DEEZER

HALF-YEAR FINANCIAL REPORT

For the six months ended June 30, 2025

Deezer S.A
a french Société anonyme à conseil d'administration
With a share capital of €1,236,133.44
Registered office : 24, rue de Calais, 75009 Paris, France
Trade and Companies Register of Paris : 898 969 852

Half-year financial report

I. Statement of the person responsible for the half-year financial report

I hereby certify that, to the best of my knowledge, the interim condensed consolidated financial statements have been prepared in accordance with the applicable accounting standards and provide a faithful representation of the assets, liabilities, financial position and results of Deezer S.A. and all companies included within its scope of consolidation, and that the interim activity report presents a faithful representation of the significant events that occurred in the first six months of the financial year, their impact on the interim financial statements, and the main related party transactions, and it describes the major risks and uncertainties for the remaining six months of the financial year.

Paris, July 30, 2025

Alexis Lanternier,

Chief Executive Officer

II. Interim activity report

1. Half-year activity

1.1. Company information

Deezer SA is a French Société Anonyme à Conseil d'Administration incorporated on May 4, 2021 and registered in France under number 898 969 852 R.C.S 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.

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 during the six-month period ended June 30, 2025

Significant events having occurred during the six-month period ended June 30, 2025 are detailed in Note 1 to the interim condensed consolidated financial statements thereafter.

1.3. Subsequent events

Material events having occurred after the end of the reporting period are detailed in Note 28 to the interim condensed consolidated financial statements thereafter.

2. Operating and financial review

2.1. Key figures

2.1.1. Breakdown of revenue by segment

The table below provides the split of total revenue by segment for the six-month periods ended June 30, 2025 and 2024:

	Six-month period ended June 30,			
(in € millions)	**2025**	**2024**	**Change (%)**	**Chg. FX adj.[1] (%)**
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%
Total revenue	**267.1**	**267.9**	**(0.3)%**	**+1.3%**

2.1.2. Breakdown of revenue by geography

The table below provides the split of total revenue by geography for the six-month periods ended June 30, 2025 and 2024:

	Six-month period ended June 30,			
(in € millions)	**2025**	**2024**	**Change (%)**	**Chg. FX adj.[1] (%)**
France	160.2	154.0	+4.0%	+4.0%
Rest of World	106.9	113.9	(6.2)%	(2.4)%
Total revenue	**267.1**	**267.9**	**(0.3)%**	**+1.3%**

2.1.3. Key performance indicators

The table below provides the split of subscribers by segment as at June 30, 2025 and 2024:

	June 30,			
(in millions)	**2025**	**2024 LFL[2]**	**Change LFL (%)**	**2024 Published**
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
Total subscribers	**9.2**	**10.0**	**(7.6)%**	**10.5**

[1] *Change at constant FX rate*

[2] *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*

The table below provides the average measure of ARPU on a monthly basis for the six-month periods ended June 30, 2025 and 2024:

	Six-month period ended June 30,			
(in €)	2025	2024 LFL[3]	Change LFL (%)	2024 Published
Direct	5.5	5.6	(1.8)%	5.1
Partnerships	3.1	3.0	+3.7%	2.9

2.2. Analysis of consolidated results

2.2.1. Simplified income statement

	Six-month period ended June 30,		
(in € millions)	2025	2024	Change YoY
Total revenue	**267.1**	**267.9**	**(0.3)%**
Adjusted gross profit[(1)]	**65.5**	**64.5**	**+1.5%**
In % of total revenue	*24.5%*	*24.1%*	*+0.4pt*
Adjusted EBITDA[(1)]	**2.1**	**(5.0)**	**(142.4)%**
In % of total revenue	*0.8%*	*(1.9)%*	*+2.7pt*
Operating loss (EBIT)	**(7.0)**	**(21.2)**	**(66.9)%**
In % of total revenue	*(2.6)%*	*(7.9)%*	*+5.3pt*
Net loss	**(7.6)**	**(19.4)**	**(61.1)%**

[(1)] Refer to section 2.1.4 "Reconciliation of non-IFRS financial indicators".

2.2.2. Consolidated revenue

Consolidated revenue amounted to €267.1 million in the first half of 2025 compared to €267.9 million in the first half of 2024, representing a decrease of €0.9 million, or (0.3)% (+1.3% at constant currency), reflecting a strong comparison base in H1 2024.

This evolution reflects the Direct and Other Segment's continued contribution partly offset by the negative anticipated impact of Partnerships with the conversion of MeLi+ promo cohorts to Premium offers and a less favorable FX rate in Brazil.

[3] *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*

2.2.2.1. *Revenue by segment*

Direct revenue amounted to €173.6 million in the first half of 2025 compared to €171.5 million in the first half of 2024, representing an increase of €2.1 million, or 1.2% (1.9% at constant currency).

This revenue growth was driven by: (i) strong momentum in France with a quarter over quarter increase of the subscriber base to 3.6 million (+6.3% LFL at end of March and +8.2% LFL at end of June) reflecting Deezer' strategic focus on France, and (ii) a slight increase in RoW (up 0.5%) without new marketing investments.

Partnerships revenue amounted to €76.5 million in the first half of 2025 compared to €86.9 million in the first half of 2024, representing a decrease of (11.9)% (and (8.4)% at constant currency).

This evolution mainly reflected the conversions of MeLi+ promo cohorts to Premium offers, with better margins, partly offset by the progressive ramp up of the RTL+ partnership. ARPU stood at €3.1, up 3.7%, thanks to a better mix.

Other revenue, which is made up of advertising and ancillary revenue, amounted to €17.0 million in the first half of 2025 compared to €9.6 million in the first half of 2024, representing an increase of 77.0% (78.4% at constant currency).

This increase mainly reflected the good performance of the white labelling solutions for hardware / media partners.

2.2.2.2. *Revenue by geography*

In France, revenue amounted to €160.2 million in the first half of 2025 compared to €154.0 million in the first half of 2024, representing an increase of €6.2 million, or 4.0%.

This revenue increase mainly reflected the continued expansion of Deezer's Direct subscriber base (+8.2% on a like-for-like basis) and a good performance of Deezer's Family offers.

In the Rest of World, revenue amounted to €106.9 million in the first half of 2025 compared to €113.9 million in the first half of 2024, representing a decrease of €7.0 million, or (6.2)% ((2.4)% at constant currency).

This revenue decrease mainly reflected the conversions of MeLi+ promo cohorts to Premium offers, partly offset by the progressive ramp up of the RTL partnership, as well as a good performance of the white labelling solutions for hardware / media partners in Other Revenues (+99.7%).

2.2.2.3. *Subscriber base*

As of June 30, 2025, the Group's total subscriber base stood at 9.2 million, compared to 10.0 million on June 30, 2024 on a like-for-like basis, representing a decrease of (7.6)%. This change notably reflects a business decision to remove 0.5 million inactive Family subaccounts over the past 12 months, which had no impact on revenue. In the first half of 2025, the evolution of our subscriber base was primarily driven by the continued growth of the Direct subscriber base in France, as well as a return to slight growth in ROW subscribers, partly offset by a decline in the Partnerships subscriber base due to the conversion of MeLi+ promo cohorts to Premium offers.

In Direct, the Group's number of subscribers was 5.3 million as at June 30, 2025 compared to 5.1 million as at June 30, 2024 on a like-for-like basis representing an increase of 5.5%, and reflecting our strategy to focus our marketing investments on France and the stabilization of ROW subscribers.

In France, strong momentum with a quarter over quarter acceleration of the Direct subscriber base at 3.6 million (+6.3% on a like-for-like basis at the end of March and +8.2% on a like-for-like basis at the end of June).

In the Rest of World, the number of Direct subscribers slightly increased at 1.8 million at the end of June 2025 (+0.5% on a like-for-like basis), despite the group's strategy to focus on selected key markets.

In Partnerships, the Group's number of subscribers was 3.9 million as at June 30, 2025 compared to 4.9 million as at June 30, 2024, representing a decrease of (21.1)% on a like-for-like basis. This change mainly reflected the conversions of MeLi+ promo cohorts to Premium offers.

2.2.2.4. ARPU

The Group's ARPU stood at €4.4 in the first half of 2025 compared to €4.3 in the first half of 2024, representing an increase of 2.7% on a like-for-like basis.

This change reflected a better mix of offers within our Partnerships segment (ARPU +3.7%) partly offset by a less favorable mix of offers within our Direct segment (ARPU (1.8)% on a like-for-like basis).

2.2.2. 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 €204.3 million in the first half of 2025 compared to €212.8 million in the first half of 2024, representing a decrease of €8.5 million. This change mainly reflected the optimization of some of the Group's aforementioned costs.

Deezer management uses adjusted Cost of Revenue as described in Section 2.1.4. "Reconciliation of non-IFRS financial indicators".

On an adjusted basis, the Cost of Revenue amounted to €201.5 million in the first half of 2025 compared to €203.4 million in the first half of 2024, representing a decrease of €1.9 million, or (0.9)%.

2.2.3. Adjusted gross profit and gross profit

	Six-month period ended June 30,		
(in € millions)	**2025**	**2024**	**Change YoY**
Adjusted gross profit	**65.5**	**64.5**	**+1.5%**
In % of total revenue	*24.5%*	*24.1%*	*+0.4pt*
o/w Direct	44.2	44.1	+0.4%
In % of Direct revenue	*25.5%*	*25.7%*	*(0.2)pt*
o/w Partnerships	15.1	19.2	(21.1)%
In % of Partnerships revenue	*19.8%*	*22.1%*	*(2.3)pt*
o/w Other	6.2	1.3	+373.9%

Adjusted gross profit amounted to €65.5 million in the first half of 2025 compared to €64.5 million in the first half of 2024, representing an increase of €1.0 million, or 1.5%.

This change mainly reflected a positive contribution from the white labelling solutions for hardware / media partners, partly offset by lower Partnerships revenue.

As a result, adjusted gross profit margin increased from 24.1% in the first half of 2024 to 24.5% in the first half of 2025.

Direct adjusted gross profit amounted to €44.2 million in the first half of 2025 compared to €44.1 million in the first half of 2024, representing an increase of €0.2 million, or 0.4%.

This change mainly reflected Direct revenue growth offset by a less favorable mix. As a result, Direct adjusted gross profit margin decreased from 25.7% in the first half of 2024 to 25.5% in the first half of 2025.

Partnerships adjusted gross profit amounted to €15.1 million in the first half of 2025 compared to €19.2 million in the first half of 2024, representing a decrease of €4.1 million, or (21.1)%.

This change mainly reflected a lower level of activity and less favorable mix. As a result, Partnerships adjusted gross profit margin decreased from 22.1% in the first half of 2024 to 19.8% in the first half of 2025.

Adjusted gross profit of the Other segment amounted to €6.2 million in the first half of 2025 compared to €1.3 million in the first half of 2024, representing an improvement of €4.9 million.

This change mainly reflected a positive contribution from the white labelling solutions for hardware / media partners.

Gross profit amounted to €62.8 million in the first half of 2025 compared to €55.1 million in the first half of 2024, representing an increase of €7.7 million, or 13.9%.

This change mainly reflected a lower level of non-recurring charges included in adjusted items.

Adjusted items amounted to €2.7 million in the first half of 2025 compared to €9.4 million in the first half of 2024, representing a decrease of €6.7 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 ended in H1 2024.

2.2.4. Product and development expenses

Product and development expenses amounted to €15.1 million in the first half of 2025 compared to €16.4 million in the first half of 2024, representing a decrease of €1.4 million, or (8.3)%.

Employee costs decreased by €1.2 million as a result of lower headcount. External expenses increased by €0.1 million. The amortization charge was lower by €0.3 million.

2.2.5. Sales and marketing expenses

Sales and marketing expenses amounted to €28.6 million in the first half of 2025 compared to €31.7 million in the first half of 2024, representing a decrease of €3.1 million, or (9.8)%.

Marketing costs decreased by €2.7 million to €19.0 million. Employee costs decreased by €0.4 million as a result of lower headcount, and external expenses decreased by €0.1 million.

2.2.6. General and administrative expenses

General and administrative expenses amounted to €26.2 million in the first half of 2025 compared to €28.2 million in the first half of 2024, representing a decrease of €2.0 million, or (7.2)%.

Employee costs decreased by €0.9 million due to lower headcount and lower share-based expenses. External expenses decreased by €1.1 million.

2.2.7. Adjusted EBITDA

Adjusted EBITDA amounted to €2.1 million in the first half of 2025 compared to €(5.0) million in the first half of 2024, representing an improvement of €7.1 million, achieving positive adjusted EBITDA in the first half of 2025 for the second consecutive time after the second half of 2024.

This change mainly reflected higher adjusted gross profit and strict management of our Marketing, Staff and G&A expenses.

As a result, adjusted EBITDA margin improved from (1.9)% in the first half of 2024 to 0.8% in the first half of 2025.

2.2.8. Operating loss (EBIT[4])

Operating loss amounted to €7.0 million in the first half of 2025 compared to an operating loss of €21.2 million in the first half of 2024, representing a decrease of €14.2 million.

This change mainly reflected increased gross profit and lower operating costs, including other non-recurring charges related to the licensing agreements.

Operating margin increased from (7.9)% in the first half of 2024 to (2.6)% in the first half of 2025.

2.2.9. Financial result

Financial result amounted to €0.5 million in the first half of 2025 compared to €1.0 million in the first half of 2024, representing a decrease of €0.5 million.

This change mainly reflected the decrease of the amounts invested in the interest-bearing bank accounts and lower interest rate compared to last year.

2.2.10. Income tax

Income tax expense amounted to €1.2 million in the first half of 2025 compared to an income tax income of €0.8 million in the first half of 2024.

[4] Earnings before interest and taxes

2.2.11. Equity affiliates

Share of income of equity affiliates amounted to €0.2 million in the first half of 2025 compared to no share of profit/loss of equity affiliates in the first half of 2024.

This change mainly reflected the sale of the Group's participation in Driift Holdings Ltd in February 2025.

2.2.12. Net loss

Net loss amounted to €7.6 million in the first half of 2025 compared to a net loss of €19.4 million in the first half of 2024, representing an improvement of €11.8 million.

This change mainly reflected the improved operating loss.

2.3. Cash flows and financial resources

2.3.1. Consolidated cash flows

The following table provides a summary of the cash flows for the six-month periods ended June 30, 2025 and 2024:

	Six-month period ended June 30,	
(in € millions)	**2025**	**2024**
Net cash flows (used in)/from operating activities	3.1	10.6
Net cash flows (used in) investing activities	(0.1)	(2.9)
Net cash flows (used in) financing activities	(5.3)	(5.1)

2.3.1.1. Operating activities

Net cash flows used in operating activities amounted to a positive net cash flow of €3.1 million in the first half of 2025 compared to a net cash flow from operating activities of €10.6 million in the first half of 2024, representing a decrease of €7.5 million.

This change mainly reflected the improved adjusted EBITDA, offset by a lower generation of working capital compared to 2024.

2.3.1.2. Investing activities

Net cash flows used in investing activities amounted to €0.1 million in the first half of 2025 compared to net cash flows from investing activities of €2.9 million in the first half of 2024, representing a decrease of €2.8 million.

In the first half of 2024, the Group's investing activities mainly reflected Driift deconsolidation for €1.9 million.

2.3.1.3. *Financing activities*

Net cash flows used in financing activities amounted to €5.3 million in the first half of 2025 compared to net cash flows used in investing activities of €5.1 million in the first half of 2024, representing an increase of €0.2 million.

This reflected the reimbursement of the Group's three state-guaranteed loans.

2.3.2. Free cash flow

The following table provides the free cash flow for the six-month periods ended June 30, 2025 and 2024:

	Six-month period ended June 30,	
(in € millions)	**2025**	**2024**
Adjusted EBITDA	**2.1**	**(5.0)**
Change in working capital requirement	1.2	21.8
Capital expenditure	(0.4)	(1.1)
Leases[5]	(1.9)	(1.2)
Others	-	(7.4)
Free cash flow	**1.0**	**7.3**

In the first half of 2025, the Group recorded a positive free cash flow of €1.0 million compared to a free cash flow of €7.3 million in the first half of 2024, representing a decrease of €6.3 million.

This change, as compared to the first half of 2024, mainly reflected the lower generation of working capital resulting from the lower level of activity, and some 1-off effects in the first half of 2024 attributable to the high level of growth of Partnerships revenue, partly offset by the improvement of adjusted EBITDA as well as no other cash items (one-off items including the impact of tax regularizations in the first half of 2024).

2.3.3. Net cash

(in € millions)	**June 30, 2025**	**December 31, 2024**
Cash and cash equivalents	59.8	62.1
Financial debt	(11.6)	(14.7)
Net cash	**48.2**	**47.3**

Cash and cash equivalents amounted to €59.8 million as at June 30, 2025 compared to €62.1 million as at December 31, 2024, representing a decrease of €2.3 million.

This change mainly reflected a positive free cash flow, partly offset by the reimbursement of its three state-guaranteed loans and lower payment of net interest.

[5] *Including repayment of lease liabilities and net interest paid (including finance leases).*

Financial debt amounted to €11.6 million as at June 30, 2025 compared to €14.7 million as at December 31, 2024, representing a decrease of €3.2 million.

As a result, the Group's net cash amounted to €48.2 million as at June 30, 2025 compared to €47.3 million as at December 31, 2024, representing an increase of €0.9 million.

2.4. Reconciliation of non-IFRS financial indicators

2.4.1. 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 six-month periods ended June 30, 2025 and 2024:

	Six-month period ended June 30,	
(in € millions)	**2025**	**2024**
Gross profit	**62.8**	**55.1**
License agreements non-recurring expenses	2.7	9.4
Adjusted gross profit	**65.6**	**64.5**

2.4.2. Adjusted EBITDA

Adjusted EBITDA corresponds to the operating income/(loss) adjusted for the non-recurring expenses excluded and presented above in Section 2.1.4.1. "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 six-month periods ended June 30, 2025 and 2024:

	Six-month period ended June 30,	
(in € millions)	**2025**	**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 provisions	2.2	1.8
Adjusted EBITDA	**2.1**	**(5.0)**

2.5. 2025 priorities and outlook

Deezer confirms its financial targets for FY25. On the revenue front, FY25 will be a year of consolidation with annual revenue expected flat to slightly declining year over year. Turning to profitability, given the strong improvements achieved in H1, Deezer confirms its ambition to achieve positive adjusted EBITDA in 2025 and positive free cash flow for the second year in a row.

3. Major risks and uncertainties

The principal risks and uncertainties to which the Group believes it is exposed are described in detail in Section 2.1 “Risk factors” of the 2024 URD. The 2024 URD was filed with the Autorité des marchés financiers (AMF) on April 30, 2025 under the number D.25-0343, and is available on the Company’s website (www.deezer-investors.com) and on the AMF’s website (www.amf-france.org).

The descriptions contained in the aforementioned section of the 2024 URD remain valid in all material respects at the date of the publication of this half-year financial report regarding the appreciation of the principal risks and uncertainties affecting the Group on June 30, 2025, or which the Company’s management expects could affect the Group during the remainder of 2025.

III. Consolidated financial statements

1. Interim condensed consolidated financial statements

1.1 Interim condensed consolidated income statements

(in thousands of euros)	Note	Six months ended June 30, 2025	2024
Revenue	**5**	**267,052**	**267,921**
Cost of revenue	5	(204,251)	(212,787)
Gross Profit		**62,801**	**55,134**
Product and development	6.1	(15,057)	(16,426)
Sales and marketing	6.1	(28,602)	(31,728)
General and administrative	6.1	(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	**7**	507	1,043
Loss before income tax		**(6,511)**	**(20,169)**
Income tax expense	8	(1,203)	760
Share of income 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)**
Of which attributable to non-controlling interests		**-**	**(141)**

(in thousands of euros)	Note	Six months ended June 30, 2025	2024
Net loss per share attributable to owners of the parent			
Basic	9	(0,06)	(0,16)
Diluted	9	(0,06)	(0,16)
Weighted-average ordinary shares			
Basic	9	123,613,344	121,637,681
Diluted	9	123,613,344	121,637,681

The accompanying notes form an integral part of these condensed consolidated financial statements

1.2 Interim condensed consolidated statements of comprehensive loss

	Note	Six months ended June 30, 2025	2024
Net loss for the period		**(7,556)**	**(19,410)**
Other comprehensive income/(loss):			
Items that may be subsequently reclassified to consolidated statement of operations (net of tax):			
Currency translation adjustments		*(344)*	1,382
Items not to be subsequently reclassified to consolidated statement of operations (net of tax):			
Actuarial gains and losses on defined benefit plans	**26**	-	-
Other comprehensive income/(loss) (net of tax)		**(344)**	**1,382**
Total comprehensive loss for the period		**(7,900)**	**(18,028)**
Of which attributable to owners of the parent		*(7,900)*	*(17,899)*
Of which attributable to non-controlling interests		-	*(129)*

The accompanying notes form an integral part of these financial statements

1.3 Interim condensed consolidated statements of financial position

(in thousands of €)	Note	June 30, 2025	December 31, 2024
Assets			
Non-current assets			
Goodwill	10	7,487	7,487
Intangible assets	10	377	444
Property and equipment	11	3,207	3,947
Right-of-use assets	12	13,161	15,039
Investments in equity affiliates	13	-	-
Non-current financial assets	14	5,293	5,473
Other non-current assets	15	668	668
Total non-current assets		**30,193**	**33,058**
Current assets			
Trade and other receivables	16	68,656	63,916
Other current assets	17	22,273	25,108
Cash and cash equivalents	25	59,804	62,056
Total current assets		**150,733**	**151,080**
Total assets		**180,926**	**184,138**
Equity and liabilities			
Equity			
Share capital	18	1,236	1,236
Share premium	18	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)**
Non-current liabilities			
Provision for employee benefits	26	779	697
Lease liabilities	12	9,083	12,593
Financial liabilities	25	4,375	8,359
Total non-current liabilities		**14,237**	**21,649**
Current liabilities			
Provisions	20	17,596	17,156
Lease liabilities	12	5,590	4,121
Financial liabilities	25	7,191	6,388
Trade payables and related accrued expenses	21	319,259	310,201
Tax and employee-related liabilities	22	29,581	27,792
Deferred revenue	24	35,660	37,449
Other liabilities	23	596	844
Total current liabilities		**415,473**	**403,951**
Total liabilities		**429,710**	**425,600**
Total equity and liabilities		**180,926**	**184,138**

The accompanying notes form an integral part of these financial statements

1.4 Interim condensed consolidated statements of changes in shareholders' equity

(in thousands of €, except share data)	Note	Number of shares	Share capital	Share premium	Treasury shares	Conversion reserve	Consolidated reserves	Total shareholders' equity - Group share	Non-controlling interests	Total shareholders' equity
Balance at January 1, 2024	**18**	**121,637,681**	**1,216**	**483,970**	**(363)**	**-**	**(711,745)**	**(226,922)**	**940**	**(225,982)**
Net loss		-	-	-	-	-	(19,268)	(19,268)	(141)	(19,409)
Other comprehensive income		-	-	-	-	1,370	-	1,370	12	1,382
Actuarial gains and losses on defined benefit plans	26	-	-	-	-	-	-	-	-	-
Total Comprehensive income						***1,370***	***(19,268)***	***(17,898)***	***(129)***	***(18,027)***
Issuance of ordinary shares granted to employees	18, 19	-	-	-	-	-	-	-	-	-
Combinaison between I2PO et Deezer	4	-	-	-	(10)	-	-	**(10)**	-	**(10)**
Treasury shares		-	-	-	-	-	-	-	-	-
Share-based payments (Including listing service cost)	19	-	-	-	-	-	8,017	**8,017**	-	**8,017**
Changes in the scope of consolidation	4	-	-	-	-	-	-	-	(811)	**(811)**
Other		-	-	-	-	-	-	-	-	-
Balance at June 30, 2024		**121,637,681**	**1,216**	**483,970**	**(373)**	**1,370**	**(722,996)**	**(236,813)**	**(0)**	**(236,813)**
Balance at January 1, 2025		**123,613,344**	**1,236**	**483,954**	**(353)**	**(2,068)**	**(724,235)**	**(241,462)**	**-**	**(241,462)**
Net loss		-	-	-	-	-	(7,556)	(7,556)	-	(7,556)
Other comprehensive income/loss		-	-	-	-	(344)	-	(344)	-	(344)
Total Comprehensive income		**-**	**-**	**-**	**-**	***(344)***	***(7,556)***	***(7,900)***	**-**	***(7,900)***
Treasury shares		-	-	-	(231)	-	-	**(231)**	-	**(231)**
Capital Increase		-	-	-	-	-	-	-	-	-
Share-based payement	19	-	-	-	-	-	808	808	-	808
Changes in the scope of consolidation		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Balance at June 30, 2025		**123,613,344**	**1,236**	**483,954**	**(584)**	**(2,412)**	**(730,983)**	**(248,785)**	**-**	**(248,785)**

The accompanying notes form an integral part of these financial statements

1.5 Interim condensed consolidated statements of cash flows

(in thousands of euros)

	Note	Six months ended June 30, 2025	2024
Operating activities			
Net loss		(7 556)	(19 410)
Adjustments for:		-	-
- Depreciation and amortization (excluding those related to current assets)	10,11,12	3 455	3 735
- Provisions	20, 26	510	1 413
- Share-based compensation expense	19	808	8 017
- Gains and losses on disposals		(132)	886
- Discounting profits and losses		11	8
- Net debt costs (including interest on lease liabilities)		(667)	(1 403)
- Income tax paid	8	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)
Cash flows from operating activities		**3 104**	**10 607**
Investing activities:			
Purchases of property and equipment and intangible assets	10,11	(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	14	337	457
Impact of changes in the scope of consolidation	13	-	(1 865)
Cash flows used in investing activities		**(112)**	**(2 945)**
Financing activities:			
Increase in share capital and share premium (net of costs)	18	-	-
Repayments on short-term debt	25	(3 179)	(3 913)
Repurchases of ordinary shares		(231)	(11)
Proceeds from issuance of long-term debt	25	-	-
Repayment of lease liabilities	12	(2 530)	(2 581)
Net interest paid (including finance leases)		665	1 398
Cash flows (used in)/from financing activities		**(5 275)**	**(5 107)**
Effect of foreign exchange rate changes on cash and cash equivalents		30	(1 086)
Change in cash position		**(2 253)**	**1 469**
Cash and cash equivalents at the beginning of the period	25	62 057	63 605
Cash and cash equivalents at the end of the period	25	59 804	65 075
Change in cash position		**(2 253)**	**1 470**

The accompanying notes form an integral part of these financial statements

2. Notes to the interim condensed consolidated financial statements

Note 1. Company information

(a) Company information

Deezer SA is a French Société Anonyme à Conseil d'Administration incorporated on May 4, 2021 and registered in France under number 898 969 852 R.C.S 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.

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).

(b) Events of the period

On January 15th, Deezer S.A, and Sacem, the world leader in collective management of creator's and publisher's rights, announced the adoption of the artist centric payment system (ACPS) for publishing rights on Deezer in France.

On February 7th, Deezer S.A sold Driift holding's shares to All Things Considered Services Ltd free from encumbrances and third party claims with full title guarantee (price: 1£ per share, £132.780). All Things Considered Services Ltd purchased from Deezer S.A the sale shares together with all rights and benefits attached or accruing to them as at completion.

On April 16th, Deezer is revealing new innovative features, matching the ever-evolving user behaviors of music fans. Deezer is on a mission to enable its users to express themselves and connect with others through music. Over the years, the streaming pioneer introduced essential features like Flow, SongCatcher, Music Quiz and My Deezer Year as well as exclusive fan events (Purple Door, Deezer Live Session).

On June 12th, the mandates of the following board members have been renewed:

- Mr Guillaume d'Hauteville, for a 4-year term;
- Ms Valérie Accary, for a 3-year term;
- Mr Hans-Holger Albrecht, for a 3-year term;
- Mr Stuart Bergen, for a 4-year term;
- Ms Ingrid Bojner, for a 4-year term;
- Ms Sophie Guieysse, for a 3-year term;
- Ms Mari Thjømøe, for a 4-year term.

On June 20th, Deezer has introduced the world's first AI tagging system for music streaming, clearly displaying which albums include fully AI generated tracks. The company recently announced the launch of its cutting-edge AI-Music detection tool, revealing that nearly one fifth (18%) of all music uploaded on a daily basis, more than 20,000 tracks, are 100% AI generated.

On June 23th, Deezer has launched Deezer Business, a service enabling businesses to legally play music and create engaging atmospheres in commercial spaces like shops, restaurants, hotels, cinemas, gyms and offices across France and internationally.

Note 2. Basis of preparation

Unless otherwise indicated, financial data are presented in thousands of euros without decimal. The amounts shown in the consolidated statement of financial position, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows and the tables presented in the notes to the consolidated financial statements may not always correspond to the calculated sum of the respective items due to rounding differences.

The interim condensed consolidated financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting", a standard within the IFRS (International Financial Reporting Standards), as endorsed by the European Union, which provides for the presentation of selected explanatory notes. They do not include all the information required for complete annual financial statements and should be read in conjunction with the Group financial statements for the fiscal year ended December 31st, 2024.

They were approved by the Board of Directors on July 30th, 2025, after the completion of the limited review by the Company's statutory auditors.

The interim condensed consolidated financial statements are presented in thousands of euros.

On July 30th, 2025, the Board of Directors have 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 preparation of these interim condensed consolidated financial statements. For this reason, the Group continues to adopt the going concern as a basis in preparing the financial statements.

(i) New and amended standards and interpretations 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 standards and methods applied in the half-year financial statements are similar to those applied by the Group in the consolidated financial statements at December 31st, 2024, with the exception of the standards, amendments and interpretations adopted by the European Union, applicable from January 1st, 2025, and described below:

- Amendments to IAS 7 and IFRS 7: "Supplier Finance Arrangements"
- 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 IFRS 16: "Lease Liability in a Sale and Leaseback".

These standards do not have a material impact on the Group's half-year consolidated financial statements as of June 30th, 2025.

(ii) New standards and interpretations issued not yet effective

Newly published IFRS standards, amendments and interpretations published with mandatory application for accounting periods beginning after January 1st, 2025, and not early adopted by the Group, which may have an impact on its consolidated financial statements are as follows:

- Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability";
- Amendments to IFRS 9 and IFRS 7 "Classification and Measurement of Financial Instruments" (*);
- Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7 arising from "Annual Improvements Volume 11" (*);
- Amendments to IFRS 9 and IFRS 7: "Contracts Referencing Naturedependent Electricity" (*);
- IFRS 18 Presentation and Disclosure in Financial Statements (*);
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (*).

(*) Standard not yet adopted by the European Union.

Note 3. Critical accounting estimates and judgments

(a) Use of estimates and judgment

The preparation of consolidated financial statements requires management to make judgments and estimates and apply assumptions that can affect the carrying amounts of assets, liabilities, income and expenses, as well as the information presented in the accompanying notes. Actual reported values may differ from the accounting estimates made.

Except as noted below, in preparing these interim condensed consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the consolidated financial statements for the year ended December 31st, 2024.

(b) Specific disclosure requirements for interim condensed consolidated financial statements

(i) *Seasonality of operations*

Company's operations are not subject to material seasonal fluctuations.

(ii) *Income tax*

Income tax is recognized in the consolidated financial statements for each interim period. The amount corresponds to a best estimate calculated by applying the expected weighted average tax rate for the entire year.

Income tax expense is recognized based on management's estimate of the weighted average effective annual income tax rate expected for the full financial year. For both six-month periods ended June 30th, 2024 and 2025, the effective tax rate estimated by management was nil.

Note 4. Changes in scope of consolidation

On February 7th, Deezer S.A sold Driift holding's shares to All Things Considered Services Ltd free from encumbrances and third party claims with full title guarantee (price: 1£ per share, £132.780).

All Things Considered Services Ltd purchased from Deezer S.A the sale shares together with all rights and benefits attached or accruing to them as at completion.

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: 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.

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.

		Revenue	Cost of revenue	Gross Profit
		(in € thousands)		
Six month ended June 30, 2025	Direct	173,586	(129,370)	44,216
	Partnerships	76,515	(61,394)	15,120
	Other	16,951	(10,760)	6,191
	Total adjusted	**267,052**	**(201,525)**	**65,527**
	Adjustments	-	(2,726)	(2,726)
	Total consolidated	**267,052**	**(204,251)**	**62,801**
Six month ended June 30, 2024	Direct	171,490	(127,435)	44,055
	Partnerships	86,855	(67,680)	19,176
	Other	9,576	(8,270)	1,307
	Total adjusted	**267,921**	**(203,384)**	**64,537**
	Adjustments	-	(9,403)	(9,403)
	Total consolidated	**267,921**	**(212,787)**	**55,134**

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 license 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:

	Six month ended June 30, 2025	2024
	(in € thousands)	
France	160,187	154,029
Rest of the world	106,866	113,892
	267,053	**267,921**

Note 6. Operating expenses

6.1 Expenses per nature

Costs by nature comprise the following items:

Six month ended June 30, 2025

(in € thousands)	Product and Development	Sales and Marketing	General and Administrative	Total
Employee costs	(12,531)	(8,695)	(11,316)	**(32,543)**
External expenses	(1,129)	(720)	(9,606)	**(11,454)**
Marketing costs	-	(18,955)	-	**(18,955)**
Miscellaneous taxes	(195)	(109)	(3,107)	**(3,412)**
Amortization	(1,202)	(123)	(2,130)	**(3,455)**
	(15,057)	**(28,602)**	**(26,159)**	**(69,819)**

Six month ended June 30, 2024

(in € thousands)	Product and Development	Sales and Marketing	General and Administrative	Total
Employee costs	(13,688)	(9,139)	(12,180)	**(35,007)**
External expenses	(1,057)	(786)	(9,883)	**(11,726)**
Marketing costs	-	(21,610)	-	**(21,610)**
Miscellaneous taxes	(200)	(109)	(3,959)	**(4,268)**
Amortization	(1,481)	(84)	(2,170)	**(3,735)**
	(16,426)	**(31,728)**	**(28,192)**	**(76,346)**

6.2 Personnel expenses

Employee costs per nature breaks down as follows:

(in € thousands)	Six month ended June 30, 2025	2024
Wages and salaries	(22,476)	(23,707)
Social costs	(9,188)	(10,205)
Share-based compensation	(808)	(1,046)
Employee retirement benefits costs	(70)	(62)
	(32,543)	**(35,019)**
Average headcount	**544**	**585**

Note 7. Net finance costs

(in € thousands)	Six month ended June 30, 2025	2024
Interest from short-term security deposits	1,474	2,317
Foreign exchange gain	53	419
Fair value adjustment of financial liabilities (BSAR)	-	-
Other	-	(496)
Finance income	**1,527**	**2,239**
Interest on financial liabilities	(86)	(164)
Interest on lease liabilities	(198)	(249)
Foreign exchange loss	(669)	(790)
Discounting charges	(11)	(8)
Other	(57)	15
Finance costs	**(1,021)**	**(1,197)**
Financial result - Net	**507**	**1,042**
Net interest paid (including finance leases)	665	1,398

The decrease of the interest income from short-term security deposits is related to the decrease of the amounts invested in the interest-bearing bank accounts (see note 25).

Note 8. Income tax expense

(in € thousands)	Six month ended June 30, 2025	2024
Current tax expense	(1,203)	760
Income tax expense	**(1,203)**	**760**

The tax charge mainly comprises the withholding tax on the payment of invoices from Brazil.

Note 9. 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:

	Six month ended June 30,	
(in € thousands, except share and per share data)	**2025**	**2024**
Basic loss per share		
Net loss attributable to owners of the parent	(7 556)	(19 268)
Shares used in computation:		
Weighted-average shares outstanding	123 613 344	121 637 681
Basic net loss per share attributable to owners of the parent	**(0,06)**	**(0,16)**
Diluted loss per share		
Net loss attributable to owners of the parent	(7 556)	(19 268)
Shares used in computation:		
Weighted-average shares outstanding	123 613 344	121 637 681
Diluted weighted average ordinary shares	**123 613 344**	**121 637 681**
Diluted net loss per share attributable to owners of the parent	**(0,06)**	**(0,16)**

Potential dilutive securities that were not included in the diluted per share calculations because they would be anti-dilutive were as follows:

	2025	**2024**
Free shares	4,536,647	4,283,620
Stock-options	28,254,695	28,674,820
Warrants	647,410	647,410
	33,438,752	**33,605,850**

Note 10. 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, 2024	**8,771**	**1,441**	**7,140**	**8,924**	**-**	**26,276**	**15,097**	**41,373**
Additions	802	-	-	-	-	802	-	802
Reclassification	-	-	-	-	-	-	-	-
Exchange differences	1	-	-	-	-	1	274	275
Scope variation (Exit)	-	-	-	-	-	-	(7,885)	(7,885)
At December 31, 2024	**9,573**	**1,441**	**7,140**	**8,924**	**-**	**27,077**	**7,487**	**34,565**
Additions	189	-	-	-	-	189	-	189
Reclassification	-	-	-	-	-	-	-	-
Exchange differences	(3)	-	-	-	-	(3)	-	(3)
Scope variation (Exit)	-	-	-	-	-	-	-	-
At June 30, 2025	**9,759**	**1,441**	**7,140**	**8,924**	**-**	**27,263**	**7,487**	**34,751**
Accumulated amortization								
At January 1, 2024	**(8,512)**	**(1,441)**	**(7,140)**	**(8,924)**	**-**	**(26,018)**	**(7,610)**	**(33,628)**
Amortization charge	(619)	-	-	-	-	(619)	-	(619)
Exchange differences	(1)	-	-	-	-	(1)	(274)	(275)
Scope variation (Exit)	-	-	-	-	-	-	7,885	7,885
At December 31, 2024	**(9,131)**	**(1,441)**	**(7,140)**	**(8,924)**	**-**	**(26,637)**	**-**	**(26,637)**
Amortization charge	(256)	-	-	-	-	(256)	-	(256)
Exchange differences	3	-	-	-	-	3	-	3
Scope variation (Exit)	-	-	-	-	-	-	-	-
At June 30, 2025	**(9,385)**	**(1,441)**	**(7,140)**	**(8,924)**	**-**	**(26,891)**	**-**	**(26,891)**
Costs, net accumulated amortization								
At December 31, 2024	**442**	-	-	-	-	**442**	**7,487**	**7,929**
At June 30, 2025	**375**	**-**	**-**	**-**	**-**	**375**	**7,487**	**7,862**

Goodwill breaks down as follows:

(in € thousands)	Magic Internet Musik GmbH	Dreamstage Inc.	Driift Holdings Limited	Total Group
At January 1, 2025	**7,487**	-	-	**7,487**
Additions	-	-	-	-
Impairment	-	-	-	-
Exchange differences	-	-	-	-
At June 30, 2025	**7,487**	-	-	**7,487**

The €7,487 thousands goodwill arose from the acquisition of Magic Internet Musik GmbH from the ProSieben media group in August 2014 and is related to business in Germany.

No impairment test was necessary as at June 30, 2025 as there was no indication of impairment for the Company.

Note 11. 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, 2024	**11,002**	**3,534**	**4,419**	**77**	**19,034**
Scope variation	-	-	-	-	-
Additions	677	350	190	22	1,239
Disposals - Write offs	(360)	(699)	(1,169)	-	(2,228)
Reclassification	-	36	-	(36)	-
Exchange differences	(10)	(27)	(34)	(2)	(73)
At December 31, 2024	**11,310**	**3,194**	**3,405**	**60**	**17,972**
Scope variation	-	-	-	-	-
Additions	65	95	23	16	199
Disposals - Write offs	(5,705)	(155)	-	-	(5,860)
Reclassification	-	2	-	(2)	-
Exchange differences	(1)	(6)	(4)	0	(11)
At June 30, 2025	**5,668**	**3,130**	**3,424**	**73**	**12,299**
Accumulated amortization					
At January 1, 2024	**(8,803)**	**(2,911)**	**(2,407)**	-	**(14,120)**
Depreciation charge	(1,264)	(391)	(482)	-	(2,137)
Disposals - Write-offs	359	699	1,144	-	2,202
Exchange differences	1	22	6	-	29
At December 31, 2024	**(9,707)**	**(2,580)**	**(1,740)**	-	**(14,024)**
Depreciation charge	(432)	(172)	(228)	-	(833)
Disposals - Write-offs	5,601	155	-	-	5,756
Exchange differences	1	5	5	-	12
At June 30, 2025	**(4,536)**	**(2,592)**	**(1,963)**	-	**(9,090)**
Costs, net accumulated amortization					
At December 31, 2024	**1,603**	**613**	**1,664**	**60**	**3,947**
At June 30, 2025	**1,132**	**538**	**1,460**	**73**	**3,209**

The table below details the cash flow impact of the purchases of property and equipment and intangible assets:

(in € thousands)	**2025**	**2024**
Intangible asset additions/disposals	(260)	(626)
Tangible asset additions/disposals	(265)	(1,189)
Purchases of property and equipment and intangible assets - Cash flow impact	**(526)**	**(1,814)**

Note 12. 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, 2024	**33,825**
New or amended leases	3,209
Leases expired or early terminated	(2,501)
Exchange differences	-
At December 31, 2024	**34,533**
New or amended leases	488
Leases expired or early terminated	-
Exchange differences	-
At June 30, 2025	**35,021**
Accumulated depreciation	-
At January 1, 2024	**(17,089)**
Depreciation charge	(4,674)
Leases expired or early terminated	2,269
Exchange differences	-
At December 31, 2024	**(19,494)**
Depreciation charge	(2,366)
Leases expired or early terminated	-
Exchange differences	-
At June 30, 2025	**(21,859)**
Cost, net accumulated depreciation	-
At December 31, 2024	**15,039**
At June 30, 2025	**13,162**

The below roll-forward shows the variation of lease liabilities:

Lease liabilities *(in € thousands)*	**2025**
At january 1	**16,714**
New or amended leases	488
Repayment of leases *	(2,728)
Reclassification	-
Leases early terminated *	-
Interest *	198
Exchange differences	-
At June 30	**14,673**
Current lease liabilities	5,590
Non-current lease liabilities	9,083

** Included within the consolidated statement of cash flows*

Below is the maturity analysis of lease liabilities:

Lease liabilities **Maturity analysis** (in € thousands)	**At June 30, 2025**
Less than one year	5,590
One to five years	9,083
More than five years	-
Total lease liabilities	**14,673**
Current lease liabilities	5,590
Non-current lease liabilities	9,083
Total lease liabilities	**14,673**

Note 13. Investments in equity affiliates

Drift Holdings Limited has been accounted for under the equity method in the Company's financial statements since March 6, 2024 until February 7th, 2025 date on which Deezer S.A sold Driift holding's shares to All Things Considered Services Ltd free (see note 1).

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)	**June 30, 2025**	**December 31, 2024**
Deposits	3,874	4,055
Guarantees	1,419	1,419
	5,293	**5,473**

Note 15. Other non-current assets

Other non-current assets correspond to advance payments made mainly to some rights holders, in respect of license agreements.

(in € thousands)	**June 30, 2025**	**December 31, 2024**
R&D tax receivables	668	668
Advance payments on royalties	-	-
Provision for impairment of above assets	-	-
	668	**668**

The amount of €668 thousands corresponds to the tax credit amount for the fiscal year 2023.

Note 16. Trade and other receivables

(in € thousands)	June 30, 2025	December 31, 2024
Trade receivables	38,756	40,747
Less: allowance for expected credit losses	(879)	(886)
Trade receivables - net	37,876	39,861
Unbilled revenue	30,779	24,055
	68,655	**63,916**

The ageing of the Group's net trade receivables is as follows:

(in € thousands)	June 30, 2025	December 31, 2024
Current	16,972	12,068
Overdue 1 - 30 days	12,141	15,429
Overdue 31 - 60 days	1,404	8,460
Overdue 61 - 90 days	2,858	342
Overdue more than 90 days	4,501	3,562
	37,876	**39,861**

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 movements in the Group's allowance for expected credit losses are as follows:

(in € thousands)	2025	2024
At January 1	**(886)**	**(1,357)**
Provision for impairement	-	(333)
Reversal of unutilized provisions	-	734
Receivables writen off	-	73
Exchange differences	7	(3)
At June 30	**(879)**	**(886)**

Note 17. Other current assets

(in € thousands)	June 30, 2025	December 31, 2024
Trade payables - Advance payments	11,137	9,891
Trade payables - Credit notes to be received	492	209
Employees and social contributions	1,435	65
State and local authorities	6,841	7,664
Sundry debtors	977	6,085
Prepaid expenses	2,405	2,208
Other current assets - Gross	**23,285**	**26,121**
Provision for impairment	(1,012)	(1,012)
Other current assets - Net	**22,272**	**25,109**

Below is the detail of the current receivables from state and local authorities:

(in € thousands)	**June 30, 2025**	**December 31, 2024**
Deductible VAT on purchases made in France and abroad	4,597	4,364
Tax receivables relating to research and development	992	992
Whitholding tax receivables	1,214	943
Other	38	1,365
State and local authorities	**6,841**	**7,664**

Research and development tax receivables for the 2021 financial year (€467k) and the 2022 financial year (€525k) were assigned at the end of 2024.

The provision for impairment of other current assets is detailed below:

(in € thousands)	**2025**	**2,024**
At january 1	**(1,012)**	**(936)**
Provision for impairement	-	(343)
Reversal for unused provision	-	267
Other current assets written off	-	(1)
At June 30	**(1,012)**	**(1,012)**

Note 18. Share capital and share premium

As at June 30, 2025, the Company's share capital is divided into 123 613 344 shares, each with a par value of € 0.01.

The Company's share capital is divided in the following classes as June 30, 2025:

(in number of shares)	June 30, 2025	December 31, 2024
Ordinary shares	119,030,010	119,030,010
Class A2 preferred shares	2,291,667	2,291,667
Class A3 preferred shares	2,291,667	2,291,667
	123,613,344	**123,613,344**

The below table shows the variations in number of shares for six-month periods ended:

	2025	2024
At January 1	**123,613,344**	121,637,681
Ordinary shares issued from the vesting of free shares	-	739,656
Ordinary shares issued from the exercise of warrants	-	1,236,007
At June 30, 2025	**123,613,344**	**123,613,344**

During the six months ended June 30, 2025, the Company did not issue ordinary shares as a result of the acquisition of free shares granted to certain officers or employees of the Group.

During the six months ended June 30, 2025, the Company did not issue new ordinary shares as a result of the exercise of BSAR A or B.

No dividends were proposed or paid in 2024 or 2025.

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. Share-based payments

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.

Free share plans implemented by Deezer S.A.

Deezer S.A. granted free shares to certain employees od officers of the Group.

At December 31, 2024, 911,128 free shares definitively acquired under the 2017, 2019 and 2021 plans had not been delivered.

Free share plans implemented by the Company

After the Merger completed on July 5th 2022, the Company granted free shares to the employees and officers of the Group in 2022, 2023 and 2024.

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;
- Two additional free shares Plan in 2024
- One additional free shares Plan in 2025

These plans are subject to performance conditions defined on a yearly basis (1st Jan – 31st Dec) 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 free share plan	2024 free share plan	2025 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	13/03/2024 02/09/2024	
Number of shares granted	552,000	477,250	908,880	1,383,600	1,773,600	
Outstanding at January 1, 2022	-	-	-	-	-	-
Granted	552,000	477,250	908,880	-	-	-
Definitively acquired	-	-	-	-	-	-
Lapsed	(68,000)	-	-	-	-	-
Outstanding at January 1, 2023	**484,000**	**477,250**	**908,880**	-	-	-
Granted	-	- -		1,383,600	-	-
Definitively acquired	-	-	-	-	-	-
Lapsed	(66,008)	-	(96,720)	(50,400)	-	-
Outstanding at December 31, 2023	**417,992**	**477,250**	**812,160**	**1,333,200**	-	-
Granted	-	-	-	-	1,773,600	-
Definitively acquired	(263,797)	(174,312)	(375,847)	-	-	-
Lapsed	(44,309)	(192,938)	(268,265)	(240,000)	(126,000)	-
Outstanding at December 31, 2024	**109,886**	**110,000**	**168,048**	**1,093,200**	**1,647,600**	-
Granted	-	-	-	-	-	2,100,768
Definitively acquired	-	-	-	-	-	-
Lapsed	(2,392)	-	(112,968)	(355,282)	(222,213)	-
Outstanding at June 30, 2025	**107,494**	**110,000**	**55,080**	**737,918**	**1,425,387**	**2,100,768**
Key assumptions used in the fair value						
Value per share (in €)	4,59	4,59	4,59	Between 1.45 and 2.47 depending of the grant dates	Between 1.82 and 2.05 depending of the grant dates	1,49
Employee turnover rate	25%	7%	7%	7%	7%	7%
Vesting condition			Performance condition in 2022, 2023 and 2024 and continued presence during 3 years after the grant date.	Performance condition in 2023, 2024 and 2025 and continued presence during 3 years after the grant date.	Performance condition in 2024, 2025 and 2026 and continued presence during 3 years after the grant date.	Performance condition in 2025, 2026 and 2027 and continued presence during 3 years after the grant date.

Warrants issued by Deezer S.A.

Deezer S.A. issued equity warrants to the benefit of certain of its commercial partners and directors.

Movements in warrants outstanding and related information is as follows:

Plans	**Warrants H**	**Warrants 2017**	**Warrants 2021**
Shareholder's meeting date	30/06/2017	23/12/2016	30/06/2020
Board members' meeting date	-	09/02/2017	24/02/2021
Expiry date	30/06/2027	30/11/2026	31/12/2030
Number of warrants granted	712,404	6,845	6,000
Outstanding at January 1, 2023	**17,319**	**6,845**	**6,000**
Granted	-	-	-
Lapsed	-	-	-
Outstanding at December 31, 2023	**17,319**	**6,845**	**6,000**
Granted	-	-	-
Lapsed	-	-	-
Outstanding at December 31, 2024	**17,319**	**6,845**	**6,000**
Exercised	-	-	-
Granted	-	-	-
Lapsed	-	-	-
Définitely acquired	-	-	-
Outstanding at June 30, 2025	**17,319**	**6,845**	**6,000**
Subscription price (in €)	0,01	0,01	3,98
Exercice price (in €)	14,61	14,61	39,75
Maximum share capital increase (in €, as at grant date)	7,124,00	68,00	60,00

Vesting condition

Plans	**Warrants H**	**Warrants 2017**	**Warrants 2021**
Volatility	35,60%	35,9% to 41,0%	35,7% to 37,0%
Risk-free rate	0,26%	0,05% to 0,46%	-0,69% to -0,62%
Expected maturity (years)	6,59	5,31 to 6,81	5,05 to 5,61
Turnover rate	0,00%	0,00%	0,00%
Dividend yield	0,00%	0,00%	0,00%
Illiquidity discount rate	0,00%	0,00%	0,00%

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, 2024	**659,130**	**27,498,701**
Granted	-	-
Exercised	-	-
Outstanding at December 31, 2024	**659,130**	**27,498,701**
Granted	-	-
Exercised	-	-
Outstanding at June 30, 2025	**659,130**	**27,498,701**
Subscription price (in euros)	0,00	0,00
Fair value at the completion date of the Business Combination (in euros)	0,17	0,17
Exercise price (in euros)	11,50	11,50
Maximum share capital increase (in euros) (as at grant date)	2,832	118,158

* Five years from the completion date of Business Merger

** Five years from the completion date of the Business Merger*

The expense recognized in the consolidated income statement for share-based payments is as follows:

	Six months ended June 30,	
(in € thousands)	2025	2024
Product and development	139	155
Sales and marketing	118	155
General and administrative	551	735
Sub-Total / Free shares	**808**	**1,045**
Cost of revenue	-	6,971
Product and development	-	-
Sales and marketing	-	-
General and administrative	-	-
Sub-Total / Warrants	-	**6,971**
Product and development	-	-
Sales and marketing	-	-
General and administrative	-	-
Sub-Total / Stock-options	-	-
Total	**808**	**8,089**

Note 20. Provisions for risks

(in € thousands)	Legal contingencies	Indirect tax	Other	Total
Carrying amount at January 1, 2025	**2,868**	**5,453**	**8,835**	**17,156**
Charged/(credited) to the consolidated statement of operations:	-	-	-	-
Additional provisions	350	496	**392**	**1,238**
Reversal of unutilized amounts	-	(159)	**(15)**	**(174)**
Exchange differences	-	-	-	-
Reclassification	-	-	-	-
Utilized	(624)	-	-	**(624)**
Carrying amount at June 30, 2025	**2,594**	**5,790**	**9,212**	**17,596**
As at June 30, 2025	-	-	-	-
Current portion	*2,594*	*5,790*	*9,212*	*17,596*

(i) *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.

(ii) *Tax*

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.

(iii) *Other*

Other provisions relate to provision for commercial litigations of the Group and unrealized foreign exchange losses.

Note 21. Trade payables and related accrued expenses

(in € thousands)	**June 30, 2025**	**December 31, 2024**
Trade payables	7,996	12,134
Trade accrued expenses	311,262	298,066
	319,258	**310,200**

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)	**June 30, 2025**	**December 31, 2024**
Marketing, General & Administrative and Other	1,687	5,116
Royalties	6,309	7,018
	7,996	**12,134**

Trade accrued expenses are detailed below:

(in € thousands)	**June 30, 2025**	**December 31, 2024**
Marketing, General & Administrative and Other	25,509	23,468
Royalties	285,752	274,598
	311,262	**298,066**

Royalties accrued expenses relate to fees payable to rights holders. These amounts are reflective of the level of activity of the Company.

Note 22. Tax and employee-related liabilities

(in € thousands)	June 30, 2025	December 31, 2024
Employee-related liabilities	4,747	5,728
Social contribution liabilities	4,213	5,517
State, revenue taxes payable	16,659	12,276
Other similar taxes and levies payable	3,853	4,188
Current income tax payable	108	81
	29,581	**27,791**

Note 23. Other liabilities

(in € thousands)	June 30, 2025	December 31, 2024
Trade receivables - Credit notes to be issued	378	665
Trade receivables with credit balances	209	0
Sundry creditors	(96)	(64)
Trade payables in relation to fixed-assets	104	243
	596	**844**

All other liabilities are due within a year.

Note 24. Deferred revenue

(in € thousands)	June 30, 2025	December 31, 2024
Deferred revenue	35,660	37,449
	35,660	**37,449**

The decrease 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. Financial risk management and financial instruments

Financial risk management

Through its business activities, the Group is exposed to various types of financial risk: financial risk, credit risk and liquidity risk.

The financial risk and the credit risk are the same as those described in the consolidated financial statements prepared in accordance with IFRS for the year ended December 31, 2024, with the exception of the liquidity risk described below.

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 considers the maturities of financial assets and financial liabilities and estimates of cash flows from operations.

The Group has a positive net cash position at June 30, 2025 and December 31, 2024:

(in € thousands)	**June 30, 2025**	**December 31, 2024**
Interest bearing bank accounts	4,395	13,450
Cash at bank and at hand	55,409	48,605
Cash and cash equivalents	**59,804**	**62,056**

Non-current and current financial liabilities are detailed below:

(in € thousands)	**June 30, 2025**	**December 31, 2024**
A BSARs and B BSARs	14	14
State-guaranteed loans	4,361	8,345
Financial liabilities - non current	**4,375**	**8,359**
State-guaranteed loans and other	6,379	5,574
Accrued interests on state-guaranteed loans	19	21
BPI Loans	793	793
Financial liabilities - current	**7,190**	**6,388**

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 June 30, 2024 (€ 0,0005).

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.

BPI loans

In October 22, 2024, the Company obtained loans from BPI of respectively €373 thousands and €420 thousands.

Those loans have been secured by transferring R&D tax credit receivables to BPI for respectively €467 thousands for 2021 R&D tax credit and €525 thousands for 2022 R&D tax credit.

The ageing of the Group's financial liabilities are as follows:

Maturity analysis (in € thousands)	**June 30, 2025**	**December 31, 2024**
Less than one year	7,190	6,388
One to five years	4,375	8,359
Total financial liabilities	**11,565**	**14,747**
Current financial liabilities	7,190	6,388
Non-current financial liabilities	4,375	8,359
Total financial liabilities	**11,565**	**14,747**

Note 26. 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:

	June 30, 2025	**December 31, 2024**
Collective agreement applied	SYNTEC	SYNTEC
Salary increase rate	3% for all years	3% for all years
Annual discount rate	3,15%	3,15%
Social contribution rate	45,00%	45,00%
Retirement age	64 years	64 years
Mortality table	Ined 18-20	Ined 18-20
Average turnover rate	12 % (nil from 55 years old)	12 % (nil from 55 years old)

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 December 31, 2024	**698**
Interest cost	-
Service Costs	70
Actuarial gains	11
Carrying amount at June 30, 2025	**779**

Note 27. Commitments and contingencies

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 use of access of licensed content, as at June 30, 2025 and December 31, 2024:

(in € thousands)	June 30, 2025	December 31, 2024
No later than one year	40,002	40,105
Later than one year but not more than 5 years	39,094	54,941
	79,096	**95,046**

The Group is also subject to the following minimum guarantees to receive from its distribution partners, as at June 30, 2025 and December 31, 2024:

(in € thousands)	June 30, 2025	December 31, 2024
No later than one year	31,318	41,584
Later than one year but not more than 5 years	64,943	74,181
	96,261	**115,765**

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. Events after the reporting period

On July 1st, Deezer renewed its lease for its Corporate headquarter located rue de Calais for an additional 6 years.

IV. Statutory auditors' report on the interim condensed consolidated financial statements

For the period from January 1 to June 30, 2025

Statutory auditors' review report on the interim financial information

To the Shareholders,

In compliance with the assignment entrusted to us by your Articles of Association and your Annual General Meeting and in accordance with the requirements of Article L. 451-1-2 III of the French Monetary and Financial Code (Code Monétaire et Financier), we hereby report to you on:

- the review of the accompanying condensed Interim consolidated financial statements of Deezer, for the period from January 1 to June 30, 2025,
- the verification of the information presented in the half-yearly management report.

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

1. Conclusion on the financial statements

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

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

2. Specific verification

We have also verified the information presented in the half-yearly management report on the condensed interim consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the condensed interim consolidated financial statements.

Neuilly-sur-Seine, Levallois-Perret and Paris-La Défense, July 30, 2025

The statutory auditors

GRANT THORNTON	FORVIS MAZARS	ERNST & YOUNG Audit
French member of Grant Thornton International		
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632 013 843 R.C.S. Nanterre	au capital de € 8 320 000	S.A.S. à capital variable
	784 824 153 R.C.S. Nanterre	344 366 315 R.C.S. Nanterre
Commissaire aux Comptes	Commissaire aux Comptes	Commissaire aux Comptes
Membre de la compagnie	Membre de la compagnie	Membre de la compagnie
Régionale de Versailles et du Centre	Régionale de Versailles et du Centre	Régionale de Versailles et du Centre
Laurent Bouby	Erwan Candau	Frédéric Martineau

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