4TH QUARTER & FULL YEAR 2022 RESULTS

THURSDAY MARCH 2, 2023

UNIVERSAL

UNIVERSAL MUSIC GROUP

IMPORTANT INFORMATION

FORWARD LOOKING STATEMENTS

This presentation contains statements that may constitute forward-looking statements relating to the business, financial performance and results of Universal Music Group N.V. (the “Company”) and the industry in which the Company operates. These statements may be identified by words such as "expectation", "belief", "estimate", "plan", "target", or "forecast" and similar expressions or the negative thereof; or by forward-looking nature of discussions of strategy, plans or intentions; or by their context. No representation is made that any of these statements or forecasts will come to pass or that any forecast results will be achieved. All statements regarding the future are subject to inherent risks and uncertainties and various factors could cause actual future results, performance or events to differ materially from those described or implied in these statements. Such forward-looking statements are based on numerous assumptions regarding the Company’s present and future business strategies and the environment in which the Company will operate in the future. Further, certain forward-looking statements are based upon assumptions of future events which may not prove to be accurate and none of the Company, the Company's shareholders or any adviser acting on behalf of the Company or any such shareholders, or their respective subsidiary undertakings, affiliates, agents or advisers or any of such persons’ directors, officers, employees, members or agents nor any other person accepts any responsibility for the accuracy of the opinions expressed in this presentation or the underlying assumptions. Past performance is not an indication of future results and past performance should not be taken as a representation that trends or activities underlying past performance will continue in the future. The forward-looking statements in this presentation speak only as at the date of this presentation. Subject to any continuing obligations under applicable law or any relevant stock market listing rules, the Company, the Company's shareholders or any adviser acting on behalf of the Company or such shareholders, and their respective subsidiary undertakings, affiliates, agents and advisers and any of such persons’ directors, officers, employees, members or agents expressly disclaim any obligation or undertaking to release any updates or revisions to these forward-looking statements to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based after the date of this presentation or to update or to keep current any other information contained in this presentation. You are therefore cautioned not to place any undue reliance on such forward-looking statements.

PRESENTATION

The financial information included in this presentation is unaudited. The 2022 financial information included in this presentation contains only part of the 2022 financial statements which still have to be adopted by the shareholders at the upcoming annual general meeting of shareholders and will be included in the 2022 annual report. The 2022 annual report has not yet been published and an auditors’ opinion has not yet been issued.

NON-IFRS MEASURES

This presentation includes certain alternative performance measures which are not defined in IFRS issued by the International Accounting Standards Board as endorsed by the EU. For further information on non-IFRS measures used by the Company, see the relevant definitions included in the press release of the same date of this Presentation and the reconciliations of such non-IFRS measures included in the Appendix to such press release.

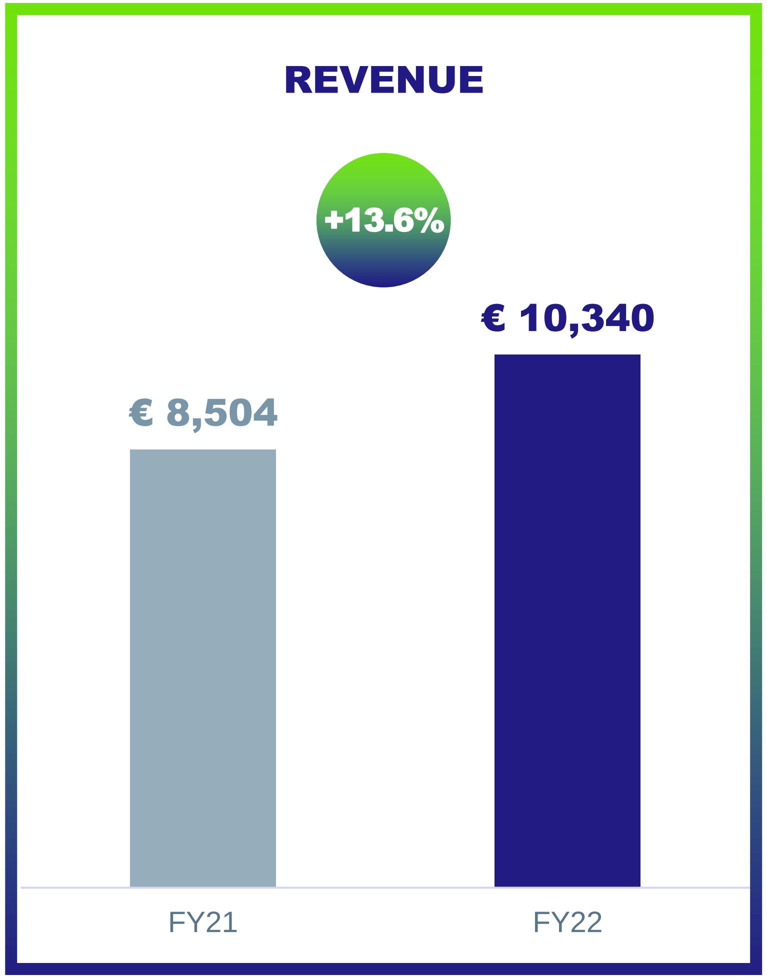
MARKET AND INDUSTRY DATA

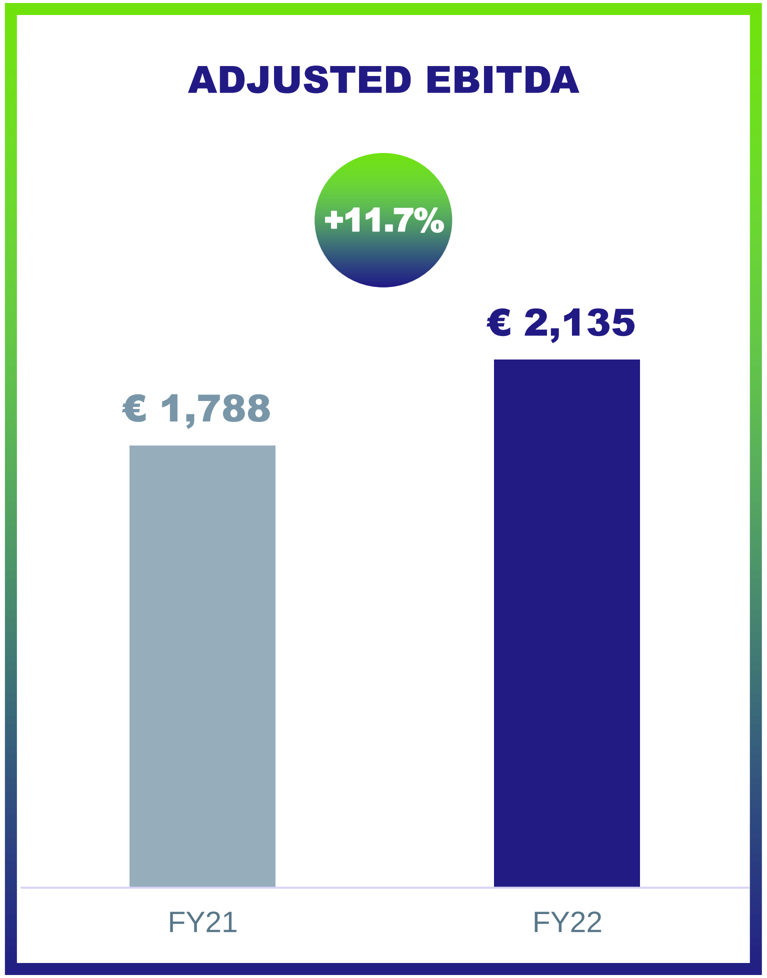
The Company obtained market data used in this presentation from internal surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry publications.

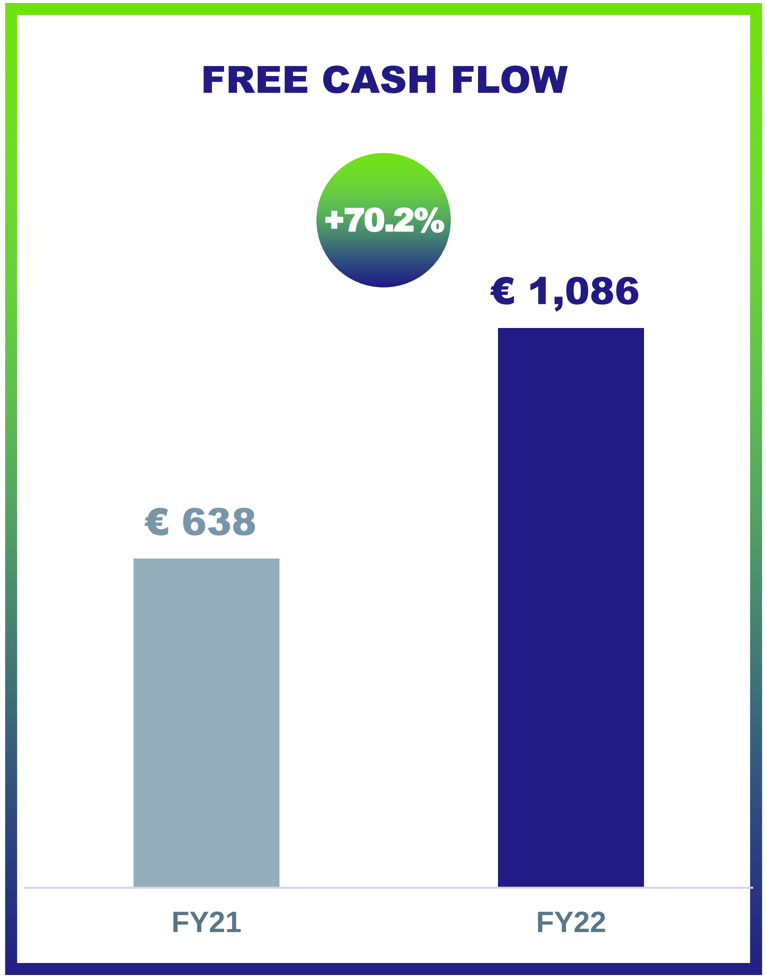
SIR LUCIAN GRAINGE

CHAIRMAN & CEO

FY2022 CONSOLIDATED RESULTS







Note: € in Millions; Revenue and Adjusted EBITDA growth shown in constant currency, Adjusted EBITDA margin change in percentage points, Free Cash Flow growth as reported

4 OF THE TOP 5 GLOBAL ARTISTS IN 2022

AND **15** OF THE **TOP 20** GLOBAL ARTISTS IN 2022

SOURCE: IFPI

2022 GLOBAL ARTIST & SONGWRITER SUCCESS

SPOTIFY

4 OF THE TOP 5
GLOBAL ARTISTS OF 2022

TAYLOR SWIFT • DRAKE
THE WEEKND • BTS

DEEZER

THE TOP 2
&
5 OF THE TOP 10
GLOBAL ARTISTS OF 2022

IMAGINE DRAGONS
THE WEEKND
EMINEM
BILLIE EILISH
QUEEN

APPLE MUSIC

UMPG SONGWRITERS IN
9 OF THE TOP 10
GLOBALLY STREAMED SONGS

"STAY"
"As It Was"
"WAIT FOR U"
"Super Gremlin"
"Easy On Me"
"Cold Heart (PNAU Remix)"
"First Class"
"Me Porto Bonito"
"abcdefu"

SOURCE: SPOTIFY, DEEZER, APPLE MUSIC

2022 U.S. SUCCESS

SPOTIFY

4 OF THE **TOP 5**
ARTISTS OF 2022 IN THE U.S.

DRAKE • TAYLOR SWIFT
KANYE WEST • THE WEEKND

#1

YOUTUBE

7 OF THE **TOP 10**
SONGS IN THE U.S.

#1

ENCANTO CAST "We Don't Talk About Bruno"
JESSICA DARROW "Surface Pressure"
FUTURE FT. DRAKE, TEMS "Wait For U"
KAROL G, BECKY G "Mamiii"
IMAGINE DRAGONS "Enemy"
KAROL G "Provenza"
LIL BABY "In A Minute"

BILLBOARD

THE **NO. 1**
SONG ON THE HOT 100 YEAR-END CHART

GLASS ANIMALS "Heat Waves"

&

7 OF THE **TOP 10**
ALBUMS ON YEAR-END CHART

MORGAN WALLEN *Dangerous: The Double Album*
TAYLOR SWIFT *Midnights*
TAYLOR SWIFT *Red (Taylor's Version)*
ENCANTO CAST *Encanto (Original Motion Picture Soundtrack)*
OLIVIA RODRIGO *SOUR*
DRAKE *Certified Lover Boy*
THE WEEKND *Highlights*

SOURCE: SPOTIFY, YOUTUBE, BILLBOARD

2022 REGIONAL SUCCESS

UNITED KINGDOM

6 OF THE
TOP 10
ARTISTS OF THE YEAR

TAYLOR SWIFT
DRAKE
EMINEM
THE WEEKND
KANYE WEST
D-BLOCK EUROPE

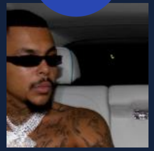
#1

GERMANY

7 OF THE
TOP 10
MOST-STREAMED ARTISTS ON SPOTIFY

LUCIANO
BONEZ & RAF
CRO
EMINEM
CAPITAL BRA
DRAKE
SIDO

#1



ITALY

7 OF THE
TOP 10
MOST-STREAMED ARTISTS ON SPOTIFY

SFERA EBBASTA
LAZZA
BLANCO
MARRACASH
RKOMI
MADAME
GUÉ

#1

FRANCE

THE
TOP FEMALE ARTIST

ANGÉLE

#1

JAPAN

THE
#1 ARTIST
ON BILLBOARD'S YEAR-END CHART

ADO

THE
FIRST JAPANESE SONG TO REACH #1
ON APPLE MUSIC'S TOP 100 GLOBAL DAILY CHART

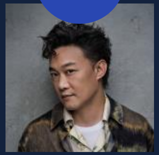
ADO
"New Genesis"

CHINA

THE
MOST-STREAMED SONG
IN CHINA'S HISTORY

EASON CHAN
"The Lone Warrior"

7+ BILLION STREAMS



PHILIPPINES

THE
#1 ARTIST AND
#1 SONG
ON SPOTIFY

ZACK TABUDLO
"Pano"

#1

INDONESIA

UMG HAD THE
#1 SONG
FOR 30 WEEKS IN 2022
WITH 29 BEING DOMESTIC ARTISTS

LYODRA & ANDI RIANTO
"Sang Dewi"

#1 FOR 12 WEEKS

LATIN AMERICA

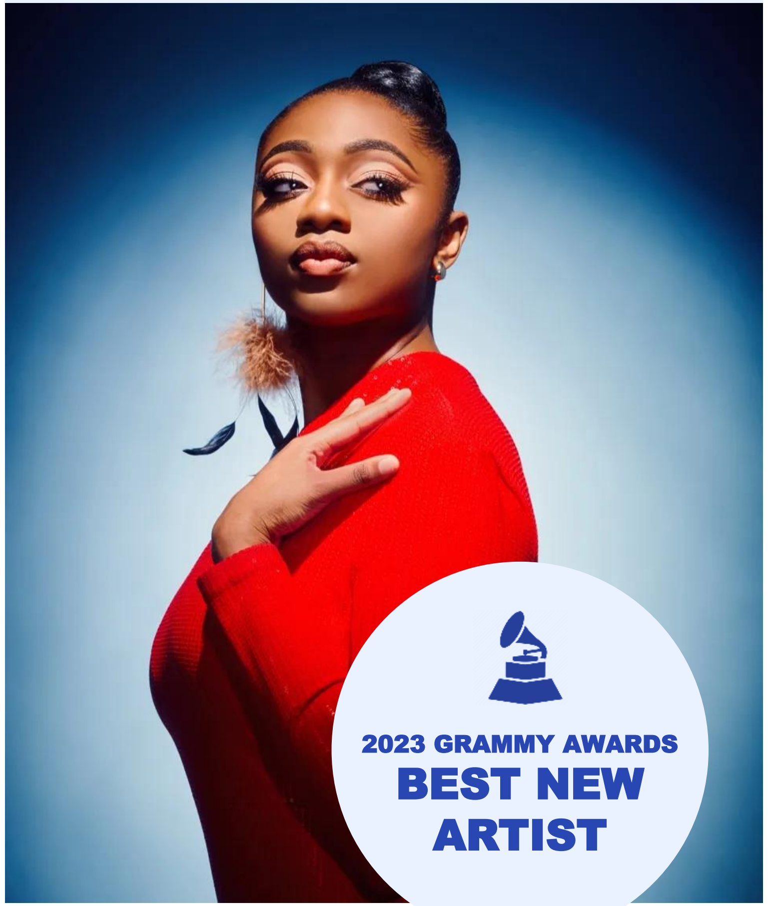
3 OF THE
TOP 5
LATIN ARTISTS ON GLOBAL SPOTIFY

J BALVIN
DADDY YANKEE
KAROL G

SOURCE: OCC, GFK, SPOTIFY, BILLBOARD

WELCOMING FUTURE STARS & ESTABLISHED ARTISTS

SAMARA JOY



2023 GRAMMY AWARDS
BEST NEW ARTIST

FLO

BBC RADIO 1
BBC RADIO 1'S
SOUND OF 2023

2023 BRITS
RISING STAR

DJ KHALED

WE THE BEST
Def Jam recordings

SIR LUCIAN GRAINGE
CHAIRMAN & CEO

GROWTH IN SUBSCRIBERS

amazon music

Music

deezer

Spotify®

TENCENT MUSIC ENTERTAINMENT

YouTube Music

SIR LUCIAN GRAINGE

CHAIRMAN & CEO

HARNESSING NEW TECHNOLOGY
TO DRIVE VALUE OF CATALOG

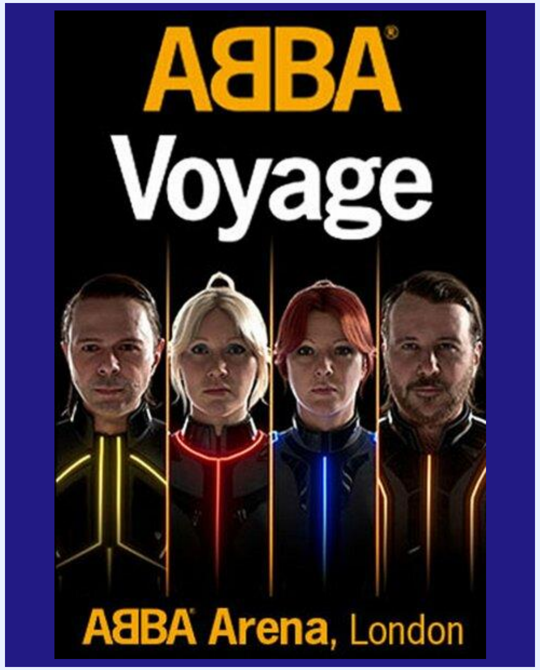
ELTON JOHN
x
ROBLOX

"Beyond The Yellow Brick Road"

ELTON JOHN
x
DISNEY+
Elton John Live
Farewell From Dodger Stadium

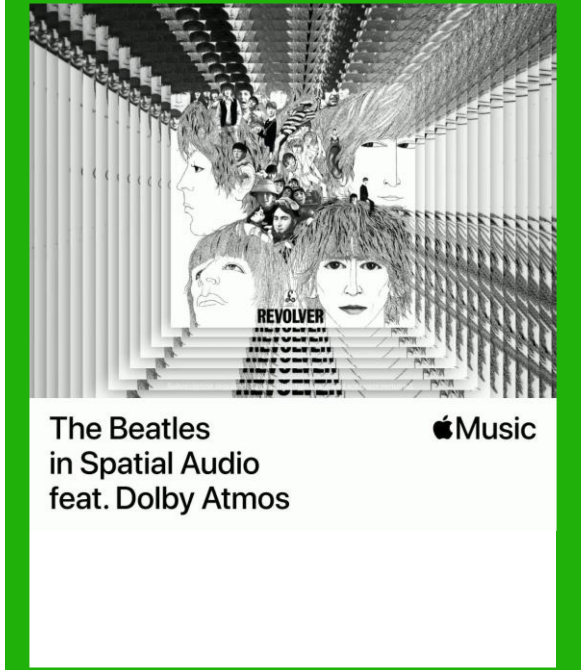
ABBA
VOYAGE

Digital Avatar Live Concert



THE BEATLES
x
DOLBY ATMOS

Revolver



SIR LUCIAN GRAINGE

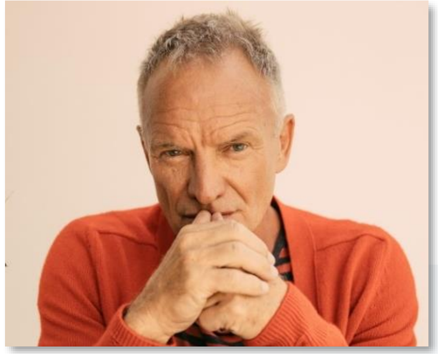
CHAIRMAN & CEO

WE REMAIN HIGHLY SELECTIVE IN OUR CATALOG ACQUISTION STRATEGY

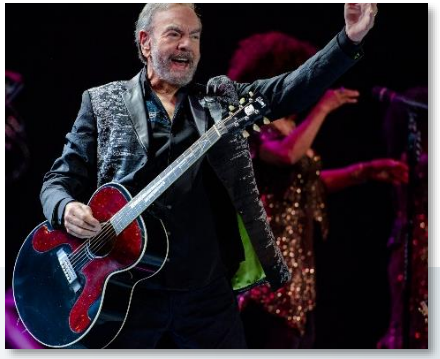
CASH MONEY RECORDED MUSIC

BOB DYLAN PUBLISHING

STING PUBLISHING



NEIL DIAMOND
(Recorded Music & Publishing, 100+ previously unreleased songs)



	CASH MONEY RECORDED MUSIC	BOB DYLAN PUBLISHING	STING PUBLISHING	NEIL DIAMOND
CATALOG	>75 Artists including Nicki Minaj, Lil Wayne, Birdman and multiple Drake albums	>600 songs	>450 songs	>480 songs
SPOTIFY LISTENERS	>140M total Monthly Listeners from Top 4 artists	9.4M Monthly Listeners	9.5M Monthly Listeners	6.7M Monthly Listeners
SPOTIFY TOP 10 SONG STREAMS	12.3B Streams	1.6B Streams	1.2B Streams	0.9B Streams

IN ALL THESE CASES WE'RE ACQUIRING FULL CONTROL AND ACTIVE RIGHTS

SIR LUCIAN GRAINGE

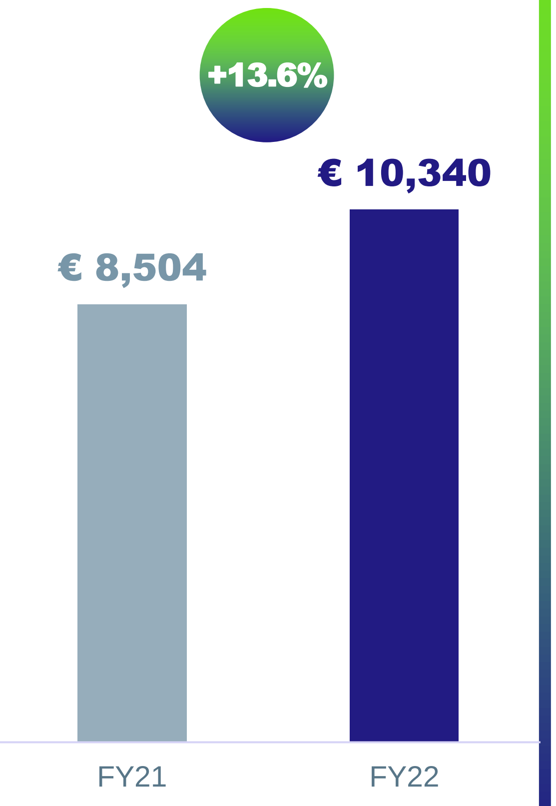
CHAIRMAN & CEO

BOYD MUIR

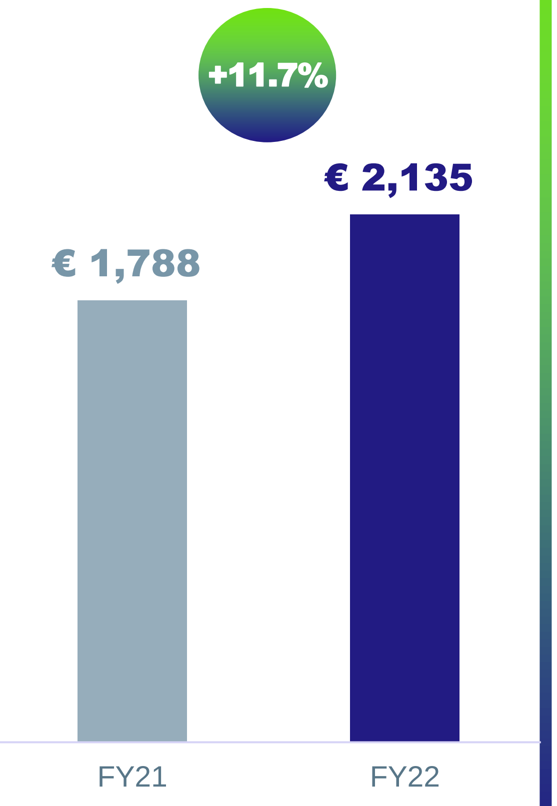
EVP, CFO &
PRESIDENT OF OPERATIONS

FY2022 CONSOLIDATED RESULTS

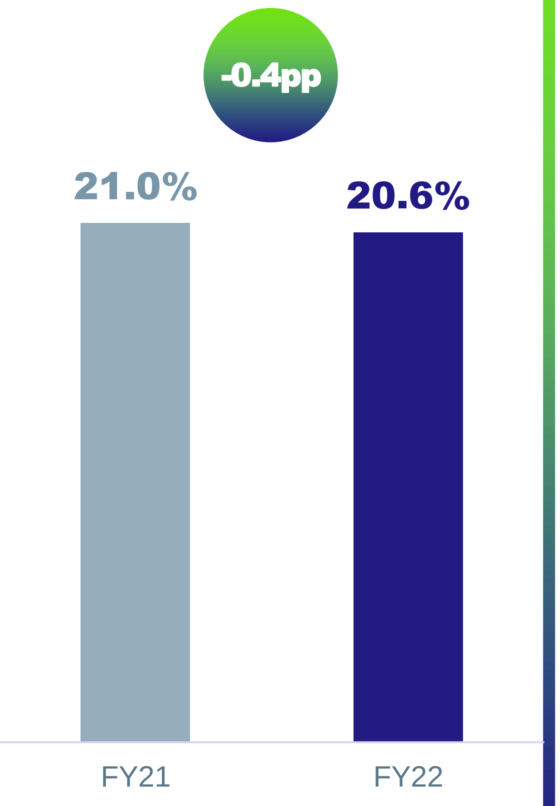
REVENUE



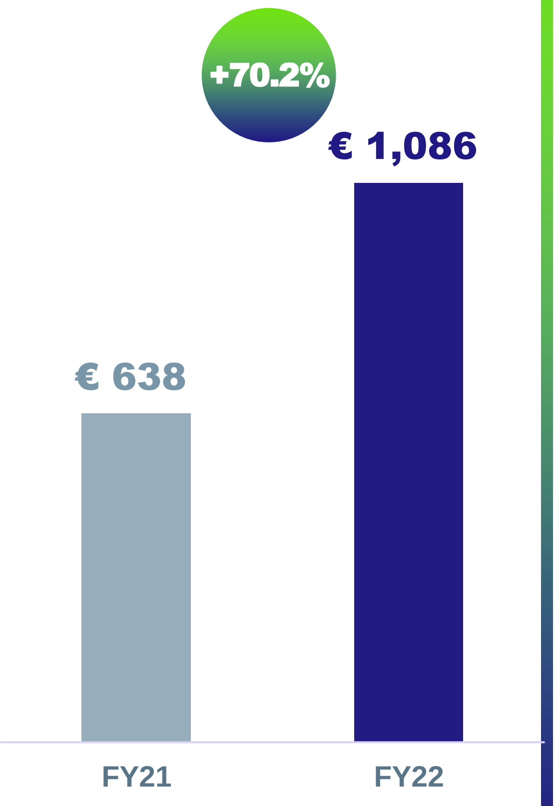
ADJUSTED EBITDA



ADJUSTED EBITDA MARGIN



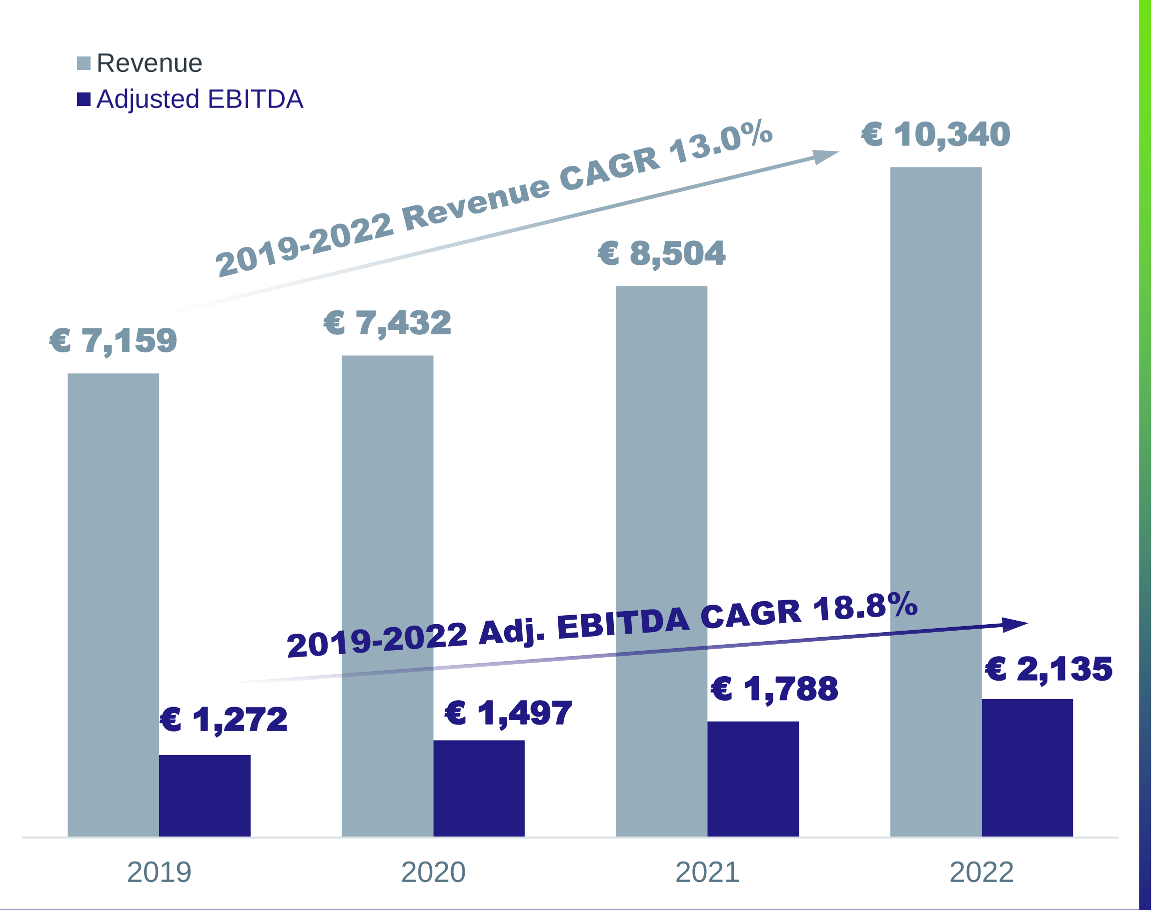
FREE CASH FLOW



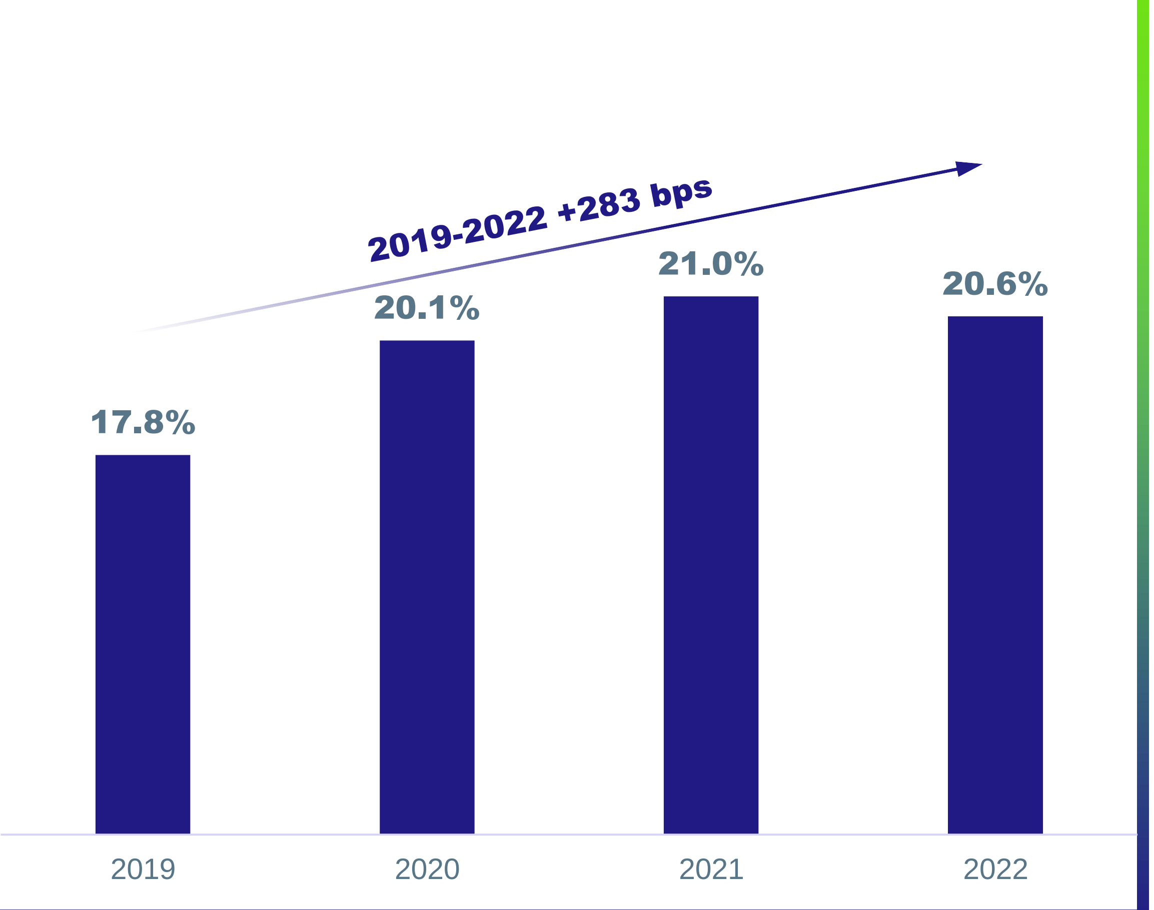
Note: € in Millions; Revenue and Adjusted EBITDA growth shown in constant currency, Adjusted EBITDA margin change in percentage points, Free Cash Flow growth as reported

LONG-TERM GROWTH AND MARGIN EXPANSION

SUSTAINED GROWTH IN REVENUE & ADJUSTED EBITDA



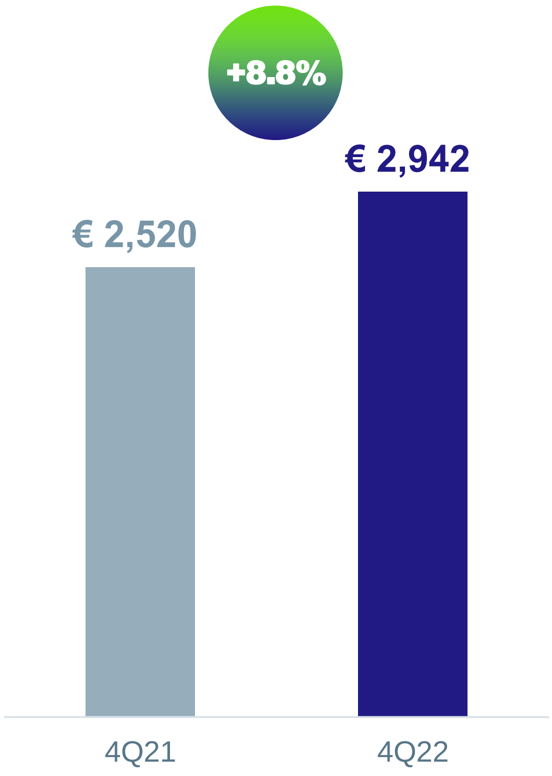
ADJUSTED EBITDA MARGIN EXPANSION



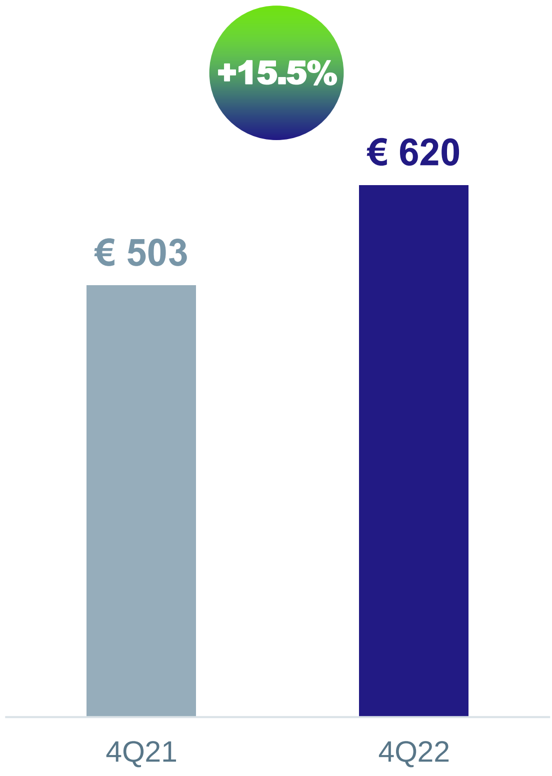
Note: € in Millions; historical financials and growth CAGRs are as reported

4Q22 CONSOLIDATED RESULTS

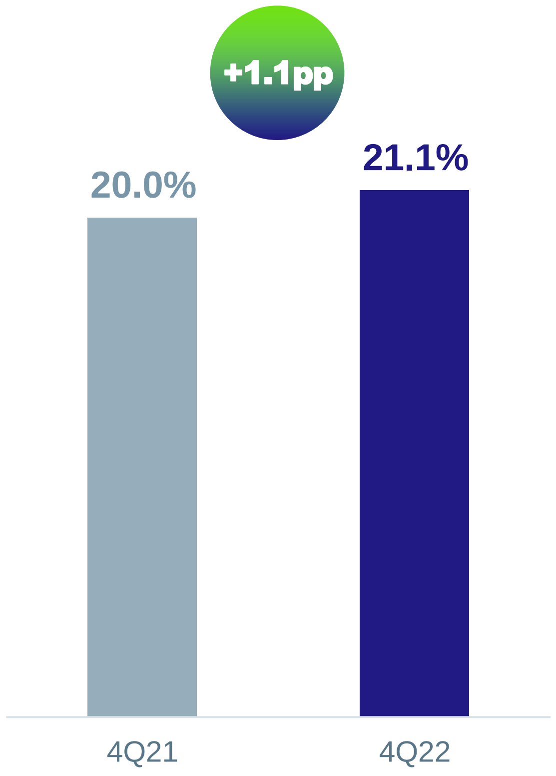
REVENUE



ADJUSTED EBITDA



ADJUSTED EBITDA MARGIN



Note: € in Millions; Revenue and Adjusted EBITDA growth in constant currency

EQUITY PLAN

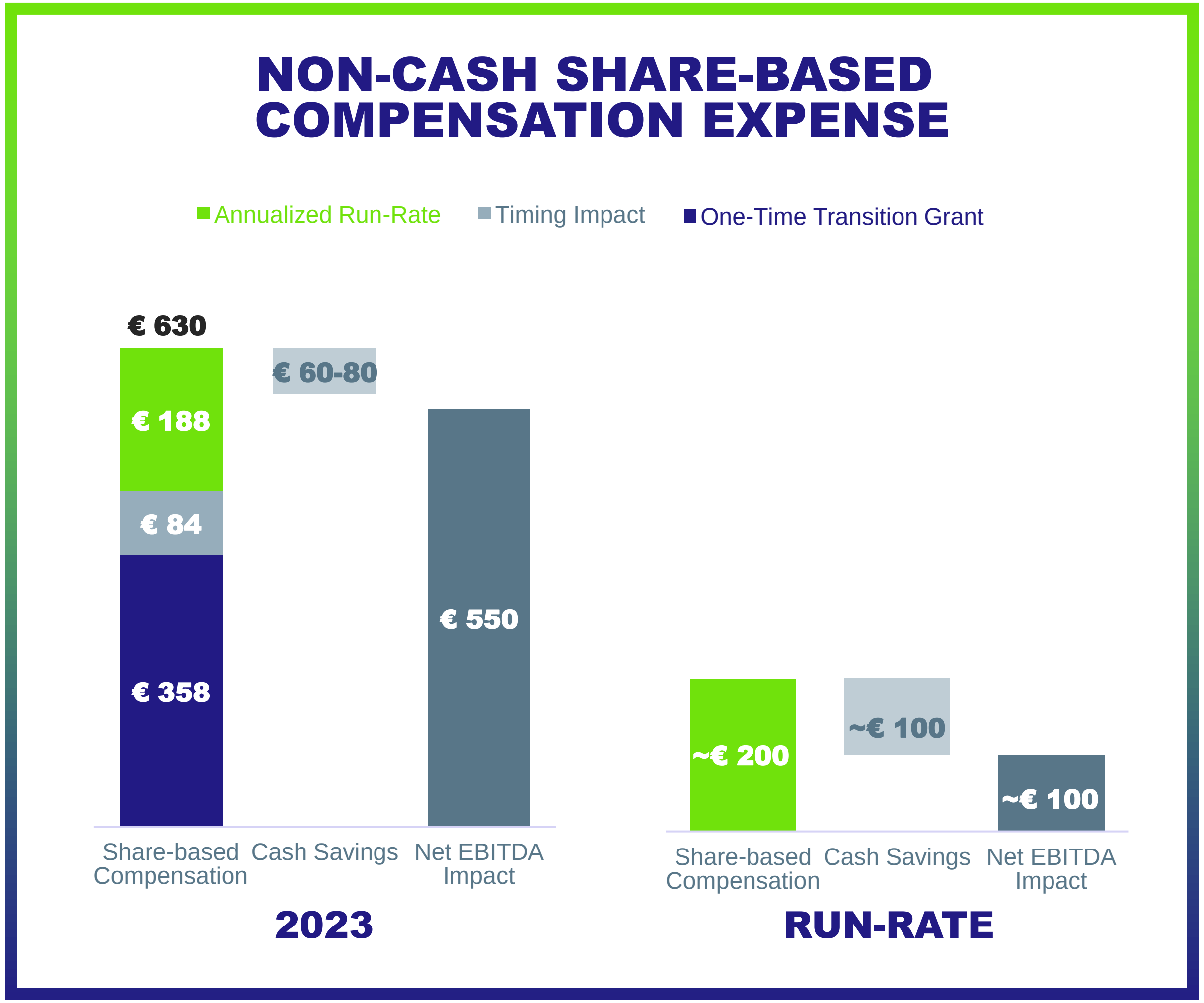
Following the successful listing of UMG, the Board and Shareholders agreed to finalize an equity plan that would:

- **Reduce cash compensation costs**
- **Align and incentivize executives and management towards long-term value creation**
- **Enhance retention and recruitment of key executives**

Approval at May 12, 2022 AGM to issue up to 5% of share capital over 5 years for creation of an equity plan

Run rate of ~€100M in cash savings and ~€200M in non-cash share-based compensation

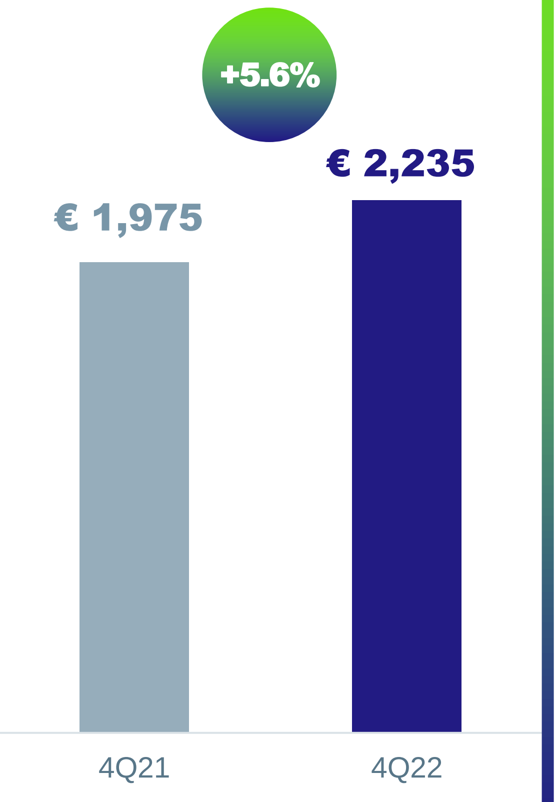
One-time transition grants and front-loaded accounting recognition result in higher non-cash share-based comp in 2023



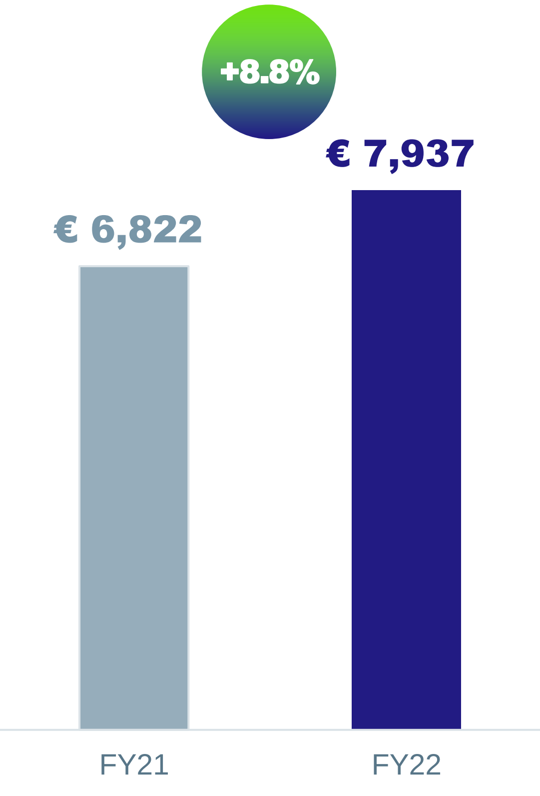
Note: € in Millions.

RECORDED MUSIC

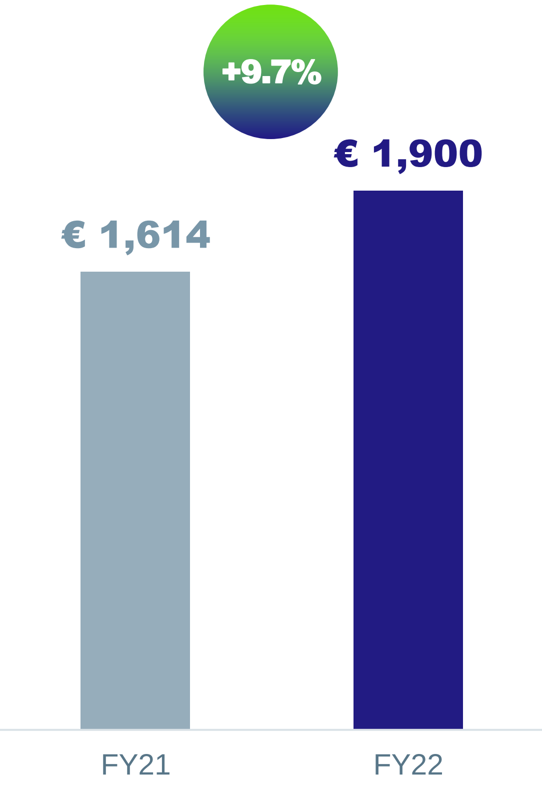
4Q REVENUE



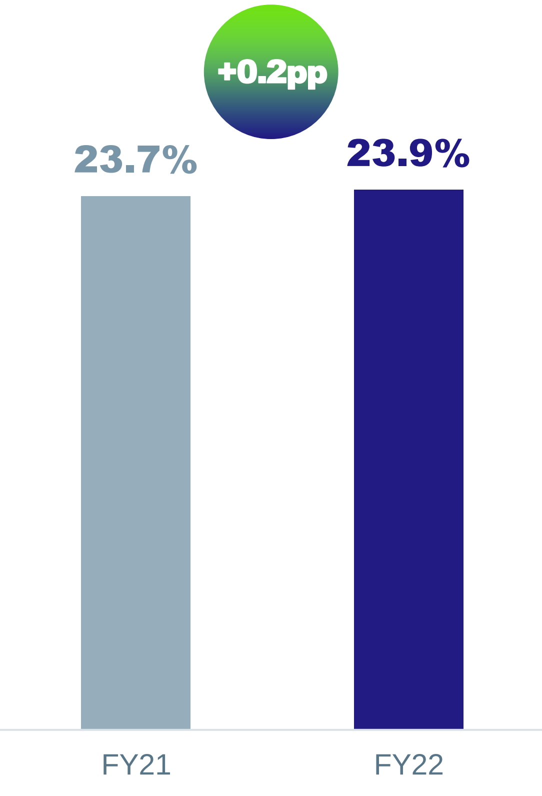
FULL YEAR REVENUE



FULL YEAR ADJUSTED EBITDA

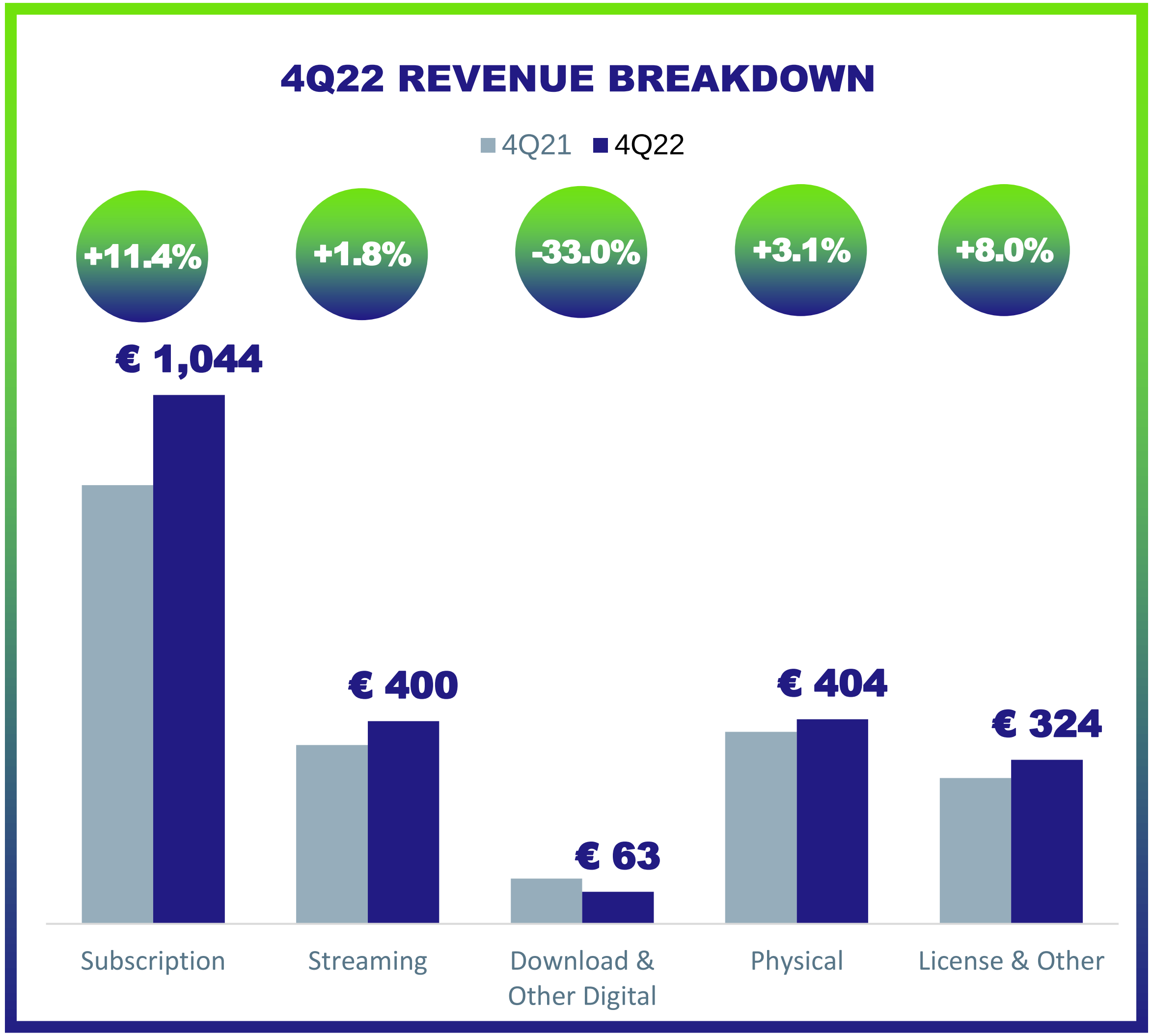


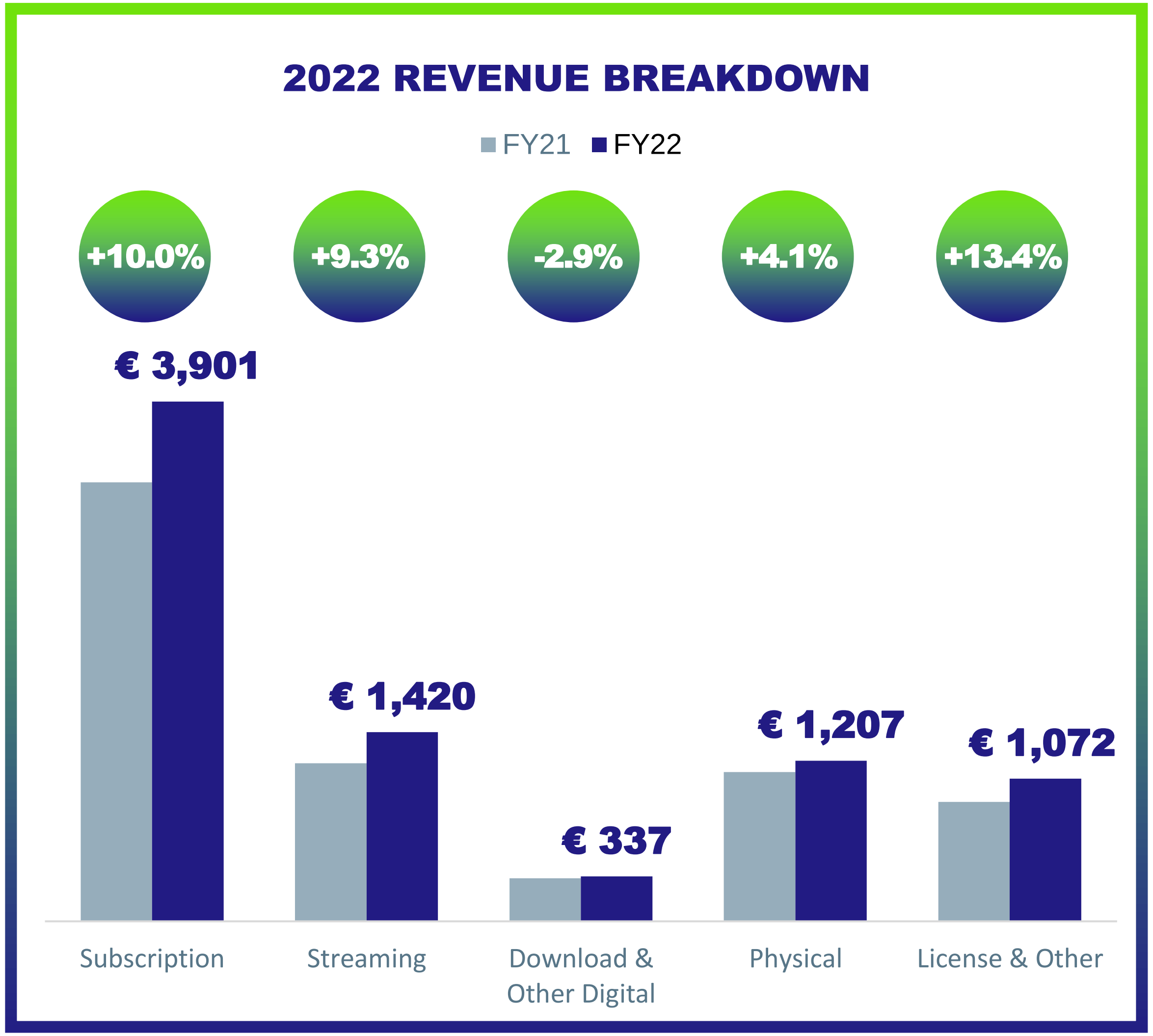
FULL YEAR ADJ. EBITDA MARGIN



Note: € in Millions; All growth rates are in constant currency.

RECORDED MUSIC REVENUE

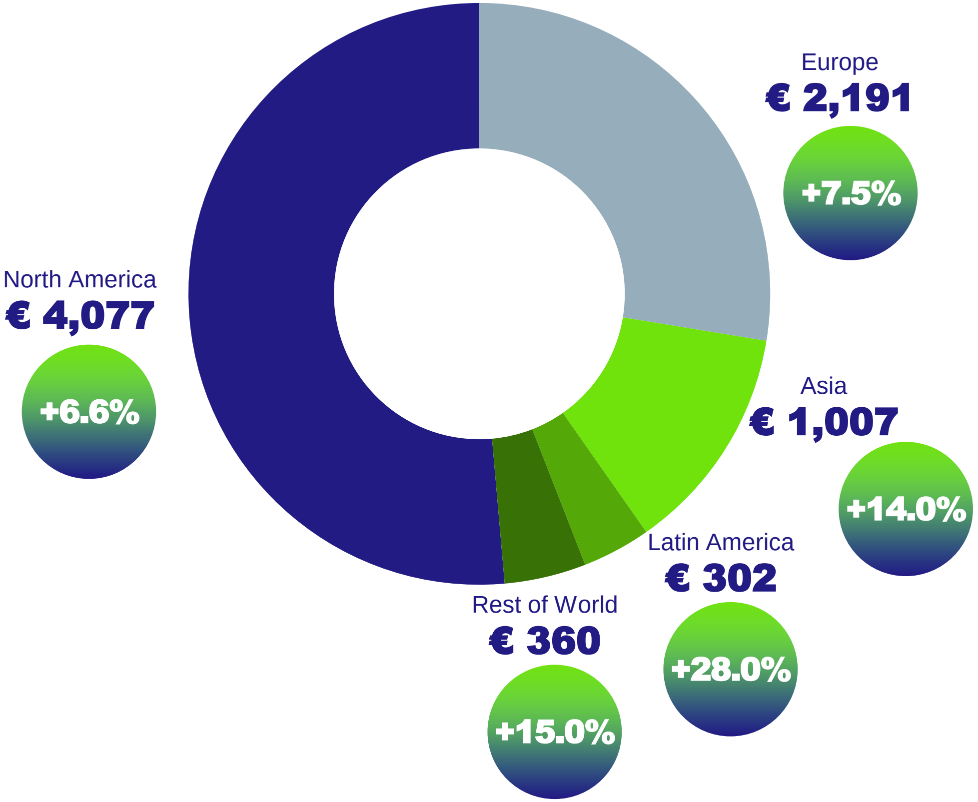




Note: € in Millions; All growth rates are in constant currency.

RECORDED MUSIC REVENUE

FY2022 RECORDED MUSIC REGIONAL BREAKDOWN



Note: € in Millions; All growth rates are in constant currency.

TOP SELLERS

2022

Taylor Swift | **BTS** | **Encanto OST** | **Olivia Rodrigo** | **Morgan Wallen**

The Beatles | **The Weeknd** Dawn FM | **Kendrick Lamar** | **The Weeknd** After Hours | **Imagine Dragons**

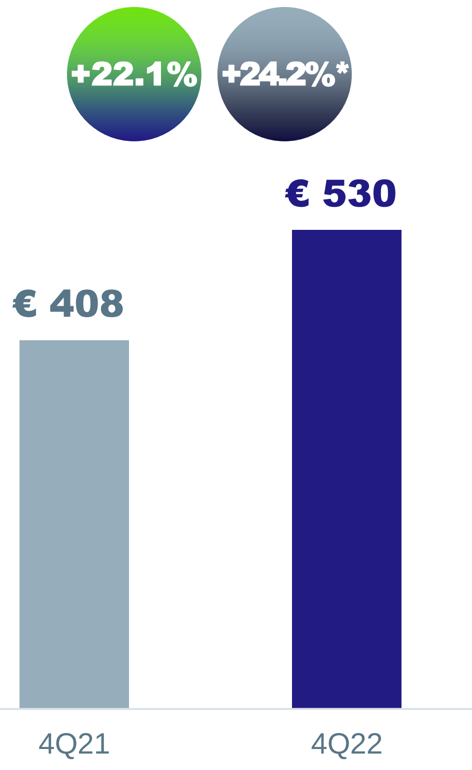
2021

Olivia Rodrigo | **Justin Bieber** | **BTS** | **The Weeknd** | **Morgan Wallen**

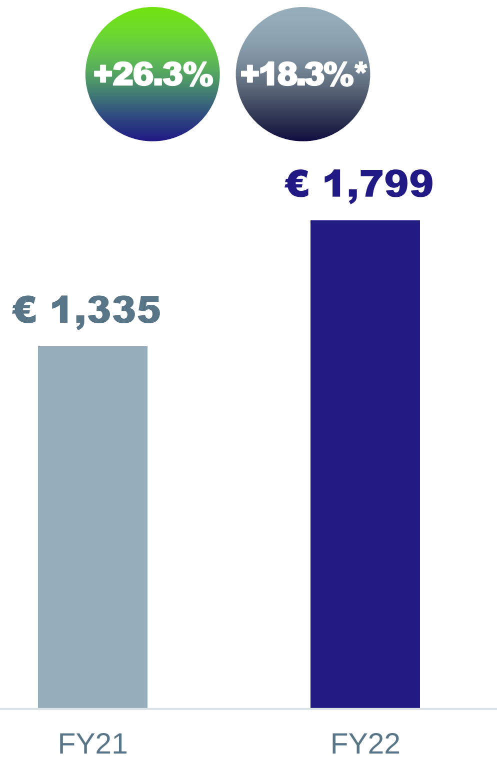
ABBA | **Taylor Swift** | **Billie Eilish** | **The Beatles** | **Drake**

MUSIC PUBLISHING

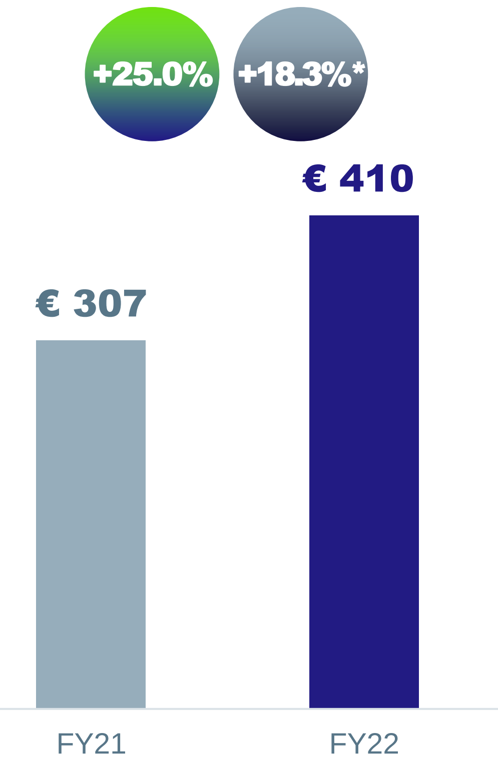
4Q REVENUE



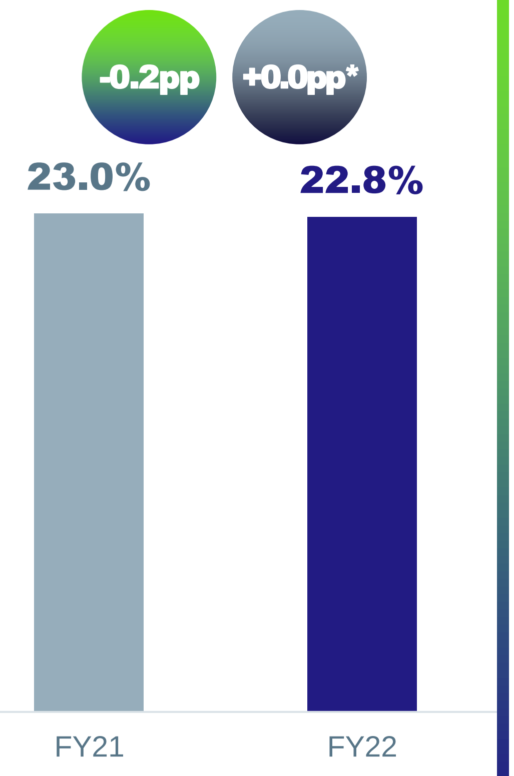
FULL YEAR REVENUE



FULL YEAR ADJUSTED EBITDA



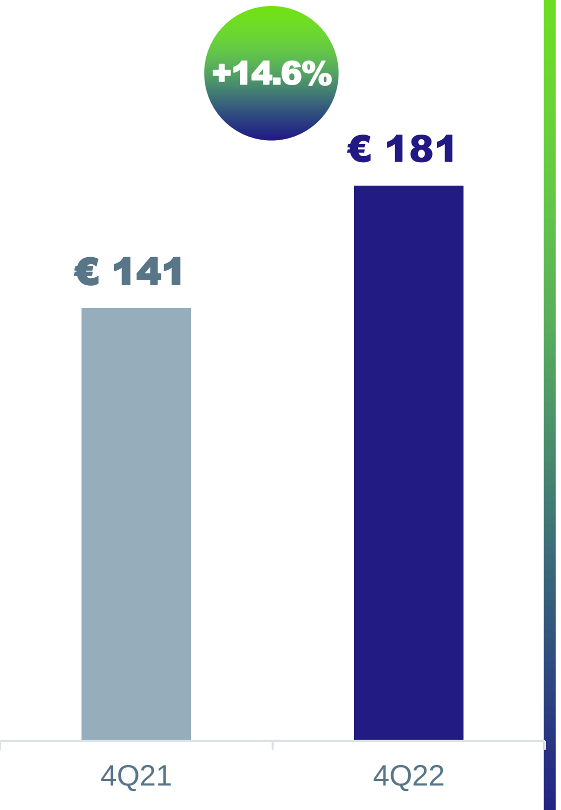
FULL YEAR ADJ. EBITDA MARGIN



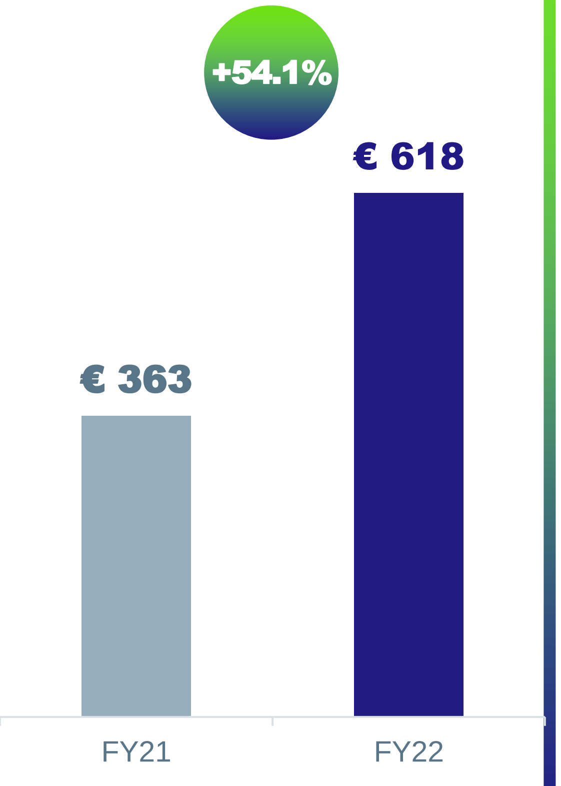
Note: € in Millions; All growth rates are in constant currency.
*Adjusted to exclude impact of Change in Society Accounting.

MERCHANDISING & OTHER

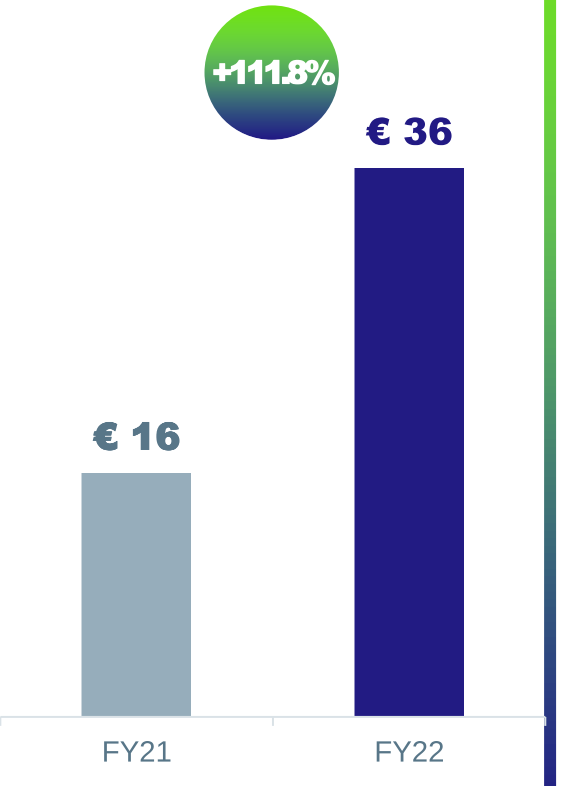
4Q REVENUE



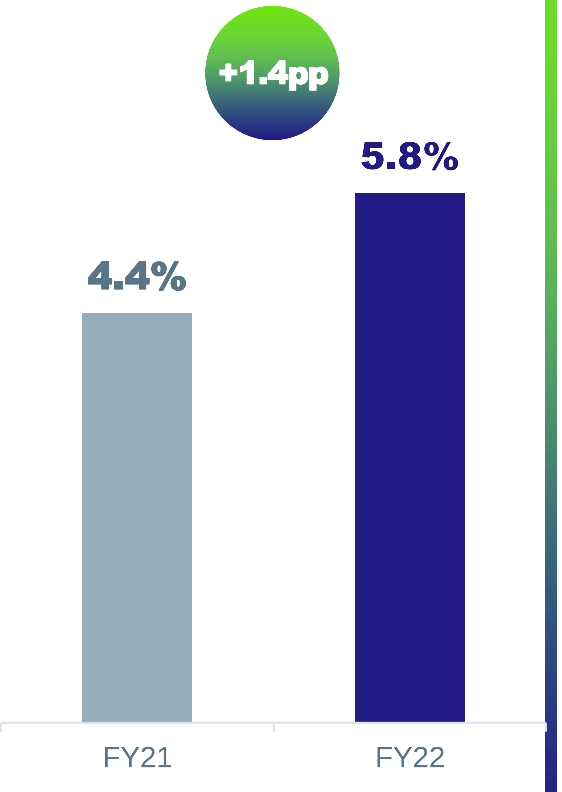
FULL YEAR REVENUE



FULL YEAR ADJUSTED EBITDA



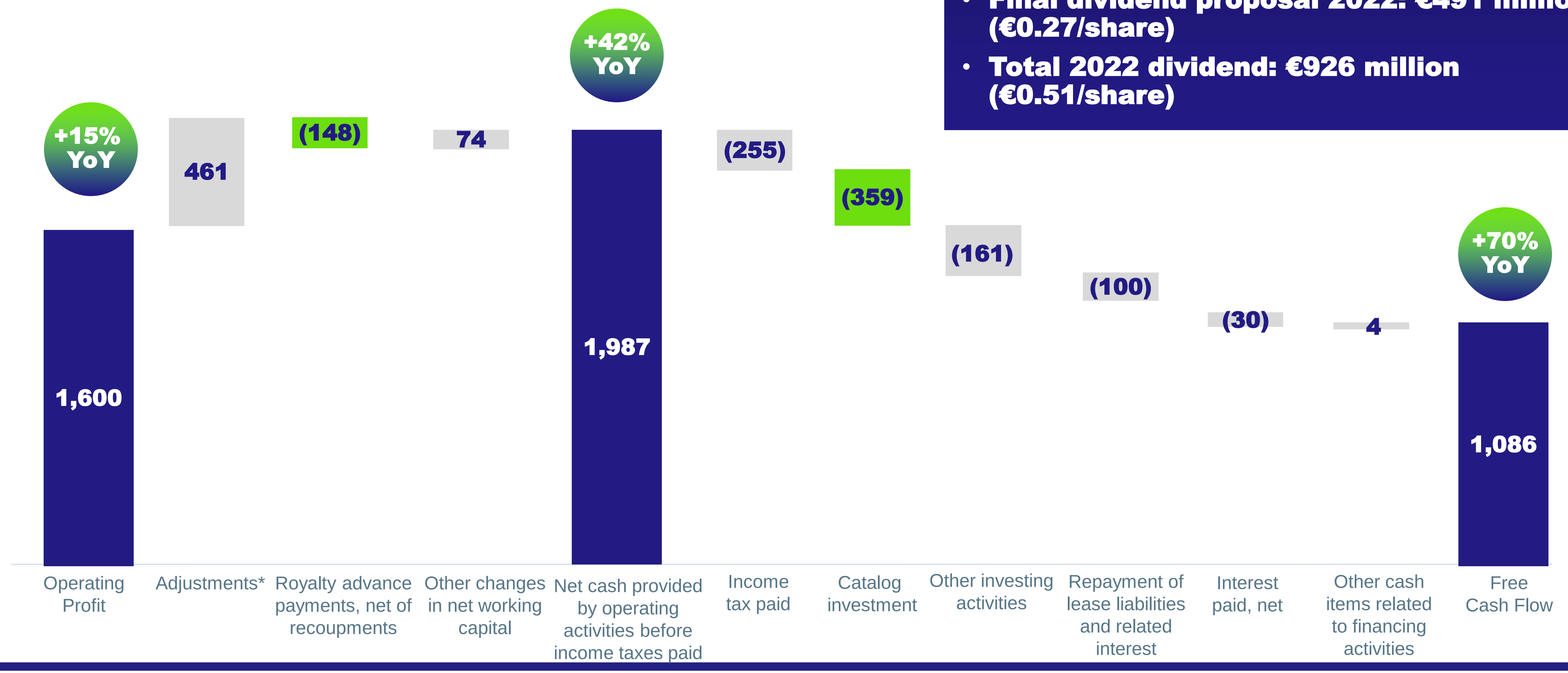
FULL YEAR ADJ. EBITDA MARGIN



Note: € in Millions; All growth rates are in constant currency.

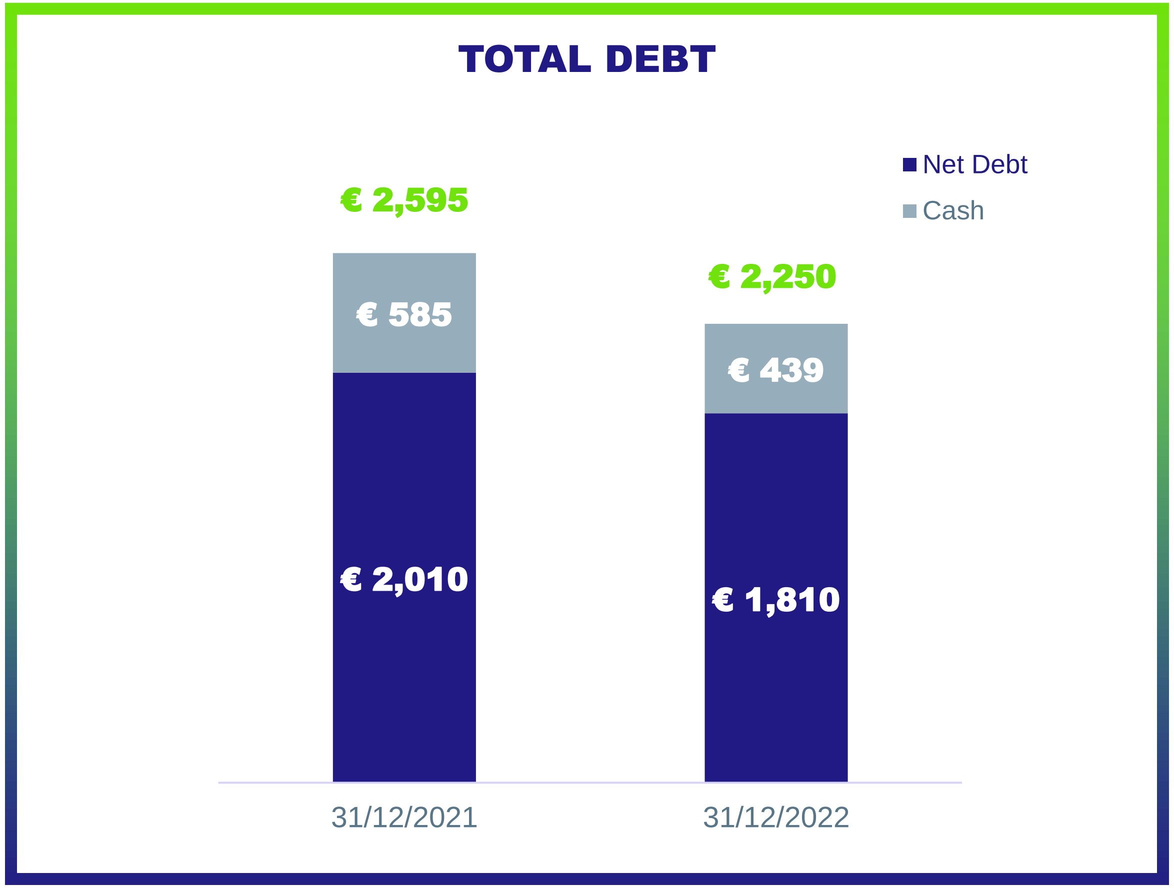
FY2022 FREE CASH FLOW

- **Dividend policy: 50% of net income**
- **2022 interim dividend: €435 million (€0.24/share)**
- **Final dividend proposal 2022: €491 million (€0.27/share)**
- **Total 2022 dividend: €926 million (€0.51/share)**



Note: € in Millions; Y/Y growth rates as reported
*Adjustments include amortization and depreciation of intangible assets, change in provisions, gain/(loss) on sale of assets and other non-recurring items.

BALANCE SHEET AND LIQUIDITY



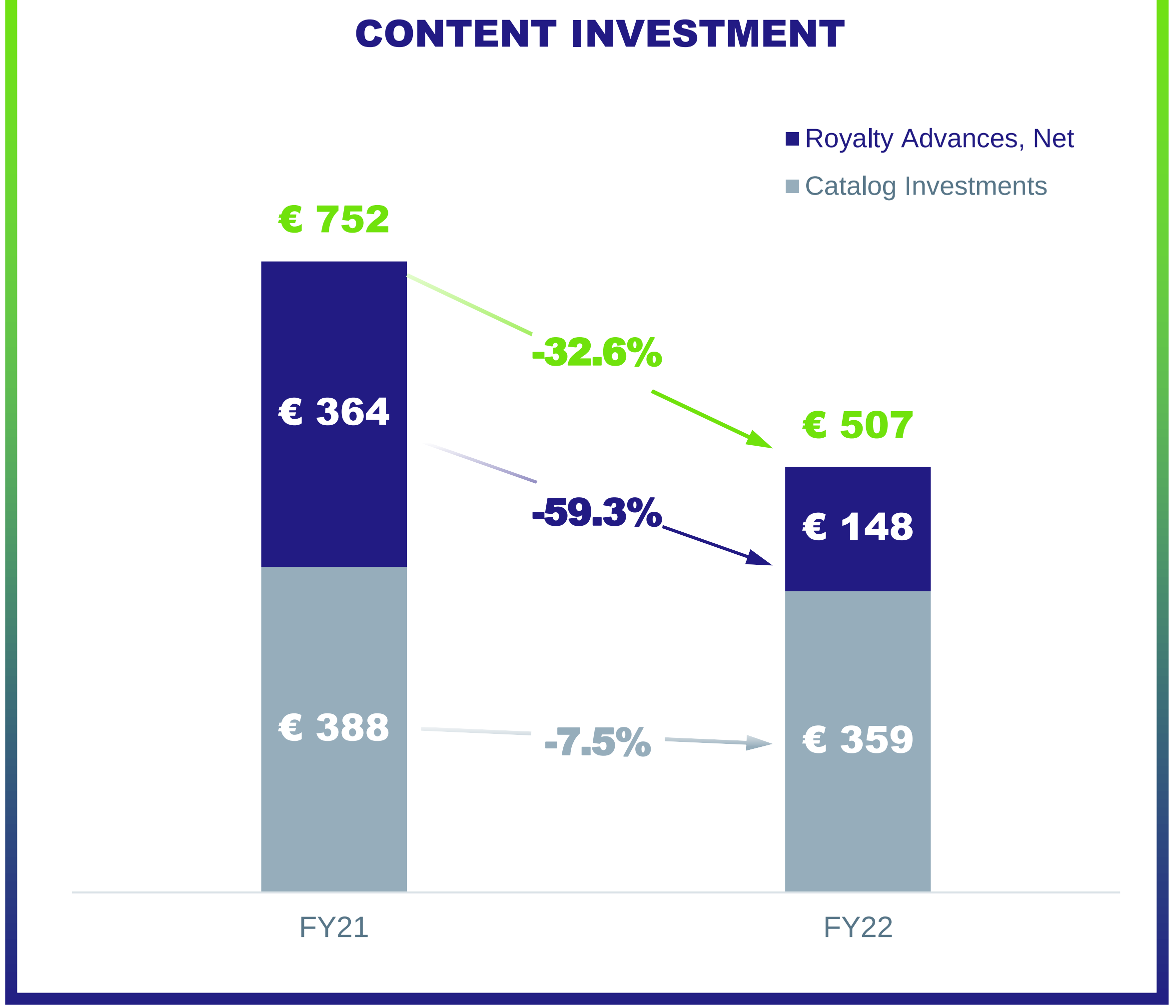
Note: € in Millions.

STRONG BALANCE SHEET PROVIDES STRATEGIC FLEXIBILITY

- **Net Debt/Adjusted EBITDA of 0.9x**
- **Investment grade rating**
- **Average debt maturity: 5.2 years**
- **Variable rate exposure halved in 2022**
- **Capital allocation priorities:**
  - Investing in core business
  - Strategic M&A (including catalogs)
  - Returning capital to shareholders (currently through dividends)

SINCE LISTING, €1,289 MILLION RETURNED TO SHAREHOLDERS THROUGH DIVIDENDS

CONTENT INVESTMENT



Note: € in Millions; Growth rates are as reported

ROYALTY ADVANCES, NET

- Required / core to our business
- Drives long-term growth / Grows our frontline IP
- Investing into a growing music market
- Mix of new and established artists
- Includes expanded relationships with superstar artists wanting more services from UMG. Front loaded advances to secure long-term, multifaceted rights

CATALOG INVESTMENTS

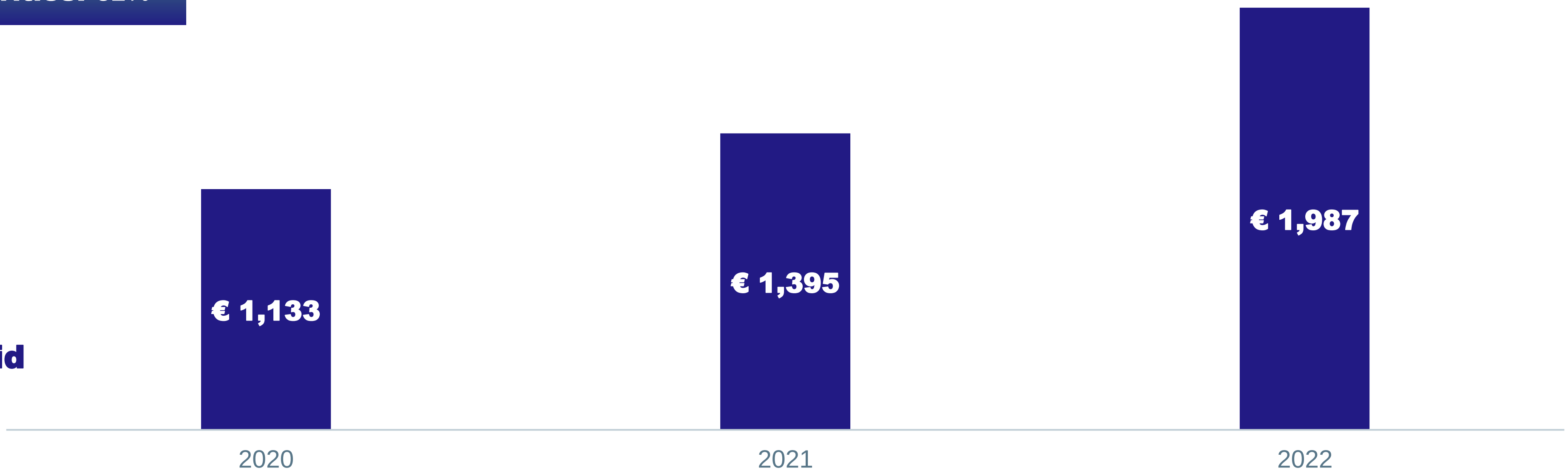
- Not required to grow, more like M&A
- Highly selective acquirers of strategic assets that we can control & improve monetization within our portfolio
- Strong financial discipline
- Multiple ways to finance: Cash from operations, Balance sheet capacity, Special purpose vehicles

CATALOG ACQUISITIONS: OUR BUSINESS IS HIGHLY CASH GENERATIVE

UMG CASH GENERATION

CAGR '20-'22
Revenue: 18%
Adjusted EBITDA: 19%
Net cash from op. activities: 32%

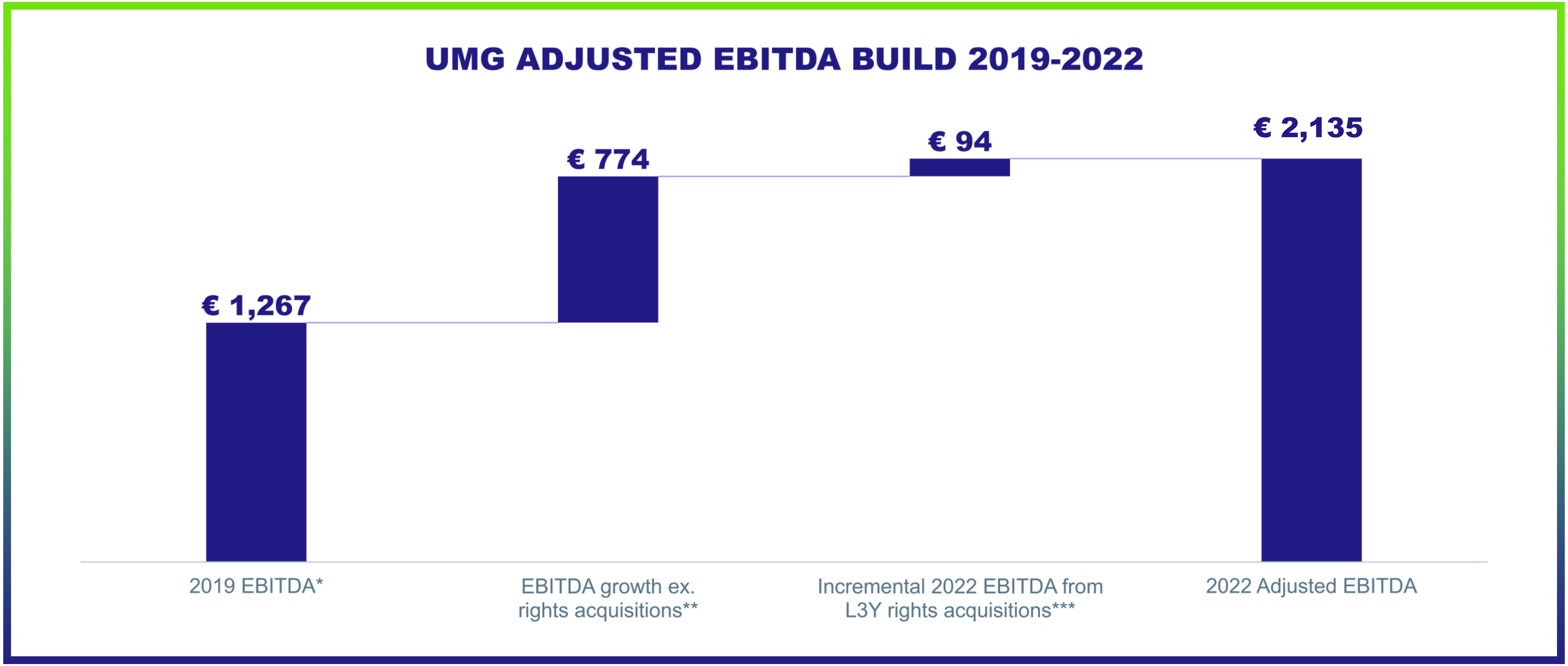
Net cash from operating activities before income taxes paid



Net cash as % of Adj. EBITDA	76%	78%	93%

Note: 2020 values based on UMG's restated financials

OUR GROWTH IS OVERWHELMINGLY ORGANIC



Note: Excludes Corporate M&A which is immaterial in this time frame; *Reported 2019 EBITDA as no adjustments in this year; **Rights acquisitions includes all acquisitions over €10M. ***Based on 2022 EBITDA impact of rights acquisitions made between 2019 and 2022 – these rights are not all incremental for first time in 2022 and additional rights from certain acquisitions are still transferring to UMG.

WE REMAIN HIGHLY SELECTIVE IN OUR CATALOG ACQUISTION STRATEGY

We see everything
A seat at every table ensures we see all available catalogs and can cherry-pick the best assets for our portfolio

We understand what's good
Unparalleled industry experience gives us unique insight into catalogs that offer strategic and financial value

UNIVERSAL

UNIVERSAL MUSIC GROUP

We can do more
Creative know-how and deep industry relationships let us do more with the rights we acquire than anyone else

We are highly disciplined
Proprietary data and analytics enables us to make the right acquisitions at the right price

WE BRING A HIGH DEGREE OF ANALYTICAL RIGOR TO OUR CATALOG INVESTMENT DECISIONS

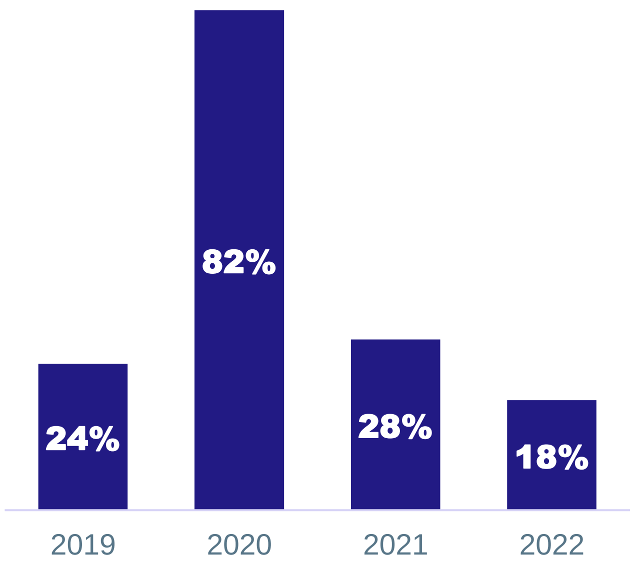
- **Proprietary bottom-up model** of music industry drivers to inform outlook of major investments
- **Advanced analytical analysis** including detailed financial analysis with multiple potential scenario outcomes
- **Experience to know** where to add value in frontline and catalog repertoire
- **Our expertise** in every major music market, our people on the ground, our D2C initiatives, and our proprietary cross-platform data give us a unique understanding of opportunities

ATTRACTIVE MULTIPLES FOR THE MOST PREMIUM ASSETS

- Catalog expenditure typically represents ~30% of cash flows

- Have spent ~€1.6 billion 2019-22

% of UMG net cash from operating activities* allocated to catalog acquisitions

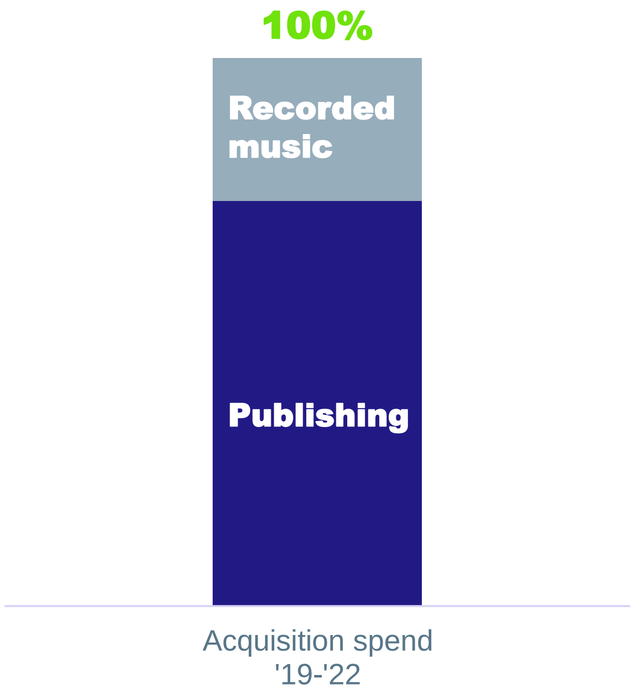


Deal multiples average ~16x, dropping to <13x with UMG improved monetization

UMG weighted avg. deal multiple, 2019-2022

~75% of acquisition is publishing rights

Composition of acquisition spend**



Note: *Net cash provided by/(used for) operating activities before income tax paid; ** Only includes deals >€10M, 2019-2022

Q&A

SIR LUCIAN GRAINGE
CHAIRMAN AND CEO

BOYD MUIR
EVP, CFO & PRESIDENT OF OPERATIONS

MICHAEL NASH
EVP, CHIEF DIGITAL OFFICER