for claims are analysed on a case-by-case basis and represent the Group's management's assessment of the risk and may differ from the sums claimed by the plaintiff.

3.5 Provisions for impairment of advances paid to record companies

A provision is recognized when there is a high probability that a contract will result in a loss, *i.e.* that the minimum guaranteed amounts will be greater than the economic benefits expected from the contract. The provision corresponds to the difference between the contractual obligation (guaranteed minimum) and the proportional rights assessed based on the budget available on the date the financial statements are prepared.

The difference is recognized as a provision for impairment of advance payments on music rights or/and as a provision for onerous contract if it is higher than advance payments or if future payments are forecast.

Note 4 Business combinations and equity investments

No business combination occurred during the period closed as of December 31, 2023.

On March 31, 2023, the Company acquired an additional 0.85% stake in Driift Holdings Limited, through the purchase of 2,400 ordinary shares from its founder.

Note 5 Segment information

Segment financial information is presented in accordance with IFRS 8 – Operating Segments and is based solely on the internal reporting (“**Adjusted EBITDA**” and “**Adjusted Gross Profit**”) used by the Board of Directors – considered to be the Company’s chief operating decision maker within the meaning of IFRS 8 – to make decisions about resources to be allocated to the segments and assess their performances. These segments reflect the basis on which management analyses the business.

The Group has identified three operating segments:

- direct (formerly “Direct – B2C”): Subscriptions to the Deezer service are taken out directly by users;
- partnerships (formerly “Indirect – B2B”): Subscriptions to the Deezer service are taken out through a distribution partner or are included in the service or product sold by a distribution partner (as a bundle);
- other: This segment includes Advertising and Ancillary revenue.

The Group monitors its operations through the use of non-generally accepted accounting principles (“**non-GAAP**”) financial measures: adjusted Cost of Revenue and Gross Profit. These non-GAAP financial measures provide useful and relevant information regarding the Group’s operating results and enhance the overall ability to assess its financial performance. They provide comparable measures which facilitate management’s ability to identify operational trends, as well as make decisions regarding future spending, resource allocations and other operational decisions. These financial measures may not be comparable to other similarly titled measures of other companies and are not intended to be substitutes for measures of financial performance as prepared in accordance with International Financial Reporting Standards (“**IFRS**”).

Revenue, Cost of revenue and Gross Profit by segment are detailed below with a reconciliation between adjusted data and consolidated accounts.

(in € thousands)		Revenue	Cost of revenue	Gross Profit
Year ended December 31, 2023	Direct	331,087	(250,995)	80,093
	Partnerships	135,738	(107,560)	28,179
	Other	17,830	(15,843)	1,987
	Total adjusted	**484,656**	**(374,397)**	**110,259**
	Adjustments	-	(18,826)	(18,826)
	Total consolidated	**484,656**	**(393,223)**	**91,433**
Year ended December 31, 2022	Direct	317,237	(240,786)	76,451
	Partnerships	118,511	(94,053)	24,458
	Other	15,451	(18,402)	(2,951)
	Total adjusted	**451,199**	**(353,241)**	**97,958**
	Adjustments	-	(32,863)	(32,863)
	Total consolidated	**451,199**	**(386,103)**	**65,095**

Other cost of sales including commissions charged by sales platforms and payment service providers, hosting infrastructure servers and network bandwidth costs have been split per segment in the above table.

Main adjustments in Cost of revenue comprise (i) non-recurring expenses related to licence agreements, such as costs relating to equity warrants, (ii) licence agreements unused minimum guarantees and (iii) onerous contract related depreciation. These adjustments are not included in the adjusted Gross Profit.

Revenue by geographical area breakdowns as follows:

	Year ended December 31,	
(in € thousands)	2023	2022
France	288,077	273,192
Rest of the world	196,579	178,007
	484,656	**451,199**

One distribution partner represents more than 10% of total revenue, both in 2023 and 2022 (See Note 27 – Related party transactions).

Note 6 Operating expenses

6.1 Expenses per nature

Costs by nature comprise the following items:

2023

(in € thousands)	Product and Development	Sales and Marketing	General and Administrative	Total
Employee costs	(27,916)	(18,490)	(27,374)	(73,780)
External expenses	(2,554)	(1,542)	(17,056)	(21,152)
Marketing costs	-	(41,093)	-	(41,093)
Miscellaneous taxes	(418)	(217)	(2,863)	(3,497)
Amortization	(3,823)	(386)	(12,111)	(16,320)
	(34,711)	**(61,727)**	**(59,404)**	**(155,842)**

In 2023, general and administrative external amortization includes an impact of (€7,646) thousands related to the Driift and Dreamstage goodwill impairment.

2022

(in € thousands)	Product and Development	Sales and Marketing	General and Administrative	Total
Employee costs	(24,889)	(16,891)	(38,077)	(79,856)
External expenses	(5,629)	(1,974)	(75,534)	(83,138)
Marketing costs	(209)	(55,928)	(290)	(56,426)
Miscellaneous taxes	(132)	(69)	(3,510)	(3,710)
Amortization	(3,167)	(1,111)	(4,433)	(8,710)
	(34,025)	**(75,973)**	**(121,843)**	**(231,841)**

In 2022, general and administrative external expenses include a non-cash listing service charge of €54,944 thousand related to the combination between I2PO S.A. and Deezer S.A., corresponding to the difference between the fair value of the shares deemed issued and the fair value of the net assets of I2PO S.A. received:

	Number of shares	Share value (in €)	Total (in € thousands)
Ordinary shares	4,658,483	10.00	46,585
Class A2 shares	2,291,667	4.33	9,923
Class A3 shares	2,291,667	3.88	8,892
Total shares deemed issued		(a)	65,400
Net assets of I2PO S.A.		**(b)**	**10,456**
Non-cash listing service charge		**(b)-(a)**	**(54,944)**

6.2 Employee costs

Employee costs per nature breaks down as follows:

(in € thousands)	2023	2022
Wages and salaries	(48,920)	(46,655)
Social costs	(21,843)	(21,287)
Share-based compensation	(2,851)	(11,692)
Employee retirement benefits costs	(166)	(222)
	(73,780)	**(79,856)**
Average headcount	**624**	**589**

During the year ended December 31, 2023, the Company booked a €525 thousand French tax credit relating to research and development in respect of 2022 expenses. The research and development expenses incurred by the Company in 2023 will give rise to a French tax credit to be assessed and recorded in 2024.

During the year ended December 31, 2022, Deezer S.A. booked a €467 thousand French tax credit relating to research and development in respect of 2021 expenses.

These tax credits are included in wages and salaries.

Note 7 Auditors' fees

(in € thousands)		2023	2022
Ernst & Young Audit	Audit of the Company's and the Group's annual financial statements and limited review of the Group's interim financial statements	407	494
	Other work and services directly related to the responsibilities of Statutory Auditors	-	13
Mazars	Audit of the Company's and the Group's annual financial statements and limited review of the Group's interim financial statements	246	210
	Other work and services directly related to the responsibilities of Statutory Auditors	-	115
Grant Thornton	Audit of the Company's and the Group's annual financial statements and limited review of the Group's interim financial statements	208	202
	Other work and services directly related to the responsibilities of Statutory Auditors	-	110
		861	**1,143**

Note 8 Net finance costs

(in € thousands)	2023	2022
Interest from short-term security deposits	2,214	414
Foreign exchange gain	3,711	2,075
Fair value adjustment of financial liabilities (BSAR)	2,802	1,830
Finance income	**8,727**	**4,319**
Interest on financial liabilities	(311)	(264)
Interest on lease liabilities	(578)	(647)
Foreign exchange loss	(2,053)	(1,564)
Other	(44)	(1,210)
Finance costs	**(2,986)**	**(3,685)**
Financial result – Net	**5,741**	**635**
Net interest paid (including finance leases)	(436)	(1,617)

The increase of the interest income from short-term security deposits is related to the increase of the amounts invested in the interest bearing bank accounts (see Note 26).

Foreign exchange gain and loss mainly relate to the revaluation of bank accounts and intercompany current accounts denominated in foreign currencies in the Company and to the revaluation of intercompany debts denominated in euros in Deezer Music Brazil LTDA whose functional currency is Brazilian Real.

The variation resulting from the A and B BSAR price has given rise to a financial income of €2,802 thousand in 2023 and €1,830 thousand in 2022 (see Note 26).

In 2022, other financial costs of €1,210 thousand mainly comprise interest on extended terms of payment granted before the merger.

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Note 9 Income tax expense

The Company and its subsidiaries have not identified any source of deferred tax liability as at December 31, 2023, and December 31, 2022. As the Company and some of its subsidiaries have no taxable profits for fiscal years 2023, 2022 and past financial years and as future taxable profits are not deemed sufficient to allow all or part of the tax losses to be utilized, no deferred tax assets have been recognized on existing tax losses.

(in € thousands)	2023	2022
Current tax expense	(917)	(997)
Income tax expense	**(917)**	**(997)**

A reconciliation between the reported tax expense for the year and the theoretical tax expense that would arise when applying the statutory tax rate in France of 25% is shown in the table below:

(in € thousands)	2023	2022
Loss before tax	**(58,668)**	**(166,112)**
Theoretical income tax rate	25.0%	25.0%
Theoretical tax (charge) income	**14,667**	**41,528**
Permanent differences	106	2,345
Effect of tax rates in foreign jurisdictions	200	(28)
Share-based payments	(4,242)	(6,880)
Deferred tax not recognised	3,760	1,441
Deezer S.A.'s tax losses not giving rise to deferred tax asset	(11,171)	(26,862)
Subsidiaries' tax losses not giving rise to deferred tax asset	(1,409)	(1,249)
GW Impairment	(1,912)	-
Other	(917)	(11,292)
Effective tax income (charge)	**(917)**	**(997)**
Effective income tax rate	1.6%	0.6%

The Group's accumulated tax losses not giving rise to deferred tax assets amount to €780,517 thousand and €720,729 thousand as at December 31, 2023 and 2022, respectively.

Tax loss carry-forwards (in € thousands)	31/12/2023	31/12/2022
France	724,156	677,710
Brazil	41,324	30,871
Germany	5,747	5,558
Russia	512	462
Singapore	19	19
United Kingdom	3,518	1,887
United States of America	5,241	4,222
	780,517	**720,729**

Above tax losses are available to carry forward over an unlimited period of time, but may be capped in some jurisdictions.

As at December 31, 2023, the Company's accumulated tax losses amount to €721,666 thousand, including €566,800 thousand of tax losses initially generated by Deezer S.A. and for the transfer of which a ruling was filed by I2PO S.A. and Deezer S.A. in May 2022. The ruling request is still being examined by the French tax authorities.

The Group's most significant tax jurisdictions are France and Brazil.

Note 10 Loss per share

Basic loss per share is computed using the weighted-average number of outstanding ordinary shares during the period. Diluted loss per share is computed using the treasury stock method to the extent that the effect is dilutive by using the weighted-average number of outstanding ordinary shares and potential ordinary shares during the period. The Group's potential ordinary shares consist of incremental shares issuable upon the assumed exercise of stock options and warrants, and the incremental shares issuable upon the assumed vesting of free shares, excluding all anti-dilutive ordinary shares outstanding during the period. The Group used the if-converted method to calculate the dilutive impact of the warrants and adjusted the numerator for changes in profit or loss.

As a result of the above, the computation of loss per share for the respective periods is as follows:

(in € thousands, except share and per share data)	2023	2022
Basic loss per share		
Net loss attributable to owners of the parent	(57,666)	(167,702)
Shares used in computation:		
Weighted-average shares outstanding	121,508,524	108,475,324
Basic net loss per share attributable to owners of the parent	**(0.47)**	**(1.55)**
Diluted loss per share		
Net loss attributable to owners of the parent	(57,666)	(167,702)
Shares used in computation:		
Weighted-average shares outstanding	121,508,524	108,475,324
Diluted weighted average ordinary shares	**121,508,524**	**108,475,324**
Diluted net loss per share attributable to owners of the parent	**(0.47)**	**(1.55)**

Potential dilutive securities that were not included in the diluted per share calculations because they would be anti-dilutive were as follows:

	2023	2022
Free shares	3,350,300	2,385,634
Stock-options	28,674,820	28,676,119
Warrants	647,410	702,572
	32,672,530	**31,764,325**

Note 11 Goodwill and intangible assets

(in € thousands)	Licenses	Exclusive rights and access rights	Customer Database	Other*	Intangible assets in progress	Total	Goodwill	Total
Costs								
At January 1, 2022	**7,574**	**1,441**	**7,140**	**8,924**	**220**	**25,299**	**7,487**	**32,786**
Additions	468	-	-	-	-	468	7,712	8,180
Reclassification	221	-	-	-	(220)	1	-	1
Exchange differences	2	-	-	-	-	2	(129)	(127)
At December 31, 2022	**8,265**	**1,441**	**7,140**	**8,924**	**-**	**25,769**	**15,070**	**40,840**
Additions	331	-	-	-	-	331	-	331
Reclassification	175	-	-	-	-	175	-	175
Exchange differences	(0)	-	-	-	-	(0)	27	26
At December 31, 2023	**8,771**	**1,441**	**7,140**	**8,924**	**-**	**26,275**	**15,097**	**41,372**
Accumulated amortization	-	-	-	-	-	-	-	-
At January 1, 2022	**(7,501)**	**(936)**	**(7,140)**	**(8,294)**	**-**	**(23,871)**	**-**	**(23,871)**
Amortization charge	(476)	(288)	-	(631)	-	(1,394)	-	(1,394)
Exchange differences	(2)	-	-	22	-	20	-	20
At December 31, 2022	**(7,978)**	**(1,224)**	**(7,140)**	**(8,903)**	**-**	**(25,246)**	**-**	**(25,246)**
Amortization charge	(534)	(217)	-	-	-	(751)	(7,646)	(8,396)
Exchange differences	0	-	-	(21)	-	(21)	35	15
At December 31, 2023	**(8,512)**	**(1,441)**	**(7,140)**	**(8,924)**	**-**	**(26,018)**	**(7,610)**	**(33,628)**
Costs, net accumulated amortization	-	-	-	-	-	-	-	-
At December 31, 2022	**286**	**217**	**-**	**21**	**-**	**524**	**15,070**	**15,595**
At December 31, 2023	**259**	**-**	**-**	**-**	**-**	**259**	**7,487**	**7,746**

* A modification of €4.8 million was recorded for certain intangible assets that were written off and fully amortized.

Goodwill break down as follows:

(in € thousands)	Magic Internet Musik GmbH	Dreamstage Inc.	Driift Holdings Limited	Total Group
At December 31, 2022	**7,487**	**2,557**	**5,026**	**15,070**
Additions	-	-	-	-
Impairment	-	(2,531)	(5,115)	(7,646)
Exchange differences	-	(27)	89	62
At December 31, 2023	**7,487**	**-**	**-**	**7,487**

The €7,487 thousand goodwill arose from the acquisition of Magic Internet Musik GmbH from the ProSieben media group in August 2014. The acquired entity operated a music streaming service in Germany called "Ampya". The entity valued at €20 million included a contract with a telecom company, a right to use TV advertising spots on the German TV channel, ProSieben TV, up to 2019.

The €7,487 thousand goodwill was tested for impairment in accordance with the method described in Note 2. (k) – Goodwill. Based on the business plan prepared by Management and consistent with the Deezer Group's business plan, the key assumptions used for this test were as follows: multiple of 2,5 on sales used for terminal revenue, margin growth rate at 0.5% from 2024 and discount rate of 11%. Based on this analysis, the recoverable amount exceeded the €7,487 thousand carrying value as at December 31, 2023.

In light of the weak commercial performance of Driift, an impairment test has been carried out as at December 31, 2023.

For this purpose, the recoverable value of Driift and Dreamstage have been determined using the income approach. The business plan has been based on management's forecast for 2024 and on an extrapolation beyond 2024. Assumptions have been considered to build this extrapolation, to reflect the risks related to the development path of the business, both in terms of long term growth and discount rate. Based on these assumptions, there was limited recoverable value for Driift and Dreamstage and a goodwill impairment of €7.6 million was recognised at 2023 year-end.

Note 12 Property and equipment

The book value and depreciation of property and equipment are shown in the table below:

(in € thousands)	Technical equipment	Office and IT equipment	Other	Tangible assets in progress	Total
Cost					
At January 1, 2022	**12,038**	**4,177**	**4,257**	**51**	**20,523**
Scope variation	28	-	21	-	49
Additions	1,760	454	266	99	2,578
Disposals - Write offs	(12)	(2)	(353)	-	(366)
Reclassification	-	-	88	(88)	-
Exchange differences	2	15	29	-	46
At December 31, 2022	**13,816**	**4,645**	**4,307**	**62**	**22,830**
Scope variation	-	-	-	-	-
Additions	1,076	375	298	18	1,766
Disposals - Write offs	(3,890)	(1,492)	(189)	-	(5,571)
Reclassification	-	-	2	(2)	-
Exchange differences	1	7	2	-	9
At December 31, 2023	**11,002**	**3,534**	**4,419**	**77**	**19,034**
Accumulated amortization	-	-	-	-	-
At January 1, 2022	**(9,434)**	**(3,360)**	**(1,892)**	**-**	**(14,685)**
Depreciation charge	(1,493)	(557)	(507)	-	(2,557)
Scope variation	(8)	-	(6)	-	(14)
Disposals - Write-offs	3	2	340	-	344
Exchange differences	(2)	(10)	(26)	-	(37)
At December 31, 2022	**(10,934)**	**(3,925)**	**(2,090)**	**-**	**(16,949)**
Depreciation charge	(1,759)	(473)	(505)	-	(2,737)
Scope variation	-	-	-	-	-
Disposals - Write-offs	3,890	1,492	189	-	5,571
Exchange differences	-	(5)	-	-	(5)
At December 31, 2023	**(8,803)**	**(2,911)**	**(2,407)**	**-**	**(14,120)**
Costs, net accumulated amortization	-	-	-	-	-
At December 31, 2022	**2,883**	**720**	**2,216**	**62**	**5,881**
At December 31, 2023	**2,200**	**623**	**2,012**	**77**	**4,915**

The table below details the cash flow impact of the purchases of property and equipment and intangible assets:

(in € thousands)	Year ended December 31, 2023	2022
Intangible asset additions/disposals	(346)	(453)
Tangible asset additions/disposals	(1,749)	(2,600)
Purchases of property and equipment and intangible assets – Cash flow impact	**(2,095)**	**(3,053)**

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Note 13 Right-of-used assets and lease liabilities

The Group leases certain properties under lease agreements relating to office space and server bays.

The expected lease terms are between one and nine years. The Group currently does not act in the capacity of a lessor.

The book value and depreciation of right-of-use assets are detailed in the roll-forward below:

(in € thousands)	
Cost	
At January 1, 2022	**32,521**
New or amended leases	1,158
Leases expired or early terminated	-
Exchange differences	(3)
At December 31, 2022	**33,676**
New or amended leases	863
Leases expired or early terminated	(739)
Exchange differences	25
At December 31, 2023	**33,825**
Accumulated depreciation	-
At January 1, 2022	**(7,856)**
Depreciation charge	(4,759)
Leases expired or early terminated	-
Exchange differences	-
At December 31, 2022	**(12,614)**
Depreciation charge	(5,189)
Leases expired or early terminated	739
Exchange differences	(25)
At December 31, 2023	**(17,089)**
Cost, net accumulated depreciation	-
At December 31, 2022	**21,061**
At December 31, 2023	**16,736**

The below roll-forward shows the variations of lease liabilities during the years ended December 31, 2023, and 2022:

Lease liabilities (in € thousands)	2023	2022
At January 1	**23,100**	**26,454**
New or amended leases	863	1,158
Repayment of leases*	(5,768)	(5,159)
Leases early terminated*	-	-
Interest*	578	647
Exchange differences	-	-
At December 31	**18,773**	**23,100**
	-	0
Current lease liabilities	3,676	4,060
Non-current lease liabilities	15,097	19,040

* Included within the consolidated statement of cash flows.

Below is the maturity analysis of lease liabilities:

Lease liabilities Maturity analysis (in € thousands)	December 31, 2023
Less than one year	3,676
One to five years	15,097
More than five years	-
Total lease liabilities	**18,773**
Current lease liabilities	3,676
Non-current lease liabilities	15,097
Total lease liabilities	**18,773**

Excluded from the lease commitments above are short-term leases and leases in relation to low value assets.

Expenses relating to those leases were approximately €826 thousand and €470 thousand for the years ended December 31, 2023 and 2022, respectively.

The weighted average incremental borrowing rate applied to lease liabilities recognized in the statement of financial position was 2.8%, and 2.4% as of December 31, 2023, and December 31, 2022 respectively.

Note 14 Non-current financial assets

Deposits mainly relate to office space leases and to a contract with a payment service provider. Bank guarantees relate to office space leases.

(in € thousands)	2023	2022
Deposits	3,918	4,021
Guarantees	1,419	1,419
	5,337	**5,440**

Note 15 Other non-current assets

(in € thousands)	2023	2022
R&D tax receivables	525	-
Advance payments on royalties	-	22,764
Provision for impairment of above assets	-	(21,059)
	525	**1,705**

Tax receivables relating to research and development were reclassified under other non-current assets in 2023 on line with the expected payment date. This amount of €525 thousand corresponds to the tax credit amount for the fiscal year 2022.

Advance payments on royalties were related to the exclusive license agreement with Rotana (see Note 28).

Note 16 Trade and other receivables

(in € thousands)	2023	2022
Trade receivables	47,315	31,506
Less: allowance for expected credit losses	(1,357)	(875)
Trade receivables – net	45,958	30,630
Unbilled revenue	24,404	17,083
	70,362	**47,713**

Trade receivables are non-interest bearing and generally have payment terms of 30 to 60 days.

Due to their comparatively short maturities, the carrying value of trade and other receivables approximate their fair value.

The ageing of the Group's net trade receivables is as follows:

(in € thousands)	2023	2022
Current	25,013	21,700
Overdue 1 – 30 days	13,010	2,053
Overdue 31 – 60 days	1,247	452
Overdue 61 – 90 days	1,446	2,350
Overdue more than 90 days	5,242	4,075
	45,958	**30,630**

The movements in the Group's allowance for expected credit losses are as follows:

(in € thousands)	2023	2022
At January 1	**(875)**	**(697)**
Provision for impairement	(578)	(184)
Reversal of unutilized provisions	37	11
Receivables writen off	59	-
Exchange differences	0	(5)
At December 31	**(1,357)**	**(875)**

Note 17 Other current assets

(in € thousands)	2023	2022
Trade payables – Advance payments	14,631	6,317
Trade payables – Credit notes to be received	480	306
Employees and social contributions	47	568
State and local authorities	7,483	14,326
Sundry debtors	1,481	807
Prepaid expenses	2,582	1,996
Other current assets – Gross	**26,705**	**24,320**
Provision for impairment	(936)	(1,269)
Other current assets – Net	**25,769**	**23,051**

Below is the detail of the current receivables from state and local authorities:

(in € thousands)	2023	2022
Deductible VAT on purchases made in France and abroad	5,639	10,070
	-	-
Tax receivables relating to research and development	467	1,750
Tax receivables pledged as security	935	-
Whitholding tax receivables	145	2,494
Other	297	12
State and local authorities	**7,483**	**14,326**

Tax receivables relating to research and development for the fiscal year 2021 amounts to €467 thousand. This tax credit receivable will be assigned by the end of 2024.

In April 18, 2023, the Company obtained loans from BPI of respectively €332 thousand and €415 thousand ending December 1, 2024. Those loans have been secured by transferring R&D tax credit receivables to BPI for the years 2019 and 2020 for €935 thousand.

The provision for impairment of other current assets is detailed below:

(in € thousands)	2023	2022
At January 1	**(1,269)**	**(884)**
Provision for impairement	(118)	(397)
Reversal for unused provision	365	11
Other current assets written off	86	-
At December 31	**(936)**	**(1,269)**

Note 18 Share capital and share premium

As at December 31, 2023, the Company's share capital is divided into 121,637,681 shares, each with a par value of €0.01.

The Company's share capital is divided in the following classes as of December 31:

(in number of shares)	2023	2022
Ordinary shares	117,054,347	116,504,336
Class A2 preferred shares	2,291,667	2,291,667
Class A3 preferred shares	2,291,667	2,291,667
	121,637,681	**121,087,670**

The below table shows the variations in number of shares for the years 2023 and 2022:

	2023	2022
At January 1 – Restated	**121,087,670**	**94,386,129**
Ordinary shares issued from the PIPE	-	11,900,000
Ordinary shares issued from the merger	-	36,429,486
Class B preferred shares cancelled from the redemption	-	(25,133,181)
Ordinary shares issued from the vesting of free shares	549,578	71,055
Ordinary shares issued from the exercise of warrants	433	3,434,181
At December 31 – Not restated/Restated	**121,637,681**	**121,087,670**

On July 5, 2022, 96,440,617 (36,429,486, after restatement of the share capital as of January 1, 2022) new ordinary shares were issued as consideration of net assets transferred by Deezer S.A. merged with and into I2PO S.A.

On the same day, the Company's share capital was increased by a total par value amount of €119 thousand, through the issuance, at a price per share of €10 (share premium included), of 11,900,000 new ordinary shares with a par value of €0.01each. In the context of the PIPE reserved to existing and new investors, the Company received a total amount of €119 million (share premium included). €13,7 million fees in relation to the PIPE were recognized as a reduction of equity under share premium.

On July 21, 2022, the Board of Directors decided to grant 1,914,130 free shares.

On August 3, 2022, the *Directeur Général* decided to proceed with the redemption of the 25,133,181 class B preferred shares whose redemption was requested by the dissenting market shareholders for an amount of €251,3 million, which was recognized as current financial liabilities as at June 30, 2022. The share capital was reduced as a result of the cancellation of the 25,133,181 redeemed class B preferred shares.

On September 21, 2022, the Board of Directors of the Company acknowledged that, following the exercise of 679,245 equity warrants held by one of its commercial partners and giving rise to 679,245 shares of Deezer S.A., the Company's share capital was increased by a total par value amount of €20 thousand, through the issuance of 1,998,338 new ordinary shares with a par value of €0.01each. In the context of this exercise, the Company received from this commercial partner a total amount of to €7 thousand and deducted €13 thousand from the merger premium to ensure that the 1,998,338 new ordinary shares be fully paid up.

On the same date, the Board of Directors of the Company acknowledged the share capital increase completed through the issuance of 71,055 new ordinary shares as a result of the acquisition on July 21, 2022 of free shares granted to certain employees of the Group.

On October 27, 2022, the Board of Directors decided to grant 24,000 free shares.

On December 13, 2022, the Board of Directors of the Company acknowledged that, following the exercise of 488,050 equity warrants held by one of its commercial partners and giving rise to 488,050 shares of Deezer S.A., the Company's share capital was increased by a total par value amount of €14 thousand, through the issuance of 1,435,843 new ordinary shares with a par value of €0.01each. In the context of this exercise, the Company received from this commercial partner a total amount of to €14 thousand.

During 2023, the Company issued the following 549,578 ordinary shares as a result of the acquisition of free shares granted to certain officers or employees of the Group:

- on February 24, 2023: 99,807 new ordinary shares;
- on March 23, 2023: 61,993 new ordinary shares;
- on April 5, 2023: 387,778 new ordinary shares.

During 2023, the Company also issued 433 new ordinary shares as a result of the exercise of 1,299 BSAR B.

No dividends were proposed or paid in 2022 or 2023.

Each ordinary share carries the right to participate in, and vote at, general meetings. Class A2 and A3 preferred shares do not carry the right to vote at general meetings.

Note 19 Shared-based payments

19.1 Free share plans implemented by Deezer S.A.

Deezer S.A. granted free shares to certain employees od officers of the Group. The shares granted are legally owned by the beneficiaries at the end of the relevant acquisition period and are subject to a continuous presence requirement during this period.

Movements in free shares outstanding and related information are as follows:

	2017 free share plans*	2019 free share plans*	2021 free share plans*	2022 free share plans*
Grant dates	09/02/2017 06/06/2017	06/02/2019 10/04/2019 11/12/2019	24/02/2021 08/06/2021 21/07/2021	23/03/2022
Number of shares granted	384,392	885,324	558,642	21,072
Outstanding at January 1, 2022	**89,542**	**637,034**	**490,782**	**-**
Granted	-	-	-	21,072
Definitively acquired	(60,420)	(281,850)	(380,228)	-
Lapsed	-	(10,341)	(9,087)	
Outstanding at December 31, 2022	**29,122**	**344,843**	**101,467**	**21,072**
Granted	-	-	-	-
Definitively acquired	(29,122)	(344,843)	(101,467)	(21,072)
Lapsed				-
Outstanding at December 31, 2023	**-**	**-**	**-**	**-**
Key assumptions used in the fair value				
Value per share (in €)	14.61	31.31	39.75	39.75
Illiquidity discount rate	0%	40%	25%	25%
Employee turnover rate	0%	0%	7%	0%

* Plans granted after the Merger completed on July 5, 2022.

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19.2 Free share plans implemented by the Company

After the Merger completed on July 5, 2022, the Company granted free shares to the employees and officers of the Group in 2022 and 2023. The granted shares are legally owned by the beneficiaries at the end of the relevant acquisition period and subject to a continuous presence requirement during this period, and, as the case may be, to performance conditions.

The Company has implemented three additional free shares plan in 2023:

- plan 2023-1 and plan 2023-3 concern members of the management team;
- plan 2023-2 concerns members of the leadership team.

These plans are subject to performance conditions defined on a yearly basis (January 1-December 31) and as per 4 Key performance indicators.Shares are definitely acquired at the end of a 3-year acquisition period, subject to the beneficiary's continued presence.

Movements in free shares outstanding and related information are as follows:

	2022 – Grant 1 free share plan*	2022 – Grant 2 free share plan*	2022 – Grant 3 free share plan*	2023 – 1 free share plan*	2023 – 2 free share plan*	2023 – 3 free share plan*
Grant dates	21/07/2022	21/07/2022	21/07/2022 27/10/2022	24/04/2023	31/05/2023	26/10/2023
Number of shares granted	552,000	477,250	908,880	472,800	835,200	75,600
Outstanding at January 1, 2022						
Granted	552,000	477,250	908,880	-	-	-
Definitively acquired	-	-	-	-	-	-
Lapsed	(68,000)	-	-	-	-	-
Outstanding at December 31, 2022	**484,000**	**477,250**	**908,880**	**-**	**-**	**-**
Granted	-	-	-	472,800	835,200	75 600
Definitively acquired	-	-	-	-	-	
Lapsed	(66,008)	-	(96,720)	-	(50 400)	-
Outstanding at December 31, 2023	**417,992**	**477,250**	**812,160**	**472,800**	**784,800**	**75,600**
Key assumptions used in the fair value						
Value per share (in €)	4.59	4.59	4.59	1.45	2.09	2.47
Employee turnover rate	25%	7%	7%	7%	7%	7%
Vesting condition			Performance conditions between 01/01/2022 to 31/12/2024	Performance conditions between 24/04/2023 and 24/04/2026	Performance conditions between 31/05/2023 and 31/05/2026	Performance conditions between 26/10/2023 and 26/10/2026

* Plans granted after the Merger completed on July 5, 2022.

19.3 Warrants issued by Deezer S.A.

Deezer S.A. issued equity warrants to the benefit of certain of its commercial partners and directors.

Warrants 2021, and L have given rise to expenses recognized in the consolidated income statement for the years ended December 31, 2023 and 2022 (based on the Black-Scholes model for warrants 2021).

Movements in warrants outstanding and related information is as follows:

Plans	Warrants 2014*	Warrants H	Warrants 2017	Warrants 2021
Shareholders' meeting date	22/05/2014	30/06/2017	23/12/2016	30/06/2020
Board members' meeting date	-	-	09/02/2017	24/02/2021
Expiry date	31/12/2024	30/06/2027	30/11/2026	31/12/2030
Number of warrants granted	66,700	712,404	6,845	6,000
Outstanding at January 1, 2022	**66,700**	**17,319**	**6,845**	**6,000**
Granted	-	-	-	6,000
Exercised	-	-	-	-
Subscription price (in €)	2.59	0.01	0.01	3.98
Exercise price (in €)	24.25	14.61	14.61	39.75
Maximum share capital increase (in €) (as at grant date, and before the merger with I2PO S.A.)	667	7,124	68	60

Plans	Warrants K	Warrants L	Warrants M
Shareholders' meeting date	30/06/2020	30/06/2021	30/06/2021
Board members' meeting date	24/02/2021	16/09/2021	16/09/2021
Expiry date	01/05/2027	31/10/2024	31/10/2028
Number of warrants granted	488,050	420,125	679,245
Outstanding at January 1, 2022	**488,050**	**420,125**	**679,245**
Granted	-	-	-
Exercised	(488 050)	-	(679 245)
Outstanding at December 31, 2022	**-**	**420,125**	**-**
Exercised	-	-	-
Lapsed	-	-	-
Outstanding at December 31, 2023	**-**	**420,125**	**-**
Subscription price (in €)	0.01	0.01	0.01
Exercise price (in €)	0.01	0.01	0.01
Maximum share capital increase (in €) (as at grant date)	4,881	4,201	6,792
Vesting condition	All warrants became exercisable as a result of the merger	Performance condition between 01/02/2021 and 31/01/2024	All warrants became exercisable as a result of the merger

Plans	Warrants 2014	Warrants H	Warrants 2017	Warrants 2021	Warrants K	Warrants L	Warrants M
Volatility	50.60%	35.60%	35.9% to 41.0%	35.7% to 37.0%	N/A*	N/A*	N/A*
Risk-free rate	0.71%	0.26%	0.05% to 0.46%	-0.69% to -0.62%	N/A*	N/A*	N/A*
Expected maturity (in years)	4	6.59	5.31 to 6.81	5.05 to 5.61	6.18	3.13	7.13
Turnover rate	10.00%	0.00%	0.00%	0.00%	N/A*	N/A*	N/A*
Dividend yield	0.00%	0.00%	0.00%	0.00%	N/A*	N/A*	N/A*
Illiquidity discount rate	0.00%	0.00%	0.00%	0.00%	N/A*	N/A*	N/A*

* N/A = Not applicable.

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19.4 Warrants issued by I2PO S.A.

Concomitantly to the initial public offering (the "**IPO**"), the Company issued A BSARs and B BSARs with the B BSARs listed in the professional segment of the regulated market of Euronext Paris. These BSARs entitle their holders to subscribe new ordinary shares of the Company as from the completion date to the merger, *i.e.* July 5, 2022, and they expire five years after this date.

Plans	A BSARs	B BSARs
Shareholders' meeting date	05/07/2021	05/07/2021
Board members' meeting date	15/07/2021	15/07/2021
Expiry date	5 years*	5 years*
Number of warrants granted	659,130	27,500,000
Outstanding at January 1, 2022	**659,130**	**27 500 000**
Granted	-	-
Exercised	-	-
Outstanding at December 31, 2022	**659,130**	**27,500,000**
Exercised	-	(1 299)
Outstanding at December 31, 2023	**659,130**	**27,498,701**
Subscription price (in €)	0.00	0.00
Fair value at the completion date of the Business Combination (in €)	0.17	0.17
Exercise price (in €)	11.50	11.50
Maximum share capital increase (in €) (as at grant date)	2,832	118,158

* Five years from the completion date of the Business Merger.

19.5 Stock-options granted by Deezer S.A.

The Company proceeded with grant of stock-options to the benefit of certain employees and officers of the Group.

Activity in the stock-options outstanding and related information is as follows:

Plans	Stock-options 14*	Stock-options 15*	Stock-options 15-2*	Stock-options 17	Stock-options 18
Granting dates	22/05/2014 24/10/2014 12/03/2015	23/04/2015	16/07/2015	25/07/2017	24/02/2021
Expiry date	31/12/2024	31/12/2024	31/12/2024	31/12/2026	31/12/2027
Number of stock-options granted	424,299	533,948	72,500	58,250	27,000
Outstanding at January 1, 2022	**55,462**	**533,948**	**58,000**	**31,662**	**27,000**
Granted	-	-	-	-	
Lapsed	-	-	-	-	(3 500)
Outstanding at December 31, 2022	**55,462**	**533,948**	**58,000**	**31,662**	**23,500**
Lapsed	-	-	-	(31,662)	(23 500)
Outstanding at December 31, 2023	**55,462**	**533,948**	**58,000**	**-**	**-**
Exercise price (in €)	24.25	24.25	24.25	14.61	31.31
Maximum share capital increase (in €) (as at grant date)	4,243	5,339	725	583	270

* Information contained herein takes into account the stock split decided by the combined general meeting of Deezer S.A. held on October 9, 2015.

Plans	Stock-options 14	Stock-options 15	Stock-options 15-02	Stock-options 17	Stock-options 18
Volatility	50.60%	45.00%	45.00%	35.60% to 42.50%	36.8% to 39.40%
Risk-free rate	0.71%	0.32%	0.32%	-0.04% to 0.26%	-0.69% to -0.62%
Expected maturity (in years)	4	4	4	5,06 to 6,56	3,43 to 4,11
Turnover rate	10.00%	22.00%	22.00%	0.00%	0.00%
Dividend yield	0.00%	0.00%	0.00%	0.00%	0.00%
Illiquidity discount rate	0.00%	0.00%	0.00%	0.00%	0.00%

The expense recognized in the consolidated income statement for share-based payments is as follows:

(in € thousands)	2023	2022
Product and development	501	583
Sales and marketing	330	340
General and administrative	2,020	10,668
Sub-Total/Free shares	**2,851**	**11,590**
Cost of revenue	14,116	20,033
Product and development	-	-
Sales and marketing	-	1,593
General and administrative	-	-
Sub-Total/Warrants	**14,116**	**21,626**
Product and development	-	-
Sales and marketing	-	74
General and administrative	-	-
Sub-Total/Stock-options	**-**	**74**
Total	**16,967**	**33,291**

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Note 20 Provisions

(in € thousands)	Legal contingencies	Indirect tax	Other	Total
Carrying amount at January 1, 2022	**1,509**	**4,233**	**5,843**	**11,585**
Charged/(credited) to the consolidated statement of operations:	-	-	-	-
Additional provisions	2,081	2,474	1,292	5,847
Reversal of unutilized amounts	(1,015)	(179)	(227)	(1,420)
Exchange differences	-	-	7	7
Carrying amount at January 1, 2023	**2,575**	**6,528**	**6,915**	**16,018**
Charged/(credited) to the consolidated statement of operations:	-	-	-	-
Additional provisions	574	1,597	757	2,928
Reversal of unutilized amounts	-	-	-	-
Exchange differences	-	-	-	-
Reclassification	-	-	-	-
Utilized	(1,036)	(2,042)	(1,031)	(4,109)
Carrying amount at December 31, 2023	**2,113**	**6,083**	**6,641**	**14,837**
As at December 31, 2023	**-**	**-**	**-**	**-**
Current portion	2,113	6,083	6,641	14,837

20.1 Legal contingencies

Some legal actions, proceedings, and claims are pending or may be instituted or asserted against the Group. The results of such legal proceedings are difficult to predict and the extent of the Group's financial exposure is difficult to estimate. The Group records a provision for contingent losses when it is both probable that a liability has been incurred, and the amount of the loss can be reasonably estimated.

Regarding the claim filed by HUZIP (Hrvatska Udruga Za Zastitu Izvodackih Prava), Croatian performers' rights collecting society, against Deezer S.A., two hearings were held in February and June 2022 and do not affect the provision booked as at December 31, 2023.

20.2 Taxes

The Group has indirect tax provisions which relate primarily to foreign indirect taxes and tax penalties on these. The Company recognizes provisions for claims or indirect taxes when it determines that an unfavorable outcome is probable and the amount of loss can be reasonably estimated.

20.3 Other

Other provisions mainly relate to commercial risks.

Note 21 Provisions for employee benefits

The provision for retirement benefits applicable for employees in France has been estimated on the basis of the projected unit credit method and with the following assumptions:

	2023	2022
Collective agreement applied	SYNTEC	SYNTEC
Salary increase rate	3% for all years	3% for all years
Annual discount rate	3.12%	3.75%
Social contribution rate	45.00%	50.00%
Retirement age	64 years	65 years
Mortality table	Ined 16-18	INSEE 2015/2017
Average turnover rate	12% (nil from 55 years old)	0% to 31.2%

The provision in the consolidated balance sheet equals the actuarial liability, from the moment there are no plan assets or unrecognized actuarial gains and losses.

The provision changed as follows:

(in € thousands)	Provision for employee retirement benefits
Carrying amount at January 1, 2022	**1,043**
Interest cost	10
Service Costs	222
Actuarial gains	(583)
Carrying amount at December 31, 2022	**692**
Interest cost	26
Service Costs	166
Actuarial gains	(384)
Carrying amount at December 31, 2023	**500**

Note 22 Trade payables and related accrued expenses

(in € thousands)	2023	2022
Trade payables	4,826	7,091
Trade accrued expenses	294,163	276,282
	298,989	**283,373**

Trade payables generally have a 30 to 60 days term and are recognized and carried at their invoiced value, inclusive of any value added tax that may be applicable.

Trade payables breakdown as follows:

(in € thousands)	2023	2022
Marketing, General & Administrative and Other	2,464	4,717
Royalties	2,361	2,374
	4,826	**7,091**

Trade accrued expenses are detailed below:

(in € thousands)	2023	2022
Marketing, General & Administrative and Other	19,247	23,181
Royalties	274,917	253,101
	294,163	**276,282**

Note 23 Tax and employee-related liabilities

(in € thousands)	2023	2022
Employee-related liabilities	5,232	4,578
Social contribution liabilities	5,901	5,676
State, revenue taxes payable	16,136	21,014
Other similar taxes and levies payable	3,183	5,254
Current income tax payable	994	1,468
	31,446	**37,990**

Note 24 Deferred revenue

(in € thousands)	2023	2022
Deferred revenue	33,781	23,193
	33,781	**23,193**

The increase in deferred revenue is mostly related to an increase in deferred revenue from distribution partners due to a difference between the contractual payments obligations that the distribution partner is subject to and the revenue that is recognized by the Company.

Note 25 Other liabilities

(in € thousands)	2023	2022
Trade receivables – Credit notes to be issued	758	787
Trade receivables with credit balances	544	93
Sundry creditors	283	897
Trade payables in relation to fixed-assets	18	1,456
	1,602	**3,234**

All other liabilities are due within a year.

Note 26 Financial risk management and financial instruments

26.1 Financial risk management

The Group's operations are exposed to financial risks. To manage these risks efficiently, the Group has established guidelines in the form of a treasury policy that serves as a framework for the daily financial operations. The treasury policy stipulates the rules and limitations for the management of financial risks.

Financial risk management is centralized within Treasury who are responsible for the management of financial risks. Treasury manages and executes the financial management activities, including monitoring the exposure of financial risks, cash management, and maintaining a liquidity reserve. Treasury operates within the limits and policies authorized by the Board of Directors.

26.2 Credit risk management

The credit risk with respect to the Group's trade receivables is diversified geographically and among a large number of customers, private individuals, as well as companies in various industries, both public and private. The majority of the Group's revenue is paid monthly in advance significantly lowering the credit risk incurred for these specific counterparties.

26.3 Liquidity risk management

Liquidity risk is the Group's risk of not being able to meet the short-term payment obligations due to insufficient funds. The Group has internal control processes and contingency plans for managing liquidity risk. The liquidity management takes into account the maturities of financial assets and financial liabilities and estimates of cash flows from operations.

Before the completion of the merger on July 5, 2022, the Group funded its growth through equity capital raises and had not borrowed from banks until January 2021. On July 5, 2022, the Company raised €119 million through subscription agreements reserved to existing and new investors and received €23,7 million corresponding to the cash held in its escrow account net of redemption.

The Group has a positive net cash position at December 31:

(in € thousands)	2023	2022
Interest bearing bank accounts	36,401	3,991
Cash at bank and at hand	27,204	109,618
Cash and cash equivalents	**63,605**	**113,610**

Non-current and current financial liabilities are detailed below:

(in € thousands)	2023	2022
A BSARs and B BSARs	14	2,816
State-guaranteed loans	13,919	20,472
Financial liabilities – non current	**13,933**	**23,288**
State-guaranteed loans and other	6,338	4,949
Accrued interests on state-guaranteed loans	30	38
BPI Loans	747	-
Financial liabilities – current	**7,115**	**4,987**

26.3.1 Warrants issued by I2PO S.A. (A BSARs and B BSARs)

Concomitantly to the initial public offering (the "**IPO**"), I2PO S.A. issued A BSARs and B BSARs, with the B BSARs listed in the professional segment of the regulated market of Euronext Paris. These BSARs entitle their holders to subscribe new ordinary shares of the Company as from the completion date of the merger, *i.e.* July 5, 2022, and they expire five years after this date.

As the BSARs can be converted into a variable number of new ordinary shares, they are accounted for as derivatives at fair value through profit or loss, *i.e.* measured based on their quoted price as at December 31, 2023 (€0,0005).

26.3.2 State-guaranteed loans

In January 2021, as part of the COVID-19 French governmental measures, Deezer S.A. entered into three state-guaranteed loans with BNP Paribas, HSBC Continental Europe and Bpifrance. These loans will be reimbursed from January 2023 to January 2027.

26.3.3 BPI loans

In April 18, 2023, the Company obtained loans from BPI of respectively €332 thousand and €415 thousand at Euribor 1 month +1.7%. Those loans have been secured by transferring R&D tax credit receivables to BPI for respectively €415 thousand for 2019 R&D tax credit and €520 thousand for 2020 R&D tax credit.

The ageing of the Group's financial liabilities are as follows:

Maturity analysis (in € thousands)	2023	2022
Less than one year	7,115	4,987
One to five years	13,933	23,288
Total financial liabilities	**21,047**	**28,275**
Current financial liabilities	7,115	4,987
Non-current financial liabilities	13,933	23,288
Total financial liabilities	**21,047**	**28,275**

26.4 Currency risk management

Transaction exposure relates to business transactions denominated in foreign currency required by operations (purchasing and selling) and/or financing (interest and amortization). The Group does not hedge its transaction exposure.

26.4.1 Transaction exposure sensitivity

In most cases, the Group's customers are billed either in EUR, in USD or in their respective local currency. Royalty payments are primarily in EUR and USD. Payments, such as salaries, consultancy fees, and rental fees are settled in local currencies. In some instances, the Group may need to convert cash at bank in foreign currencies to proceed with payments.

The Group's exposure to foreign currency risk at the end of the reporting period was as follows:

	2023				2022			
(in € thousands)	USD	GBP	BRL	MXN	USD	GBP	BRL	MXN
Trade receivables	4,867	116	-	3,282	3,829	109	-	400
Trade payables	(6)	(326)	-	-	(117)	(183)	(474)	-

The aggregate net foreign exchange gains/losses recognized in profit or loss were:

(in € thousands)	2023	2022
Net foreign exchange gain on trade receivables and trade payables	(176)	336
Foreign exchange (loss) on revaluation of intercompany accounts included in finance costs	(371)	(585)
Total net foreign exchange gain recognized in profit before income tax for the year	**(547)**	**(248)**

As shown in the table above, the Group is primarily exposed to changes in EUR/USD, EUR/GBP, EUR/BRL and EUR/MXN exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from US, GBP BRL and MXN denominated trade receivables, trade payables and current accounts (financial instruments).

The table below shows the immediate impact on net loss before tax of a 10% strengthening and of a 10% weakening in the closing exchange rate of significant currencies to which the Group had exposure, at December 31, 2023, and 2022. The impact on net loss is due primarily to monetary assets and liabilities in a transactional currency other than the functional currency of a subsidiary within the Group.

	(Increase)/Decrease in loss before tax	
(in € thousands)	2023	2022
BRL/EUR exchange rate – increase 10%	2,492	2,341
BRL/EUR exchange rate – decrease 10%	(2,039)	(1,916)
GBP/EUR exchange rate – increase 10%	49	(8)
GBP/EUR exchange rate – decrease 10%	(40)	7
USD/EUR exchange rate – increase 10%	522	901
USD/EUR exchange rate – decrease 10%	(427)	(737)
MXN/EUR exchange rate – increase 10%	446	-
MXN/EUR exchange rate – decrease 10%	(365)	-

The Group's exposure to other foreign exchange movements is not material.

26.4.2 Translation exposure sensitivity

Translation exposure exists due to the translation of the results and financial position of all of the Group entities that have a functional currency different from the Euro. The impact on the Group's equity would be approximately €(4.2) million and €(4) million if the Euro weakened by 10% against all translation exposure currencies, based on the exposure at December 31, 2023 and 2022, respectively.

26.5 Interest rate risk management

The interest rate risk is not considered as material for the Group as the interest rate applied on the three state-guaranteed loans effective in 2021 is a fixed interest rate.

26.6 Financial instruments

26.6.1 Fair values

The Group has no financial asset but has one financial liability measured at fair value at December 31, 2023. The different levels have been defined in Note 2.

Financial liabilities by fair value hierarchy level:

(in € thousands)	Level 1	Level 2	Level 3	December 31, 2023
Financial liabilities at fair value	-	-	-	-
A BSARs and B BSARs	14	-	-	-
Total financial liabilities at fair value by level	**14**	**-**	**-**	**-**

26.6.2 Recurring fair value measurements

The table below presents the changes in fair value of the warrant liability:

(in € thousands)	2023	2022
At January 1	**2,816**	**-**
Non-cash changes recognized in profit or loss	-	-
Initial recognition	-	4,646
Changes in fair value	(2,802)	(1,830)
Issuance of shares upon exercise of warrants	-	-
At December 31	**14**	**2,816**

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Note 27 Commitments and contingencies

27.1 Commitments

The Group is subject to the following minimum guarantees relating to the content on its service, the majority of which relate to minimum royalty payments associated with its license agreements for the right of access of licensed content, as at December 31:

(in € thousands)	2023	2022
No later than one year	80,201	185,097
Later than one year but not more than 5 years	41,435	17,596
	121,636	**202,693**

In addition to the minimum guarantees listed above, the Group is subject to various non-cancelable purchase obligations and service agreements with minimum spend commitments, as at December 31:

(in € thousands)	2023	2022
No later than one year	133	826
Later than one year but not more than 5 years	-	-
	133	**826**

The Group is also subject to the following minimum guarantees to receive from its distribution partners, as at December 31:

(in € thousands)	2023	2022
No later than one year	35,978	15,136
Later than one year but not more than 5 years	97,870	159,256
	133,848	**174,392**

27.2 Contingencies

Various legal actions, proceedings, and claims are pending or may be instituted or asserted against the Group. These may include but are not limited to matters arising out of alleged infringement of intellectual property; alleged violations of consumer regulations; employment-related matters; and disputes arising out of supplier and other contractual relationships. As a general matter, the music and other content made available on the Group's service are licensed to the Group by various third parties. Many of these licenses allow rights holders to audit the Group's royalty payments, and any such audit could result in disputes over whether the Group has paid the proper royalties. If such a dispute were to occur, the Group could be required to pay additional royalties, and the amounts involved could be material. The Group expenses legal fees as incurred. The Group records a provision for contingent losses when it is both probable that a liability has been incurred and the amount of the loss can be reasonably estimated. An unfavorable outcome to any legal matter, if material, could have an adverse effect on the Group's operations or its financial position, liquidity, or results of operations.

Note 28 Related party transactions

28.1 Key management compensation

As of December 31, 2023, and 2022, key management includes members of the Company's senior management and the Board of Directors. Amounts disclosed are based on the total gross amount recognized as an expense in the consolidated income statement in the respective year.

	Year ended December 31,	
(in € thousands)	2023	2022
Gross compensation, employer social security contributions and benefits in kind	5,368	6,278
Retirement benefits	42	28
Termination benefits	25	1,723
Share-based payments	1,693	11,792
	7,129	**19,821**

28.2 Transactions with related parties

The consolidated financial statements include related parties' transactions conducted by the Group in the normal course of its businesses. These transactions are carried out on an arm's length basis.

Purchases and sales transactions with related parties are as follows:

(in € thousands)	2023	2022
Purchases	681	1,886
Sales	73,712	77,200

The assets and liabilities transactions with related parties are as follows:

(in € thousands)	2023	2022
Receivables	7,124	7,403
Payables	8	169

28.3 Executive license agreement with Rotana Audio Visual LLC

An exclusive license agreement was entered into on August 1, 2018 between Deezer S.A. as licensee on the one hand and Rotana Studios FZ-LLC as licensor on the other, being specified that Rotana Studios FZ-LLC is affiliated with Rotana Audio Holding, LTD. which subsequently became a shareholder of Deezer S.A. following the capital increase on August 20, 2018.

As per this agreement, Rotana Studios FZ-LLC grants the Company exclusive rights to an audio and video catalogue gathering a large number of artists, songs and albums and enabling it to differentiate from its competitors.

This contract was transferred by Rotana Studios FZ-LLC to Rotana Audio Visual LLC, which is also owned by the Rotana group, as per a transfer agreement effective on January 15, 2019 and continued since then.

As per the settlement agreement signed in September 2021 and its amendment signed in February 2022 and in relation to the exclusive licence agreement, Rotana Audio Visual LLC paid a net amount of US$667 thousand on July 05, 2023.

The licence was terminated on September 30, 2023.

Note 29 Group information

The Group has control of all the companies in its scope of consolidation. The table below shows the Group's fully-consolidated ("FC") companies at the reporting dates presented:

	2023		2022	
Name	Consolidation Method	Share capital held in %	Consolidation Method	Share capital held in %
Deezer Music Brasil LTDA	FC	100.00%	FC	99.99%
Deezer Russia LLC	FC	100.00%	FC	100.00%
Deezer Inc.	FC	100.00%	FC	100.00%
Musica Ilimitada S.A. de C.V.	FC	100.00%	FC	99.99%
Deezer MENA FZ-LLC	FC	100.00%	FC	100.00%
Deezer Singapore PTE. LTD.		0.00%	FC	100.00%
Dreamstage Inc.	FC	46.35%	FC	45.50%
Driift Holding LTD.	FC	46.35%	FC	45.50%
Driift Live Inc.	FC	46.35%	FC	45.50%
Driift Live LTD.	FC	46.35%	FC	45.50%
Deezer Müzik Dağıtım ve Organizasyon Limited Şirketi	FC	100.00%	FC	100.00%
Deezer Dijital Hizmetler ve Dağıtım A.Ş.	FC	100.00%	FC	100.00%
Deezer Production S.A.S.	FC	100.00%	FC	100.00%
Magic Internet Musik GmbH	FC	100.00%	FC	100.00%

Deezer Singapore PTE. LTD. has been liquidated during 2023.

There is no investment in non-consolidated companies as of December 31, 2023.

There are no restrictions on the net assets of the Group companies.

Note 30 Events after the reporting period

On January 9, 2024, Deezer announced the appointment of Ivana Kirkbride as Chief Commercial Officer to accelerate global expansion and drive partnership growth. The new Deezer CCO will lead a growth strategy to scale Deezer's global footprint and drive major commercial partnerships across key markets worldwide.

On January 17, 2024, the Company and Fnac Darty announced the renewal of their long standing partnership.

On January 23, 2024, the Company and TIM Brazil announced the renewal of their long term partnership in Brazil.

On March 4, 2024, Deezer Russia LLC has been closed. This liquidation is not material in Deezer S.A.'s financial statements.

On March 6, 2024, Jeronimo Folgueira (CEO) has announced his departure from Deezer with an effective date of March 31, 2024.

6.2 Statutory auditors' report on the consolidated financial statements

Year ended December 31st, 2023.

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.

This statutory auditors' report includes information required by European regulations and French law, such as information about the appointment of the statutory auditors or verification of the information concerning the Group presented in the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Annual General Meeting of Deezer S.A.,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying consolidated financial statements of Deezer for the year ended December 31st, 2023.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31st, 2023 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with the independence requirements of the French Commercial Code *(Code de commerce)* and the French Code of Ethics for Statutory Auditors *(Code de déontologie de la profession de commissaire aux comptes)* for the period from January 1st, 2023 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L. 821-53 and R. 821-180 of the French Commercial Code *(Code de commerce)* relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Cost of revenue and rights holders liabilities

Notes 2(e) and 22 to the consolidated financial statements

Risk identified	For the year ended December 31, 2023, the Company's cost of revenue was € 393 M. Trade payables and trade accrued expenses to rights holders was € 2,4 M and € 274,9 M, respectively. As explained in Note 2 (e) to the consolidated financial statements, cost of revenue and rights holder liabilities consist predominantly of royalty and distribution costs related to content streaming. Royalty and guaranteed minimum costs include the royalties due to rights holders as a result of content streaming. Royalties are typically calculated using negotiated rates in accordance with license agreements and are based on either subscription and advertising revenue earned, user/usage measures, or a combination of these. The determination of the amount is based on a number of variables, including the revenue recognized, the type of content streamed and the country in which it is streamed, identification of the appropriate license holder and size of user base. When signing multi-annual royalty contracts with minimum guaranteed amounts the Group assesses the amount of royalties to be consumed over the entire contractual period. Any difference between the guaranteed minimum and the royalties assessed (or "shortfall) is accrued for under Trade payables and related accrued expenses and this cost of music rights is spread over the same period. Given the complexity of royalty calculations, the information systems involved, the volume of systems involved, the volume of data and the significant amount of management judgment involved in their determination, we have considered the valuation of costs of music rights and liabilities to right holders as a key audit matter.
Our audit approach	In the context of our audit of the annual financial statements, our work mainly consisted in performing the following procedures: • We obtained an understanding and evaluated the design of controls over the Deezer's processes to determine cost of revenue and rights holder liabilities. • We tested controls specific to the calculation of royalties, calculation variables and IT systems. For IT controls, we tested the automatic calculation of market shares per rights holder and ensured the reliability of listening census. • We examined estimates and judgments used to determine royalties where rights holders have allowed the use of their content while negotiations or determination of rates are ongoing. • We examined specific contractual terms and conditions related to minimum guaranteed amounts and assessed projections related to shortfall calculation. • We recalculated royalty cost amounts, tested calculation variables, and compared royalty rates to agreements, and related amendments, based on a representative sample of contracts. We have also verified the appropriateness of the information provided in Notes 2(e) and 22 to the financial statements.

Valuation of Partnerships with a guaranteed minimum clause

Notes 2(d) (i), 5 and 27 to the consolidated financial statements

Risk identified	As of December 31, 2023, revenue relating from subscriptions through partnerships, or included in services or products sold by distribution partners (as part of bundled offers) amounted to € 135,7 M out of total annual revenues of € 484,7 M. As explained in Note 2 (d) (i) to the consolidated financial statements, when the Deezer subscription is included in the service or product sold by the distribution partner, the distribution partner pays Deezer based on all subscriptions sold or active subscriptions under the terms of the contract. The corresponding revenue is recognized on a straight-line basis over the subscription period for the net amount paid by the distribution partner. Certain contracts with distribution partners include a minimum guarantee to be received. The revenue recorded corresponds to the monthly sales declared by the distribution partners. When management estimates that total revenue will be less than the contractual minimum guarantee, any difference between actual sales and the minimum guarantee is recognized as revenue over the remaining years of the contract, in accordance with the terms and conditions of the contract. We consider the valuation of partnerships with a minimum guarantee clause to be a key audit matter, due to the complexity of the accounting treatment and management's significant estimates of future revenue per contract.
Our audit approach	In the context of our audit of the annual financial statements, our work mainly consisted of examining the procedures implemented by management to estimate the future revenue of partnerships with a minimum guarantee. Then, based on a sample of contracts with a minimum guarantee and the analyses performed by management: • We verified that the accounting treatment is made in accordance with the characteristics of the contracts and the accounting standards, as described in the Note 2 (d) (i) of the Consolidated Financial Statements; • We corroborated the guaranteed minimum amount taken into account in the analysis with the amount defined in the contract; • We assessed the appropriateness of the revenue estimates over the entire period of the contract through interviews with management, and verified the latest global business plan of the Group approved by the Board of Directors; • We verified the calculation of the difference between the revenue recorded for the year and the contractually defined minimum guaranteed turnover and analysed the corresponding accounting treatment. We have also verified the appropriateness of the information provided in Notes 2 (d) (i), 5 and 27 to the financial statements.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the information relating to the Group given in the Board of Directors' management.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by Article L. 225-102-1 of the French Commercial Code (*Code de commerce*) is included in the information relating to the Group given in the management report, it being specified that, in accordance with Article L. 823-10 of said Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein.This information should be reported on by an independent third party.

Report on Other Legal and Regulatory Requirements

Format of preparation of the consolidated financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by statutory auditors regarding the annual and consolidated financial statements prepared in the European single electronic format, that the preparation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (*Code monétaire et financier*), prepared under the CEO's responsibility, complies with the single electronic format defined in Commission Delegated Regulation (EU) No. 2019/815 of 17 December 2018. Regarding consolidated financial statements, our work includes verifying that the tagging thereof complies with the format defined in the above-mentioned regulation.

On the basis of our work, we conclude that the preparation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

Due to the technical limitations inherent to the block-tagging of the consolidated financial statements according to the European single electronic format, the content of certain tags of the notes may not be rendered identically to the accompanying consolidated financial statements.

Furthermore, we have no responsibility to verify that the consolidated financial statements that will ultimately be included by your Company in the annual financial report filed with the AMF *(Autorité des marchés financiers)* agree with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Deezer by the annual general meeting held on June 30th, 2023 for Ernst & Young Audit, and by your statutes of April 29th, 2021 for Mazars and Grant Thornton.

As at December 31st, 2023, Ernst & Young Audit was in the second year of total uninterrupted engagement, Mazars and Grant Thornton were in the fourth year of total uninterrupted engagement.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these consolidated financial statements.

As specified in Article L. 821-55 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the consolidated financial statements.
- Assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report significant deficiencies, if any, in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France as set out in particular in Articles L. 821-27 to L. 821-34 of the French Commercial Code *(Code de commerce)* and in the French Code of Ethics for Statutory Auditors *(Code de déontologie de la profession de commissaire aux comptes)*. Where appropriate, we discuss with the Audit the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine et Paris-La Défense, April 29th, 2024

The Statutory Auditors

French original signed by

GRANT THORNTON French member firm of Grant Thornton International	MAZARS	ERNST & YOUNG Audit
Laurent Bouby	Erwan Candau	Frédéric Martineau

6.3 Financial statements of the parent company as of and for the year ended December 31, 2023

Deezer S.A.

A French *Société anonyme à conseil d'administration* with share capital of €1,216,376.81 whose registered office is located at 24, rue de Calais, 75009 Paris and registered with the Trade and Companies Register of Paris under number 898,969,852.

6.3.1 Profit and loss statement

(in € thousands)	Note	For the year ended December 31, 2023	For the year ended December 31, 2022
Revenue	**3**	**455,714**	**415,718**
Allowances		2	166
Utilisation/reversal of provisions and expenses reclassified	4	22,827	578
Other income	4	9,710	933
Operating income		**488,252**	**417,395**
Other purchases and external expenses	5	(88,621)	(111,790)
Tax and duties		(3,042)	(2,761)
Compensation and other employee costs	5	(46,545)	(44,806)
Social contribution costs	5	(20,669)	(20,438)
Amortization, depreciation and provision	5	(47,681)	(546,141)
Other expenses	5	(349,197)	(315,830)
Operating expenses		**(555,755)**	**(1,041,767)**
Operating loss		**(67,503)**	**(624,372)**
Finance income	6	4,577	1,553
Finance costs	6	(19,178)	(2,923)
Net financial income		**(14,600)**	**(1,370)**
Extraordinary income	7	5,794	6,335
Extraordinary costs	7	(4,350)	(11,915)
Extraordinary loss		**1,444**	**(5,580)**
Loss before income tax		**(80,659)**	**(631,322)**
Income tax expense	8	(390)	324
Net loss for the year		**(81,049)**	**(630,997)**

The accompanying notes form an integral part of these financial statements.

6.3.2 Balance sheet

Assets (in € thousands)	Note	2023 Cost	2023 Accumulated amortization/depreciation	2023 Net cost	2022 Net cost
Intangible assets	9	1,265,893	(579,152)	686,741	727,264
Property and equipment	10	9,833	(5,158)	4,675	5,834
Investments	11	10,526	(10,406)	120	10,440
Other financial assets	12	5,300	-	5,300	5,360
Non-current assets		**1,291,550**	**(594,715)**	**696,835**	**748,898**
Advanced payments	13	13,089	-	13,089	7,213
Trade and other receivables	14	64,052	(2,888)	61,164	34,993
Other assets	15	18,929	(6,608)	12,321	10,132
Cash and cash equivalents	16	55,016	(40)	54,976	101,025
Current assets		**151,085**	**(9,534)**	**141,550**	**153,363**
Prepaid expenses and other	**17**	**4,229**	**-**	**4,229**	**29,106**
Total assets		**1,446,863**	**(604,250)**	**842,614**	**931,368**

Equity and liabilities (in € thousands)	Note	2023	2022
Share capital	18	1,216	1,211
Share and merger premiums	18	1,184,224	1,184,406
Other reserves	18	(632,613)	(1,615)
Net loss	18	(81,049)	(630,997)
Equity		**471,779**	**553,004**
Provisions for risks	**20**	**16,121**	**37,875**
Financial liabilities	21	21,389	27,010
Advanced payments received		543	94
Trade payables and related accrued expenses	22	267,268	254,048
Tax and employee-related liabilities	23	31,023	28,603
Other liabilities	24	406	5,285
Liabilities		**320,630**	**315,040**
Deferred revenue and other	**25**	**34,083**	**25,449**
Total equity and liabilities		**842,614**	**931,368**

The accompanying notes form an integral part of these financial statements.

6.3.3 Notes to the financial statements

6

Note 1 Company information

1.1 Company information

Deezer S.A. (The Company) is a private limited company incorporated and domiciled in France, with a registered office located 24, rue de Calais 75009 Paris.

The Company is the holding and operational company of a Group that operates a streaming music service through the Deezer.com website and a mobile application and operates in more than 180 countries.

Deezer Group makes more than 120 million music tracks available to its customers.

The main activities of the Company are:

- an online music listening service, provided free of charge to users (financed by advertising) or by way of subscriptions;
- advertising sales (sale of advertising space online).

1.2 Significant events

On February 16, 2023, the Company and Sonos announced a long-term partnership whereby the Company will deliver key services and curated music streaming for Sonos' streaming radio service Sonos Radio and its subscription service Sonos Radio HD. On April 20, 2023, the Company and Sonos announced the launch of Sonos Radio and Sonos Radio HD for Sonos users in 16 countries. The impact of this contract over the 6-month period closed as of June 30, 2023 is not material.

On March 7, 2023, the Company subscribed to a capital increase in its subsidiary "Deezer Dijital Hizmetler ve Dağıtım Anonim Şirketi" (€37 thousand), and on March 31, 2023, the Company acquired an additional 0.85% stake in Driift Holdings Limited, through the purchase of 2,400 ordinary shares from its founder (€91 thousand).

On April 4, 2023, the Company announced that its major shareholders reached an agreement, to which the Company is a party, under the terms of which they undertake, until April 5, 2024, to coordinate any upcoming sale of their shares on the market by centralizing their share transfers through the same sale agent. The purpose of this coordinated sale agreement, which covers approximately 75% of the existing share capital of the Company, is to limit the risk that unorderly sales on the market, especially without price limits and given the current liquidity of the Company's shares, will mechanically fuel downward pressure on the stock price, which the Company believes to be disconnected from operating performance.

On June 1, 2023, the Company has officially launched Zen by Deezer in France, its dedicated wellbeing application. The catalogue includes more than 2,000 pieces of audio and video content, produced by more than 50 recognized wellbeing experts in France. The launch reflects Deezer's continued diversification of its business, with original content and new interactive experiences.

On June 6, 2023, the Company announced developing its AI music detection capabilities and building a set of cutting-edge tools, to ensure fairer artist remuneration, increased transparency and more efficient fraud prevention. In a world where AI generated music is quickly taking off, Deezer expands its commitment to help artists monetize their music better, fight fraud, and create a better user experience for fans.

On July 20, 2023, the Company and Orange announced the renewal of their long-standing partnership.

On August 31, 2023, the Company announced that it is expanding its partnership with Mercado Libre, the leading Latin American e-commerce platform, in joining Meli+ (an all-inclusive retail and entertainment subscription service, which is now introduced in Mercado Libre's main markets Brazil and Mexico).

On September 6, 2023, the Company and Universal Music Group ("**UMG**") announced the launch of an artist-centric streaming model designed to better reward the artists and music that fans value the most. UMG will also collaborate with Deezer on the development of Deezer's fraud detection tools, AI detection tools, and to experiment with new technology and label services from Deezer.

On November 7, 2023, Deezer revealed its bold new brand identity and logo, setting the stage for an era of music experiences. The Company is reinventing itself as an experience services platform, with expression and connection as guiding principles to help artists, fans and partners to be and belong through **music.**

On December 7, 2023, Deezer announced its partnership with France Billet for its in-app concert discovery. The new partnership gives users easy access to thousands of events through France Billet's ticketing system.

Note 2 Summary of significant accounting policies

The statutory financial statements as of and for the year ended December 31, 2023 were prepared under management's supervision and were authorized for issue by the Board of Directors on February 28, 2024.

2.1 Basis of preparation

The financial statements for the year ended December 31, 2023 have been prepared in accordance with legal and regulatory provisions applicable in France, in accordance with Regulation 2014-03 by the French Accounting Standards Authority (*Autorité des normes comptables*) dated June 5, 2014 and with later opinions and recommendations issued by the French Accounting Standards Authority.

The financial statements for the year ended December 31, 2023 have been prepared and were authorized in application of the principle of the going concern.

2.2 Revenue Recognition

2.2.1 Direct Revenue and Partnerships Revenue

The Company generates subscription revenue from the sale of its streaming music service. Subscription revenue is generated directly from end users ("**Direct Revenue**") and through partners who are generally telecommunication and media companies or audio equipment manufacturers that collect payment for the stand-alone subscriptions from their end customers or bundle the subscription with their own goods and services ("**Partnerships Revenue**"). The Company satisfies its performance obligation, and revenue from these services is recognized over time for the subscription period. Typically, subscriptions are paid for monthly in advance.

Direct Revenue and Stand-Alone subscriptions (Indirect Partnerships)

These subscriptions are taken out directly by the user or through a distribution partner who may be a telecom company or an audio equipment manufacturer for example.

- subscriptions sold by the Company and collected through payment platforms as well as subscriptions taken out through "Stores" (Apple, Android) are recognized for their gross value. The commission charged by the platform is included in Other purchases and external expenses;
- for subscriptions subscribed through distribution partners ("**Stand-Alone**"):
  - where the Company concludes that it is principal in the transaction with regard to the analysis of the control of services or access rights to services, in particular with regard to the latitude in setting the selling price to the end customer, revenue is recognized for its gross value. If a commission is invoiced by the distributor in accordance with the distribution agreement, it is recorded as an expense in Other purchases and external expenses,
  - where the Company concludes that the distribution partner is principal in the transaction with regard to the analysis of the control of services or access rights to services, in particular with regard to the latitude in setting the selling price to the end customer, revenue is recognized for its net value, having deducted the sales commission.

Revenue from Direct and Stand-Alone subscriptions, whether recognized gross or net, have one material performance obligation, that being the delivery of the streaming music service.

Revenue from Bundle (Partnerships Revenue)

When the Deezer subscription is included in the service or product sold by the distribution partner, the distribution partner pays the Company based on all subscriptions sold or active subscriptions depending on the terms of the contract (an active subscriber is a user who has listened to music for at least 30 seconds over the last 30 days).

The Company has analysed that the distributor is principal, and the performance obligation is the delivery of the streaming music service. Revenue is recognized on a straight-line basis over the subscription period, for the net amount paid by the distributor.

The Company has signed certain contracts with distribution partners, mostly telecom and media companies, including a minimum guarantee to be received. The revenue recognized corresponds to the monthly sales reported by the distribution partners. If it is estimated that revenue will be below the minimum guarantee, any difference between the actual sales and the minimum guarantee is recognized as revenue and spread over the remaining years of the contract, in accordance with the terms and conditions of the contract.

2.2.2 Other Revenue

The Company has three other sources of revenue:

- advertising revenue is primarily generated through display, audio, and video advertising delivered through impressions on the Deezer free service. The Company enters into arrangements with advertising agencies that purchase advertising on its platform on behalf of the agencies' clients, or enters into arrangements directly with advertisers. These advertising arrangements are typically sold on a cost-per-thousand basis and are evidenced by an Insertion Order ("IO"), a submission of order placements through a self-serve platform that includes the online acceptance of terms and conditions, or contracts that specify the terms of the arrangement such as the type of ad product, pricing, insertion dates, and number of impressions in a stated period. Advertising revenue is recognized in the period in which the advertising service is provided;
- ancillary revenue corresponds to income received by the Company from partners, in particular from sales of access codes;
- re-invoicing to the affiliates of different services (software and trademark licences, royalties and headquarter fees).

Deferred revenue is mainly comprised of subscription fees collected for services not yet performed, and therefore, the revenue has not been recognized. Revenue is recognized over time as the services are performed.

2.3 Extraordinary income and costs

Extraordinary income and costs comprise items which, as unusal or non-recurring, are not considered to be related to operating activities.

2.4 Income tax

The income tax expense comprises corporate income tax and tax credits.

The corporate income tax represents the amount of income tax based on the tax laws enacted or substantively enacted at the end of the reporting period.

2.5 Intangible assets

2.5.1 Licenses and brand

Acquired software and licenses are recognized at cost and amortized using a straight-line method over their useful life, generally between one and three years.

The trademark is one of the main assets brought by Deezer S.A. to I2PO S.A. at the merger date. Its market value has been based on the royalty method. It is amortized using a straight-line method over its useful life estimated at thirty years, based on the business model of Deezer and its brand awareness, and projected revenue.

2.5.2 Technology

The Deezer technology is a key asset brought by Deezer S.A. to I2PO S.A. at the merger date. Its market value has been based on the replacement cost method. It is amortized using a straight-line method over its useful life estimated at five years.

Internal development costs may be capitalized when the following criteria are met:

- high probability of technical success allowing the completion of the intangible asset for commissioning or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of appropriate resources (technical, financial and other) to complete the development and use or sell the intangible asset;
- the ability to reliably measure the expenses spent on the intangible asset development.

Some of the above criteria are not met during the presented period. Development costs are therefore recorded as expenses.

2.5.3 Customer database

Relationships with end-users and distribution partnerships are also main assets brought by Deezer S.A. to I2PO S.A. at the merger date. Their market value has been based on the excess profit method. These intangible assets are amortized using a straight-line method over its useful life:

- relationships with end users: thirteen years;
- distribution partnerships: fifteen years.

2.5.4 Other intangible assets

Other intangible assets include the costs incurred for the incorporation and the set-up of I2PO S.A. These assets are recognized at cost and are amortized using a straight-line method over five years.

Other intangible assets also include acquired rights and databases. They are recognized at acquisition cost and are amortized over their useful life, generally between one and three years.

2.5.5 Goodwill

Goodwill is the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed. Goodwill is not amortized and is however tested for impairment on an annual basis. The value in use is defined as the sum of discounted cash flows generated by the asset's continued use over its useful life. If the recoverable amount of an asset is less than its net carrying amount, an impairment charge is determined.

In the event of an impairment, the goodwill depreciation is first recognized on the Group of assets it relates to. Any depreciation recognized is definitive and cannot give rise to a reversal.

The key assumptions used for this test are as follows:

- business plan prepared by Management on the basis of growth and profitability assumptions, and aligned with the Group business plan approved by the Board of Directors;
- exit revenue multiple;
- revenue growth rate;
- gross margin growth rate;
- discount rate.

A sensitivity test is also performed based on main financial and operating assumptions.

2.6 Property and equipment

Property and equipment are measured at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes any expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Company.

When components of property, plant and equipment have different useful lives, they are recognized as separate property and equipment.

Depreciation is recorded using a straight-line basis over the estimated useful life for each component of an item of property and equipment.

The estimated useful lives used are as follows:

- building improvements: 5 to 10 years;
- technical equipment and tools: 3 years;
- fixtures and fittings: between 5 and 8 years;
- vehicles: 5 years;
- office and computer equipment: 3 years;
- furniture: 5 years.

The carrying amounts of property and equipment are tested for impairment whenever events or changes in circumstances indicate that an asset might be impaired.

Should any such event or circumstances occur, the recoverable amount of the asset is estimated. The recoverable amount of property and equipment is the higher of the net selling price and the value in use.

2.7 Trade and other receivables

Trade and other receivables are recognised at their nominal value. They are impaired, when their recoverable amount becomes lower than their nominal value.

Recoverable amount is determined using various criteria including:

- market value;
- value in use based on forecast discounted cash flows;
- revalued equity.

Assumptions, estimates or appraisals used to determine the recoverable amount are made on the basis of available information and conditions at the end of the financial period presented, which may differ from the reality, particularly in an economically volatile context.

The main factors considered when identifying potential impairment losses include actual financial difficulties of a debtor or payment delays.

2.8 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, undertakings for collective investments in transferable securities ("**UCITS**") and treasury shares purchased through a liquidity contract.

Cash at bank and in hand are valued at nominal value.

Undertakings for collective investments in transferable securities are valued at their closing price.

Treasury shares are valued based on the First-In, First-Out ("**FIFO**") method. If their FIFO value is lower than the closing stock price, a provision for impairment is recognized.

2.9 Provisions for risks

Provisions are recognized in the statutory statement of financial position when the Company has a present obligation (legal or implicit) arising from past events, that can be reliably estimated, provided it is probable that an outflow of economic benefits will be required to settle the obligation.

Where there is a significant time value effect, the amount of the provision is determined by discounting expected future cash flows at a rate that reflects current market assessment of the time value of money and, where appropriate, risks specific to this liability.

2.10 Operations in foreign currencies

Income and expenses in foreign currencies are accounted for at the exchange rate as of the operation date.

Pursuant to regulation n°2015-5 dated July 2, 2015:

- foreign gains and losses arising from operating activities are recognized in the operating result;
- foreign gains and losses arising from financing activities are recognized in the financial result.

Trade and other receivables and payables expressed in foreign currencies are recognized in the balance sheet for their converted value based on closing exchange rates.

Differences arising from exchange rate variations are recognized under unrealized foreign exchange asset or liability accounts. Unrealized foreign exchange losses give rise to the recognition of a provision for risk.

Note 3 Revenue

Revenue by geographical area breakdowns as follows:

(in € thousands)	For the year ended December 31, 2023	For the year ended December 31, 2022
France	270,171	265,731
Rest of the world	185,543	149,987
	455,714	**415,718**

Revenue breakdowns in three operating segments:

- direct: Subscriptions to the Deezer service are taken out directly by users;
- partnerships: Subscriptions to the Deezer service are taken out through a distribution partner or are included in the service or product sold by a distribution partner (as a bundle);
- other: This segment includes advertising and ancillary revenue.

(in € thousands)	For the year ended December 31, 2023	For the year ended December 31, 2022
Direct	333,502	307,989
Indirect	102,469	92,661
Other	19,743	15,068
	455,714	**415,718**

Note 4 Other income and reversal of provisions

Other income mainly correspond to:

- exchange gains linked to customer receivables and supplier debts for €3 million;
- income recognition of receivables with the Brazilian subsidiary fully depreciated historically for €6.6 million.

The reversal of provisions mainly relates to the termination of Rotana contract in 2023.

Note 5 Operating expenses

Other purchases and external expenses mainly comprise advertising and marketing costs, commissions charged by the sales platforms and payment service providers, accounting, legal and various fees, office rentals and server hosting.

The average headcount was 553 for the year ended December 31, 2023.

Amortisation, depreciation and provision breakdown as follows:

- intangible asset amortisation: €81,803 thousand (Note 9);
- tangible asset depreciation: €5,158 thousand (Note 10);
- current assets depreciation: €718 thousand (Notes 14 and 15);
- provisions for risks: €896 thousand (Note 20).

Other expenses mainly comprise royalty costs related to content streaming and licences expensed.

Royalties are typically calculated using negotiated rates in accordance with license agreements and are based on either subscription and advertising revenue earned, user/usage measures, or a combination of these. The determination of the amount of the rights holders' costs is based on a number of variables, including the revenue recognized, the type of content streamed and the country in which it is streamed, identification of the appropriate license holder and size of user base.

When signing multi-annual royalty contracts with minimum guaranteed amounts the Company assesses the amount of royalties to be consumed over the entire contractual period. Any difference between the guaranteed minimum and the royalties assessed is accrued for under Trade payables and related accrued expenses and this cost is spread over the same period. When the amount of the guaranteed minimum cannot be allocated to accounting periods covered by the term of the contract, this amount is spread *pro rata temporis.*

Note 6 Net financial income

(in € thousands)	For the year ended December 31, 2023	For the year ended December 31, 2022
Dividends	-	130
Interest from intercompany loans and current accounts	1,766	210
Foreign exchange gain	115	587
Reversal of provisions and depreciation	241	616
Other financial income	2,455	8
Finance income	**4,577**	**1,553**
Losses on disposals of treasury shares and UCITS	(183)	(72)
Interest on intercompany loans and current accounts	(7)	(5)
Foreign exchange loss	(835)	(1,377)
Other financial cost	(18,153)	(1,468)
Finance costs	**(19,178)**	**(2,923)**
Net financial income	**(14,600)**	**(1,370)**

Gains and losses relating to bank accounts in currencies other than Euro, to intercompany loans and current accounts between the Company and its subsidiaries are included in the foreign exchange gain and loss in 2023.

Other financial costs of €18,153 thousand mainly concern:

- depreciation of Driift equity for €10,406 thousand;
- depreciation of current accounts for €6,595 thousand.

Other financial income of €2,455 thousand mainly concern:

- the revenue of cash investments €1,767 thousand;
- exchange gain for €617 thousand.

Note 7 Extraordinary income and costs

Extraordinary income for €5,794 thousand mainly includes:

- reversals of tax penalties due to end of limitation period;
- reversals of VAT due for previous financial years in countries around the word due to end of limitation period;
- reversals of HR provisions.

Extraordinary costs for €4,350 thousand mainly includes:

- tax penalties paid;
- provisions linked to tax penalties, VAT penalties due in countries around the world and HR disputes.

The exceptional loss of 5,580 thousand euros for the year ended December 31, 2022 included a loss of 3,763 thousand euros on the Driift Holding Limited-Dreamstage share transaction.

Note 8 Income tax expense

The income tax expenses of €390 thousand includes the €525 thousand French research and development tax credit related to 2022 eligible expenses and a €915 thousand charge in respect of the corporate income tax due upon a foreign permanent establishment.

Deezer S.A. elected for the tax consolidation regime provided for by article 223 A and following of the French Tax Code. As from January 1stn, 2023, Deezer S.A. declared itself to be sole liable to corporate tax for the tax consolidated group comprising itself and its 100% subsidiary Deezer Production, *société par actions simplifiée* with registered office 24 rue de Calais, 75009 Paris, registered with the Trade Registry of Paris under number 911,804,656.

As at December 31, 2023, the accumulated tax losses amount to €721,666 thousand, split as follows:

- accumulated pre-tax consolidation losses of Deezer S.A for 669,556 thousand including €566,800 thousand of tax losses initially generated by Deezer S.A and for the transfer of which a ruling was filed by I2PO S.A. and Deezer S.A. in May 2022. The ruling request is still being examined by the French tax authorities;
- tax losses for the fiscal year 2023 for the tax Group (Deezer S.A. and Deezer Production) 52.110 thousand.

Tax losses are available to carry forward over an unlimited period of time but are capped at €1 million per year, plus 50% of the portion of profits in excess of that limit.

The companies agreed on a tax consolidation agreement under which Deezer Production will be treated as if it would not have been tax consolidated and all tax consolidation savings will be kept by Deezer S.A. as head of the Group. For 2023, due to the tax loss positions of both companies, the tax consolidated group did not generate any tax saving.

Note 9 Intangible assets

The book value and depreciation of intangible assets are shown in the table below:

(in € thousands)	Licenses and brand	Technology	Customer Database	Other	Intangible assets in progress	Total	Goodwill	Total
Costs								
At January 1, 2023	**231,761**	**93,000**	**175,000**	**6,522**	**175**	**506,458**	**760,134**	**1,266,591**
Additions	506	-	-	-	-	506	-	506
Reclassification	-	-	-	-	(175)	(175)	-	(175)
Disposals – Write-offs	(525)	-	-	(504)	-	(1,029)	-	(1,029)
At December 31, 2023	**231,742**	**93,000**	**175,000**	**6,018**		**505,760**	**760,134**	**1,265,893**
Accumulated amortization								
At January 1, 2023	**(8,175)**	**(18,600)**	**(12,729)**	**(2,473)**	**-**	**(41,977)**	**(497,350)**	**(539,327)**
Amortization charge	(8,232)	(18,600)	(12,729)	(1,294)	-	(40,855)	-	(40,855)
Write-backs of depreciation	525	-	-	504	-	1,029	-	1,029
At December 31, 2023	**(15,882)**	**(37,200)**	**(25,458)**	**(3,263)**	**-**	**(81,803)**	**(497,350)**	**(579,153)**
Costs, net accumulated amortization								
At January 1, 2023	**223,586**	**74,400**	**162,271**	**4,049**	**175**	**464,481**	**262,784**	**727,264**
At December 31, 2023	**215,860**	**55,800**	**149,542**	**2,755**	**0**	**423,957**	**262,784**	**686,740**

Following the merger operation conducted in 2022, Deezer S.A. brought these following intangible assets (recognized at fair value) as at January 1, 2022:

- Deezer brand (€231 million);
- technology (€93 million);
- end user relationships (€103.6 million);
- distribution partnerships (€71.4 million); and
- goodwill (€760.1 million).

At the end of December 2022, the recoverable value of Deezer has been estimated at €553 million, and a goodwill impairment of €497.3 million has been recognised.

An impairment test has been carried out as at December 31, 2023.

For this purpose, the recoverable value of Deezer has been determined by an external expert, based on a multi-criteria method and using the income and the market approaches. The business plan has been based on management's forecast for 2024 and on an extrapolation beyond 2024. Assumptions have been considered to build this extrapolation, to reflect the different development path of the business, both in terms of volume through penetration rates increase and distribution partnership creation and in terms of price increase. Key assumptions used were as follows: long-term growth of 2.5% and discount rate of 12%.

No new impairment has therefore been recognised at 2023 year-end.

A sensitivity test has been performed based on the following assumptions:

- a 0.5% increase of the discount rate results in a decrease of the recoverable value of €33 million approximately;
- a 0.5% decrease of the long-term growth rate results in a decrease of the recoverable value of €17 million approximately;
- a 0.5% downward variation in sales growth over the business plan results in a decrease of the recoverable value of €34 million approximately;
- a 0.5% downward variation in operating result before amortization, depreciation and provision over the business plan results in a decrease of the recoverable value of €18 million approximately.

These sensitivity tests do not call into question the results of the value test performed as at December 31, 2023, and no additional impairment would need to be recognized.

The intangible assets in progress relate to the implementation of new software used internally.

Note 10 Property and equipment

The book value and depreciation of property and equipment are shown in the table below:

(in € thousands)	Technical equipment	Office and IT equipment	Other	Tangible assets in progress	Total
Cost					
At January 1, 2023	**4,362**	**1,650**	**2,254**	**62**	**8,329**
Additions	1,046	416	58	2	1,522
Disposals – Write-offs	(2)	(14)	-	(2)	(18)
Reclassification	-	-	-	-	-
At December 31, 2023	**5,406**	**2,052**	**2,312**	**62**	**9,833**
Accumulated amortization					
At January 1, 2023	**(1,492)**	**(638)**	**(365)**	**-**	**(2,495)**
Depreciation charge	(1,746)	(562)	(371)	-	(2,679)
Disposals – Write-offs	2	14	-	-	16
At December 31, 2023	**(3,236)**	**(1,186)**	**(736)**	**-**	**(5,158)**
Cost, net accumulated amortization					
At January 1, 2023	**2,871**	**1,012**	**1,889**	**62**	**5,834**
At December 31, 2023	**2,171**	**866**	**1,576**	**62**	**4,675**

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Note 11 Investments

Investments in subsidiaries breakdown as follows:

Subsidiaries (in € thousands)	At December 31, 2023	Additions	Disposals/ Write-offs	At December 31, 2022
Deezer Inc.	77	-	-	77
Deezer Music Brasil LTDA	-	-	-	-
Magic Internet Musik GmbH	-	-	-	-
Deezer Russia LLC	-	-	-	-
Musica Ilimitada S.A. de C.V.	3	-	-	3
Deezer Singapore PTE. LTD.	-		(6)	6
Deezer MENA FZ-LLC	12	-	-	12
Deezer Müzik Dagitim Ve Organizasyon Limited Sirketi	152	-	-	152
Deezer Production S.A.S.	10	-	-	10
Dreamstage Inc.	-	-	-	-
Driift Holdings Limited	10,272	91	-	10,181
Gross value	**10,526**	**91**	**(6)**	**10,440**

(in € thousands)	Share capital	Share premium and reserves	Share of capital held in %	Gross value of invest-ment held	Net value of invest-ment held	Receivable loans or current accounts granted by the Company(1)(2)	2023 Revenue	2023 net result	Dividends paid to the Company in 2023
Magic Internet Musik GmbH	25	(3,008)	100.00%	-	-	134	-	(189)	-
Deezer Inc.	91	690	100.00%	77	77	-	702	9	-
Musica Ilimitada S.A. de C.V.	3	43	99.99%	3	-	904	0	(122)	-
Deezer Music Brasil LTDA	57	(37,968)	100.00%	-	-	5,242	40,143	(1,705)	-
Deezer Russia LLC	0	(509)	100.00%	-	-	85	-	(47)	-
Deezer MENA FZ-LLC	12	250	100.00%	12	-	281	-	(295)	-
Deezer Müzik Dağıtım ve Organizasyon Limited Şirketi	61	(7)	100.00%	152	33	8	-	(12)	-
Deezer Production S.A.S.	10	(2,494)	100.00%	10	10	4,013	87	(740)	-
Driift Holdings LTD.	3	7,680	46.30%	10,272	0	-	-	(36)	-
	269	**(36,702)**		**10,526**	**120**	**10,667**	**40,932**	**(3,137)**	**-**

(1) Amounts without interests accrued.
(2) Theses current accounts have been depreciated for €6,467 thousand.

The variation between the gross value and the net value of investments corresponds mainly to the 100% impairment of Driift equity investments.

Note 12 Other financial assets

As at December 31, 2022 and 2023, deposits mainly relate to office space leases and to a contract with a payment service provider. Bank guarantees relate to office space leases.

	As of December 31,	
(in € thousands)	2023	2022
Deposits	3,881	3,941
Guarantees	1,419	1,419
	5,300	**5,360**

Note 13 Advanced payments

As at December 31, 2023, advance payments mainly relate to music rights paid for €13,175 thousand.

Note 14 Trade and other receivables

	As of December 31,	
(in € thousands)	2023	2022
Trade receivables	40,323	24,367
Less: allowance for expected credit losses	(735)	(173)
Trade receivables – Net	39,588	24,194
Unbilled revenue	23,727	10,799
Less: allowance for expected Unbilled revenue	(2,152)	-
Unbilled revenue – Net	21,575	-
	61,164	**34,993**

Trade receivables are non-interest bearing and generally have payment terms of 30 to 60 days.

The ageing of the Company's net trade receivables is as follows:

	As of December 31,	
(in € thousands)	2023	2022
Current	24,910	16,289
Overdue 1 – 30 days	10,764	3,247
Overdue 31 – 60 days	528	1,370
Overdue 61 – 90 days	888	(90)
Overdue more than 90 days	2,498	3,376
	39,588	**24,194**

The movements in the provision for impairment are as follows:

	As of December 31,	
(in € thousands)	2023	2022
At January 1	**173**	**-**
Provision for impairment	563	184
Reversal of unutilized provisions	(2)	(11)
Receivables written off	-	-
At December 31	**734**	**173**

Note 15 Other assets

Other assets are due within twelve months.

	As of December 31,	
(in € thousands)	2023	2022
Trade payables – Credit notes to be received	179	54
Employees and social contributions	44	626
Tax authorities	5,769	6,579
Current accounts with affiliates	11,889	3,241
Sundry debtors	1,048	16
Other assets – Gross	**18,929**	**10,517**
Provision for impairment*	(6,608)	(385)
Other assets – Net	**12,321**	**10,132**

* The provision for impairment mainly corresponds to the current accounts.

Below is the detail of the receivables from tax authorities:

	As of December 31,	
(in € thousands)	2023	2022
Deductible VAT on purchases made in France and abroad	4,649	3,552
Tax receivables	1,113	1,869
Whitholding tax receivable	7	1,158
Tax authorities	**5,769**	**6,579**

Note 16 Cash and cash equivalents

	As of December 31,	
(in € thousands)	2023	2022
Treasury shares	317	390
UCITS	280	320
Cash at bank and at hand	54,419	100,385
Less: depreciation of treasury shares	(40)	(70)
Cash and cash equivalents	**54,976**	**101,025**

The Company holds 130,227 treasury shares as of December 31, 2023.

Note 17 Prepaid expenses and other

This item comprises prepaid expenses and unrealized exchange losses.

The variation of €24,877 thousand is mainly explains by the reversal of the prepaid expenses concerning the contract with Rotana Audio Visual LLC which was terminated end of September 2023.

Note 18 Share capital and share and merger premiums

As at December 31, 2023, the Company's share capital is divided into 121,637,681 shares, each with a par value of €0.01.

The Company's share capital is divided in the following classes as of December 31:

(in number of shares)	2023	2022
Class A2 preferred shares	2,291,667	2,291,667
Class A3 preferred shares	2,291,667	2,291,667
Ordinary shares	117,054,347	116,504,336
	121,637,681	**121,087,670**

All outstanding ordinary shares have equal rights to vote at general meetings.

Movements in equity in 2023 are as follows:

	Number of shares	Share capital	Share and merger premiums	Result carried forward	Net loss	Total Equity
At January 1, 2023	**121,087,670**	**1,211**	**1,184,406**	**(1,615)**	**(630,997)**	**553,004**
Net loss	-	-	-	-	(81,049)	(81,049)
Appropriation of prior year net loss	-	-	-	(630,997)	630,997	-
Ordinary shares issued from the vesting of free shares	549,578	5	(5)	-	-	-
Ordinary shares issued from the exercise of BSAR B	433	-	5	-	-	5
Allocation of IPO fees			(182)	-	-	(182)
At December 31, 2023	**121,637,681**	**1,216**	**1,184,224**	**(632,612)**	**(81 49)**	**471,778**

During 2023, the Company issued 433 new ordinary shares as a result of the exercise of 1,299 BSAR B.

No dividends were proposed or paid in 2022 or 2023.

Note 19 Shared-based payments

19.1 Free share plans implemented by Deezer S.A.

Deezer S.A. granted free shares to certain employees od officers of the Group. The shares granted are legally owned by the beneficiaries at the end of the relevant acquisition period and are subject to a continuous presence requirement during this period.

Movements in free shares outstanding and related information are as follows:

	2017 free share plans*	2019 free share plans*	2021 free share plans*	2022 free share plans*
Grant dates	09/02/2017 06/06/2017	06/02/2019 10/04/2019 11/12/2019	24/02/2021 08/06/2021 21/07/2021	23/03/2022
Number of shares granted	384,392	885,324	558,642	21,072
Outstanding at January 1, 2022	**89,542**	**637,034**	**490,782**	**-**
Granted	-	-	-	21,072
Definitively acquired	(60,420)	(281,850)	(380,228)	-
Lapsed	-	(10,341)	(9,087)	
Outstanding at December 31, 2022	**29,122**	**344,843**	**101,467**	**21,072**
Granted	-	-	-	-
Definitively acquired	-	(94,544)	(71,190)	(21,072)
Lapsed				-
Outstanding at December 31, 2023	**29,122**	**250,299**	**30,277**	**-**

* Plans granted by Deezer S.A. before the Merger with the Company on July 5, 2022. The number of shares disclosed above is before the Merger and is not restated based on the exchange ratio.

19.2 Free share plans implemented by the Company

After the Merger completed on July 5, 2022, the Company granted free shares to the employees and officers of the Group in 2022 and 2023. The granted shares are legally owned by the beneficiaries at the end of the relevant acquisition period and subject to a continuous presence requirement during this period, and, as the case may be, to performance conditions.

In 2023, the Company plans are subject to performance conditions defined yearly (January 1-December 31) and as per 4 Key performance indicators. Shares are acquired at the end of a 3-year acquisition period, subject to the beneficiary's continued presence.

Movements in free shares outstanding and related information are as follows:

	2022 – Grant 1 free share plan*	2022 – Grant 2 free share plan*	2022 – Grant 3 free share plan*	2023 – 1 free share plan*	2023 – 2 free share plan*	2023 – 3 free share plan*
Grant dates	21/07/2022	21/07/2022	21/07/2022 27/10/2022	24/04/2023	31/05/2023	26/10/2023
Number of shares granted	552,000	477,250	908,880	472,800	835,200	75,600
Outstanding at January 1, 2022						
Granted	552,000	477,250	908,880	-	-	
Definitively acquired	-	-	-	-	-	
Lapsed	(68,000)	-	-			
Outstanding at December 31, 2022	**484,000**	**477,250**	**908,880**			
Granted	-	-	-	472,800	835,200	75,600
Definitively acquired	-	-	-	-	-	
Lapsed	(66,008)		(96,720)		(50,400)	
Outstanding at December 31, 2023	**417,992**	**477,250**	**812,160**	**472,800**	**784,800**	**75,600**

* Plans granted after the Merger completed on July 5, 2022.

19.3 Warrants issued by Deezer S.A.

The Company issued equity warrants to the benefit of certain of its commercial partners and directors.

Warrants 2021, and L have given rise to expenses recognized in the consolidated income statement for the years ended December 31, 2023 and 2022 (based on the Black-Scholes model for warrants 2021).

Movements in warrants outstanding and related information is as follows:

Plans	Warrants 2014	Warrants H	Warrants 2017	Warrants 2021
Shareholders' meeting date	22/05/2014	30/06/2017	23/12/2016	30/06/2020
Board members' meeting date	-	-	09/02/2017	24/02/2021
Expiry date	31/12/2024	30/06/2027	30/11/2026	31/12/2030
Number of warrants granted	66,700	712,404	6,845	6,000
Outstanding at January 1, 2022	**66,700**	**17,319**	**6,845**	**6,000**
Granted	-	-	-	6,000
Lapsed				
Exercised	-	-	-	-
Outstanding at December 31, 2022	**66,700**	**17,319**	**6,845**	**6,000**
Exercised	-	-	-	
Lapsed				
Outstanding at December 31, 2023	**66,700**	**17,319**	**6,845**	**6,000**
Subscription price (in €)	2.59	0.01	0.01	3.98
Exercise price (in €)	24.25	14.61	14.61	39.75
Maximum share capital increase (in €) (as at grant date, and before the merger with I2PO S.A.)	667	7,124	68	60

Plans	Warrants K	Warrants L	Warrants M
Shareholders' meeting date	30/06/2020	30/06/2021	30/06/2021
Board members' meeting date	24/02/2021	16/09/2021	16/09/2021
Expiry date	01/05/2027	31/10/2024	31/10/2028
Number of warrants granted	488,050	420,125	679,245
Outstanding at January 1, 2022	**488,050**	**420,125**	**679,245**
Granted			
Exercised	(488,050)	-	(679,245)
Outstanding at December 31, 2022	**-**	**420,125**	**-**
Exercised			
Lapsed	-	-	-
Outstanding at December 31, 2023	**-**	**420,125**	**-**
Subscription price (in €)	0.01	0.01	0.01
Exercise price (in €)	0.01	0.01	0.01
Maximum share capital increase (in €) (as at grant date)	4,881	4,201	6,792
Vesting condition	All warrants became exercisable as a result of the merger	Performance condition between 01/02/2021 and 31/01/2024	All warrants became exercisable as a result of the merger

Concomitantly to the initial public offering (the "**IPO**"), I2PO S.A. (renowned Deezer S.A. after the merger with Deezer S.A.) issued A BSARs and B BSARs with the B BSARs listed in the professional segment of the regulated market of Euronext Paris. These BSARs entitle their holders to subscribe new ordinary shares of the Company as from the completion date to the merger, i.e. July 5, 2022, and they expire five years after this date.

Plans	A BSARs	B BSARs
Shareholders' meeting date	05/07/2021	05/07/2021
Board members' meeting date	15/07/2021	15/07/2021
Expiry date	5 years*	5 years*
Number of warrants granted	659,130	27,500,000
Outstanding at January 1, 2022	**659,130**	**27,500,000**
Granted	-	-
Exercised	-	-
Outstanding at December 31, 2022	**659,130**	**27,500,000**
Exercised	-	(1,299)
Outstanding at December 31, 2023	**659,130**	**27,498,701**
Subscription price (in €)	0.00	0.00
Exercise price (in €)	11.50	11.50
Maximum share capital increase (in €) (as at grant date)	2,832	118,158

* Five years from the completion date of the Merger.

19.4 Stock-options granted by Deezer S.A.

The Company proceeded with grant of stock-options to the benefit of certain employees and officers of the Group.

Activity in the stock-options outstanding and related information is as follows:

Plans	Stock-options 14*	Stock-options 15*	Stock-options 15-2*	Stock-options 17	Stock-options 18
Granting dates	22/05/2014 24/10/2014 12/03/2015	23/04/2015	16/07/2015	25/07/2017	24/02/2021
Expiry date	31/12/2024	31/12/2024	31/12/2024	31/12/2026	31/12/2027
Number of stock-options granted	424,299	533,948	72,500	58,250	27,000
Outstanding at January 1, 2022	**55,462**	**533,948**	**58,000**	**31,662**	**27,000**
Granted	-	-	-	-	
Lapsed	-	-	-	-	(3,500)
Outstanding at December 31, 2022	**55,462**	**533,948**	**58,000**	**31,662**	**23,500**
Lapsed	-	-	-	(31,662)	(23,500)
Outstanding at December 31, 2023	**55,462**	**533,948**	**58,000**	**-**	**-**
Exercise price (in €)	24.25	24.25	24.25	14.61	31.31
Maximum share capital increase (in €) (as at grant date)	4,243	5,339	725	583	270

* Information contained herein takes into account the stock split decided by the combined general meeting of Deezer S.A. held on October 9, 2015.

Note 20 Provisions for risks

(in € thousands)	Loss at completion	Legal contingencies	Indirect tax	Other	Total
At January 1, 2023	**21,059**	**3,075**	**6,529**	**7,212**	**37,875**
Merger	-	-	-	-	-
Additional provisions – Operating	-	159	737	402	1,298
Additional provisions – Financial	-	-	-	881	881
Additional provisions – Extraordinary	-	415	860	757	2,033
Provisions utilized		(758)	(2,042)	(1,829)	(4,629)
Reversal of unutilized provisions	(21,059)	(278)	-	-	(21,337)
At December 31, 2023	**0**	**2,614**	**6,084**	**7,423**	**16,121**

20.1 Loss at completion

The provision for loss at completion relates to the exclusive license agreement with Rotana Audio Visual LLC. This provision corresponds to the difference between the contractual minimum guarantee and the royalty costs estimated over the five-year contract. As at September 2023, the contract was terminated resulting in the full reversal of the unutilized provision.

20.2 Legal contingencies

Some legal actions, proceedings, and claims are pending or may be instituted or asserted against the Company. The results of such legal proceedings are difficult to predict and the extent of the Company's financial exposure is difficult to estimate. The Company records a provision for contingent losses when it is both probable that a liability has been incurred, and the amount of the loss can be reasonably estimated.

Regarding the claim filed by HUZIP (Hrvatska Udruga Za Zastitu Izvodackih Prava), Croatian performers' rights collecting society, against Deezer S.A., two hearings were held in February and June 2022 and do not affect the provision booked as at December 31, 2023.

20.3 Taxes

The Company has indirect tax provisions which relate primarily to foreign indirect taxes and tax penalties on these. The Company recognizes provisions for claims or indirect taxes when it determines that an unfavorable outcome is probable and the amount of loss can be reasonably estimated.

20.4 Other

Other provisions relate to commercial risks and unrealized foreign exchange losses.

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Note 21 Financial liabilities

Financial liabilities breakdown as follows:

(in € thousands)	At December 31, 2023	2022
State-guaranteed loans	20,257	25,422
Other bank loans	747	-
Accrued interests on state-guaranteed loans	30	38
Current accounts	355	1,550
Financial liabilities	**21,389**	**27,010**

Maturity analysis (in € thousands)	At December 31, 2023	2022
Less than one year	7,471	6,538
One to five years	13,919	20,472
More than five years	-	-
Total financial liabilities	**21,389**	**27,010**

Note 22 Trade payables and related accrued expenses

	As of December 31,	
(in € thousands)	2023	2022
Trade payables	4,406	7,948
Trade accrued expenses	262,862	246,100
	267,268	**254,048**

Trade payables generally have a 30 to 60 days term and are recognized and carried at their invoiced value, inclusive of any value added tax that may be applicable.

Trade payables breakdown as follows:

	As of December 31,	
(in € thousands)	2023	2022
Marketing, General & Administrative and Other	2,332	5,352
Royalties	2,074	2,596
	4,406	**7,948**

Trade accrued expenses are detailed below:

	As of December 31,	
(in € thousands)	2023	2022
Marketing, General & Administrative and Other	18,426	20,671
Royalties	244,437	225,429
	262,862	**246,100**

Note 23 Tax and employee-related liabilities

Tax and employee-related liabilities are due within twelve months.

	As of December 31,	
(in € thousands)	2023	2022
Employee-related liabilities	5,315	4,518
Social contribution liabilities	5,717	5,620
State, revenue taxes payable	15,922	15,966
Other similar taxes and levies payable	3,088	1,856
Current income tax payable	981	642
	31,023	**28,603**

Note 24 Other liabilities

Other liabilities are due within twelve months.

	As of December 31,	
(in € thousands)	2023	2022
Trade receivables – Credit notes to be issued	406	440
Trade receivables with credit balances	-	30
Sundry creditors	-	4,815
	406	**5,285**

Sundry creditors mainly comprise a liability relating to a license agreement.

Note 25 Deferred revenue and other

This item comprises deferred revenue and unrealized exchange gains.

Note 26 Commitments

26.1 Obligations under leases

The Company is subject to the following future payments as at December 31:

(in € thousands)	2023	2022
Less than one year	4,593	5,395
One to five years	15,323	8,978
More than five years		-
	19,916	**14,373**

26.2 Minimum royalty payments

The Company is subject to the following minimum guarantees relating to the content on its service, the majority of which relate to minimum royalty payments associated with its license agreements for the use of licensed content, as at December 31:

(in € thousands)	2023	2022
No later than one year	80,201	185,097
Later than one year but not more than 5 years	41,435	17,596
	121,636	**202,693**

26.3 Non-cancellable purchase commitments

In addition to the minimum guarantees listed above, the Company is subject to various non-cancelable purchase obligations and service agreements with minimum spend commitments, as at December 31:

(in € thousands)	2023	2022
No later than one year	133	826
Later than one year but not more than 5 years	-	-
	133	**826**

The Company is also subject to the following minimum guarantees to receive from its distribution partners, as at December 31:

(in € thousands)	2023	2022
No later than one year	35,978	15,136
Later than one year but not more than 5 years	97,870	159,256
	133,848	**174,392**

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26.4 Retirement benefits

The commitment of the Company for retirement benefits applicable for employees in France has been estimated on the basis of the projected unit credit method and with the following assumptions:

	2023	2022
Collective agreement applied	SYNTEC	SYNTEC
Salary increase rate	3%	3%
Annual discount rate	3.12%	3.75%
Social contribution rate	45%	50.00%
Retirement age	64 years	65 years
Mortality table	INED 16-18	INSEE 2015/2017
Average turnover rate	12%	0% to 31.2%

The retirement benefit commitment amounts to €500 thousand at that date.

Note 27 Related party transactions

27.1 Transactions with related parties

The financial statements of the parent company include related parties' transactions conducted by the Company with its affiliates in the normal course of its businesses. These transactions are carried out on an arm's length basis.

Purchases and sales transactions with related parties are as follows:

(in € thousands)	2023	2022
Purchases	681	1,886
Sales	73,712	77,200

The assets and liabilities transactions with related parties are as follows:

(in € thousands)	2023	2022
Receivables	7,124	7,403
Payables	8	169

An exclusive license agreement was entered into on August 1, 2018 between Deezer S.A. as licensee on the one hand and Rotana Studios FZ-LLC as licensor on the other, being specified that Rotana Studios FZ-LLC is affiliated with Rotana Audio Holding, LTD. which subsequently became a shareholder of Deezer S.A. following the capital increase on August 20, 2018.

As per this agreement, Rotana Studios FZ-LLC grants the Company exclusive rights to an audio and video catalogue gathering a large number of artists, songs and albums and enabling it to differentiate from its competitors.

This contract was transferred by Rotana Studios FZ-LLC to Rotana Audio Visual LLC, which is also owned by the Rotana group, as per a transfer agreement effective on January 15, 2019 and continued since then.

As per the settlement agreement signed in September 2021 and its amendment signed in February 2022 and in relation to the exclusive licence agreement, Rotana Audio Visual LLC paid a net amount of US$667 thousand on July 05, 2023.

The licence was terminated on September 30, 2023.

Note 28 Subsequent events

On January 9, 2024, Deezer announced the appointment of Ivana Kirkbride as Chief Commercial Officer to accelerate global expansion and drive partnership growth. The new Deezer CCO will lead a growth strategy to scale Deezer's global footprint and drive major commercial partnerships across key markets worldwide.

On January 17, 2024, the Company and FNAC announced the renewal of their long standing partnership.

On January 23, 2024, the Company and TIM announced the renewal of their long term partnership in Brazil.

On March 4, 2024, Deezer Russia LLC has been closed. This liquidation is not material in Deezer S.A.'s financial statements.

On March 6, 2024, Jeronimo Folgueira (CEO) has announced his departure from Deezer with an effective date of March 31, 2024.

6.4 Statutory auditor's report on the financial statements

Year ended December 31st 2023

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Annual General Meeting of Deezer S.A.,

Opinion

In compliance with the engagement entrusted to us by your bylaws and your annual general meeting, we have audited the accompanying financial statements of Deezer S.A. for the year ended December 31st, 2023, such as they are enclosed to our report.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31st, 2023 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with the content of our report to the Audit Committee.

Basis for opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of rules required by the French Commercial Code (*Code de commerce*) and the French Code of ethics (*Code de déontologie de la profession de commissaire aux comptes*) for statutory auditors for the period from January 1st, 2023 to date of our report. We have not provided any services prohibited by the Article 5, paragraph 1, of the EU Regulation n° 537/2014.

Justification of Assessments – Key Audit Matters

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In accordance with the requirements of Articles L.821-53 et R.821-180 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements

Cost of revenue and rights holders liabilities

Notes 5 and 22 of the financial statements

Identified risk	For the year ended December 31, 2023, the Company's other expenses were € 349 M and mainly comprise the costs of music rights related to content streaming and licenses expensed. As of December 31, 2023, trade payables and trade accrued expenses to rights holders was € 2,1 M and € 244 M, respectively. As explained in Note 5 of the financial statements, the costs of music rights are typically calculated using negotiated rates in accordance with license agreements and are based on either subscription and advertising revenue earned, user/usage measures, or a combination of these. The determination of the amount is based on a number of variables, including the revenue recognized, the type of content streamed and the country in which it is streamed, identification of the appropriate license holder and size of user base. When signing multi-annual royalty contracts with minimum guaranteed amounts the Group assesses the amount of royalties to be consumed over the entire contractual period. Any difference between the guaranteed minimum and the royalties assessed (or "shortfall) is accrued for under Trade payables and related accrued expenses and this cost of music rights is spread over the same period. Given the complexity of royalty calculations, the information systems involved, the volume of systems involved, the volume of data and the significant amount of management judgment involved in their determination, we have considered the valuation of costs of music rights and liabilities to right holders as a key audit matter.
Our audit approach	In the context of our audit of the annual financial statements, our work mainly consisted in performing the following procedures: • We obtained an understanding and evaluated the design of controls over the Deezer's processes to determine cost of revenue and rights holder liabilities. • We tested controls specific to the calculation of royalties, calculation variables and IT systems. For IT controls, we tested the automatic calculation of market shares per rights holder and ensured the reliability of listening census. • We examined estimates and judgments used to determine royalties where rights holders have allowed the use of their content while negotiations or determination of rates are ongoing. • We examined specific contractual terms and conditions related to minimum guaranteed amounts and assessed projections related to shortfall calculation. • We recalculated royalty cost amounts, tested calculation variables, and compared royalty rates to agreements, and related amendments, based on a representative sample of contracts. We have also verified the appropriateness of the information provided in Notes 5 and 22 to the financial statements.

Valuation of Partnerships with a guaranteed minimum clause

Notes 2 (b) (i), 3 and 26 of the financial statements

Identified risk	As of December 31, 2023, revenue relating from subscriptions through partnerships, or included in services or products sold by distribution partners (as part of bundled offers) amounted to € 102,5 M out of total annual revenues of € 455,7 M. As explained in Note 2 (b) (i) to the financial statements, when the Deezer subscription is included in the service or product sold by the distribution partner, the distribution partner pays Deezer based on all subscriptions sold or active subscriptions under the terms of the contract. The corresponding revenue is recognized on a straight-line basis over the subscription period for the net amount paid by the distribution partner. Certain contracts with distribution partners include a minimum guarantee to be received. The revenue recorded corresponds to the monthly sales declared by the distribution partners. When management estimates that total revenue will be less than the contractual minimum guarantee, any difference between actual sales and the minimum guarantee is recognized as revenue over the remaining years of the contract, in accordance with the terms and conditions of the contract. We consider the valuation of partnerships with a minimum guarantee clause to be a key audit matter, due to the complexity of the accounting treatment and management's significant estimates of future revenue per contract.
Our audit approach	In the context of our audit of the annual financial statements, our work mainly consisted of examining the procedures implemented by management to estimate the future revenue of partnerships with a minimum guarantee. Then, based on a sample of contracts with a minimum guarantee and the analyses performed by management: • We verified that the accounting treatment is made in accordance with the characteristics of the contracts and the accounting standards, as described in the Note 2 (b) (i) of the Consolidated Financial Statements; • We corroborated the guaranteed minimum amount taken into account in the analysis with the amount defined in the contract; • We assessed the appropriateness of the revenue estimates over the entire period of the contract through interviews with management, and verified the latest global business plan of the Group approved by the Board of Directors; • We verified the calculation of the difference between the revenue recorded for the year and the contractually defined minimum guaranteed turnover and analysed the corresponding accounting treatment. We have also verified the appropriateness of the information provided in Notes 2 (b) (i), 3 and 26 to the financial statements.

Valuation of the goodwill

Notes 2 (e) (v) and 9 of the financial statements

Identified risk	As of December 31, 2023, goodwill is recorded in the balance sheet at a net value of € 263 M, representing 31% of total assets. As indicated in note "(e) Intangible assets - (v) Business goodwill" of the Company's financial statements, goodwill is subject to an annual impairment test. For this purpose, and as indicated in Note "9) Intangible assets" of the Company's financial statements, the recoverable amount of Deezer was estimated by an independent expert using a multi-criteria method and approaches based on results and market data. The assessment of the recoverable amount of this asset includes a significant number of judgements and assumptions, relating in particular to: • future cash flows; • the discount rate and long-term growth rate used to project these cash flows. Consequently, a change in these assumptions is likely to affect the recoverable amount of this asset. This test has not resulted in the recognition of an impairment of goodwill as of December 31, 2023. Given the significant part of assumptions, estimates and judgements made by management on the assessment of the recoverable amount of goodwill, we consider that the measurement of the recoverable amount of goodwill is a key audit matter.
Our audit approach	In the context of our audit of the annual financial statements, our work mainly consisted in examining the methods used to implement the impairment test carried out by the company with the support of their independent expert, and assessing the reasonableness of the main estimates: • reviewing the process implemented by management to perform the impairment test on goodwill and the methods used to determine the main assumptions; • assessing, with the assistance of our valuation experts, the methodology used to determine the recoverable amount of goodwill; • assessing the consistency of cash flow forecasts with the business plan prepared on the basis of the forecasts by Management and presented to the Board of Directors; • verifying the reasonableness of key business assumptions (growth prospects), and the growth rate used to extrapolate cash flows beyond the projection period; • assessing the consistency, with the assistance of our valuation experts, of the discount rate used with external market data; • examining the sensitivity analyses presented in the notes to the financial statements and comparing them with our own calculations. We have also verified the appropriateness of the information provided in the notes to the financial statements.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law and regulations.

Information given in the management report and in the other documents on the financial situation and the annual financial statements provided to the shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents provided to the Shareholders with respect to the financial position and the financial statements.

In accordance with French law, we report to you that the information relating to payment times referred to in Article D. 441-6 of the French Commercial Code (*Code de commerce*) is fairly presented and consistent with the financial statements.

We attest that the non-financial performance statement required by Article L.225-102-1 of the French Commercial Code is included in the management report, it being specified that, in accordance with the provisions of Article L.823-10 of this Code, we have verified neither the fairness nor the compliance with the annual accounts of the information contained in this statement and which are subject to a report of an independent third-party.

Report on corporate governance

We hereby attest to the existence, in the Board of Directors' report on corporate governance, of the information required by Articles L.225-37-4, L.22-10-10 and L.22-10-9 of the Commercial Code.

Concerning the information provided in accordance with the requirements of article L.22-10-9 of the French Commercial Code (*Code de commerce*) relating to remunerations and benefits paid or granted to corporate officers and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the data used to prepare these financial statements and, where applicable, with the information obtained by your company from companies controlled by it that are included in the scope of consolidation. On the basis of this work, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your company considered likely to have an impact in the event of a takeover or exchange offer, provided pursuant to Article L. 22-10-11 of the French Commercial Code (*Code de commerce*), we have verified their compliance with the source documents communicated to us. Based on our work, we have no observation to make on this information.

Other information

In accordance with French law, we have verified that the required information concerning the identity of the principal shareholders and holders of voting rights has been properly disclosed in the management report.

Report on Other legal and Regulatory Requirements

Format of the financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included18 in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (*Code monétaire et financier*), prepared under the responsibility of the Chief Executive Officer, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018.

Based on the work we have performed, we conclude that the presentation of the financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the English translation of financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Deezer by your general meeting of June 30, 2022 for Ernst & Young Audit and and by your bylaws of April 29th, 2021 for Mazars and Grant Thornton.

As of December 31, 2023, Ernst & Young Audit was in the second year of its assignment and Mazars and Grant Thornton were in the fourth year of their assignment without interruption, including three years since the company's shares were admitted to trading on a regulated market.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were authorised for issue by the Board of Directors.

Statutory Auditor's Responsibilities for the Audit of the Financial Statements

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.821-55 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.821-27 à L.821-34 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics (*Code de déontologie*) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Issued in Neuilly-sur-Seine and Paris-La Défense, April 29th, 2024

The statutory auditors

GRANT THORNTON French member firm of Grant Thornton International	MAZARS	ERNST & YUNG Audit
Laurent Bouby	Erwan Candau	Frederic Martineau

6.5 Additional information

6.5.1 Company results for the past four financial years

End of the financial year/period	31/12/2023	31/12/2022	31/12/2021[(1)]	15/05/2021[(2)]
Fiscal year/period in months	12 months	12 months	7.5 months	0.4 month
Share capital at the end of the financial year				
Share capital (in €)	1,216,377	1,210,877	343,750	39,000
Number of shares outstanding	121,637,681	121,087,670	34,374,998	3,900,000
Comprehensive income from operations (in €)				
Revenue excluding taxes (in €)	455,714,144	415,718,024	0	0
Net result before tax, employee profit-sharing, depreciation, amortisation, provisions and impairment	(39,568,471)	(82,853,211)	(1,114,514)	(23,677)
Income tax	(390,130)	324,147	0	0
Employee profit sharing	0	0	0	0
Net result after tax and employee profit-sharing, but before depreciation, amortisation, provisions and impairment	(39,958,601)	(82,529,064)	(1,114,514)	(23,677)
Net result after tax, employee profit-sharing, depreciation, amortisation, provisions and impairment	(81,048,958)	(630,997,405)	(1,591,473)	(23,677)
Distributed income	0	0	0	0
Earnings per share (in €)				
Net result after tax and employee profit-sharing, but before depreciation, amortisation, provisions and impairment	(0.33)	(0.68)	(0.03)	(0.01)
Net result after tax, employee profit-sharing, depreciation, amortisation, provisions and impairment	(0.67)	(5.21)	(0.05)	(0.01)
Net dividend paid per share	0	0	0	0
Employees				
Average headcount	553	549	0	0
Basic payroll (in €)	46,544,827	44,806,301	8,250	0
Social contributions (in €)	20,668,790	20,438,431	3,477	0

(1) Period from May 16 to December 31, 2021.
(2) Period from May 4 to 15, 2021.

6.5.2 Information on payment terms

	Invoices received, due but not paid as at December 31, 2022						Invoices issued, due but not paid as at December 31, 2022					
	0 day (*indicative*)	1 to 30 days	31 to 60 days	61 to 90 days	>91 days	Total (*1 day and over*)	0 day (*indicative*)	1 to 30 days	31 to 60 days	61 to 90 days	>91 days	Total (*1 day and over*)
(A) Late payment tranches												
Number of invoices involved	135					3,380	188					2,447
Total amount of invoices involved including taxes (in € thousands)	5,133	6,221	(1,250)	(1,365)	(4,345)	(740)	22,524	10,948	499	207	1,786	13,440
Percentage of total amount of purchases including taxes for the financial year	1.31%	1.59%	(0.32%)	(0.35%)	(1.11%)	(0.19%)						
Percentage of total amount of revenue including taxes for the financial year							4.57%	2.22%	0.10%	0.04%	0.36%	2.73%
(B) Invoices excluded from (A) in connection with doubtful payables and receivables that are disputed or not recognised												
Number of invoices excluded												2
Total amount of invoices excluded, including taxes												1,236
(C) Reference payment terms used (contractual or statutory payment term)												
Reference payment terms used for calculating late payments	• Contractual payment terms: 30 to 60 calendar days • Statutory payment terms: 60 days						• Contractual payment terms: 30 to 60 calendar days • Statutory payment terms: 60 days					

7

INFORMATION ABOUT THE COMPANY AND ITS CAPITAL

7.1 General information and bylaws

7.1.1 Information on the Company

7.1.1.1 Corporate name

As of the date of this Universal Registration Document, the corporate name of the Company is “Deezer S.A.”.

7.1.1.2 Place of registration and registration number

The Company is registered with the Trade and Companies Register of Paris under number 898 969 852.

LEI (Legal Entity Identifier): 969500LM904RGABQUN96.

7.1.1.3 Date of incorporation and term

The Company was incorporated for a term of 99 years from its registration date with the Trade and Companies Register on May 4, 2021, except in the event of early dissolution or extension.

The fiscal year begins on January 1 and ends on December 31 of each year.

7.1.1.4 Registered office and website of Deezer

The Company’s registered office is located at 24, rue de Calais, 75009 Paris, France (Tel: +33 (0)1 84 25 25 00).

The Company’s website address is: www.deezer.com. The information provided on the Company’s website is not part of this Universal Registration Document.

7.1.1.5 Legal form of the Company and legislation under which it operates

On July 5, 2022, the former Deezer company (511 716 573 R.C.S. Paris) merged with and into I2PO S.A., a special purpose acquisition company listed on the regulated market of Euronext Paris. Following the completion of the Merger, I2PO S.A., the surviving entity was renamed “Deezer S.A.” with its register office transferred to 24, rue de Calais, 75009 Paris.

As of the date of this Universal Registration Document, the Company is a public limited company with a Board of Directors *(société anonyme à Conseil d’administration)*, governed by French law, including, in particular, Book II of the French Commercial Code.

7.1.2 Articles of association

As of the date of this Universal Registration Document, the articles of association of the Company contain, *inter alia*, provisions to the following effect.

It is contemplated to propose to the shareholders’ annual general meeting to be held on June 13, 2024 to amend the articles of association of the Company in order to allow a staggered renewal of the terms of office of the members of the Board of Directors and statutory thresholds crossings in addition to those legally required.

7.1.2.1 Corporate purpose (Article 2 of the articles of association)

The Company’s purpose, directly and indirectly, both in France and abroad, is:

(i) the design, creation, development, publishing and operation of all websites, computer and mobile applications;

(ii) the development of software, patents, intellectual and industrial property rights or any other technological solution;

(iii) the production, creation, editing, broadcast, distribution, promotion, operation and marketing of all audiovisual content, including, in particular, all audio content, regardless of the method of broadcast, format or subject concerned, by all means and, on all media, whether now known or unknown;

(iv) all activities related to the production, creation, editing, broadcast, distribution, promotion, operation and marketing of such content;

(v) the resale and maintenance of IT equipment;

(vi) the sale of advertising space on all existing or future media;

(vii) the acquisition and management of securities and all corporate rights;

(viii) the acquisition of all interests and holdings, by any means, in any existing or future company or business;

(ix) the technical, commercial, administrative and financial management, in France and abroad, of any company or business; the study and arrangement of all financial, industrial or commercial transactions; the taking, acquisition, management, development and operation of all industrial property rights and processes; and

(x) more generally, all financial, commercial, industrial, real estate or movable property transactions that may be, directly or indirectly, related to the above purpose or to any similar or related purpose, likely to promote expansion and development.

7.1.2.2 Shareholders' meetings

Rules governing the Company's shareholders meetings are described in articles 18, 19 and 20 of the articles of association of the Company.

7.1.2.2.1 General

In accordance with the French Commercial Code, there are three types of shareholders' meetings: ordinary, extraordinary and special.

Extraordinary shareholders' meetings *(assemblées générales extraordinaires)* are required for approval of matters such as amendments to the Company's articles of association, including amendments required in connection with extraordinary corporate actions.

7.1.2.2.2 Shareholders' meetings notice

Shareholders' meetings shall be convened by means of a preliminary notice *(avis de réunion)* published at least 35 calendar days prior to the meeting date, followed by the publication of a final notice *(avis de convocation)* at least 15 calendar days prior to the date set for the meeting (reduced to 10 calendar days in case of second meeting notice). In general, shareholders can take action at shareholders' meetings only on matters listed on the meeting agenda, except with respect to the dismissal of Board of Directors members. Additional resolutions to be submitted for shareholder approval at the meeting may be proposed to the Board of Directors as from the day of publication of the preliminary notice in the BALO *(bulletin des annonces légales obligatoires)* but no later than the 25th calendar day preceding the shareholders' meeting. When the preliminary notice is published more than 45 calendar days before the shareholders' meeting, additional resolutions may be proposed no later than 20 calendar days after the publication of the preliminary notice.

Additional resolutions may be submitted by:

- one or more shareholders holding a specific percentage of shares;
- the works' council no later than 10 calendar days after the publication of the preliminary notice; or
- a duly qualified association of shareholders who have held their shares in registered form for at least two years and who together hold a minimum number of shares calculated on the basis of a formula relating to the Company's share capital.

7.1.2.2.3 Attendance and voting at shareholders' meetings

In general, each shareholder is entitled to one vote per share at any general or special meeting, it being specified that the articles of association the Company provide for a double voting right is attached to each registered share, held in the name of the same shareholder for at least two years as from July 5, 2022.

Moreover, Class A2 Shares and Class A3 Shares, as defined below in Section 7.2.1 *"Amount and composition of share capital"*, do not carry voting rights at general shareholders' meetings.

In order to participate in any ordinary shareholders' meeting, extraordinary shareholders' meeting or special shareholders' meeting, shareholders are required to have their shares registered at midnight Paris time two (2) business days before the relevant meeting in their name or in the name of an intermediary registered on their behalf, either in the registered shares shareholder account maintained by Société Générale Securities Services on behalf of the Company or in a bearer shares shareholder account maintained by an accredited financial intermediary.

7.1.2.2.4 Proxies and votes by mail or telecommunications

In general, all shareholders who have properly registered their shares at midnight Paris time two business days prior to the general or special meeting may participate in the relevant meeting. Shareholders may participate in general and special meetings either in person or by proxy, or by any other means of telecommunications in accordance with current regulations if the Board of Directors provides for such possibility when convening the meeting.

To be counted, proxies must be received at the Company's registered office, or at any other address indicated on the notice convening the meeting, prior to the date of the meeting. A shareholder may grant proxies to his or her civil partner *(partenaire pacsé)*/spouse, another shareholder or any other legal entity or individual he, she or it may choose. Alternatively, the shareholder may send a blank proxy form without nominating any representative. In this case, the chairman of the meeting shall vote those blank proxies in favor of all resolutions (or amendments) proposed or recommended by the Board of Directors and against all others.

7.1.2.2.5 Quorum

The French Commercial Code requires that the shareholders together holding at least one-fifth of the shares entitled to vote must be present in person, or vote by mail or by proxy, at an ordinary shareholders' meeting convened on the first notice. There is no quorum requirement on the second notice with respect to an ordinary shareholders' meeting.

The quorum requirement is one-fourth of the shares entitled to vote, for the extraordinary shareholders' meeting on the first notice, and one fifth on the second notice.

7.2 Information on the share capital

7.2.1 Amount and composition of share capital

7.2.1.1 Share capital

As of December 31, 2023, the Company's share capital amounts to €1,216,376.81 divided into:

- 117,054,347 ordinary shares with a nominal value of €0.01 ("**Ordinary Shares**");
- 2,291,667 class A2 preferred shares with a nominal value of €0.01 ("**Class A2 Shares**"); and
- 2,291,667 class A3 preferred shares with a nominal value of €0.01 ("**Class A3 Shares**").

7.2.1.2 Preferred Shares

7.2.1.2.1 General

Class A2 Shares and Class A3 Shares (the "**Founders' Shares**") are preferred shares *(actions de préférence)* governed by provisions of Articles L. 228-11 *et seq.* of the French Commercial Code, the rights and obligations of which are defined in the articles of association of the Company, as described in this Section.

The Founders' Shares are not listed on the regulated market of Euronext Paris or on any other stock exchange. In addition, the Founders' Shares shall not be admitted to Euroclear until their conversion into Ordinary Shares. The Company has applied for admission to listing on the Professional Segment *(Compartiment Professionnel)* of the regulated market of Euronext Paris of the Ordinary Shares resulting from the conversion of the Founders' Shares.

Founders' Shares are held in registered form and will be represented by book-entries in accounts maintained by Société Générale Securities Services, for and on behalf of the Company. They will be transferred from account to account.

Founders' Shares were covered in 2023 by the Coordinated Sale Agreement entered into by the Company on March 31, 2023, which terminated on April 5, 2024, and as such, their disposal on the market (save for some exceptions) was restricted and made through a placement agent that centralizes Company's shares transfers. For more information, please refer to Section 4.3.3.2.1 *"Coordinated sale agreement with certain shareholders and related engagement letter with Société Générale"* of this Universal Registration Document.

7.2.1.2.2 Rights and obligations attached to the Founders' Shares

Each Founders' Share benefits from a preferential subscription right to securities of the same class.

Each Class A2 Share and Class A3 Share are not entitled to vote at the shareholders' meetings *(assemblées générales)* of the Company (but, for the avoidance of doubt, they entitle their holder to attend such shareholders' meetings).

Each Class A2 Share and each Class A3 Share is entitled to receive dividends from its issuance date and is entitled to all distributions declared by the Company following such date, up to an amount equal to one hundredth (1/100th) of the amount of dividends and distributions paid to an Ordinary Share (as applicable).

Each Founders' Share gives the right to attend and vote at the special meetings *(assemblées spéciales)* of shareholders holding Founders' Shares under the conditions provided by applicable French laws and the articles of association of the Company.

Any change in the rights attached to Founders' Shares shall be submitted for approval at a special meeting of shareholders holding Founders' Shares, under the conditions set by the applicable French laws and regulations.

7.2.1.2.3 Conversion of the Founders' Shares into Ordinary Shares

For a 5-year period as from the Merger, Class A2 Shares shall be automatically converted into Ordinary Shares, on the basis of one (1) Ordinary Share for one (1) Class A2 Share, if, and only if:

- the closing price of the Ordinary Shares for any 10 trading days out of a 30 consecutive trading-day period (whereby such 10 trading days do not have to be consecutive) equals or exceeds €12.00; or
- a merger, public offer, exchange offer or squeeze-out is made to, or a squeeze-out is initiated for, all of the Company's shares at a price at least equal to €12.00, with such conversion taking effect on the opening date of the offer subject to its effective completion (with conversion being subject to the condition that the relevant offer is not resolved) or, as the case may be, on the date of implementation of the squeeze-out.

For a 5-year period as from the Merger, Class A3 Shares shall be automatically converted into Ordinary Shares, on the basis of one (1) Ordinary Share for one (1) Class A3 Share, if, and only if:

- the closing price of the Ordinary Shares for any 10 trading days out of a 30 consecutive trading-day period (whereby such 10 trading days do not have to be consecutive) equals or exceeds €14.00; or
- a merger, public offer, exchange offer or squeeze-out is made to, or a squeeze-out is initiated for, all of the Company's shares at a price at least equal to €14.00, with such conversion taking effect on the opening date of the offer subject to its effective completion (with conversion being subject to the condition that the relevant offer is not resolved) or, as the case may be, on the date of implementation of the squeeze-out.

The conversion into Ordinary Shares of the Class A2 Shares and Class A3 Shares shall require no payment by their holders and shall become effective within the above mentioned conditions.

The Ordinary Shares resulting from the conversion of the Founders' Shares are all of the same category and benefit from the same rights as from the effective date of their conversion, as specified above.

The Board of Directors acknowledges the number and nominal value of the Ordinary Shares resulting from the conversion of the Founders' Shares, and amends the articles of association of the Company accordingly as a result of the conversion of such shares, as provided by applicable French laws.

7.2.2 Changes in the Company's share capital over the past three financial years

The table below shows changes in the Company's share capital since the incorporation of I2PO S.A. on May 4, 2021:

Date of the decision	Type of transaction	Description of the transaction	Number of shares after the transaction
Board of Directors of I2PO S.A. dated July 15, 2021	Share capital increase	I2PO S.A. was listed through the admission to trading of the 27.5 million units making up its equity. In total, I2PO S.A. raised €275 million in a private placement from qualified investors, exceeding the €250 million initially announced during the introductory offer.	-
Board of Directors of I2PO S.A. dated June 30, 2022	Share capital increase	Share capital increase by a nominal amount of €119,000, from €343,749.98 to €462,749.98, through the issuance, at a price per share of €10 (issue premium of €9.99 included), of 11,900,000 new Ordinary Shares of the Company with a par value of €0.01, representing a total subscription amount, issue premium included, of €119,000,000.	-
Board of Directors of the Company dated July 5, 2022	Merger of Deezer with and into I2PO S.A.	As a result of the completion of the Merger, the following shares have been converted on the date of the completion of the Merger: 2,291,664 existing class A1 shares into 2,291,664 Ordinary Shares with a nominal value of €0.01 each, and 2,366,819 B shares into 2,366,819 Ordinary Shares with a nominal value of €0.01 each, whose redemption has not been requested by their holders.	As the result of the Merger, the capital increase above mentioned dated June 30, 2022 and conversion of class A1 shares and B shares, the Company's share capital was composed of 142,715,615 shares divided into: • 112,999,100 Ordinary Shares; • 2,291,667 Class A2 Shares; • 2,291,667 Class A3 Shares; and • 25,133,181 class B preferred shares.
Decision of the *Directeur général* dated August 3, 2022	Redemption	The cancellation of all 25,133,181 class B shares has resulted in a reduction of the Company's share capital in accordance with applicable law, in an amount of €251,331.81. The Company's share capital was therefore reduced from €1,427,156.15 to €1,175,824.34 and is divided into 117,582,434 shares with a par value of €0.01 each.	117,582,434 shares divided into: • 112,999,100 Ordinary Shares; • 2,291,667 Class A2 Shares; and • 2,291,667 Class A3 Shares.
Board of Directors of the Company dated September 21, 2022	Share capital increase	In the context of the Merger, further to the acquisition of the free shares granted through the 2021-4 free share plan and the exercise of the class M warrants, the share capital has been increased from €1,175,824.34 to €1,196,518.27 and was now divided into 119,651,827 shares with a par value of €0.01 each.	119,651,827 shares, divided into: • 115,068,493 Ordinary Shares; • 2,291,667 Class A2 Shares; and • 2,291,667 Class A3 Shares.
Board of Directors of the Company dated December 13, 2022	Share capital increase	Share capital increase resulting from the exercise of the class K warrants.	121,087,670 shares, divided into: • 116,504,336 Ordinary Shares; • 2,291,667 Class A2 Shares; and • 2,291,667 Class A3 Shares.
Board of Directors of the Company dated February 28, 2023	Share capital increase	Share capital increase resulting from the acquisition of the free shares granted through the 2021-1 free share plan.	121,187,477 shares, divided into: • 116,604,143 Ordinary Shares; • 2,291,667 Class A2 Shares; and • 2,291,667 Class A3 Shares.
Board of Directors of the Company dated April 24, 2023	Share capital increase	Share capital increase resulting from the acquisition of the free shares.	121,637,248 shares, divided into: • 117,053,914 Ordinary Shares; • 2,291,667 Class A2 Shares; and • 2,291,667 Class A3 Shares.
Board of Directors of the Company dated December 14, 2023	Share capital increase	Share capital increase resulting from the exercices of some Market Warrants.	121,637,681 shares divided into: • 117,054,347 Ordinary Shares; • 2,291,667 Class A2 Shares; and • 2,291,667 Class A3 Shares.

7.2.3 Authorized capital not issued

The shareholders' meeting of the Company held on May 31, 2023 has approved the following delegations of authority to the Board of Directors:

	Maximum duration	Maximum nominal amount	Utilization by the Board of Directors
Authorization to the Board of Directors to purchase the Company's shares (20th resolution)	18 months	10% of the total number of shares comprising the share capital, or 5% of the total number of shares when transacted for holding and subsequent delivery as payment or exchange in external growth transactions	Please refer to Section 7.2.5 "*Acquisition by the Company of its own shares*" of this Universal Registration Document
Authorization to the Board of Directors to reduce the share capital by canceling shares in connection with the authorization for the Company to purchase its own shares (21st resolution)	18 months	10% of the share capital per any 24-month period	
Delegation of authority to the Board of Directors to increase the share capital immediately, or in the future, by issuance of ordinary shares and/or securities, with shareholders' preferential subscription right (22nd resolution)	26 months	€304,093 for shares(1) €200,000,000 for debt securities(2)	
Delegation of authority to the Board of Directors to increase the share capital by issuance of ordinary shares and/or securities, with cancellation of shareholders' preferential subscription right, by means of public offers other than those referred to in 1° of Article L. 411-2 of the French Monetary and Financial Code *(Code monétaire et financier)* (23rd resolution)	26 months	€121,637 for shares(1) €200,000,000 for debt securities(2)	
Delegation of authority to the Board of Directors to increase the share capital by issuance of ordinary shares and/or securities, with cancellation of shareholders' preferential subscription right, to be issued in connection with offers referred to in 1° of Article L. 411-2 of the French Monetary and Financial Code (24th resolution)	26 months	€121,637 for shares(1) €200,000,000 for debt securities(2)	
Authorization to the Board of Directors, in the event of issuance of shares and/or securities, with cancellation of shareholders' preferential subscription right, to set the share price within the limit of 10% of the share capital and within the limits provided for by the shareholders' meeting (25th resolution)	26 months	10% of Company's share capital as at the date of the relevant issuance	
Delegation of authority to the Board of Directors to decide on the issuance of shares and/or securities, with cancellation of shareholders' preferential subscription right, in consideration of contributions in kind of equity shares or securities giving access to the share capital of third-party companies, apart from a public exchange offer (26th resolution)	26 months	10% of Company's share capital as at the date of the relevant issuance(1) €200,000,000 for debt securities(2)	
Delegation of authority to the Board of Directors to issue ordinary shares and securities giving access to the Company's share capital, in the event of a public tender offer comprising an exchange component initiated by the Company (27th resolution)	26 months	€121,637 for shares(1) €200,000,000 for debt securities(2)	
Delegation of authority to the Board of Directors to increase the share capital by issuance of ordinary shares and/or securities, with cancellation of shareholders' preferential subscription right for the benefit of a category of persons (investors having music, content, entertainment, or digital experience) (28th resolution)	18 months	€121,637 for shares(1) €200,000,000 for debt securities(2)	
Delegation of authority to the Board of Directors to increase the share capital by issuance of ordinary shares and/or securities, with cancellation of shareholders' preferential subscription right for the benefit of a category of persons (strategic, commercial, or financial partners) (29th resolution)	18 months	€121,637 for shares(1) €200,000,000 for debt securities(2)	
Delegation of authority to the Board of Directors to increase the number of shares to be issued in the event of a capital increase with or without cancellation of shareholders' preferential subscription right (30th resolution)	26 months	(1)(3)	

	Maximum duration	Maximum nominal amount	Utilization by the Board of Directors
Delegation of authority to the Board of Directors to increase the share capital by incorporation of premiums, reserves, profits and other items (32nd resolution)	26 months	€121,637 for shares	
Authorization to the Board of Directors to grant free shares of the Company, pursuant to Articles L. 225-197-1 *et seq.* of the French Commercial Code, to corporate officers and employees of the Company and its subsidiaries (33rd resolution)	38 months	4,500,000 shares(4)	Please refer to Section 7.2.4.3 "*Free shares (attribution d'actions gratuites or "AGA")*" of this Universal Registration Document
Authorization to the Board of Directors to grant stock options to eligible employees or corporate officers of the Company and/or related companies pursuant to Articles L. 225-177 *et seq.* of the French Commercial Code (34th resolution)	38 months	4,500,000 shares(4)	
Delegation of authority to the Board of Directors to issue and grant equity warrants for the benefit of a category of persons meeting specified characteristics (members and observers of the Board of Directors and consultants) (35th resolution)	18 months	4,500,000 shares(4)	
Delegation of authority to the Board of Directors to carry out share capital increases by issuance of ordinary shares or other securities giving immediate, or future, access to the Company's share capital, reserved for members of a company's savings plan (37th resolution)	18 months	3% of Company's share capital as at the date of the Board of Directors' meeting deciding such issuance	

(1) These amounts are not cumulative. The global cap for all issues of shares carried out pursuant to the delegations of authority provided for in the 22nd, 23rd, 24th, 26th, 27th, 28th and 29th resolutions of the combined shareholders' meeting of the Company held on May 31, 2023 is set at €304,093 pursuant to the 31st resolution.

(2) These amounts are not cumulative. The global cap for all issues of debt securities carried out pursuant to the delegations of authority provided for in the 22nd, 23rd, 24th, 26th, 27th, 28th and 29th resolutions of the combined shareholders' meeting of the Company held on May 31, 2023 is set at €200,000,000 pursuant to the 31st resolution.

(3) 15% of the initial capital increase decided pursuant to the delegations granted in accordance with the 22nd, 23rd, 24th, 28th and 29th resolutions.

(4) This amount is a global cap for all issues of shares carried out pursuant to the delegations of authority and authorizations provided for in the 33rd, 34th, 35th resolutions of the combined shareholders' meeting of the Company held on May 31, 2023.

7.2.4 Other securities granting access to the capital

As of December 31, 2023, there are three different types of securities and other rights (warrants, stock options and free shares) entitling their holders to a stake in the share capital of Deezer. The amounts and characteristics of these instruments are summarized below.

7.2.4.1 Warrants (*bons de souscription d'actions* or BSA)

Warrants are securities giving access to the share capital within the meaning of Articles L. 228-91 *et seq.* of the French Commercial Code issued in accordance with French laws and regulations. Holders of warrants do not have the rights or privileges of holders of shares (including, without limitation, voting rights or rights to receive dividends or other distributions in respect thereof) until they exercise their warrants and receive Ordinary Shares.

In addition, warrants were delivered to the founders of I2PO S.A.[1] (the "**Founders' Warrants**") and to market shareholders (the "**Market Warrants**") when I2PO S.A. went public in July 2021. Market Warrants have started trading on the Professional Segment *(Compartiment Professionnel)* of the regulated market of Euronext Paris on July 20, 2021 under ISIN code FR0014004JF6. As at December 31, 2023, 659,130 Founders' Warrants and 27,498,701 Market Warrants are outstanding.

The subscription rights attached to the Market Warrants are exercisable only during the period beginning from July 5, 2022, the date of completion of the Merger and expiring at the close of trading on Euronext Paris (5:30 P.M., Central European time) on the first business day after the fifth anniversary of the date of completion of the Merger or earlier upon (i) redemption, or (ii) liquidation of the Company (the "**Exercise Period**").

Three (3) Market Warrants will entitle their holder to subscribe for one (1) Ordinary share with a nominal value of €0.01 (the "**Exercise Ratio**"), at an overall exercise price of €11.50 per new ordinary share. The Market Warrants may only be exercised in exchange for a whole number of Ordinary Shares. No fractional Ordinary Share will be issued upon exercise of the Market Warrants. If, upon exercise of the Market Warrants, a holder would be entitled to receive a fractional interest in an Ordinary share, (i) the Company will, upon exercise, round down to the nearest whole number the number of Ordinary Shares to be issued to the Market Warrants holder and (ii) the Market Warrants holder will receive an amount in cash from the Company equal to the resulting fractional share multiplied by the last quote at the stock exchange session preceding the day of filing of the request to exercise his/her/its Market Warrants.

The Exercise Ratio may be adjusted following transactions implemented by the Company after the IPO, in accordance with applicable French laws and regulations, in order to maintain the rights of the holders of the Market Warrants.

The Market Warrants became exercisable as from July 5,2022, the date of completion of the Merger. The Market Warrants shall expire at the close of trading on Euronext Paris (5:30 P.M., Central European time) on July 6, 2027 or earlier upon (i) redemption, or (ii) liquidation of the Company.

To exercise Market Warrants, a holder must:

- make the request (i) to its accredited financial intermediary, for the Market Warrants held in bearer form *(forme au porteur)* or in administrative registered form *(forme nominative administrée)*, or (ii) to Société Générale Securities Services appointed by the Company, for Market Warrants held in registered form *(forme nominative pure)*; and
- pay the amount due to the Company as a result of the exercise of the Market Warrants.

The terms of the Founders' Warrants shall be identical to the terms of the Market Warrants, except that:

- they shall not be redeemable by the Company for so long as they are held by the founders of I2PO S.A. or their Permitted Transferees; and
- they shall not be listed on the regulated market of Euronext Paris or on any other stock exchange.

In addition, the rules governing the ownership, the transfer and the exercise of the Market Warrants shall not apply with respect to the Founders' Warrants. Founders' Warrants are held in registered form and will be represented by book-entries in accounts maintained by Société Générale, acting through its Securities Services division, for and on behalf of the Company. They will be transferred from account to account and transfer of their ownership shall be deemed effective from the moment they are registered in the name of the acquirer in the above registries. The Founders' Warrants shall not be admitted to Euroclear until their conversion into Ordinary Shares.

In order to exercise Founders' Warrants during their Exercise Period, their holder shall send a request directly to the Company and pay the corresponding exercise price to the Company.

As at December 31, 2023, there were 28,674,820 outstanding warrants which may give access, in the event of exercise, to a maximum of 10,906,920 Ordinary Shares of the Company, corresponding to 9% of the share capital (on a non-diluted basis).

The Warrants granted by Deezer S.A. (511 716 573 R.C.S. Paris) and I2PO S.A., prior to the Merger, are presented in the tables below.

(1) Groupe Artémis, Iris Knobloch and Matthieu Pigasse (acting through and on behalf of their controlled affiliated entities Artémis 80, SaCh27 and Combat Holding, respectively).

	BSA 2014*	BSA 2017	BSA 2021	BSA H	BSA L	Founders' Warrants	Market Warrants
Date of the shareholders' meeting	**May 22, 2014**	**December 23, 2016**	**June 30, 2020**	**June 30, 2017**	**June 30, 2021**	**July 5, 2021**	**July 5, 2021**
Date of grant by the Board of Directors	**-**	**February 9, 2017**	**February 24, 2021**	**-**	**September 16, 2021**	**July 15, 2021**	**July 15, 2021**
Maximum number of BSAs authorized	66,700	6,845	750,000	712,404	2,600,000	718,263	30,000,000
Total number of BSAs granted	66,700	6,845	6,000	712,404	420,125	659,130	27,500,000
Relevant corporate officers:							
• Iris Knobloch	-	-	-	-	-	219,710***	N/A**
• Guillaume d'Hauteville	-	-	-	-	-	-	
• Combat Holding (Matthieu Pigasse)	-	-	-	-	-	219,710	
• Hans-Holger Albrecht	-	-	-	-	-	-	
• Amanda Cameron****	-	6,845	6,000	-	-	-	
• Sophie Guieysse	-	-	-	-	-	-	
• Valérie Accary	-	-	-	-	-	-	
• Mari Thjømøe	-	-	-	-	-	-	
• Mark Simonian	-	-	-	-	-	-	
• Ingrid Bojner	-	-	-	-	-	-	
• Stuart Bergen	-	-	-	-	-	-	
• Jeronimo Folgueira	-	-	-	-	-	-	
Number of beneficiaries who are not corporate officers and whose BSAs are outstanding as of December 31, 2023	1	-	-	1	1	1	N/A
Starting date for the exercise of the BSAs	December 16, 2014	December 1, 2017	May 24, 2021	September 5, 2020	April 30, 2024	July 5, 2022	July 5, 2022
BSA expiry date	December 31, 2024	November 30, 2026	December 30, 2030	June 30, 2027	October 31, 2024	July 5, 2027*****	July 5, 2027*****
Issue price per BSA	€2.59	€0.01	€3.98	€0.01	€0.01	-	-
Exercise price per BSA	€24.25	€14.61	€39.75	€14.61	€0.01	€11.50	€11.50
Terms of exercise	(1)	(1)	(1)	(1)	(2)	(3)	(3)
Total number of exercised BSAs as of December 31, 2023	-	-	-	-	-	-	1,299
Total number of voided BSAs as of December 31, 2023	-	-	-	695,085	-	-	-
Total number of outstanding BSAs as of December 31, 2023	66,700	6,845	6,000	17,319	420,125	659,130	27,498,701
Number of Ordinary Shares of the Company that may be subscribed for upon exercise of all outstanding BSAs	196,231	20,137	17,652	50,952	1,236,007*****	219,708	9,166,233

* The figures in this column take into account the split by 29 of the nominal value of the shares decided by the combined shareholders' meeting of Deezer on October 9, 2015.

** This information cannot be provided, Market Warrants are held in bearer form.

*** Held through SaCh27 SAS, an entity controlled by Iris Knobloch.

**** Amanda Cameron resigned from her position as director of the Company on February 28, 2023.

***** Or earlier upon (i) redemption, or (ii) liquidation of the Company.

****** BSA L are exercisable up to 344,654 BSAs L in case of occurrence of a liquidity event (the BSAs L not exercised at the time of such event becoming null and void), it being specified that the Merger did not constitute a liquidity event for the BSA L.

(1) All outstanding BSAs are exercisable as of December 31, 2023.

(2) The number of exercisable BSA L may decrease up to a limit of 75,471 BSA L, depending on the achievement by Deezer of predefined commercial objectives.

(3) All outstanding warrants are exercisable as of December 31, 2023. The exercise of three Founders' Warrants or three Market warrants allows to subscribe to one new Ordinary Share.

7.2.4.2 Stock options (*Options* or OSAs)

The term of the *Options* is generally between 9 to 10 years from the date of grant by the Board of Directors; the exercisable *Options* may be exercised subject to continued service of the *Options* holder with the Company. According to their general terms, the *Options* may be exercised by their holders six (6) months as from the death or disability of the holder, failing which the *Options* will lapse.

As at December 31, 2023, there were 647,410 outstanding *Options* which may give access, in the event of exercise, to a maximum of 1,904,678 Ordinary Shares of the Company, corresponding to 1.57% of the share capital (on a non-diluted basis).

The Options granted by Deezer S.A. (511 716 573 R.C.S. Paris), prior to the Merger, are presented in the tables below.

	OSA 14*		OSA 15*	OSA 15-2*
Date of the shareholders' meeting	**May 22, 2014**		**April 23, 2015**	**July 16, 2015**
Date of grant by the Board of Directors	**May 22, 2014**	**March 12, 2015**	**April 23, 2015**	**July 16, 2015**
Total number of OSAs authorized	464,000		533,948	217,500
Total number of OSAs granted	240,700	138,620	533,948	72,500
Relevant corporate officers:				
• Iris Knobloch	-	-	-	-
• Guillaume d'Hauteville	-	-	-	-
• Combat Holding (Matthieu Pigasse)	-	-	-	-
• Hans-Holger Albrecht	-	-	533,948	-
• Sophie Guieysse	-	-	-	-
• Valérie Accary	-	-	-	-
• Mari Thjømøe	-	-	-	-
• Mark Simonian	-	-	-	-
• Ingrid Bojner	-	-	-	-
• Stuart Bergen	-	-	-	-
• Jeronimo Folgueira	-	-	-	-
Number of beneficiaries who are not corporate officers and whose OSAs are outstanding as of December 31, 2023	1	4	-	2
Starting date for the exercise of the OSAs	May 22, 2015	(1)	April 23, 2016	July 16, 2016
OSAs expiry date	December 31, 2024	December 31, 2024	December 31, 2024	December 31, 2024
Exercise price per OSAs	€24.25	€24.25	€24.25	€24.25
Terms of exercise	(2)			
Total number of exercised OSAs as of December 31, 2023	-	-	-	-
Total number of voided OSAs as of December 31, 2023	211,700	112,158	-	14,500
Total number of outstanding OSAs as of December 31, 2023	29,000	26,462	533,948	58,000
Maximum total number of Ordinary Shares of the Company that may be subscribed for upon exercise of the outstanding OSAs	85,318	77,849	1,570,875	170,636

* The figures in these columns take into account the split by 29 of the nominal value of the shares decided by the combined shareholders' meeting of Deezer on October 9, 2015.

(1) A part of the OSAs 14 were exercisable as from October 15, 2015, the balance became exercisable on February 1, 2016.

(2) All outstanding OSAs are exercisable as of December 31, 2023.

7.2.4.3 Free shares (*attribution d'actions gratuites* or "AGA")

The AGA are subject to continued service within the Group during the acquisition period *(période d'acquisition)*, at the end of which the AGA will be definitively acquired, it being specified that failing such continued service, the beneficiary definitively and irrevocably loses his or her right to acquire the relevant AGA, unless otherwise decided by the Board of Directors to waive the continuous status as a beneficiary requirement.

As an exception to the continued presence requirement, in the event of disability or death or retirement of a beneficiary before the end of the acquisition period, the relevant free shares shall be definitely acquired at, respectively, the date of disability, the date of the request of allocation made by his or her beneficiary in the context of the inheritance, provided that such request is made within six (6) months from the date of death or, in the event of a retirement, within six (6) months as from the starting date of the retirement.

The AGA definitively acquired by their holders may be subject to a holding period (period starting at the end of the acquisition period when the shares are issued and definitively acquired, and during which the shares may not be transferred).

As at December 31, 2023, there were 3,350,300 outstanding AGAs which may give access, in the event of issuance, to a maximum of 3,951,730 Ordinary Shares of the Company, corresponding to 3.25% of the share capital (on a non-diluted basis).

The AGA granted by Deezer S.A. (511 716 573 R.C.S. Paris), prior to the Merger, and the Company, after the Merger, are presented in the tables below as of December 31, 2023.

	AGA 2017-1	AGA 2019-3	AGA 2019-6
Date of the shareholders' meeting	**December 23, 2016**	**June 27, 2018**	**June 28, 2019**
Date of grant by the Board of Directors	**February 9, 2017**	**April 10, 2019**	**December 11, 2019**
Total number of AGAs authorized	740,600	535,000	650,000
Total number of AGAs granted	295,420	182,096	293,216
Relevant corporate officers:			
• Iris Knobloch	-	-	-
• Guillaume d'Hauteville	-	-	-
• Combat Holding (Matthieu Pigasse)	-	-	-
• Hans-Holger Albrecht	1,282	83,048	83,048
• Sophie Guieysse	-	-	
• Valérie Accary	-	-	
• Mari Thjømøe	-	-	
• Mark Simonian	-	-	
• Ingrid Bojner	-	-	
• Stuart Bergen	-	-	
• Jeronimo Folgueira	-	-	
Number of beneficiaries who are not corporate officers and whose AGAs are not definitely acquired as of December 31, 2023	1	1	1
Vesting period	(1)	(1)	(1)
Holding period	*	*	*
Total number of delivered AGAs of Deezer as of December 31, 2023	227,554	51,024	115,893
Total number of voided AGAs of Deezer as of December 31, 2023	38,744	5,184	52,912
Total number of outstanding AGAs as of December 31, 2023	29,122	125,888	124,411
Total number of Ordinary Shares of the Company that may be definitively acquired	85,676	370,362	366,016

* Not currently subject to a holding period.

(1) The outstanding AGA 2017-1, 2019-3 and 2019-6 which have not already vested, which are held by holders residing outside of France, or having resided outside of France at any time since the grant of their free shares, will vest on April 5, 2028. Such change shall only be applicable to the holders of free shares who expressly agree to it in writing and that each holder may early terminate the extension period with immediate effect for himself or herself by written notice to the Company.

	AGA 2021-1	AGA 2022
Date of the shareholders' meeting	**June 30, 2020**	**June 30, 2021**
Date of grant by the Board of Directors	**February 24, 2021**	**March 23, 2022**
Total number of AGAs authorized	1,000,000	1,000,000
Total number of AGAs granted	174,914	21,072
Relevant corporate officers:		
• Iris Knobloch	-	-
• Guillaume d'Hauteville	-	-
• Combat Holding (Matthieu Pigasse)	-	-
• Hans-Holger Albrecht	-	-
• Sophie Guieysse	-	-
• Valérie Accary	-	-
• Mari Thjømøe	-	-
• Mark Simonian	-	-
• Ingrid Bojner	-	-
• Stuart Bergen	-	-
• Jeronimo Folgueira	-	-
Number of beneficiaries who are not corporate officers and whose AGAs are not definitely acquired as of December 31, 2023	1	2
Vesting period	(2)	(3)
Holding period	*	**
Total number of delivered AGAs of Deezer as of December 31, 2023	71,190	21,072
Total number of voided AGAs of Deezer as of December 31, 2023	73,447	-
Total number of outstanding AGAs as of December 31, 2023	30,277	-
Total number of Ordinary Shares of the Company that may be definitively acquired	89,074	-

* Not currently subject to a holding period.

** Subject to a holding period until March 23, 2024.

(2) The outstanding AGA 2021-1 which have not already vested, which are held by holders residing outside of France, or having resided outside of France at any time since the grant of their free shares, will vest on April 5, 2028. Such change shall only be applicable to the holders of free shares who expressly agree to it in writing and that each holder may early terminate the extension period with immediate effect for himself or herself by written notice to the Company.

(3) All the AGA 2022, vested on March 23, 2023, giving right to 61,993 Ordinary Shares.

	Grant 1 AGA 2022-1	Grant 2 AGA 2022-1	Grant 3 AGA 2022-1	Grant 4 AGA 2022-1
Date of the shareholders' meeting			June 30, 2022	
Date of grant by the Board of Directors		July 21, 2022		October 27, 2022
Total number of AGAs authorized			2,500,000	
Total number of AGAs granted	552,000	477,250	884,880	24,000
Relevant corporate officers:				
• Iris Knobloch	-	-	-	-
• Guillaume d'Hauteville	-	-	-	-
• Combat Holding (Matthieu Pigasse)	-	-	-	-
• Hans-Holger Albrecht	-	-	-	-
• Sophie Guieysse	-	-	-	-
• Valérie Accary	-	-	-	-
• Mari Thjømøe	-	-	-	-
• Mark Simonian	-	-	-	-
• Ingrid Bojner	-	-	-	-
• Stuart Bergen	-	-	-	-
• Jeronimo Folgueira	-	-	216,000(4)	-
Number of beneficiaries who are not corporate officers and whose AGAs are not definitely acquired as of December 31, 2023	Grant to all employees of the Group outside the top 35 managers	2	32	1
Vesting period	(5)	(6)	(5)	(5)
Holding period	*	*	*	*
Total number of delivered AGAs of Deezer as of December 31, 2023	-	-	-	-
Total number of voided AGAs of Deezer as of December 31, 2023	134,008	-	96,720	-
Total number of outstanding AGAs as of December 31, 2023	417,992	477,250	788,160	24,000
Total number of Ordinary Shares of the Company that may be definitively acquired	417,992	477,250	788,160**	24,000**

* Not currently subject to a holding period.

** Subject to the achievement of performance conditions.

(4) For information on the shares granted to Jeronimo Folgueira, please refer to Sections 4.2.2.4.1 *"Compensation paid or granted to the former Chief Executive Officer for the fiscal year ended December 31, 2023"* and 4.2.2.6 *"Standardized presentation of the compensation of the corporate officers"* of this Universal Registration Document.

(5) Outstanding AGA will vest after a 3-year annual time vesting (1/3 at the end of each year following grant) and the first annual tranche of 2022-1 Free Shares would only be delivered upon the second anniversary of grant. The vesting is subject to a continuous presence requirement condition.

(6) Outstanding AGA will vest after 4-year annual time vesting (25% at the end of each year following grant) and the first annual tranche of 2022-1 Free Shares would only be delivered upon the second anniversary of grant. The vesting is subject to a continuous presence requirement condition.

	AGA 2023-1	AGA 2023-2	AGA 2023-3
Date of the shareholders' meeting	**June 30, 2022**	**May 31, 2023**	
Date of grant by the Board of Directors	**April 24, 2023**	**May 31, 2023**	**October 26, 2023**
Total number of AGAs authorized	2,500,000	4,500,000	
Total number of AGAs granted	472,800	835,200	75,600
Relevant corporate officers:			
• Iris Knobloch	-	-	-
• Guillaume d'Hauteville	-	-	-
• Combat Holding (Matthieu Pigasse)	-	-	-
• Hans-Holger Albrecht	-	-	-
• Sophie Guieysse	-	-	-
• Valérie Accary	-	-	-
• Mari Thjømøe	-	-	-
• Mark Simonian	-	-	-
• Ingrid Bojner	-	-	-
• Stuart Bergen	-	-	-
• Jeronimo Folgueira	94,800(7)	-	-
Number of beneficiaries who are not corporate officers and whose AGAs are not definitely acquired as of December 31, 2023	5	32	1
Vesting period	(8)	(8)	(8)
Holding period	*	*	*
Total number of delivered AGAs of Deezer as of December 31, 2023	-	-	-
Total number of voided AGAs of Deezer as of December 31, 2023	-	50,400	0
Total number of outstanding AGAs as of December 31, 2023	472,800	784,800	75,600
Total number of Ordinary Shares of the Company that may be definitively acquired	472,800**	784,800**	75,600**

* Not currently subject to a holding period.

** Subject to the achievement of performance conditions.

(7) For information on the shares granted to Jeronimo Folgueira, please refer to Sections 4.2.2.4.1 *"Compensation paid or granted to the former Chief Executive Officer for the fiscal year ended December 31, 2023"* and 4.2.2.6 *"Standardized presentation of the compensation of the corporate officers"* of this Universal Registration Document.

(8) Outstanding AGA will vest on the third anniversary of the grant. The vesting is subject to a continuous presence requirement condition.

7.2.5 Acquisition by the Company of its own shares

Share buyback program authorized by the shareholders' meeting of the Company held on May 31, 2023

Shareholders' meeting of the Company held on May 31, 2023 has approved the possibility for the Board of Directors, for a period of eighteen (18) months as from the date of the shareholders' meeting, to implement a share buyback program on the Ordinary Shares in accordance with Articles L. 22-10-62 *et seq.* of the French Commercial Code, the Regulation (EU) No. 596/2014 of the European Parliament and of the Council of April 16, 2014, the AMF's General Regulation *(Règlement général de l'AMF)* and the market practices accepted by the AMF. Such authorization replaced the one granted to the Board of Directors by the 29th resolution of the Company's combined shareholders' meeting held on June 30, 2022.

The main terms of this authorization are as follows:

	Period of validity/Expiry	Maximum repurchase price	Maximum number of Ordinary Shares repurchased
Share buyback program on the Ordinary Shares (20th resolution)	November 30, 2024	€10.00(1)	10% of the total number of shares comprising the share capital(2)

(1) Excluding fees and commissions but as adjusted, as the case may be, to take into account an equity transaction. The maximum amount of funds that may be invested in the redemption of Ordinary Shares will be €6,000,000.

(2) It being specified that (i) when shares are acquired for the purpose of promoting the liquidity of the Company's shares, the number of shares taken into account for the calculation of this limit corresponds to the number of shares purchased less the number of shares resold during the duration of the authorization, and (ii) when they are acquired with a view to hold them and subsequently delivering them in payment or exchange in connection with a merger, split or contribution in kind, the number of shares acquired shall not exceed 5% of the total number of shares.

The Ordinary Shares may be purchased by the Company at any time in order to, *inter alia*:

- ensure the liquidity of the Company's shares in connection with a liquidity agreement entered into with an investment services provider, compliant with the market practice accepted by the AMF;
- honor obligations related to share purchase options, free share grants, Company savings plans or other share grants to employees and officers of the Company or its affiliates;
- deliver shares at the time of the exercise of rights attached to securities giving access to the share capital;
- hold them and consequently deliver them in exchange or as payment in connection with potential external growth transactions, compliant with the market practice accepted by the AMF;
- cancel the purchased shares, in whole or in part; and
- more generally, operate for any purpose that may be authorized by law or any market practice that may be permitted by the market authorities, it being specified that, in such a case, the Company would inform its shareholders by way of a press release.

The Company entered on July 4, 2022 into a liquidity contract with BNP Paribas in accordance with the provisions of the legal framework in force. For the implementation of this contract, €800,000 in cash were allocated to the liquidity account.

Under this contract, the following resources appeared on the liquidity account as of December 31, 2023:

- 132,810 shares;
- €301,314 in cash.

During the period from January 1, 2023 to December 31, 2023, the following transactions were executed:

- on the buy side, 368,443 shares, for an amount of €828,231 (1,463 transactions);
- on the sell side, 344,167 shares, for an amount of €775,923 (1,894 transactions).

Description of the share buyback program to be submitted to the shareholders' meeting of the Company to be held on June 13, 2024

As of December 31, 2023, the Company held 132,810 of its own shares. These 132,810 shares were allocated to the liquidity contract with BNP Paribas entered into on July 4, 2022.

Pursuant to Articles 241-2 et seq. of the AMF's General Regulation (*Règlement général de l'AMF*) and Article L. 451-3 of the French Monetary and Financial Code, and in accordance with European Regulations, the terms and objectives of the Deezer's share buyback program that will be submitted for approval at the shareholders' meeting of the Company to be held on June 13, 2024, are described below.

The Board of Directors would be given the possibility for a period of eighteen (18) months as from the date of the shareholders' meeting to be held on June 13, 2024, to implement a share buyback program on the Ordinary Shares in accordance with Articles L. 22-10-62 et seq. of the French Commercial Code, Articles 241-1 et seq. of the AMF's General Regulation (*Règlement général de l'AMF*), the Regulation (EU) No 596/2014 of the European Parliament and of the Council of April 16, 2014 on market abuse and the Delegated Regulation (EU) No 2016/1052 of March 8, 2016. Such authorization would replace the one granted to the Board of Directors by the 20th resolution of the Company's combined shareholders' meeting held on May 31, 2023.

The main terms of this authorization would be as follows:

	Period of validity/Expiry	Maximum amount of funds that may be invested in the redemption of Ordinary Shares	Maximum number of Ordinary Shares repurchased
Share buyback program on the Ordinary Shares	18 months as from the date of the shareholders' meeting	€6,000,000	10% of the total number of shares comprising the share capital*

* It being specified that (i) when shares are acquired for the purpose of promoting the liquidity of the Company's shares, the number of shares taken into account for the calculation of this limit corresponds to the number of shares purchased less the number of shares resold during the duration of the authorization, and (ii) when they are acquired with a view to hold them and subsequently delivering them in payment or exchange in connection with a merger, split or contribution in kind, the number of shares acquired shall not exceed 5% of the total number of shares.

The Ordinary Shares would be purchased by the Company at any time in order to, inter alia:

- ensure the liquidity of the Company's shares in connection with a liquidity agreement entered into with an investment services provider, compliant with the market practice accepted by the AMF;
- honor obligations related to share purchase options, free share grants, company savings plans or other share grants to employees and officers of the Company or its affiliates;
- deliver shares at the time of the exercise of rights attached to securities giving access to the share capital;
- hold them and consequently deliver them in exchange or as payment in connection with potential external growth transactions;
- cancel the purchased shares, in whole or in part; and
- more generally, operate for any purpose that may be authorized by law or any market practice that may be permitted by the market authorities, it being specified that, in such a case, the Company would inform its shareholders by way of a press release.

7.3 Shareholding

7.3.1 Share ownership structure

As of December 31, 2023, the Company was incorporated as a French public limited company *(Société Anonyme)* with a share capital amounting to €1,216,376.81 divided into 121,637,681 shares (117,054,347 Ordinary Shares, 2,291,667 Class A2 Shares and 2,291,667 Class A3 Shares).

The table below shows the composition of the Company's share capital on a non-diluted basis as of December 31, 2023 and 2022:

	Situation as of December 31, 2023				Situation as of December 31, 2022			
Shareholders	Number of shares	% of the share capital	Number of voting rights[1]	% of voting rights[1]	Number of shares	% of the share capital	Number of voting rights[1]	% of voting rights[1]
Access Industries (AI European Holdings Sàrl)	44,753,926	36.8	44,753,926	38.3	44,753,926	37.0	44,753,926	38.4
Warner (WEA International Inc.)	3,705,334	3.0	3,705,334	3.2	3,705,334	3.1	3,705,334	3.2
Access Industries and Warner	**48,459,260**	**39.8**	**48,459,260**	**41.4**	**48,459,260**	**40.0**	**48,459,260**	**41.6**
Orange Participations SA	9,541,873	7.8	9,541,873	8.2	9,561,723	7.9	9,561,723	8.2
Kingdom 5-KR-272, Ltd	6,364,768	5.2	6,364,768	5.4	6,364,768	5.3	6,364,768	5.5
Rotana Audio Holding, Ltd	6,264,768	5.2	6,264,768	5.4	6,264,768	5.2	6,264,768	5.4
Groupe Artémis[2]	5,291,666	4.4	3,763,888	3.2	5,291,666	4.4	3,763,888	3.2
SaCh27 SAS	2,291,666	1.9	763,888	0.7	2,291,666	1.9	763,888	0.7
Combat Holding SAS	2,291,666	1.9	763,888	0.7	2,291,666	1.9	763,888	0.7
Other shareholders	40,999,204	33.7	40,999,204	35.1	40,453,619	33.4	40,453,619	34.8
Treasury shares	132,810	0.1	-	-	108,534	0.1		-
Total	**121,637,681**	**100.0**	**116,921,537**	**100.0**	**121,087,670**	**100.0**	**116,395,802**	**100.0**

(1) Excluding Class A2 and Class A3 Shares which are deprived of voting rights, and after deduction of treasury shares.
(2) Through Artémis SAS and Artémis 80 SAS for the Ordinary Shares and Artémis 80 SAS for the Founders' Shares.

The table below shows the composition of the Company's share capital on a diluted basis as of December 31, 2023 and 2022[1]:

	Situation as of December 31, 2023				Situation as of December 31, 2022			
Shareholders	Number of shares	% of the share capital	Number of voting rights	% of voting rights	Number of shares	% of the share capital	Number of voting rights	% of voting rights
Access Industries (AI European Holdings Sàrl)	44,753,926	34.7	44,753,926	34.7	44,753,926	35.0	44,753,926	35.0
Warner (WEA International Inc.)	4,941,341	3.8	4,941,341	3.8	4,941,341	3.9	4,941,341	3.9
Access Industries and Warner	**49,695,267**	**38.5**	**49,695,267**	**38.6**	**49,695,267**	**38.8**	**49,695,267**	**38.9**
Orange Participations SA	9,541,873	7.4	9,541,873	7.4	9,561,723	7.5	9,561,723	7.5
Kingdom 5-KR-272, Ltd	6,364,768	4.9	6,364,768	4.9	6,364,768	5.0	6,364,768	5.0
Rotana Audio Holding, Ltd	6,264,768	4.9	6,264,768	4.9	6,264,768	4.9	6,264,768	4.9
Groupe Artémis[1]	5,291,666	4.1	5,291,666	4.1	5,291,666	4.1	5,291,666	4.1
SaCh27 SAS	2,291,666	1.8	2,291,666	1.8	2,291,666	1.8	2,291,666	1.8
Combat Holding SAS	2,291,666	1.8	2,291,666	1.8	2,291,666	1.8	2,291,666	1.8
Other shareholders	47,140,584	36.5	47,140,584	36.6	46,136,390	36.0	46,136,390	36.1
Treasury shares	132,810	0.1	-	-	108,534	0.1	-	-
Total	**129,015,068**	**100.0**	**128,882,258**	**100.0**	**128,006,448**	**100.0**	**127,897,914**	**100.0**

(1) Excluding dilution from the exercise of the Founders' and Market's Warrants, which would result in an additional dilution of 7.3% of the Company's share capital.
(2) Through Artémis SAS and Artémis 80 SAS for the Ordinary Shares and Artémis 80 SAS for the Founders' Shares.

7.3.2 Disclosure of threshold crossings

The French Commercial Code provides that any individual or entity, acting alone or in concert with others, that becomes the owner, directly or indirectly, of more than 5%, 10%, 15%, 20%, 25%, 30%, 1/3, 50%, 2/3, 90% or 95% of the outstanding shares or voting rights of a listed company in France, such as the Company, or that increases or decreases its shareholding or voting rights above or below any of those percentages, must notify that company and the AMF within four (4) trading days of the date on which it crosses such threshold of the total number of shares and voting rights it owns. In addition, it must declare:

- the number of financial instruments that grant access to the company's share capital and voting rights which it owns; and
- the shares already issued that may be granted to it pursuant to an agreement or a financial instrument mentioned in Article L. 211-1 of the French Monetary and Financial Code, without prejudice to Article L. 233-9, I, 4° and 4° *bis* of the French Commercial Code. The same applies to voting rights that may be granted to it under the same conditions.

In calculating the aforesaid thresholds, the denominator must take into account the total number of shares making up the share capital to which voting rights are attached, including shares that are disqualified for voting purposes, as published by the Company in accordance with applicable law.

The AMF makes the notification public. If any shareholder fails to comply with the legal notification requirement, shares in excess of the threshold shall be denied voting rights at all shareholders' meetings for a period of two (2) years following the date on which the shareholder shall resume compliance with the notification requirements. In addition, any shareholder who fails to comply with these requirements may have all or part of its voting rights (and not only with respect to the shares in excess of the relevant threshold) suspended for up to five years by the commercial court at the request of the Company's Chief Executive Officer, any shareholder or the AMF, and may be subject to criminal fines.

Any person or entity that fails to comply with such notification requirements, upon the request, recorded in the minutes of the shareholders' meeting, of one or more shareholders holding together at least 5% of the Company's share capital or voting rights, shall be deprived of voting rights with respect to the shares in excess of the relevant threshold for all shareholders' meetings until the end of a two (2) year period following the date on which such person or entity resumes compliance with the notification requirements.

French laws and regulations and the AMF's General Regulation impose additional reporting requirements on persons who acquire more than 10%, 15%, 20% or 25% of the outstanding shares or voting rights of a listed company. These persons must file a report with such company and the AMF within five days of the date such threshold is met or crossed. The acquirer must specify in such report whether it is acting alone or in concert with others and specify its intentions for the following six-month period, including whether or not it intends to continue its purchases, to acquire control of such company or to seek nominations to the board of directors. The AMF makes the report public. The acquirer must amend its stated intentions within six months of the publication of the report if its intentions change by filing a new report.

In addition, it is contemplated to propose to the shareholders' annual general meeting to be held on June 13, 2024 to amend the articles of association of the Company in order to include statutory thresholds crossings in addition to those legally required. Subject to the positive vote of the shareholders, the disclosure requirements will be triggered when a shareholder comes to hold at least 1.00% of the Company's share capital or voting rights while, above 1.00%, each additional threshold of 1.00% of the share capital or voting rights will also have be reported to the Company.

In order to allow holders to provide the required notifications and reports, the Company shall publish the total number of its voting rights on a monthly basis and the total number of shares forming its share capital if they have varied in relation to those previously published.

From January 1, 2023 to the date of this Universal Registration Document, the Company did not receive any legal threshold crossing declarations pursuant to Article L. 233-7 of the French Commercial Code.

Nevertheless, on April 11, 2023, Guillaume d'Hauteville (Vice-Chair of the Board of Directors and Europe Executive Vice-President of Access Industries) declared to the AMF that as a result of a free allocation of the Company's shares made on April 5, 2023, he held 387,778 shares of the Company; representing the same number of voting rights, *i.e.*, 0.32% of the capital and 0.33% of the voting rights. On the same day, the concert composed of Guillaume d'Hauteville and Access Industries declared to the AMF that it held directly and indirectly, through companies controlled by Access Industries, 48,847,038 shares of the Company representing the same number of voting rights, *i.e.*, 40.16% of the capital and 41.78% of the voting rights.

7.3.3 Control of the Company

As of the date of this Universal Registration Document, no shareholder controls the Company within the meaning of Article L. 233-3 of the French Commercial Code.

AI European Holdings Sàrl alone holds 38.3% of the Company's voting rights as of December 31, 2023 and, in aggregate with Guillaume d'Hauteville and WEA International Inc. (whom could be deemed under French law to act in concert with AI European Holdings Sàrl in application of the legal presumption provided for in Article L. 233-10, II. 3° of the French Commercial Code) 41.8% of the voting rights of the Company.

Depending on the attendance of AI European Holdings Sàrl and other shareholders, AI European Holdings Sàrl could therefore be in position to *de facto* determine the decisions made at ordinary and possibly extraordinary shareholders' meeting of the Company and therefore could be considered as controlling the Company pursuant to Article L. 233-3 I. 3° of the French Commercial Code.

In order to ensure that any control of the Company is not exercised in an abusive manner, the Company has implemented governance rules as from the listing of the Company's shares on the regulated market of Euronext Paris. In fact, the Board of Directors is composed of five independent directors, in compliance with the recommendations of the AFEP-MEDEF Code. Furthermore, the offices of Chair of the Board of Directors and Chief Executive Officer are held by two distinct persons: Ms. Iris Knobloch and Mr Stuart Bergen. For more information, please refer to Chapter 4 *"Corporate governance"* of this Universal Registration Document.

7.3.4 Employee shareholding

Deezer aims at recognizing and valuing the contribution of each employee towards its success.

In 2023, Deezer established a profit-sharing scheme with incentives based on the Company's financial performance indicators distributed on *pro rata* basis according to the employee's eﬀective presence during the period. Three collective agreements have been signed in France to implement employee profit-sharing and employee savings schemes:

- **mandatory profit sharing** *(accord de participation)*: this agreement provides eligible employees with a share of Company profits, calculated based on the legal formula;
- **voluntary profit sharing** *(accord d'intéressement)*: applicable until 2025, it applies to all employees who have completed at least three months of service. The share of profits attributable to eligible employees is calculated on performance indicators related to EBITDA and free cash flow;
- **employee saving-scheme** *(plan d'épargne entreprise)*: the scheme is a Group savings plan that allows eligible employees to invest their savings, including payments made under profit-sharing agreements, in diversified investment funds. In exchange for a period of unavailability, which is generally five years, employees can benefit from certain social and tax advantages.

As of December 31, 2023, employee share ownership as defined in Article L. 225-102 of the French Commercial Code represented 1.08% of the Company's share capital.

7.3.5 Information on transactions carried out on the Company's shares by executives and similar persons

The table below presents a summary (Article 223-26 of the AMF's General Regulation) of the transactions mentioned in Article L. 621-18-2 of the French Monetary and Financial Code carried out during the financial year 2023.

First name, Last name, Company name	Position	Financial instrument	Nature of transaction	Date	Price (in €)	Transaction amount (in €)
Stéphane Rougeot	Chief Financial Officer and Deputy-Chief Executive Officer	Share	Acquisition of 20,000 shares	March 10, 2023	1.91	38,200
Guillaume d'Hauteville	Director	Share	Acquisition of 387,778 free shares	April 5, 2023	-	-
Florence Lao	General Counsel & Board Secretary	Share	Acquisition of 4,444 shares	March 4, 2024	2.26	10,047
Combat Holding SAS	Board Member	Share	Acquisition of 11,000 shares	March, 2024	2.22	24,431
Stéphane Rougeot	Chief Financial Officer and Deputy-Chief Executive Officer	Share	Acquisition of 36,786 free shares	March 23, 2024	-	-

7.3.6 Elements liable to have an impact in case of change of control

To the Company's knowledge, as of the date of this Universal Registration Document, there is no agreement that could result in a change of control of the Company.

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7.4 Stock market information

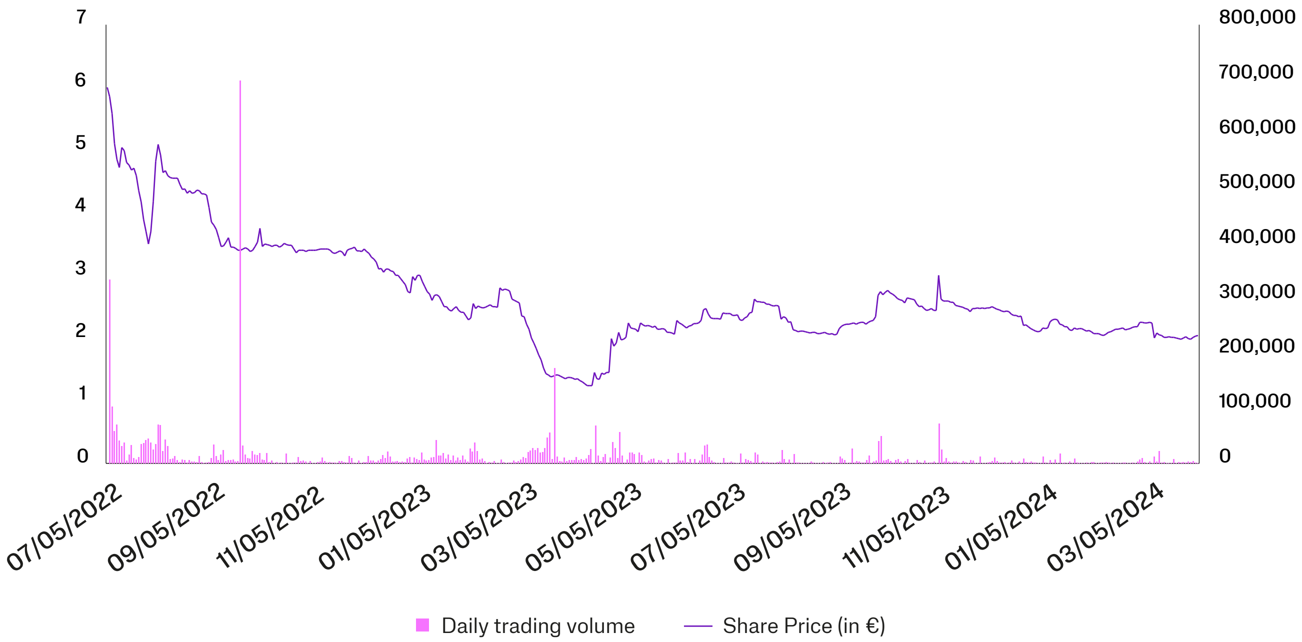
7.4.1 Share information

Type	Stock
Sub-type	Ordinary shares
Market	Euronext Paris
Segment	Professional
Compartment	B (Mid Cap)
ISIN code	FR001400AYG6
Mnemonic	DEEZR
Listing currency	Euro
Quantity notation	Number of units
Trading group	16
Trading type	Continuous
Industry	40 (Consumer Discretionary)
Sector	403010 (Media)
Indices	CAC All Shares, CAC Consumer Discretionary, Euronext Tech Croissance, Euronext Tech Leaders
Listing date	July 5, 2022

7.4.2 Share price performance

As of December 31, 2023, the Company's share price stood at €2.13.

Evolution of Deezer's share price and daily trading volume since IPO



Source: Euronext Paris

7.4.3 Monthly share price and trading volumes

Month	Number of trading days	Highest price (in €)	Lowest price (in €)	Average closing price (in €)	Trading volume	Turnover (in €)
January 2023	22	3.00	2.29	2.60	271,428	705,434
February 2023	20	2.80	2.32	2.58	135,367	340,526
March 2023	23	2.56	1.35	1.69	556,252	896,846
April 2023	18	1.99	1.24	1.44	284,261	420,498
May 2023	22	2.24	1.97	2.14	271,716	458,048
June 2023	22	2.47	2.06	2.26	185,974	429,301
July 2023	21	2.62	2.28	2.44	91,016	220,111
August 2023	23	2.52	2.06	2.17	80,568	181,753
September 2023	21	2.74	2.05	2.25	185,633	447,101
October 2023	22	2.76	2.44	2.59	73,450	192,470
November 2023	22	3.00	2.42	2.53	154,953	432,372
December 2023	19	2.50	2.13	2.35	54,266	128,894
January 2024	22	2.30	2.10	2.17	67,282	149,190
February 2024	21	2.18	2.04	2.11	23,686	49,969
March 2024	20	2.25	1.98	2.08	80,765	168,701

Source: Euronext Paris.

7.4.4 Dividend policy

The Company paid no dividends on its shares with respect to the financial years ending December 31, 2023 and 2022.

The Company does not intend to pay dividends in the short or medium term, as the Company's available cash will be used to support its profitable growth strategy.

In accordance with French laws and regulations and the articles of association of the Company, payment of dividends, if any, will be proposed by the Company's Board of Directors to the shareholders' ordinary general meeting, which will have the final vote as to whether a dividend will be paid or not.

8

ADDITIONAL INFORMATION

8.1 Persons responsible

8.1.1 Person responsible for the Universal Registration Document

Stuart Bergen, Chief Executive Officer of the Company.

8.1.2 Declaration by the person responsible for the Universal Registration Document

"I hereby certify that the information contained in this Universal Registration Document is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.

I certify that, to the best of my knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, financial position and results of the Company and of all the companies included in the consolidation, and that the management report, comprising the items referred to in the cross reference table in Section 8.8.3 of this Universal Registration Document, presents a true and fair view of the development of the business, results and financial position of the Company and all the companies included in the consolidation and describes the main risks and uncertainties with which they are confronted."

Paris, April 29, 2024

Stuart Bergen

Chief Executive Officer

8.1.3 Person responsible for the financial information

Stéphane Rougeot, Deputy Chief Executive Officer and Chief Financial Officer of the Company.

8.2 Information concerning the statutory auditors

The principal statutory auditors appointed by the Company are:

Mazars, a French *société anonyme* with a share capital of €8,320,000, whose head office is located at 61, rue Henri-Regnault, 92400 Courbevoie, registered with the Trade and Companies Register of Nanterre under number 784 824 153,

represented by Erwan Candau,

appointed upon incorporation of the Company in its initial articles of association for a term of six years expiring on the close of the shareholders' ordinary general meeting called to approve the financial statements for the year ending December 31, 2025,

and

Grant Thornton, a French *société par actions simplifiée*, with a share capital of €2,297,184, whose head office is located at 29, rue du Pont, 92200 Neuilly-sur-Seine, registered with the Trade and Companies Register of Nanterre under number 632 013 843,

represented by Laurent Bouby,

appointed upon incorporation of the Company in its initial articles of association for a term of six years expiring on the close of the shareholders' ordinary general meeting called to approve the financial statements for the year ending December 31, 2025,

and

Ernst & Young Audit, a French *société par actions simplifiée*, with a share capital of €3,044,220, whose head office is located at 1-2, place des Saisons, Paris la Défense 1, 92400 Courbevoie, registered with the Trade and Companies Register of Nanterre under number 344 366 315,

represented by Frédéric Martineau,

appointed by the shareholders' annual general meeting of the Company's shareholders of June 30, 2022, for a period of six years expiring on the close of the shareholders' ordinary general meeting called to approve the financial statements for the year ending December 31, 2027.

8.3 Investor relations and documents on display

8.3.1 Investor relations

The Investor Relations department is responsible for the Company's financial communication and also manages relations with the financial community, including financial analysts, institutional investors and shareholders.

Since its public listing on the Professional Segment *(Compartiment Professionnel)* of the regulated market of Euronext Paris on July 5, 2022, the Company has established regular contact with the financial community in order to ensure that the market has the most recent and comprehensive information about its activities, strategy, results and outlook in line with the best market practices and in strict compliance with market regulations.

The Company organizes conference calls and audio webcasts for financial analysts and institutional investors on the occasion of the publication of its quarterly revenue and interim and annual results. In addition, the Company participates to roadshows and conferences organized by financial intermediaries in France and abroad in order to meet with existing shareholders or meet with new institutional investors.

Investor Relations contact

DEEZER
24, rue de Calais
75009 Paris, France
Tel.: +33 (0)1 84 25 25 00
Email: investors@deezer.com
Website: https://www.deezer-investors.com/

8.3.2 Financial intermediary for registered shareholders

The Company has entrusted the management of registered shareholder accounts to Société Générale Securities Services.

SOCIÉTÉ GÉNÉRALE SECURITIES SERVICES
32, rue du Champ-de-Tir
BP 81236
44312 Nantes CEDEX 3, France
Tel.: +33 (0)2 51 85 50 00
Website: www.securities-services.societegenerale.com

8.3.3 Indicative financial communication calendar

The Company's indicative financial communication calendar for 2024 is as follows:

Date	Event
June 13, 2024	Shareholders' annual general meeting
July 30, 2024	Half-year 2024 results
October 30, 2024	Q3 2024 revenue

8.3.4 Documents available to the public

The Company's articles of association, minutes of shareholders' general meetings, and other statutory documents, as well as any assessment or statement made by an independent expert at the Company's request, which must be made available to the shareholders in accordance with applicable regulations, may be consulted at the Company's registered office.

In addition, regulated information within the meaning of the provisions of the AMF's General Regulation is also available on the Company's Investor Relations website (https://www.deezer-investors.com/).

8.4 Information incorporated by reference

None.

8.5 Information from third parties

This Universal Registration Document contains information about the Group's markets and its competitive position, including the size and outlook of such markets. In addition to internal estimates, the facts on which the Group bases its statements are taken from studies, estimates, research and information of independent third parties and professional organizations as well as figures published by competitors, suppliers and customers.

The Group believes that the market information included in This Universal Registration Document is useful in explaining the major trends in its industry. However, these various studies, estimates, research and information have not been independently verified by the Group or any other person. To the best of the Group's knowledge, no facts have been omitted which would render the information provided inaccurate or misleading. However, the Group cannot guarantee that a third party using other methods to collect, analyze or compile the market data would obtain the same results. The Group's competitors may also define their markets and product categories differently than it does.

In addition, given the rapidly evolving and dynamic industry in which the Group operates, the market or its competitive position may evolve differently from the Group's projections, and some information may prove to be incorrect or outdated. Additionally, the Group's activities may evolve differently from its projections. Investors should thus not place any reliance on the industry or market data included in this Universal Registration Document. The Group undertakes no obligation to publish any updates to the market information contained in this Universal Registration Document unless required by law or stock exchange regulation.

8.6 Material contracts

Unless otherwise further described below, the material contracts entered into by the Company over the past two years until the date of this Universal Registration Document are presented in Chapter 1 *"Presentation of the Company"* of this Universal Registration Document (including Sections 1.1.2.2 *"Partnership distribution"* and 1.1.3 *"Content licensing"* of this Universal Registration Document).

8.6.1 Material contracts signed in 2022

The year of 2022 was marked by the Merger and the related financial transactions (the Merger, increases in the Company's share capital and the signing of agreements for private placement) described below.

Business combination agreement

The business combination agreement is the framework agreement signed between the SPAC I2PO S.A. and Deezer S.A. (511 716 573 R.C.S. Paris) on April 13, 2022, immediately prior to public announcement of the proposed combination. It contemplates the various steps of the proposed combination including the Merger and PIPE financing.

The business combination agreement provides the terms of the Merger and the conditions for the PIPE. It also provides among others (i) all the rules of governance governing the surviving entity of the Merger (appointment of the Chief Executive Officer and Chair of the Board of Directors, directors and independent directors) and (ii) the customary representations and warranties made by each party to the other.

Merger agreement

The merger agreement provides the conditions of the Merger. As a result of the completion of the Merger on July 5, 2022, Deezer S.A. (511 716 573 R.C.S. Paris) ceased to exist, and the SPAC I2PO S.A. continued as the surviving entity of the Merger and changed its corporate name to be renamed Deezer as from the completion date of the Merger. As consideration for the transfer of Deezer's assets to SPAC in the context of the Merger, SPAC issued new ordinary shares to the benefit of Deezer's shareholders in exchange for their shares of Deezer. The value of each such new ordinary share for the purpose of determining the exchange ratio amounted to €10.00. Similarly, from the completion of the Merger, all outstanding free shares, stock options and warrants of Deezer allowed their holders to receive or subscribe for ordinary shares of SPAC instead of class B preferred shares of Deezer.

PIPE's subscription agreements

Simultaneously with the completion of the Merger, I2PO S.A. offered up to 15,000,000 of its ordinary shares, by way of a placement, reserved to certain identified persons and, potentially, to certain categories of investors qualifying as qualified investors within the meaning of Article L. 411-2, 1° of the French Monetary and Financial Code, inside and outside of France (the "**PIPE**"). In the context of the PIPE, I2PO S.A. and Deezer S.A. (511 716 573 R.C.S. Paris) have entered into subscription agreements in April 2022 with investors, including existing Deezer (511 716 573 R.C.S. Paris) and I2PO S.A. shareholders, for a total amount of €119 million. In return for their investment, the PIPE investors received new ordinary shares of I2PO S.A. offered at €10 per share. These new ordinary shares, once issued by I2PO S.A., have been listed and traded on the Professional Segment *(Compartiment Professionnel)* of the regulated market of Euronext Paris on July 5, 2022, the settlement and delivery date of the PIPE. The subscription agreements provide that no investor shall benefit from terms materially more advantageous than other signing investors.

8.6.2 Material contracts signed in 2023

On March 31, 2023, the Company entered into a Coordinated Sale Agreement with its main shareholders, the purpose of which is to ensure the coordination of any disposal of the parties' shares (save for some exceptions) on the market, by centralizing their share transfers through the same sale agent.

The Coordinated Sale Agreement terminated on April 5, 2024.

For more information, please refer to Section 4.3.3.2.1 *"Coordinated sale agreement with certain shareholders and related engagement letter with Société Générale"* of this Universal Registration Document.

8.6.3 Material contracts signed in 2024

The material contracts entered into by the Company in 2024 are presented in Chapter 1 "Presentation of the Company" of this Universal Registration Document (including Sections 1.1.2.2. "*Partnership distribution*" and 1.1.3. "*Content licensing*" of this Universal Registration Document).

8.7 Legal proceedings and arbitration

The Group may be involved in legal, arbitration, administrative or regulatory proceedings in the ordinary course of business, which may notably include disputes with its customers, suppliers, competitors or employees, as well as tax or other authorities.

As of the date of this Universal Registration Document, the Group is not aware of any government, legal or arbitration proceedings, including any proceedings which are ongoing or imminent, that could have or have had, during the last 12 months, a material impact on the financial position or profitability of the Company or the Group.

8.8 Cross-reference tables

8.8.1 Universal Registration Document

This table enables identification of the information specified by Appendices I and II of the Delegated Regulation (EU) 2019/980 of March 14, 2019, as amended (supplementing Regulation (EU) 2017/1129 of June 14, 2017, as amended).

Sections of Appendix I of the Delegated Regulations (EU) 2019/980		Sections of the URD
1.	Persons responsible, information from third parties, expert reports, and approval of the competent authority	
1.1.	Persons responsible	8.1.1
1.2.	Statement of the persons responsible	8.1.2
1.3.	Expert statement	N/A
1.4.	Statement on the information provided by a third party	8.5
1.5.	Statement by the competent authority	Cover page
2.	Statutory auditors	
2.1.	Identity of the statutory auditors	8.2
2.2.	Changes	N/A
3.	Risk factors	
3.1.	Risk factors	2
4.	Information concerning the issuer	
4.1.	Legal and commercial name	7.1.1.1
4.2.	Registration place and number (and Legal Entity Identifier ("LEI"))	7.1.1.2
4.3.	Date of constitution and duration of the issuer	7.1.1.3
4.4.	Registered office, legal form, applicable legislation and website	7.1.1.4 7.1.1.5
5.	Business overview	
5.1.	Principal activities	1.1
5.1.1.	Type of operations and main activities	1.1
5.1.2.	Development of new products and/or services	1.1.1
5.2.	Principal markets	1.2.1
5.3.	Important events in the development of the issuer's business	1.2.1 1.5.1 5.4 6.1.6 Note 1 6.3.3 Note 1
5.4.	Strategy and objectives	1.4
5.5.	Dependence of the issuer on patents, licenses, industrial, commercial or financial contracts, or new manufacturing processes	1.1.2.2 1.1.3 1.5.4 2.1.1 2.1.2 2.1.3

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Sections of Appendix I of the Delegated Regulations (EU) 2019/980		Sections of the URD
5.6.	Competitive position	1.2.2 1.3
5.7.	Investments	1.5.1
5.7.1.	Significant investments completed	1.5.1
5.7.2.	Significant investments in progress or firm commitments	1.5.1
5.7.3.	Joint ventures and significant interests	N/A
5.7.4.	Environmental issues relatives to the utilization of tangible fixed assets	N/A
6.	Organizational structure	
6.1.	Summary description of the issuer's group	1.5.2.1 6.1.6 Note 29 7.3.1
6.2.	List of material subsidiaries	1.5.2.1 6.1.6 Note 29
7.	Operating and financial review	
7.1.	Financial position	5
7.1.1.	Development and performance of the issuer's business and position	5.1
7.1.2.	Future developments and R&D activities	1.3 6.1.6 Note 11 6.3.3 Note 9
7.2.	Operating results	5.1 6.1 6.3
7.2.1.	Significant factors with a material effect on the issuer's operating income	1.1 1.4.1 2.1.2.1 2.1.2.2 2.1.4.2 5.1.2.9 8.6
7.2.2.	Material changes in net sales or revenues	5.1.2
8.	Capital resources	
8.1.	Issuer's capital resources	6.1.3 6.1.4 6.3.2 7.2.1 6.1.6 Note 18 6.3.3 Note 18
8.2.	Sources, amount and description of the issuer's cash flows	5.1.3 6.1.5
8.3.	Issuer's financing requirements and financing structure	5.1.2 5.1.3 6.1.4
8.4.	Restrictions on the use of capital resources	N/A
8.5.	Anticipated sources of financing required to fulfill commitment referred to in item 5.7.2.	1.5.1
9.	Regulatory environment	
9.1.	Description of the regulatory environment and external factors affecting the issuer's business	1.5.4 2.1.1
10.	Trend information	
10.1.	Description on: (a) the most significant recent trends in production, sales and inventory, and costs and selling prices since the end of the last financial year to the date of the Universal Registration Document; (b) any significant change in the financial performance of the Group since the end of the last financial period for which financial information has been published to the date of the Universal Registration Document (or an appropriate negative statement).	1.4.2
10.2.	Information on any known trends, uncertainties, demands, commitments or events that can reasonably be expected to significantly impact the issuer's prospects, at least during the current financial year	1.4.2

Sections of Appendix I of the Delegated Regulations (EU) 2019/980		Sections of the URD
11.	Profit forecasts or estimates	
11.1.	Profit forecast or estimate	1.4.2 5.3
11.2.	Main assumptions underlying the profit forecast or estimate	1.4.2 5.3
11.3.	Statement on the preparation of the profit forecast or estimate	1.4.2 5.3
12.	Administrative, management and supervisory bodies and senior management	
12.1.	Information on the members of the Board of Directors and the senior management	4.1.2 4.1.5
12.2.	Conflicts of interests	4.3.1 4.3.3
13.	Compensation and benefits	
13.1.	Amount of compensation paid and benefits-in-kind for members of the administrative, management and supervisory bodies	4.2
13.2.	Total amounts provisioned or recognized by the issuer or its subsidiaries for the payment of pensions, retirement or other benefits	4.2 6.1.6 Note 21
14.	Board practices	
14.1.	Expiration date of the current terms of office	4.1.1 4.1.2
14.2.	Information about members of the administrative, management or supervisory bodies' service contracts with the issuer or any of its subsidiaries providing for benefits upon termination of employment (or an appropriate negative statement)	4.2.1.3 4.3.3
14.3.	Information on the Board committees	4.1.4
14.4.	Statement of compliance with the corporate governance regime applicable to the issuer	4.1.1
14.5.	Potential material impacts on the corporate governance and future changes in the Board and committees composition	4.1.2.1
15.	Employees	
15.1.	Number of employees	3.3.1.1
15.2.	Shareholdings and stock-options held by the members of the Board and by the senior management	4.1.2.1 7.2.4
15.3.	Agreements providing for employee profit-sharing in the issuer's share capital	7.3.4
16.	Major shareholders	
16.1.	Shareholders holding over 5% of capital as of the date of the Universal Registration Document (or an appropriate negative statement)	7.3.1
16.2.	Existence of different voting rights (or an appropriate negative statement)	7.1.2.2
16.3.	Ownership or control of the issuer	7.3.1 7.3.3
16.4.	Agreements whose implementation could result in a change of control	7.3.6
17.	Related party transactions	
17.1.	Details of transactions with related parties concluded by the issuer during the period covered by the historical financial information up to the date of the Universal Registration Document	4.3.2 4.3.3 4.3.4
18.	Financial information concerning the issuer's assets and liabilities, financial position and profits and losses	
18.1	Historical financial information	6
18.1.1.	Audited historical financial information and audit report(s)	6
18.1.2.	Change of accounting reference date	N/A
18.1.3.	Accounting standards	6
18.1.4.	Change of accounting framework	N/A
18.1.5.	Minimum content of audited financial information	N/A
18.1.6.	Consolidated financial statements	6.1
18.1.7.	Age of financial information	6

Sections of Appendix I of the Delegated Regulations (EU) 2019/980		Sections of the URD
18.2.	Interim and other financial information	5.2
18.2.1.	Quarterly or half-yearly financial information, where applicable, including audit or examination report(s)	5.2
18.3.	Auditing of historical annual financial information	6
18.3.1.	Audit report	6.2 6.4
18.3.1.a.	When audit reports on historical financial information have been rejected by the statutory auditors, or when they contain reservations, modifications of opinion, limitations of liability or observations, the reason must be given, and such reservations, modifications, limitations of liability or observations must be disclosed.	N/A
18.3.2.	Other audited information contained in the Universal Registration Document	N/A
18.3.3.	Non-audited sources of financial information	N/A
18.4.	*Pro forma* financial information	N/A
18.4.1.	Description of how the transaction might have affected the assets, liabilities and earnings of the issuer, had the transaction been undertaken at the commencement of the period being reported on or at the date reported	N/A
18.5.	Dividend policy	7.4.4
18.5.1.	Description of the dividend distribution policy and any applicable restrictions	7.4.4
18.5.2.	Dividend amount per share	N/A
18.6.	Legal and arbitration proceedings	8.7
18.6.1.	Administrative, judicial or arbitration procedure that may have significant effects on the financial position or profitability of the issuer	6.1.6 Note 20 6.3.3 Note 20 8.7
18.7.	Significant change in the issuer's financial position	5.4
18.7.1.	Description of any significant change in the financial position of the Group since the end of the last fiscal year for which financial statements were audited or published	N/A
19.	**Share capital and articles of association**	
19.1.	Share capital	7.2
19.1.1.	Amount of issued and authorized capital	7.2.1 7.2.3
19.1.2.	Shares not representing capital	N/A
19.1.3.	Shares held by the issuer or its subsidiaries	7.2.5
19.1.4.	Securities that are convertible, exchangeable or with subscription warrants	7.2.4
19.1.5.	Conditions that govern all acquisition rights and/or obligations attached to authorized but unissued share capital, or all capital increases	7.2.3
19.1.6.	Information on the share capital of any Group member, which is subject to an option or a conditional or unconditional agreement	N/A
19.1.7.	History of share capital	7.2.2
19.2.	Memorandum and articles of association	7.1.2
19.2.1.	Register, entry number in the register, and corporate purpose of the issuer	7.1
19.2.2.	Rights, privileges and restrictions attached to each share category	4.3.1 7.2.1
19.2.3.	Statutory or other provisions that may delay, defer or prevent a change of control	N/A
20.	**Material contracts**	
20.1.	Material contracts	8.6
21.	**Available documents**	
21.1.	Available documents	8.3.4

8.8.2 Annual financial report

The table of concordance below enables identification of the main information specified in the annual financial report required by Article L. 451-1-2 of the French Monetary and Financial Code and Article 222-3 of the AMF's General Regulation.

Headings/Themes	Sections
Annual financial statements	6.3
Consolidated annual financial statements	6.1
Management report *(See concordance table between the Universal Registration Document and the management report)*	
Statement by the person responsible for the annual financial report	8.1.2
Statutory Auditors' report on the annual financial statements	6.4
Statutory Auditors' report on the consolidated annual financial statements	6.2

8.8.3 Management report

The table of concordance below enables the identification in this Universal Registration Document of the information that is included in the management report in accordance with the applicable legal and regulatory provisions and in particular with Articles L. 225-100 *et seq.* of the French Commercial Code.

Themes		Sections
1.	Activity	
	Objective and exhaustive review of the change in business, the result and financial position of the Company and the Group, in particular its indebtedness, in view of its volume and the complexity of its activities	5 6
	Key performance indicators of a financial and, where relevant, non-financial nature, related to the specific activities of the Company, particularly information on environmental and staff issues with reference to the amounts in the annual financial statements and any additional relevant explanations	3.2 5.1
	Significant events for the Company and Group after the year end	5.4 6.1.6 Note 30 6.3.3 Note 28
	List of existing branches	1.5.2.1 6.1.6 Note 29
	Investments in companies with their registered offices on the French Republic's territory	N/A
	Forecast changes for the Company and the Group	1.4.2 5.3
	Research & development activities of the Company and the Group	1.3 6.1.6 Note 11 6.3.3 Note 9
	Activities and results for the Company, its subsidiaries and companies over which it has control	5.1 6.1
2.	Risk factors	
	Principal risks and uncertainties to which the Company and Group are exposed	2.1 3.2
	Company and Group exposure to price, credit, liquidity and cash flow risks	2.1.4 6.1.6 Note 26
	Company and Group objectives and policy in terms of financial risk management, including the hedging policy	2.2 6.1.6 Note 26
	Indications about financial risks related to the effect of climate change and presentation of measures taken by the Company to reduce them while implementing a low-carbon strategy in all aspects of its activities	3.2 3.5
	Main characteristics of the internal control and risk management procedures relating to the preparation and processing of financial and accounting information	2.2 6.1.6 Note 26
3.	Legal and shareholder information	
	Identity of individuals or companies holding, directly or indirectly, over 5% of the share capital or voting rights	7.3.1
	Structure of and changes in the Company's share capital and treasury shares	7.2.1 7.2.2 7.2.5
	Notification of holding more than 10% of shares in the capital of another company;	N/A
	Information on transactions carried out to regularize cross-shareholdings	N/A
	Information required by article L. 225-211 of the French Commercial Code in the event of transactions by the Company on its own shares	7.2.5
	Elements of calculation and results of adjustments of the conversion bases and conditions of subscription or exercise of securities giving access to the share capital or of any stock options in the event of share buybacks or financial transactions	N/A
	Statement of employee shareholding as of the last day of the financial year and the proportion of the capital represented by the shares held by the employees of the Company and the Group	7.3.4
	Summary statement of transactions by directors, senior executives or persons with whom they are closely associated with on the Company's securities	7.3.5

Themes		Sections
4.	Financial information	
	Table showing the Company's results for the past five years	6.5
	Payment terms and breakdown of the balance of trade payables and receivables by maturity date	6.5
	Amount of dividends distributed during the past three financial years and amount of distributed income eligible for the tax abatement, as well as the amount of distributed income not eligible for the tax abatement, broken down by share category	N/A
	The amount of loans with a maturity of less than two years granted by the Company, as an accessory to its main activity, to micro-enterprises, SMEs or mid-cap companies with which it has economic ties that justify it	N/A
5.	Social and environmental information	
	Information for companies operating at least one facility on the list provided for in in article L. 515-36 of the Environmental Code *(Code de l'environnement)*	N/A
	Non-financial performance statement *(See concordance table between the Universal Registration Document and the non-financial performance statement)*	
	Vigilance plan and report on its effective implementation	N/A

8.8.4 Corporate governance

The table of concordance below enables the identification in this Universal Registration Document of the information that is included in the corporate governance report in accordance with the applicable legal and regulatory provisions.

Themes		Sections
1.	Corporate Governance Code	
	Chosen Corporate Governance Code and any discarded provisions of the Code	4.1.1
2.	Composition and organization of the work of the Board of Directors	
	Body chosen to exercise the general management of the Company (Chair of the Board of Directors or Chief Executive Officer)	4.1.5.1
	Any limitations that the Board of Directors may impose on the powers of the Chief Executive Officer	4.1.3
	Composition and conditions for preparing and organizing the work of the Board	4.1.2 4.1.3
	List of mandates and positions held in any Company by each corporate officer during the financial year	4.1.2 4.1.5.1
	Restrictions imposed by the Board of Directors on the exercise of options granted or sale of free shares granted to executives	7.2.4
	Application of the principle of diversity within the Board (balanced representation of women and men, nationalities, age, qualifications and professional experience)	4.1.1.2.6
	Balanced representation of women and men in management bodies that regularly assist general management in the performance of its duties and on the results in terms of gender diversity in the 10% of positions of greatest responsibility	4.1.5.2
	Agreements made, directly or through another party, between one of the corporate officers or a shareholder with a holding of more than 10% and another company in which the former directly or indirectly owns more than half of the capital	N/A
	Description of the procedure for checking on a regular basis whether agreements relating to day-to-day operations and carried out at arm's length meet these conditions and implementation of said procedure.	4.3.2
	Summary table of current delegations granted by the shareholders' meeting with respect to capital increases and showing the use made of these delegations during the year	7.2.3
	Special arrangements for the participation of shareholders in the shareholders' meeting or reference to the provisions of the articles of association which provide for such arrangements	7.1.2.2
	Information concerning items that may have an impact in the event of a tender offer	
	Company share capital structure	7.1.2.2 7.2.1 7.3.1
	Statutory restrictions on the exercise of voting rights and share transfers	4.3.1 7.2.1
	Direct or indirect interests in the Company's share capital	7.2.1 7.3.1
	List of holders of any securities with special control rights	7.1.2 7.2.1
	Control mechanisms provided for in an employee shareholding system	7.3.4
	Agreements between shareholders which may result in restrictions on the transfer of shares and the exercise of voting rights	4.3.3.2.1 8.6.2
	Rules applicable to the appointment and replacement of members of the Board of Directors and to the amendment of the Company's bylaws	4.1.1.2 7.1.2.2
	Powers of the Board of Directors (specifically with regard to the issue or buyback of shares)	7.2.5
	Agreements entered into by the Company which are amended or terminated in the event of a change of control of the Company, unless such disclosure, other than in the case of a legal obligation to disclose, would seriously harm its interests	N/A
	Agreements providing for compensation for members of the Board of Directors or employees, if they resign or are dismissed without real and serious cause or if their employment is terminated due to a takeover bid or exchange offer	N/A
	Summary statement of transactions carried out in 2023 on securities of the Company by corporate officers and their relatives	7.3.5

Themes		Sections
3.	Compensation of executives and corporate officers	
	Principles and criteria for determining, allocating and granting the fixed, variable and exceptional components and exceptional items making up the total compensation and benefits of any kind, attributable to the Chair, Chief Executive Officers or Deputy Chief Executive Officers	4.2
	Commitments of any kind made by the Company for the benefit of its corporate officers, corresponding to compensation, indemnities or benefits due or likely to be due as a result of their appointment, termination or change of these functions or subsequent thereto, in particular pension commitments and other lifetime benefits	4.2.1.3
	Variable components of compensation for members of the administrative and management bodies based on the application of non-financial performance criteria	4.2.1
	The total amounts set aside or otherwise recognized by the issuer or its subsidiaries for the purpose of providing pensions, retirement or other lifetime benefits	4.2.1.3
	Total compensation paid and benefits of any kind to members of the administrative and management bodies, including in the form of equity, debt or equity-linked securities and management bodies, including in the form of equity or debt securities or securities giving access to or securities giving access to the capital or entitling to the allocation of debt securities	4.2.2
	Variable or exceptional compensation awarded during the past financial year to these same executives	4.2.2
	Explanation of how total compensation meets the remuneration policy adopted and the manner in which the performance criteria are applied	4.2.2
	Manner in which the vote of the last ordinary general meeting on the information mentioned in I of article L. 22-10-9 of the Commercial Code has been taken into account	4.2.1
	Equity ratio and information on differences in compensation between corporate officers and employees	4.2.2.5
	Deviations and exemptions applied from the remuneration policy	N/A

8.8.5 Non-financial performance statement

The cross-reference table below enables to identify in this Universal Registration Document the information that is included in the non-financial performance statement in accordance with the applicable legal and regulatory provisions.

Themes		Sections
1.	Business model	Cover pages 1 3
2.	Information on how the Company takes into account the social and environmental consequences of its activity as well as the effects of its activity on the respect of human rights and the fight against corruption and tax evasion	
2.1.	Description of the main risks associated with the Company's or Group's business, including, where relevant and proportionate, the risks created by business relationships, products or services	3.2
2.2.	Description of the policies applied by the Company or the Group including, where applicable, the due diligence procedures implemented to prevent, identify and mitigate the occurrence of such risks	3.3 3.4 3.5
2.3.	Results of these policies, including key performance indicators	3.3 3.4 3.5
3.	Others information required by L. 225-102-1 of the French Commercial Code	
3.1.	Consequences on climate change of the Company's activity and the use of the goods and services it produces	3.5
3.2.	Circular economy	3.5.2.4
3.3.	Fight against food waste	N/A
3.4.	Fight against food insecurity and respect for a responsible, fair and sustainable nutrition	N/A
3.5.	Collective agreements concluded in the Company and their impact on the Company's economic performance and on the working conditions of employees	3.3.1
3.6.	Actions to combat discrimination and promote diversity and measures taken in favor of the disabled	3.3.1.3
3.7.	Societal commitments to sustainable development	3.3.2 3.4
3.8.	Respect for animal welfare	N/A
3.9.	Nation Army link	3.3.1.3.3
3.10.	Actions aimed at promoting the practice of physical and sporting activities	3.3.1.2.2
4.	Revenue, investment spending (CAPEX), exploitation spending (OPEX), economic activity eligible for sustainable taxonomy publishing	3.5.3

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