2ND QUARTER & 1ST HALF 2023 RESULTS
WEDNESDAY JULY 26, 2023
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” or “UMG”) 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 the forward-looking nature of discussions of strategy, plans or intentions; or by their context. Although UMG believes that such forward-looking statements are based on reasonable assumptions, they are not guarantees of future performance. Actual results may differ materially from such forward-looking statements as a result of a number of risks and uncertainties, many of which are related to factors that are outside UMG’s control, including, but not limited to, UMG’s inability to compete successfully and to identify, attract, sign and retain successful recording artists and songwriters, failure of streaming and subscription adoption or revenue to grow or to grow less rapidly than anticipated, UMG’s reliance on digital service providers, UMG’s inability to execute its business strategy, the global nature of UMG’s operations, UMG’s inability to protect its intellectual property and against piracy, UMG’s inability to attract and retain key personnel, changes in laws and regulations and the other risks that are described in the 2022 annual report. Accordingly, UMG cautions readers against placing undue reliance on such forward-looking statements. Such forward-looking statements are made as of the date of this presentation. UMG disclaims any intention or obligation to provide, update or revise any such forward-looking statements, whether as a result of new information, future events or otherwise.

PRESENTATION
The financial information included in this presentation is unaudited.

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. The descriptions of these alternative performance measures and reconciliations of non-IFRS to IFRS measures are included in the Interim Financial Review and Unaudited Condensed Consolidated Interim Financial Statements for the six-month period ended June 30, 2023 which is available on our website at investors.universalmusic.com/reports.

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
**2Q23 CONSOLIDATED RESULTS**

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

### Revenue

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Revenue (€ millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2Q22</td>
<td>€2,535</td>
</tr>
<tr>
<td>2Q23</td>
<td>€2,697</td>
</tr>
</tbody>
</table>

**Growth:** +8.8%

### Adjusted EBITDA

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Adjusted EBITDA (€ millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2Q22</td>
<td>€507</td>
</tr>
<tr>
<td>2Q23</td>
<td>€590</td>
</tr>
</tbody>
</table>

**Growth:** +19.2%
H1 2023 U.S. SUCCESS

### TOP ALBUMS

#### 7 OF THE TOP 10 ALBUMS IN 2023 IN THE U.S.

- #1
- #4
- #5
- #7
- #9
- #10

#### 4 OF THE TOP 5

- #3
- #8
- #1

**Including**

- Morgan Wallen
- The Weeknd
- Eslabon Armado
- Taylor Swift

### TOP SONGS

#### 6 OF THE TOP 10 SONGS IN 2023 IN THE U.S.

- #1
- #5
- #7
- #8
- #9
- #10

**Including**

- Morgan Wallen
- The Weeknd
- Eslabon Armado
- Taylor Swift

**No. 1**

- Morgan Wallen
- The Weeknd
- Eslabon Armado
- Taylor Swift

### TOP ALBUM DEBUTS

#### 5 OF THE TOP 5 ALBUM DEBUT WEEKS IN 2023 IN THE U.S.

- JIMIN
- STRAY KIDS
- TOMORROW X TOGETHER
- Morgan Wallen
- TWICE

Source: Luminate.

**UNIVERSAL MUSIC GROUP**
H1 2023 U.K. SUCCESS

**TOP ARTISTS**

6 OF THE **TOP 10** ARTISTS IN 2023 IN THE U.K.

1. Taylor Swift
2. Lewis Capaldi
3. Shawn
4. 
5. The Weeknd
6. Loba El Rey
7. Eminem

**TOP ALBUMS**

6 OF THE **TOP 10** ALBUMS IN 2023 IN THE U.K.

1. Morgan Wallen
   - "Last Night"
2. The Weeknd
   - "Die For You"
3. Metro Boomin
   - "Creepin'"
4. 
5. Eslabon Armado
   - "Ella Baila Sola"
6. Morgan Wallen
   - "You Proof"
7. Taylor Swift
   - "Anti-Hero"
8. TAYLOR SWIFT
9. LEWIS CAPALDI
10. DRAKE

**TOP ALBUMS**

UMG ARTISTS HELD THE No.1 POSITION FOR 15 OF THE 26 CHART WEEKS

Source: Official Charts Company (OCC)
## H1 2023 JAPAN SUCCESS

### TOP SELLING ARTIST

**KING & PRINCE**

* #1

### TOP NEW ARTISTS

**LE SSERAFIM**

* #1

**TRAVIS JAPAN**

Source: Oricon mid-year charts 2023
KEY LATIN SIGNINGS

KAROL G SIGNS WITH INTERSCOPE RECORDS
1st Woman To Debut No. 1 on Billboard 200 with Spanish-Language Album

ANITTA SIGNS TO REPUBLIC RECORDS
1st Solo Latin Artist to Reach No. 1 on Spotify Globally
ARTIST CENTRIC MODEL

BETTER VALUES
ARTISTRY AND THE ARTIST / FAN RELATIONSHIP

GREATER ALIGNMENT BETWEEN ARTISTS AND PLATFORMS

ENHANCED PLATFORM VALUE, ACCELERATED GROWTH, BETTER SUBSCRIBER ECONOMICS
DRIVING PRESENCE IN HIGH-GROWTH MARKETS

SIGN & DEVELOP

SIGN AND DEVELOP LOCAL ARTISTS

PARTNER

PARTNER WITH LOCAL LABELS
& PROVIDE THEM WITH GLOBAL PROMOTION, DISTRIBUTION AND A FULL SUITE OF ARTIST SERVICES

ACQUIRE

ACQUIRE LOCAL LABELS, CATALOGS & ARTIST SERVICES BUSINESSES
BOYD MUIR
EVP, CFO &
PRESIDENT OF OPERATIONS
2Q23 CONSOLIDATED RESULTS

Note: € in Millions; Revenue and Adjusted EBITDA growth in constant currency.
Note: € in Millions; Revenue and Adjusted EBITDA growth shown in constant currency.
Note: € in Millions; All growth rates are in constant currency.
RECORDED MUSIC REVENUE

2Q23 REVENUE BREAKDOWN

- Subscription: €1,068
- Streaming: €358
- Download & Other Digital: €61
- Physical: €326
- License & Other: €267

1H23 REVENUE BREAKDOWN

- Subscription: €2,082
- Streaming: €673
- Download & Other Digital: €116
- Physical: €639
- License & Other: €493

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

1H23 REGIONAL REVENUE BREAKDOWN

- North America: €2,024 (+8.9%)
- EMEA*: €1,094 (+5.9%)
- Asia: €579 (+29.5%)
- Latin America: €165 (+13.0%)
- Rest of World**: €141 (-2.1%)

Note: € in Millions; All growth rates are in constant currency.
*EMEA previously labeled as Europe in past reports. Countries included in this category have not been changed.
**Rest of World includes Australia and New Zealand as well as corporate centers.

TOP SELLERS

1H23

- King & Prince: Mr. 5
- Morgan Wallen: One Thing at a Time
- King & Prince: First Dome Tour
- Taylor Swift: Fearless
- King & Prince: Re:Sense

1H22

- BTS: Encanto OST
- Olivia Rodrigo: The Weeknd
- King & Prince: Made In
- Morgan Wallen: Dangerous
- Rammstein: Made In Germany
- Justin Bieber: Justice
- Drake: Certified Lover Boy
Note: € in Millions; All growth rates are in constant currency.
*Adjusted to exclude unusual impact of prior-year benefit from Change in Society Accounting.
Note: € in Millions; All growth rates are in constant currency.
1H23 NET PROFIT AND EPS

(NET PROFIT IN € MILLIONS)

**Note:** Net Profit € Millions; All growth rates are YoY as reported.

* 2022 restated amounts are presented in the reconciliation of Adjusted net profit and Adjusted net profit per share in the 2023 Interim Financial Review.

<table>
<thead>
<tr>
<th></th>
<th>1H22</th>
<th>1H23</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NET PROFIT</strong></td>
<td>€ 241</td>
<td>€ 625</td>
</tr>
<tr>
<td><strong>ADJUSTED NET PROFIT</strong>*</td>
<td>€ 664</td>
<td>€ 754</td>
</tr>
<tr>
<td><strong>EPS</strong></td>
<td>€ 0.13</td>
<td>€ 0.34</td>
</tr>
<tr>
<td><strong>ADJUSTED EPS</strong>*</td>
<td>€ 0.37</td>
<td>€ 0.41</td>
</tr>
</tbody>
</table>

**1H22**

**1H23**

+159.3%

+13.6%

+161.5%

+10.8%
## 1H23 FREE CASH FLOW

**Operating Profit**

<table>
<thead>
<tr>
<th>Adjustment</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Royalty Advance Payments, Net of Recoupments</td>
<td>(95)</td>
</tr>
<tr>
<td>Other Changes in Net Working Capital</td>
<td>(173)</td>
</tr>
<tr>
<td>Net Cash Provided by Operating Activities Before Income Taxes Paid</td>
<td>(208)</td>
</tr>
<tr>
<td>Income Tax Paid</td>
<td>(69)</td>
</tr>
<tr>
<td>Catalog Investment</td>
<td>(54)</td>
</tr>
<tr>
<td>Capex &amp; Other Intangible Asset Investments</td>
<td>(280)</td>
</tr>
<tr>
<td>Other Investing Activities**</td>
<td>(47)</td>
</tr>
<tr>
<td>Repayment of Lease Liabilities and Related Interest</td>
<td>(38)</td>
</tr>
<tr>
<td>Interest Paid, Net</td>
<td>(13)</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>(117 m)</td>
</tr>
</tbody>
</table>

Note: € in Millions; YoY growth rates as reported.

-22% YoY

**Other investing activities** includes acquisition of 50% stake in entity that owns Capitol Records building, strategic acquisitions of a brand services company and a niche record label, and cash put into escrow for a catalog acquisition, among other items.

**Dividend policy:** At least 50% of adjusted net income

**1H23 interim dividend proposal:** €437m (€0.24/share)

**Strong growth in operating cash flow funds long-term strategic M&A and other investment in the business**

**€125m taxes paid to cover employee withholding on transition grants to lessen dilutive impact of equity plan**

**Dividend policy:** At least 50% of adjusted net income

**1H23 interim dividend proposal:** €437m (€0.24/share)
SIR LUCIAN GRAINGE
CHAIRMAN AND CEO

BOYD MUIR
EVP, CFO & PRESIDENT OF OPERATIONS

MICHAEL NASH
EVP, CHIEF DIGITAL OFFICER