



UNIVERSAL MUSIC GROUP

ADVERTISEMENT. This announcement is an advertisement for the purposes of Regulation (EU) 2017/1129, as amended (the “Prospectus Regulation”) relating to the intention of the Company to proceed with the Admission (as defined below). This announcement does not constitute or form part of a prospectus within the meaning of the Prospectus Regulation and has not been reviewed nor approved by any regulatory or supervisory authority in any jurisdiction, including any member state of the European Economic Area (each, an “EEA Member”), the United Kingdom and the United States. This announcement is for information purposes only and is not intended to constitute, and should not be construed as, an offer by or invitation by or on behalf of, the Company, Vivendi SE (“Vivendi”), any of their advisors or any representative of the Company or Vivendi or any of their advisors, to purchase any securities or an offer to sell or issue, or the solicitation to buy securities by any person in any jurisdiction, including any EEA Member, the United Kingdom or the United States. The approval of the Prospectus (as defined below) by the Netherlands Authority for the Financial Markets (*Autoriteit Financiële Markten*, the “AFM”) should not be understood as an endorsement of the quality of the Shares (as defined below) and the Company.

Press release, September 14, 2021

Universal Music Group B.V. announces publication of the Prospectus

Universal Music Group B.V. (which shall be converted into a Dutch public company (*naamloze vennootschap* or N.V.)) (the “Company”) today announces the publication of the prospectus (the “Prospectus”) in connection with the intended admission to trading and official listing of its shares (“Shares”) on the regulated market of Euronext Amsterdam (“Admission”) in the context of the announced intended distribution by Vivendi of up to 60% of Vivendi’s stake in the Company to Vivendi’s shareholders by way of a distribution in kind (the “Distribution”). Listing of and first trading on an ‘as-if-and-when-delivered’ basis in the Shares on Euronext Amsterdam under symbol UMG is currently expected to commence on September 21, 2021 (the “First Trading Date”).

The Dutch Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) has approved the Prospectus. The technical reference price for the Shares is expected to be announced on September 20, 2021 through issuance of a notice by Euronext Amsterdam after market close on Euronext Amsterdam. The Prospectus is available on the websites of the Company (<https://investors.universalmusic.com>) and Vivendi (www.vivendi.com).

Anticipated timetable

Subject to acceleration or extension, the timetable below lists the expected key dates for the Admission and the Distribution:

- Resolution of Vivendi’s management board to distribute a special interim dividend in kind on September 14, 2021.
- Euronext Amsterdam notice announcing the Reference Price for the Shares on September 20, 2021.
- Commencement of trading on ‘as-if-and-when-delivered’ basis.
- Distribution ex-date in respect of Distribution of Distribution Shares on September 21, 2021.
- Admission on September 21, 2021.
- Distribution Record Date in respect of Distribution of the Distribution Shares on September 22, 2021.



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- Payment of the Distribution (delivery and book-entry of the Distribution Shares allocated pursuant to the Distribution) on September 23, 2021.
- Settlement of the Distribution on September 23, 2021.

Company highlights

- The Company and its group (collectively, “UMG”) is a world leader in music entertainment, focused on the discovery and development of artists and songwriters and the marketing, promotion, distribution, sales and licensing of audio and audio-visual content. Led by the Company’s Chairman and Chief Executive Officer Sir Lucian Grainge, the executives at UMG are some of the most experienced, creative and highly entrepreneurial in the history of the music industry, with an unmatched track record of artist success. UMG has strengthened the performance of its labels even in a highly competitive market, through its creative expertise, its vast and deep networks in the artist community and by evolving and enhancing its process of identifying and developing artists through its world-class data and analytics capabilities. As a result, UMG’s recordings and artists regularly top the charts. In 2020, key achievements of UMG and its artists included: (i) four of the Top 5 artists of the year on Spotify globally (Drake, J Balvin, Juice WRLD and The Weeknd); (ii) Artist and Songwriter of the Year on Apple Music (Lil Baby and Taylor Swift); and (iii) All ten of the Top 10 global artists according to IFPI (with one of the Top 10 artists, UMG had only a portion of the rights).
- The Company believes that it has the most comprehensive catalog of recorded music in the world. UMG’s recorded music catalog of more than three million recordings includes a wide array of timeless performers such as ABBA, Louis Armstrong, The Beatles, The Beach Boys, The Bee Gees, Andrea Bocelli, James Brown, Bon Jovi, Neil Diamond, Marvin Gaye, Guns N’ Roses, Elton John, Bob Marley, Paul McCartney, Nirvana, Luciano Pavarotti, Queen, The Rolling Stones, Frank Sinatra, U2, Amy Winehouse and Stevie Wonder, as well as many of the biggest artists today, such as J Balvin, Justin Bieber, Luke Bryan, Lewis Capaldi, J. Cole, Daddy Yankee, Drake, Billie Eilish, Eminem, Selena Gomez, Ariana Grande, Imagine Dragons, Lady Gaga, Kendrick Lamar, Lang Lang, Post Malone, Shawn Mendes, Kacey Musgraves, Katy Perry, Gregory Porter, Olivia Rodrigo, Sam Smith, Taylor Swift, Carrie Underwood, Keith Urban and The Weeknd. The Company’s recorded music digital and physical revenue for the year ended December 31, 2020, included 54% from catalog releases (defined as content older than three years), reinforcing the strength of the Company’s recorded music catalog and furthering ongoing monetization potential.
- UMG includes one of the world’s largest and fastest-growing major music publishing companies, Universal Music Publishing Group (“UMPG”). UMPG controls the publishing rights to a global catalog containing close to four million owned and administered compositions, including several of the world’s most popular songs. Major songwriters whose works are part of UMPG’s catalog include ABBA, The Beach Boys, Beastie Boys, The Bee Gees, Irving Berlin, Leonard Bernstein, Justin Bieber, Benny Blanco, Mariah Carey, Coldplay, Neil Diamond, Dua Lipa, Bob Dylan, Billie Eilish, Eminem, Future, Billy Joel, Elton John/Bernie Taupin, Alicia Keys, Kendrick Lamar, Dave Matthews, Pearl Jam, Post Malone, Britney Spears, Harry Styles, Taylor Swift, Justin Timberlake, U2 and many more.
- From 2018 to 2020, the Company grew revenues by 23%, driven by strong chart performance and focused effort to expand catalog sales, as well as positive industry trends and notably the growing penetration of digital streaming across the globe. Over the same period, the Company grew EBITDA by 52%, which has led to margin expansion of 3.7 percentage points. Further, the continued growth of paid subscription streaming revenue provides the Company with more predictable, resilient and recurring revenues, with streaming and music publishing together representing more than 67.5% of the Company’s revenues in 2020.



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- UMG plays an active role in promoting the continued development of new digital services and consumer offerings in order to support a competitive, healthy and increasingly global market. UMG has agreements with several hundred global and local digital service providers around the world, establishing legal consumption of music in markets with high levels of piracy that previously lacked legitimate commercial outlets. Even with its strong growth in recent years, the Company believes streaming is in the early stages of global penetration and that there remains a substantial opportunity for further expansion driven by growth in the number of digital streaming services' paid subscribers, including both in established streaming markets (which still have room for meaningfully increased adoption) as well as in high-growth markets around the world.

Risk Factors

Investing in the Company involves certain risks. A description of these risks, which include risks relating to the Company as well as risks relating to the Distribution and the Shares is included in the Prospectus. **Any investment decision in respect of the Company should be made solely on the basis of the information contained in the Prospectus.**

Earlier announcements related to the Distribution

On June 22, 2021, Vivendi announced that its general meeting of shareholders approved, *inter alia*, the Distribution. On August 20, 2021 and on August 25, 2021, Vivendi further announced that the capital markets day in respect of the Company, ahead of the Distribution and the Admission, was to be held on August 25, 2021. These press releases are available on the corporate website of Vivendi (www.vivendi.com).

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This announcement does not constitute a prospectus within the meaning of Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017, and shares in Universal Music Group B.V (which shall be converted into a Dutch public company (*naamloze vennootschap* or N.V.)) will be distributed in circumstances that do not constitute “an offer to the public” within the meaning of the Prospectus Regulation. This announcement is not intended for distribution in jurisdictions that require prior regulatory review and authorization to distribute an announcement of this nature.

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This announcement is not intended to constitute, and should not be construed as, an offer by or invitation by or on behalf of, the Company, Vivendi, any of its advisors or any representative of the Company or Vivendi or any of their advisors, to purchase any securities or an offer to sell or issue, or the solicitation to buy securities by any person in any jurisdiction, including any EEA Member, the United Kingdom or the United States.

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This announcement may include statements, including with respect to Vivendi and the Company’s financial condition, results of operations, business, strategy, plans and outlook, including the impact of certain transactions



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(notably the planned distribution of up to 60% of the Company's share capital and its stock market listing), and the payment of dividends and distributions, as well as share repurchases. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "plans", "targets", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements are made as of the date of this announcement. Although Vivendi and the Company believe that such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Such forward-looking statements are included for illustrative purposes only. Actual results may differ materially from the forward-looking statements as a result of a number of risks and uncertainties, many of which are outside Vivendi and the Company's control. Vivendi and the Company expressly disclaim any intention or obligation to provide, update or revise any forward-looking statements in this announcement to reflect any change in expectations or any change in events, conditions or circumstances on which these forward-looking statements are based.

The price and value of securities may go up as well as down. Persons needing advice should contact a professional adviser. Information in this announcement or any of the documents relating to the Admission and the Distribution cannot be relied upon as a guide to future performance.

The Company may decide not to go ahead with the Admission and Vivendi may decide not to go ahead with the Distribution and there is therefore no guarantee that the Admission and the Distribution will occur. You should not base your financial decision on this announcement. Acquiring investments to which this announcement relates may expose an investor to a significant risk of losing all of the amount invested.