Half-Year 2025 Results

DEEZER

31 July 2025

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Speakers

Alexis Lanternier
CEO

Carl de Place
CFO

Direct subscriber momentum and improvement of our fundamentals in H1...

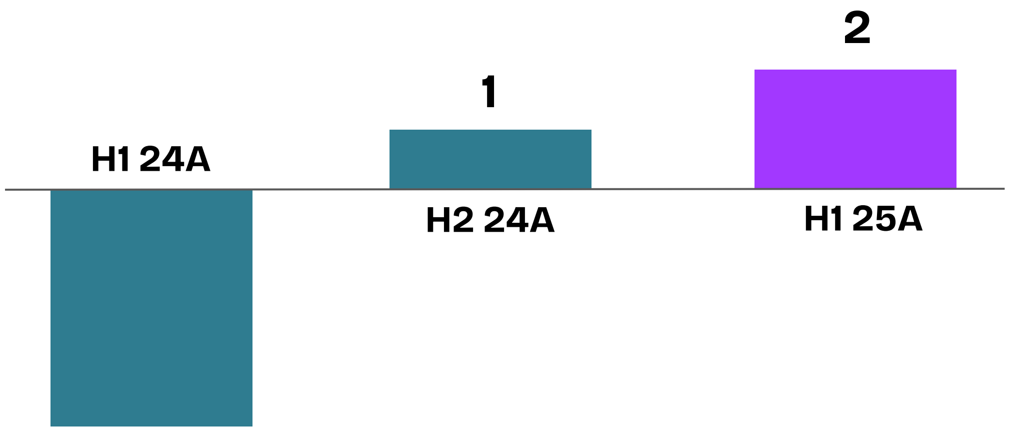
Revenue in line with expectations	**€267.1m**, +1.3% at constant exchange rate, despite strong comparison base in H1 24
Solid direct subscriber momentum	QoQ acceleration of the direct subscriber base at 5.3 million (Global +5.5% LFL, France +8.2% LFL)
Strong **profitability improvement**	Positive Adj. EBITDA[1] at **€2.1m** compared to €(5.0)m in H1 24
Positive Free Cash Flow[2]	**€1m** Free Cash Flow[2]
Solid financial position	**€60m** cash position at end of June 2025

1. *Adjusted gross profit and Adjusted EBITDA are non-IFRS measures*
2. *Free cash flow: Adjusted EBITDA - change in working capital - capex - leases and net interests.*

...which confirms path towards FY25 profitability

Positive adj. EBITDA for the second consecutive time after H2 24

in €m



	H1 24A	H2 24A	H1 25A
Adj. EBITDA in €m	**(5)**		
Adj. EBITDA margin %	(1.9)%	0.4%	0.8%

+€7m year on year adj. EBITDA improvement between H1-24 and H1-25

Positive adj. EBITDA in 2025 driven by:

- **Margin expansion**
- Optimization of **marketing**
- Continued **strict cost control**

Note 1 Adjusted gross profit and Adjusted EBITDA are non-IFRS measures

H1 2025 Business Highlights

New strategic cycle reminder: Creating new ways to experience music, driving value for the entire ecosystem

Delivering across all strategic priorities

Fans

Innovating core B2C app with customization, control

Social xp & sharing

Direct fan connection with artists

Artists

Fair artist remuneration & transparency

Leading AI-driven solutions for artist rights and content protection

Partners

Expanding existing distribution models

Music as a service solution

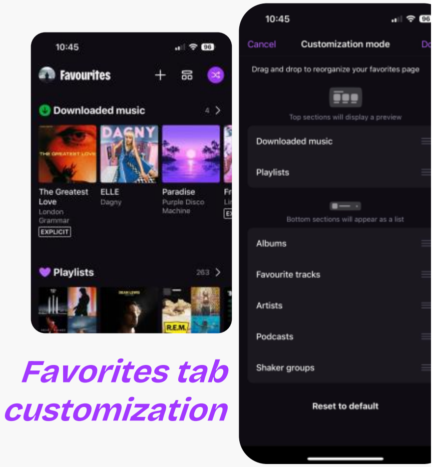
Ensuring cost control to achieve financial target of a positive adjusted EBITDA in 2025

Fans

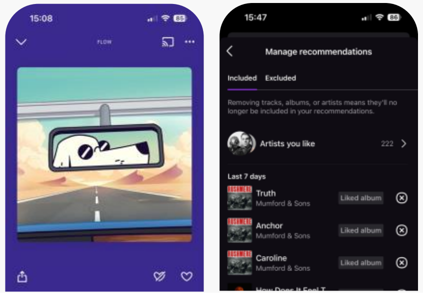
Building foundations of Deezer's Zillenials differentiation with early results: +8% subs growth in FR

Customization & control

Playlist covers

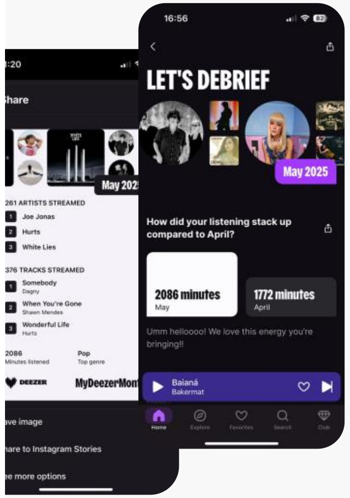


Favorites tab customization

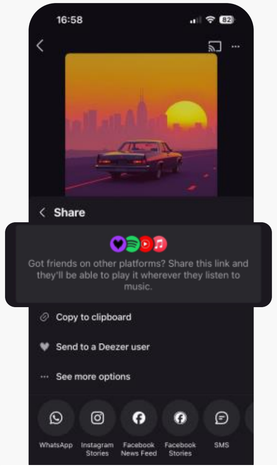


Algorithm customization

Insights & sharing



My Deezer Month



Universal sharing

Exclusive artist-fans connections

Deezer club

1m contest participations to date

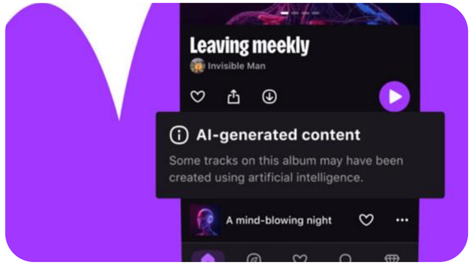
Exclusive accesses, presales, VIP proximity with favorite artists

Artists

Deeply committed to more transparency in music streaming pioneering AI solutions & systems

World's first update to publishing rights remuneration

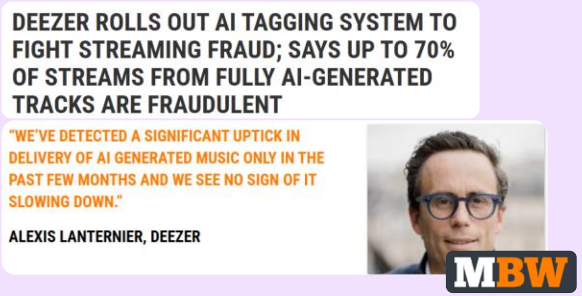
Introduced ACPS for publishing rights remuneration since streaming introduction



World's first AI tagging system for music streaming

All albums with AI generated now clearly tagged to give music fans full transparency

18% of all music uploaded on a daily basis are 100% AI-generated (+20k tracks)



Partners

New and extended partnerships across key markets

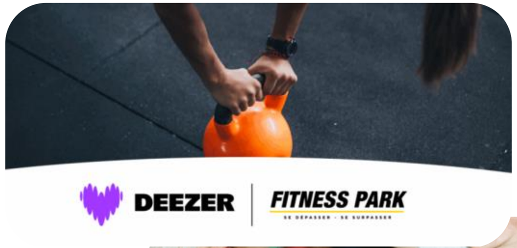
Distribution Partnerships

Strengthen long-term distribution partnerships & new SMB focused acquisition machine

orange

bouygues TELECOM

Deal renewals



New signings

Music-as-a-service

New types of partners across different verticals with the tech, content & expertise to bring the power of music everywhere

SONOS

Deal renewal

DEEZER BUSINESS

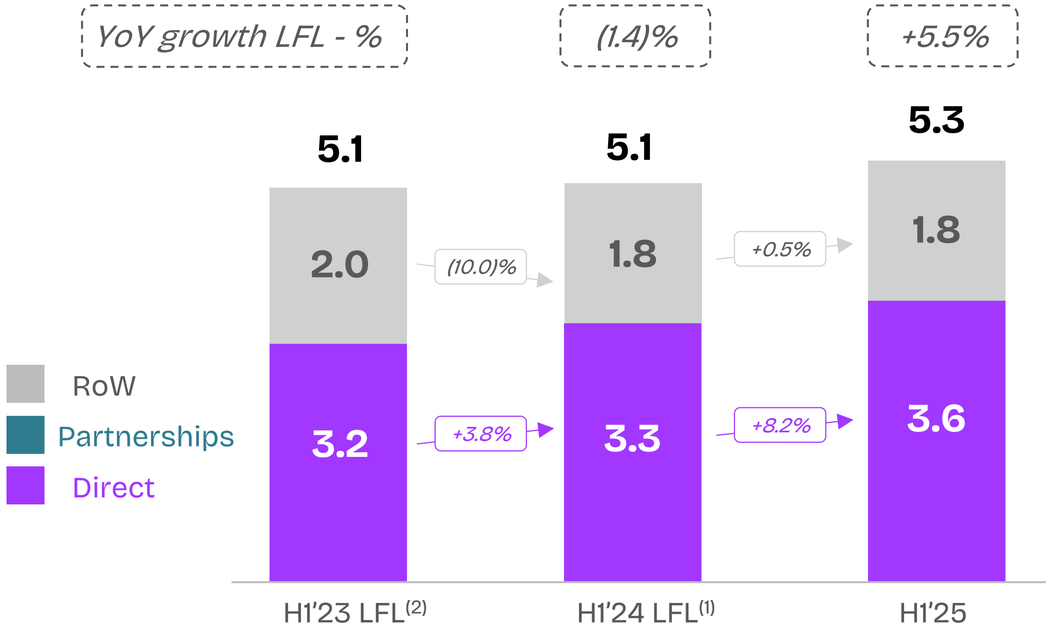
UGC DUNKIN' CONVERSE

New signings

H1 2025 Financial Results

9.2m subscribers: Direct subscriber growth accelerating and driven by FR, Partnerships impacted by Meli

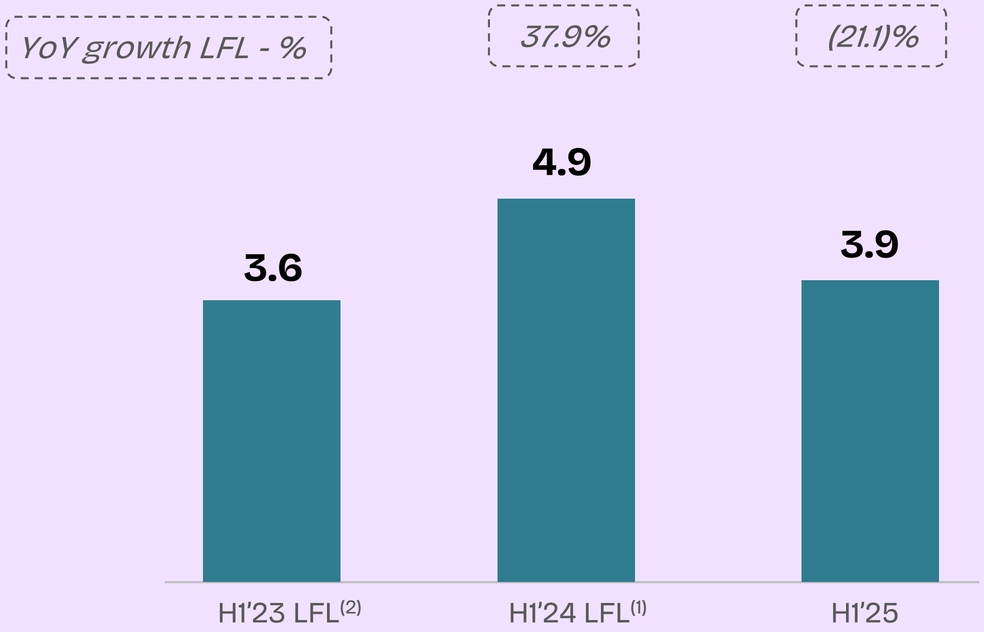
Direct subscribers
In m



Direct ARPU		€5.6	€5.5	(1.8)%

- Direct subscriber growth driven by **continued growth in France (+8.2% LFL),** and slight increase in the **Rest of the World (up 0.5%)**

Partnerships subscribers
In m



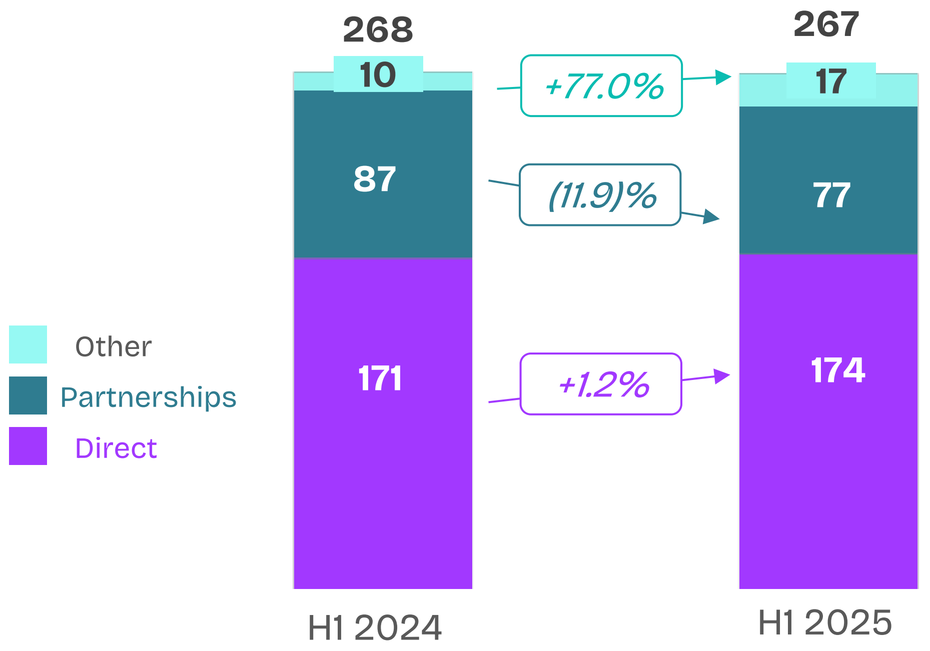
Partnerships ARPU		€3.0	€3.1	+3.7%

- Decline in **partnerships subscriber base (-21.1%)** due to **conversion of MeLi+** promo cohorts to Premium offers
- **ARPU growth** driven by **better mix**

Notes: 1. H1 2024 data has been restated to offset the effect of the 0.5 million inactive Family account removal, on a like for like (LFL) basis
2. H1 2023 data has been restated to offset the effect of the 0.6 million inactive Family account removal, on a like for like (LFL) basis

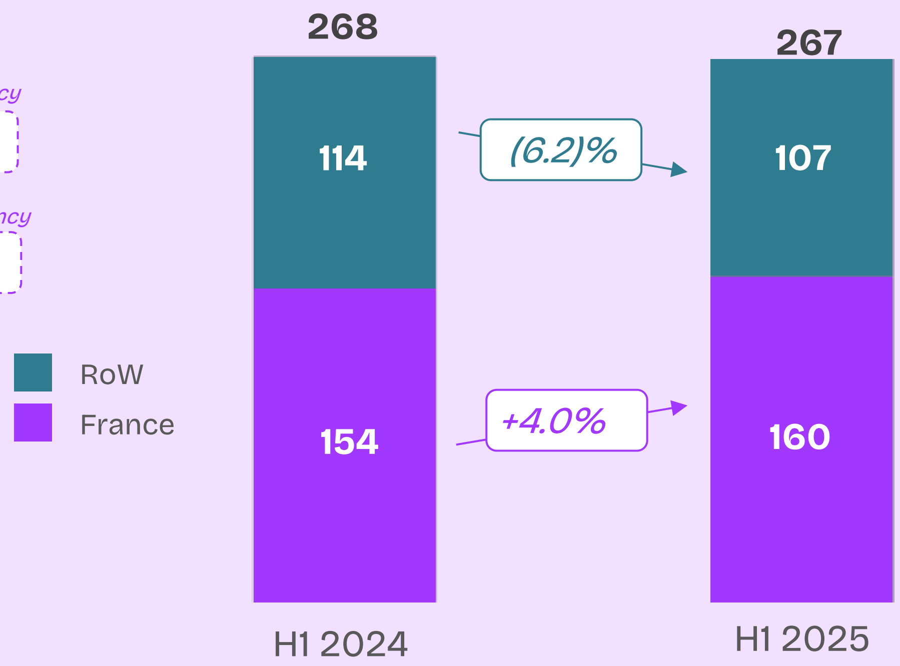
Revenue up 1.3% at constant currency, in line with expectations

Total Revenue by segment
In €m



Current currency
(0.3)%
Constant currency
+1.3%

Total Revenue by geography
In €m

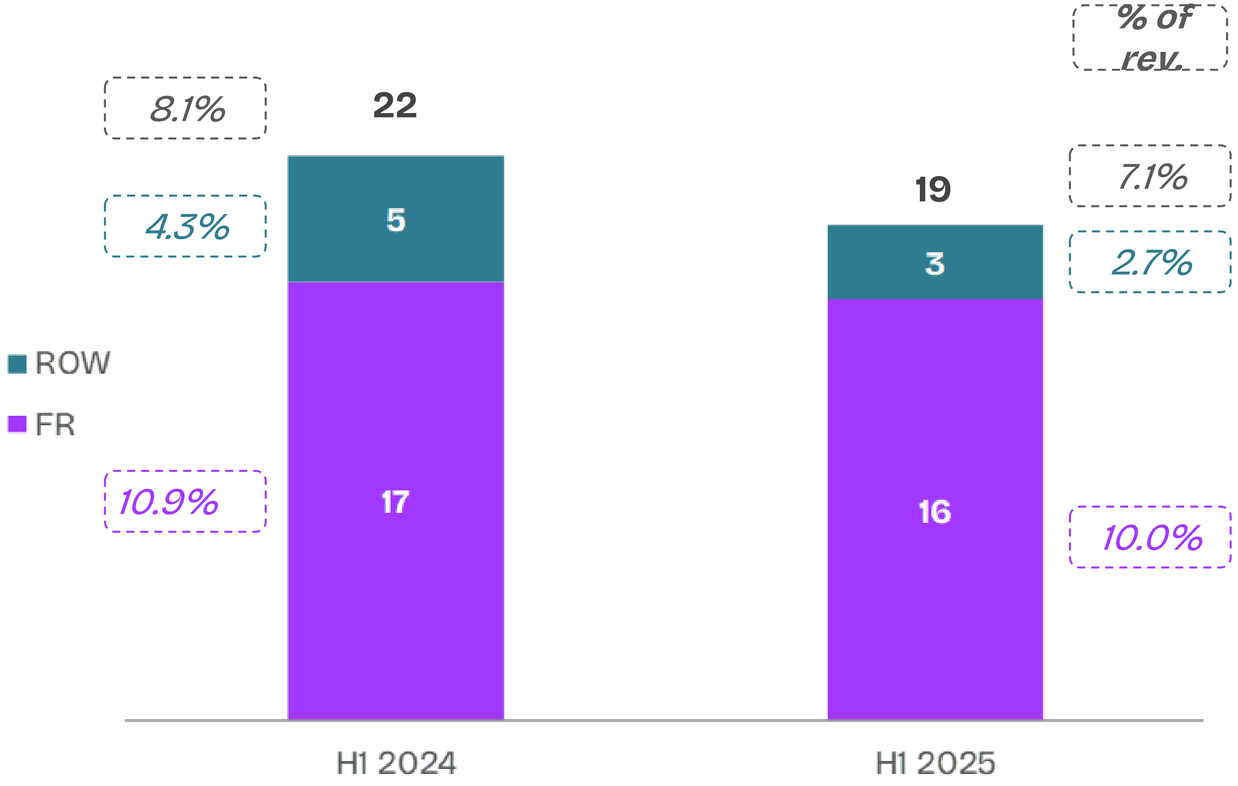


- **Direct:** driven by continued subscriber growth in France offset by offer mix effect
- **Partnerships:** Conversions of MeLi+ promo cohorts to Premium offers, partly offset by the progressive ramp up of other partnerships

- **France:** continued expansion of Deezer's Direct subscriber base (+8.2% at end June 25 on a like-for-like basis)
- **RoW:** Conversions of MeLi+ promo cohorts to Premium offers, partly offset by the good performance of white labeling solutions with hardware / media partners

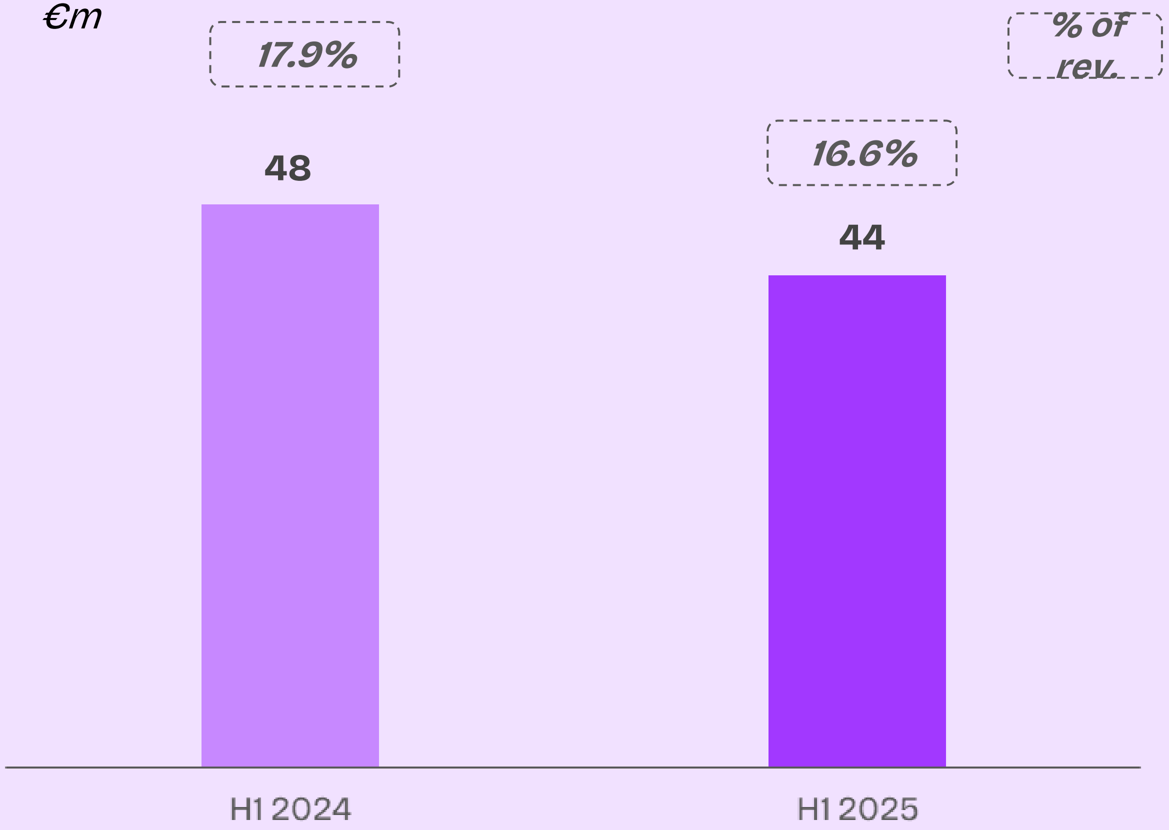
Strong discipline in operating expenses, lowered by €6m YoY

Marketing and trials
€m



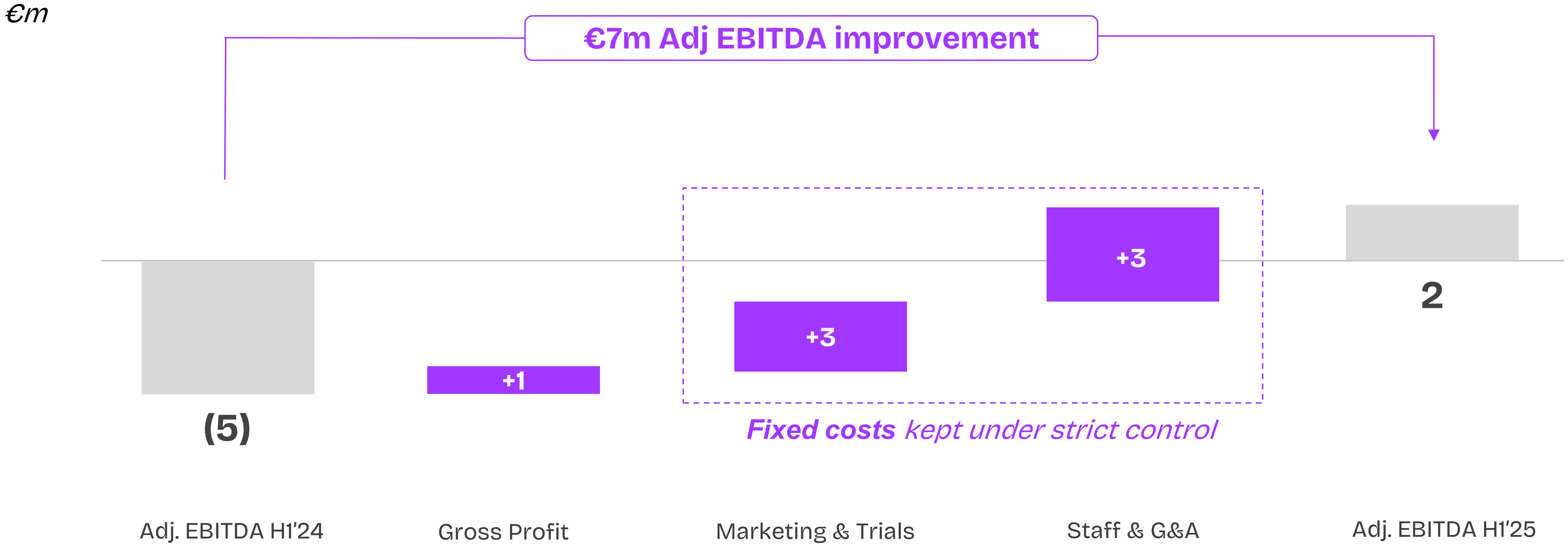
Marketing expenses **lowered by €3m YoY**

Staff and G&A
€m



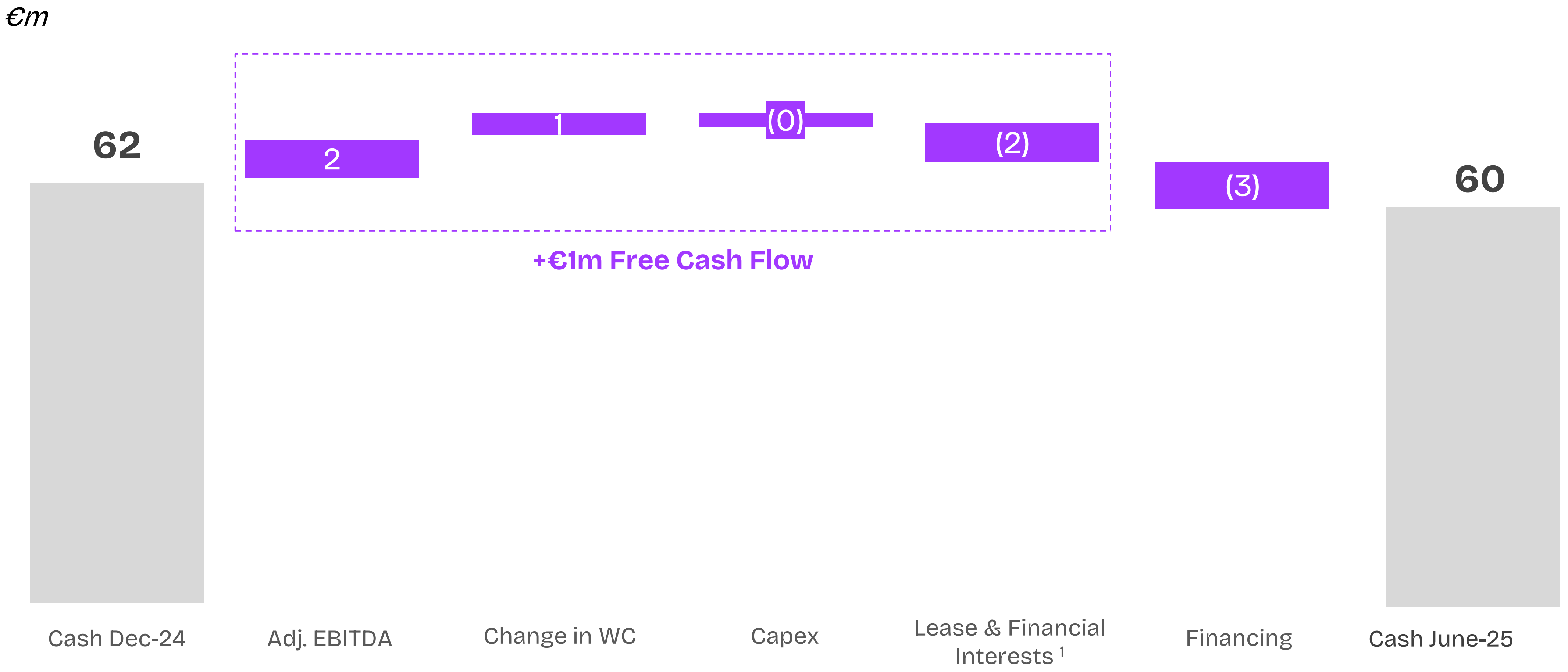
Staff and G&A expenses **lowered by €3m YoY**

Significant improvement in fundamentals with positive Adj. EBITDA for second consecutive time after H2'24



Strong improvement in Adjusted EBITDA driven by increase in gross profit and strict cost control

Robust cash position of €60m at end-June 25



Net cash amounted to €48m as of 30-June-25 compared to €47m as of 31-Dec-24

Note: 1. Including repayment of lease liabilities and net interest paid (including finance leases).

Outlook

DEEZER

Confirmation of financial targets for FY25

Revenue flat to slightly declining year over year

Positive adjusted EBITDA

Positive Free Cash Flow[1] for second year in a row

Disciplined approach, reinforcing our path to sustained full year profitability while preparing for future long-term profitable growth

Note: 1. Free cash flow: Adjusted EBITDA - change in working capital - capex - leases and net interests.

Thank you

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Q & A

Appendix

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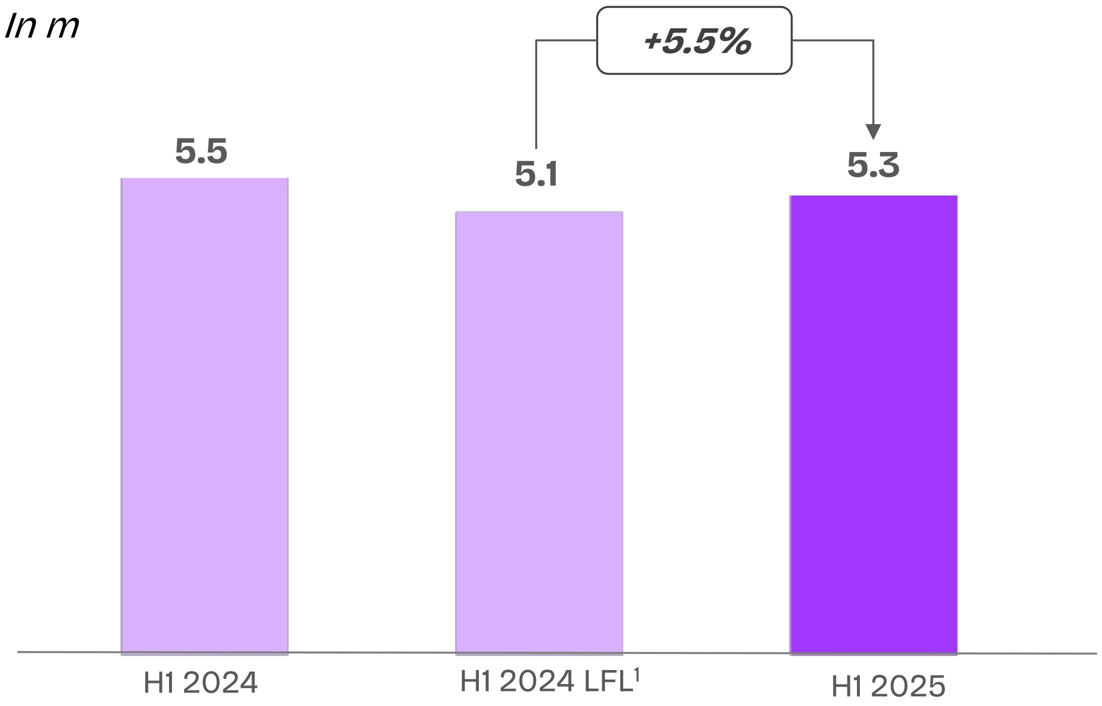
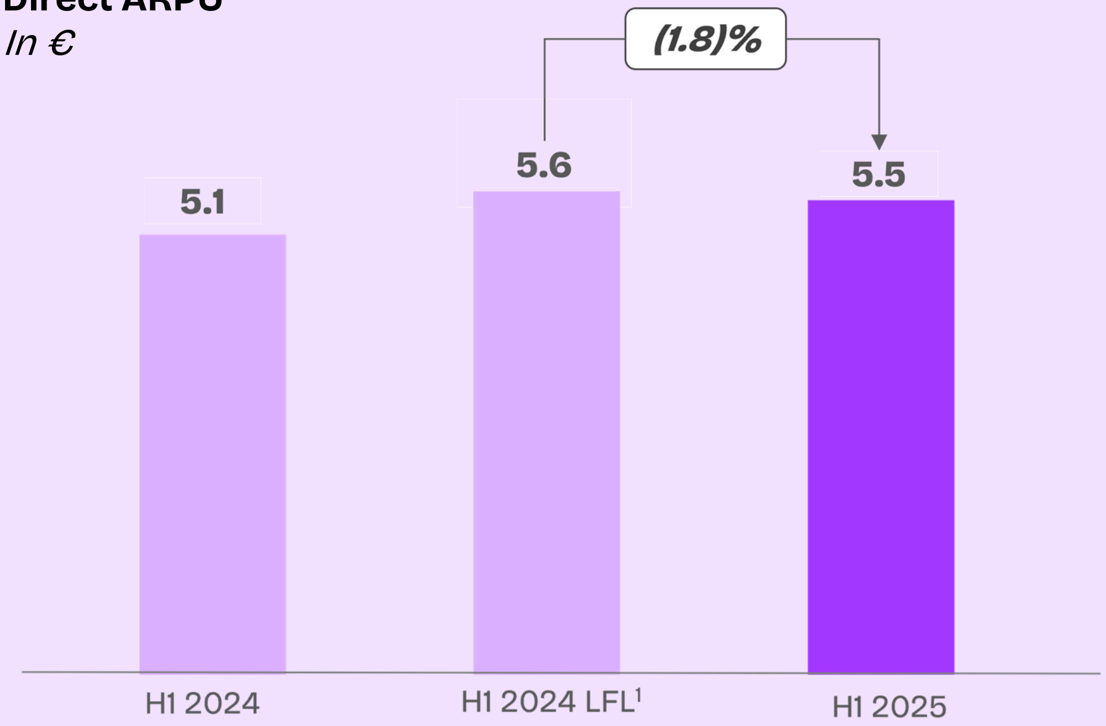
Direct: Strong momentum in subscriber growth in France

Direct subscribers
In m



- Continued expansion of the Group's subscriber base in France LFL (up 8.2% LFL at end of June) and slight increase from RoW (up 0.5% LFL) without new marketing investments.

Direct ARPU
In €

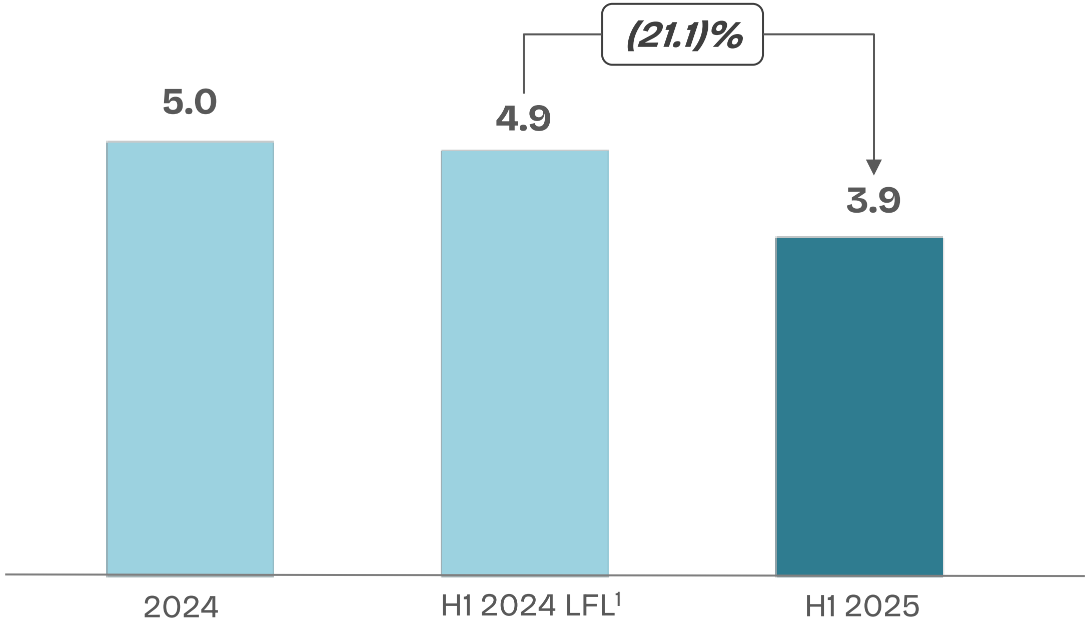


- Slight decrease in Direct ARPU due to mix effects

Notes: 1. H1 2024 data has been restated to offset the effect of the 0.5 million inactive Family account removal, on a like for like (LFL) basis

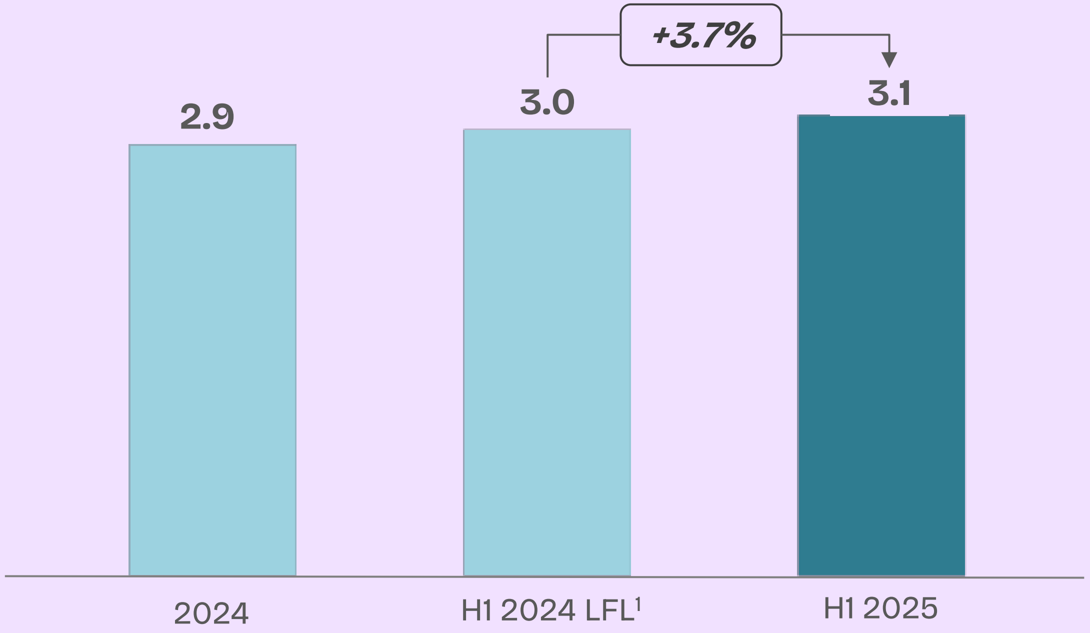
Partnerships: Impact of Meli+ on subscribers. Increased ARPU

Partnerships subscribers
In m



- (1.0)m partnerships subscribers (-21.1% YoY), reflecting the conversions of MeLi+ promo cohorts to Premium offers partly offset by the progressive ramp up of the RTL+ partnership.

Partnerships ARPU
In €



- ARPU increase by 3.7% due to better mix

Notes: 1. H1 2024 data has been restated to offset the effect of the 0.1 million inactive Family account removal, on a like for like (LFL) basis

Key financial indicators

In € million	H1 2025	H1 2024	*Change YoY*	*Change at constant FX*
Total revenue	**267.1**	**267.9**	***(0.3)%***	**+1.3%**
		By segment		
Direct	173.6	171.5	*+1.2%*	*+1.9%*
Partnerships	76.5	86.9	*(11.9)%*	*(8.4)%*
Other	17.0	9.6	*+77.0%*	*+78.4%*
		By geography		
France	160.2	154.0	*+4.0%*	*+4.0%*
Rest of World	106.9	113.9	*(6.2)%*	*(2.4)%*

	H1 2025	H1 2024 LFL[1]	*Change LFL*	H1 2024
Total subscribers[2]	**9.2**	**10.0**	**(7.6)%**	**10.5**
Direct	5.3	5.1	+5.5%	5.5
o/w France	3.6	3.3	+8.2%	3.7
o/w Rest of World	1.8	1.8	+0.5%	1.8
Partnerships	3.9	4.9	(21.1)%	5.0
ARPU *(in €/month excl. VAT)*				
Direct	5.5	5.6	(1.8)%	5.1
Partnerships	3.1	3.0	+3.7%	2.9

Notes: 1. H1 2024 data has been restated to offset the impact of the 0.5 million inactive Family account removals, on a like for like ("LFL") basis.
2. As of 30 June, in million

Reconciliation of non-IFRS financial indicators and FCF

In € million	H1 2025	H1 2024
Gross profit	**62.8**	**55.1**
License agreements non-recurring expenses	2.7	9.4
Adjusted gross profit	**65.5**	**64.5**

In € million	H1 2025	H1 2024
Operating loss	**(7.0)**	**(21.2)**
Gross profit adjustments	2.7	9.4
Depreciation and amortization	3.5	3.7
Share-based expenses	0.7	1.2
Other non-recurring expenses	2.2	1.8
Adjusted EBITDA	**2.1**	**(5.0)**

In € million	H1 2025	H1 2024
Adjusted EBITDA	**2.1**	**(5.0)**
Change in working capital requirement	1.2	21.8
Capital expenditure	(0.4)	(1.1)
Leases[1]	(1.9)	(1.2)
Others	-	(7.4)
Free cash flow	**1.0**	**7.3**

Note: 1. Including repayment of lease liabilities and net interest paid (including finance leases).

Consolidated statement of income

	Six months ended 30 June	
(in thousands of euros)	2025	2024
Revenue	**267,052**	**267,921**
Cost of revenue	(204,251)	(212,787)
Gross Profit	**62,801**	**55,134**
Product and development	(15,057)	(16,426)
Sales and marketing	(28,602)	(31,728)
General and administrative	(26,159)	(28,192)
Operating loss	**(7,018)**	**(21,212)**
Finance income	1,529	2,240
Finance costs	(1,022)	(1,197)
Financial result - Net	**507**	**1,043**
Loss before income tax	**(6,511)**	**(20,169)**
Income tax expense	(1,203)	760
Share of loss of equity affiliates	158	-
Net loss for the period	**(7,556)**	**(19,410)**
Of which attributable to owners of the parent	(7,556)	(19,268)
Non-controlling interests	-	(141)

	Six months ended 30 June	
(in thousands of euros)	2025	2024
Net loss per share attributable to owners of the parent		
Basic	(0.06)	(0.16)
Diluted	(0.06)	(0.16)
Weighted-average ordinary shares		
Basic	123,613,344	121,637,681
Diluted	123,613,344	121,637,681

Consolidated statement of financial position (1/2)

(in thousands of euros)	30 June 2025	31 December 2024
Assets		
Goodwill	7,487	7,487
Intangible assets	377	444
Property and equipment	3,207	3,947
Right-of-use assets	13,161	15,039
Non-current financial assets	5,293	5,473
Other non-current assets	668	668
Total non-current assets	**30,193**	**33,058**
Trade and other receivables	68,656	63,916
Other current assets	22,273	25,108
Cash and cash equivalents	59,804	62,056
Total current assets	**150,733**	**151,080**
Total assets	**180,926**	**184,138**

Consolidated statement of financial position (2/2)

(in thousands of euros)	30 June 2025	31 December 2024
Equity and liabilities		
Share capital	1,236	1,236
Share premium	483,955	483,955
Treasury shares	(585)	(354)
Consolidated reserves	(725,834)	(700,410)
Net loss	(7,556)	(25,889)
Equity attributable to owners of the parent	**(248,784)**	**(241,462)**
Non-controlling interest reserves	-	-
Total equity	**(248,784)**	**(241,462)**
Provision for employee benefits	779	697
Lease liabilities	9,083	12,593
Financial liabilities	4,375	8,359
Total non-current liabilities	**14,237**	**21,649**
Provisions	17,596	17,156
Lease liabilities	5,590	4,121
Financial liabilities	7,191	6,388
Trade payables and related accrued expenses	319,259	310,201
Tax and employee-related liabilities	29,581	27,792
Deferred income	35,660	37,449
Other liabilities	596	844
Total current liabilities	**415,473**	**403,951**
Total liabilities	**429,710**	**425,600**
Total equity and liabilities	**180,926**	**184,138**

Consolidated statement of cash flows (1/2)

	Six months ended 30 June	
(in thousands of euros)	**2025**	**2024**
Operating activities		
Net loss	(7,556)	(19,410)
Adjustments for:		
- Depreciation and amortization (excluding those related to current assets)	3,455	3,735
- Provisions	510	1,413
- Share-based compensation expense	808	8,017
- Gains and losses on disposals	(132)	886
- Share of loss of equity affiliates (net of dividends distributed)	-	-
- Discounting profits and losses	11	8
- Net debt costs (including interest on lease liabilities)	(667)	(1,403)
- Income tax paid	1,203	(760)
Changes in working capital:		
- (Increase)/decrease in trade receivables and other assets	(1,955)	13,517
- Increase/(decrease) in trade and other liabilities	8,607	4,878
Income tax paid	(1,180)	(274)
Net cash flows from/(used in) operating activities	**3,104**	**10,607**
Investing activities		
Purchases of property and equipment and intangible assets	(526)	(1,070)
Release of the escrow account and other	-	(467)
Proceeds from the disposal of intangible and tangible assets	77	-
Proceeds from the disposal of non-current financial assets	337	457
Impact of changes in the scope of consolidation	-	(1,865)
Net cash flows used in investing activities	**(112)**	**(2,945)**

Consolidated statement of cash flows (2/2)

	Six months ended 30 June	
(in thousands of euros)	**2025**	**2024**
Financing activities		
Increase in share capital and share premium (net of costs)	-	-
Repayments on short-term debt	(3,179)	(3,913)
Repurchases of ordinary shares	(231)	(11)
Proceeds from issuance of long-term debt	-	-
Repayment of lease liabilities	(2,530)	(2,581)
Net interest paid (including finance leases)	665	1,398
Other cash flows relating to financing activities	-	-
Net cash flows from/(used in) financing activities	**(5,275)**	**(5,107)**
Effect of foreign exchange rate changes on cash and cash equivalents	30	(1,086)
Change in net cash position	**(2,253)**	**1,469**
Cash and cash equivalents at the beginning of the period	62,057	63,605
Cash and cash equivalents at the end of the period	59,804	65,075
Change in net cash position	**(2,253)**	**1,470**