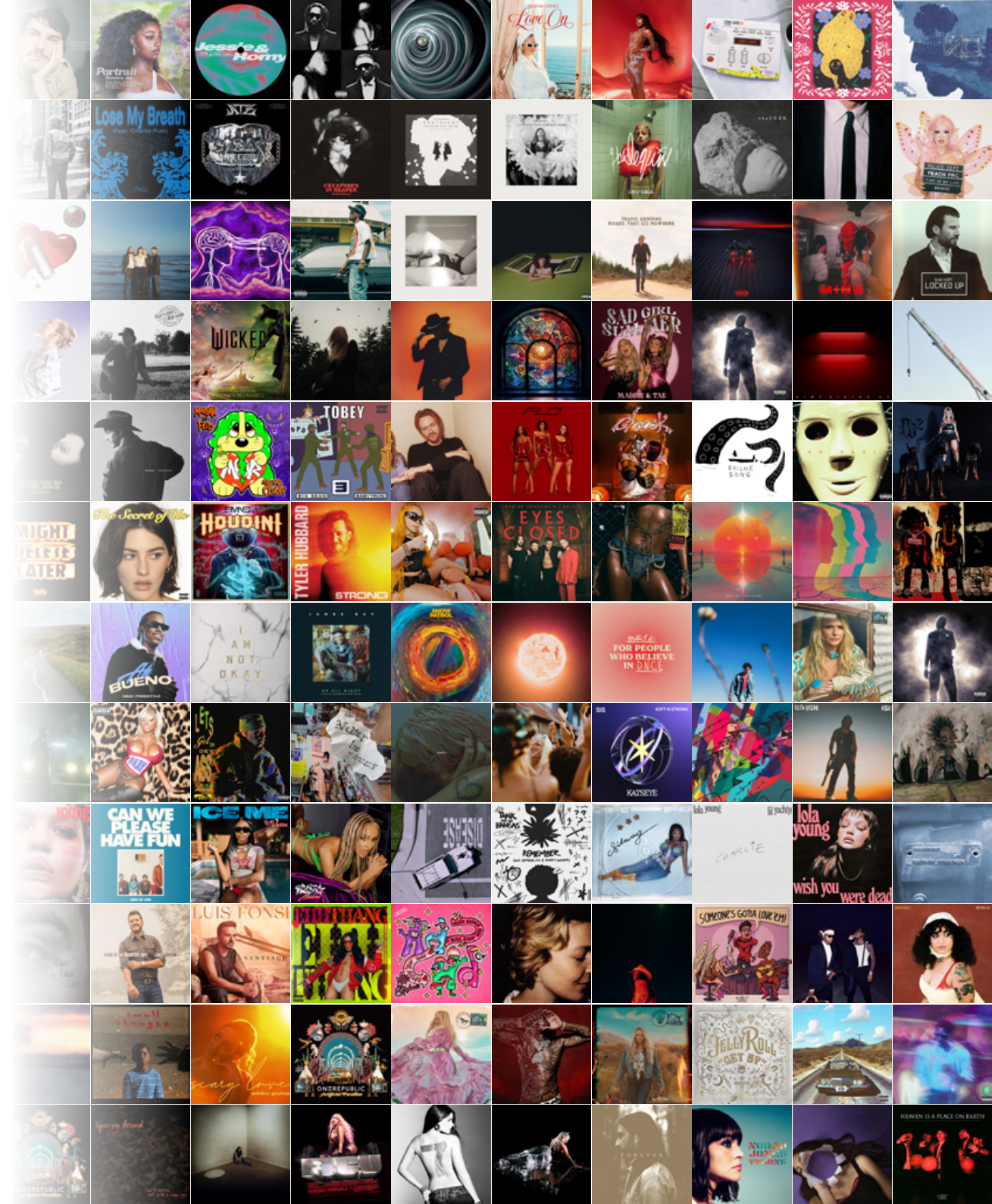


# INTERIM FINANCIAL REVIEW

For the six month period ended June 30, 2025



UNIVERSAL MUSIC GROUP





# EARNINGS ANALYSIS

## UMG Results

(in millions of euros, number of shares in millions, data per share in euros)	Six Months Ended June 30,	
	2025	2024
	(unaudited)	(unaudited)
Revenue	5,881	5,526
EBITDA <sup>1</sup>	1,214	1,069
Adjusted EBITDA <sup>1</sup>	1,336	1,240
Operating profit	947	756
Net profit attributable to equity holders of the parent	1,432	914
Adjusted net profit <sup>1</sup>	882	809
Net cash provided by operating activities before income tax paid	488	436
Free cash flow <sup>1</sup>	(179)	(460)
Weighted average number of shares outstanding	1,831	1,825
<b>Earnings per share</b>		
Earnings attributable to UMG N.V. shareowners per share - basic	0.78	0.50
Earnings attributable to UMG N.V. shareowners per share - diluted	0.77	0.49
<b>Adjusted net profit per share<sup>1</sup></b>		
Adjusted net profit per share - basic	0.48	0.44
Adjusted net profit per share - diluted	0.48	0.44

(in millions of euros)	As at	
	June 30, 2025	December 31, 2024
	(unaudited)	(audited)
Financial Net Debt <sup>1</sup>	2,734	2,098

### <sup>1.</sup> Non-IFRS measures

*This Interim Financial Review and Unaudited Condensed Consolidated Interim Financial Statements includes certain alternative performance indicators which are not defined in the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board as endorsed by the EU. The descriptions of these alternative performance indicators and reconciliations of non-IFRS to IFRS measures are included in this report and its Appendix. Reference may also be made to the 2024 Annual Report.*



Analysis of Operating Results

**Revenues** for the first half of 2025 were €5,881 million, up 6.4% compared to the first half of 2024 and up 6.9% at constant currency. This increase was driven by improvements across the Recorded Music and Music Publishing divisions. Recorded Music grew 7.0% at constant currency compared to the first half of 2024 and Music Publishing was up 12.1% at constant currency.

For a detailed analysis of revenues by business segment, please refer to the press release dated July 31, 2025 (the "press release") and to Note 3 to the Unaudited Condensed Consolidated Interim Financial Statements for the period ended June 30, 2025.

(in millions of euros)	Six Months Ended June 30,	
	2025	2024
	<i>(unaudited)</i>	<i>(unaudited)</i>
Artist costs	2,795	2,584
Product costs	546	529
<b>Cost of Revenues</b>	<b>3,341</b>	<b>3,113</b>

**Cost of Revenues** grew by €228 million to €3,341 million in the first half of 2025 from €3,113 million in the first half of 2024 reflecting the increase in revenues and revenue mix. Cost of revenues as a percentage of revenues increased to 56.8% from 56.3% primarily driven by higher artist costs.

**Artist costs** increased by €211 million from €2,584 million in the first half of 2024 to €2,795 million in the first half 2025 driven by the increase in sales. As a percentage of revenues, artists costs increased to 47.5% in the first half 2025 from 46.8% in the first half of 2024 driven by a greater proportion of Music Publishing revenues which have higher relative artist costs compared to Recorded Music.

**Product costs** increased by €17 million to €546 million in the first 6 months of 2025 from €529 million in the first 6 months of 2024 reflecting the growth in revenues. Product costs as a percentage of revenues decreased to 9.3% from 9.6% driven primarily by the lower proportion of physical and merchandising sales.

**Selling, general and administrative expenses** decreased by €83 million to €1,429 million in the first half of 2025 from €1,512 million in the first half of 2024 and decreased as a percentage of revenues to 24.3% in first half of 2025 from 27.4% in first half of 2024. Selling, general and administrative expenses in the first half of 2025 included €110 million in non-cash share-based compensation expense while in the first half of 2024, selling, general and administrative expenses included €171 million in non-cash share-based compensation expense. Additionally selling, general and administrative expenses for the first 6 months of 2025 included €49 million restructuring charges compared to €113 million restructuring charges in the first 6 months of 2024.

**Operating profit** was €947 million in the first half of 2025, compared to €756 million for the first half of 2024, an increase of €191 million (25.3%) or an increase of 27.5% at constant currency, due to the growth in revenues and the lower non-cash share-based compensation expense and restructuring charges in the first half of 2025. As a percentage of revenues, operating profit improved to 16.1% in the first half of 2025 from 13.7% in the first half of 2024 due to the lower Selling, general and administrative expenses only partially offset by higher relative Cost of revenues.





Reconciliation of Operating Profit to EBITDA and Adjusted EBITDA

(in millions of euros)	Six Months Ended June 30,	
	2025	2024
	<i>(unaudited)</i>	<i>(unaudited)</i>
Operating profit	947	756
Adjustments		
Amortisation and depreciation expense	220	200
Restructuring expenses	49	113
(Gain)/loss on sale of tangible and intangible assets	(4)	-
Impairment (reversal)/charge on intangible assets	2	-
EBITDA	1,214	1,069
Non-cash share-based compensation expense	110	171
Certain one-time items <sup>1</sup>	12	-
Adjusted EBITDA	1,336	1,240

1 Certain one-time items consists of US listing preparation costs and certain M&A advisory costs.

EBITDA increased by €145 million to €1,214 million in the first half of 2025 compared to €1,069 million in the first half of 2024 due to the increase in revenues and lower non-cash share-based compensation expense as detailed above. EBITDA margin increased by 1.3pp to 20.6% in the first 6 months of 2025 compared to 19.3% in the first 6 months of 2024.

Adjusted EBITDA was €1,336 million in the first half of 2025 up €96 million compared to €1,240 million in the first half of 2024 due to the improved revenues. Adjusted EBITDA margin increased by 0.3pp to 22.7% in the first 6 months of 2025 from 22.4% in the first 6 months of 2024 driven by the revenue growth, operating leverage and cost savings from the previously announced strategic organizational redesign, partially offset by the higher Cost of revenues.

For a detailed analysis of Adjusted EBITDA by business segment, please refer to the press release and to Note 3 to the Unaudited Condensed Consolidated Interim Financial Statements for the period ended June 30, 2025.

Financial income and financial expenses

Financial income and Financial expenses were a net income of €1,006 million in the first half of 2025, compared to a net income of €515 million in the first half of 2024, an improvement of €491 million. For the first half of 2025, the revaluation of the investments in listed and other companies including Spotify and Tencent Music Entertainment was a net income amount of €1,067 million, compared to a net income of €566 million for the first half of 2024, an improvement of €501 million.

Income taxes

For the first half of 2025, income tax expense was €509 million, compared to an expense of €345 million in the first half of 2024. This increase notably reflected the improvement in Operating profit and the increase in the deferred tax charge relating to the revaluation of the investments in listed companies including Spotify and Tencent Music Entertainment (€267 million expense, compared to €141 million expense for first half of 2024).

Non-controlling interests

For the first half of 2025, earnings attributable to non-controlling interests were €3 million, slightly lower than the €4 million for the first half of 2024.



Net profit attributable to equity holders of the parent

For the first 6 months of 2025, net profit attributable to equity holders of the parent amounted to a profit of €1,432 million (or €0.78 per share - basic), compared to €914 million for the first 6 months of 2024 (or €0.50 per share - basic). Net profit attributable to equity holders of the parent increased by €518 million, reflecting:

- the improvement in Operating Profit (+€191 million) driven by higher revenues and the lower non-cash share-based compensation expense and restructuring charges in the first half 2025; and
- the improvement in Financial income and financial expenses (+€491 million) driven by the favourable variance in the revaluation of the investments in listed and other companies including Spotify and Tencent Music Entertainment (+€501 million);

partially offset by:

- the increase in Income tax charges (-€164 million) due to the improvement in Operating profit and the increase in deferred tax charge relating to the revaluation of the investments in listed companies (-€126 million).

Adjusted net profit

Reconciliation of Net profit attributable to equity holders of the parent to Adjusted net profit

(in millions of euros)	Six Months Ended June 30,	
	2025	2024
	<i>(unaudited)</i>	<i>(unaudited)</i>
Net profit attributable to equity holders of the parent	1,432	914
Financial income and expenses, excluding interest and income from investments	(1,042)	(553)
Non-cash share-based compensation expense	110	171
Restructuring expenses	49	113
Amortisation of catalogues	130	121
Impairment of intangible assets	2	-
Income tax on adjustments	189	43
Certain one-time items <sup>1</sup>	12	-
Adjusted Net Profit	882	809

1 Certain one-time items consists of US listing preparation costs and certain M&A advisory costs.

Adjusted net profit in the first half of 2025 amounted to a profit of €882 million (or €0.48 per share - basic), compared to €809 million for the first half of 2024 (or €0.44 per share - basic). Adjusted net profit increased by €73 million, including:

- the growth in Adjusted EBITDA (+€96 million); offset by
- the increase in income taxes reported to adjusted net profit (-€18 million).

# LIQUIDITY AND CAPITAL RESOURCES

## Financial Net Debt

(in millions of euros)	As at	
	June 30, 2025	December 31, 2024
	<i>(unaudited)</i>	<i>(audited)</i>
Bank overdrafts	25	8
Drawn revolving credit facilities	9	-
Bonds	2,178	1,810
Commercial papers	934	746
Other	82	87
<b>Borrowings at amortised cost</b>	<b>3,228</b>	<b>2,651</b>
Cash and cash equivalents	(493)	(553)
Derivative financial assets	(1)	-
<b>Financial Net Debt</b>	<b>2,734</b>	<b>2,098</b>

### Changes in the Financial Net Debt

As of June 30, 2025, UMG's Financial Net Debt amounted to €2,734 million compared to Financial Net Debt of €2,098 million as of December 31, 2024, an increase in net debt of €636 million. This change was mainly attributable to the following:

- UMG paid the final dividend with respect to fiscal year 2024 of which €458 million was paid in June 2025 and the associated withholding tax paid in July 2025;
- Net cash used for investing activities of €322 million, primarily due to the €149 million investment in Music Publishing and Recorded Music catalogues, €81 million other intangible and capital expenditure and €131 million purchase of consolidated companies, equity affiliates and financial assets relating to several strategic investments in the period; and
- Repayment of €46 million in relation to lease liabilities and associated interest and €66 million in other net interest payments.

This was partially offset by the following:

- Net cash provided by operating activities of €252 million; and
- Proceeds from divestitures of €33 million.

UMG believes that the cash flow generated by its operating activities, its cash surpluses, net of amounts used to reduce UMG's debt, as well as funds available through undrawn bank credit facilities and additional funding opportunities will be sufficient to cover expenses and investments necessary for its operations, its debt service, the payment of income taxes, the distribution of dividends, as well as its investment projects, if any, for the next 12 months.

### Equity portfolio

As of June 30, 2025, UMG held a portfolio of listed non-controlling equity interests (including Spotify) with an aggregate market value of approximately €4,536 million (before taxes), compared to €2,945 million as of December 31, 2024. The increase in market value during 2025 was due to the fluctuation in share price of our listed investments most notably of Spotify. The aggregate market value of our listed equity securities does not reflect costs, including taxes, payments to certain qualified artists and distributed labels and other transaction expenses, which we account for in our financial statements, that will be payable from the proceeds of any future sales of such equity securities.

## Cash flow analysis

### Net cash provided by operating activities before income tax

For the first half of 2025, changes in net cash provided by operating activities before income tax amounted to an inflow of €488 million compared to an inflow of €436 million for the first half of 2024, an improvement of of €52 million. This increase was mainly attributable to the following items:

- the increase in Operating profit (+€191 million),

partially offset by:



- the unfavourable variance in Adjustments (–€29 million) (see breakdown of Adjustments in the Appendix);
- the increase in Royalty advances payments net of recoupments (–€62 million) due to the timing of major artist deal renewals and extensions partly offset by increased recoupment; and
- the unfavourable variance in Other working capital (–€48 million).

Net cash provided by operating activities

Net cash provided by operating activities in the first 6 months of 2025 amounted to an inflow of €252 million compared to an inflow of €237 million for the first 6 months of 2024, an increase of €15 million due to the €52 million increase in Net cash provided by operating activities before income tax only partially offset by the increase in Income tax paid of €37 million.

Net cash used for investing activities

Net cash used for investing activities in the first half of 2025 was a €322 million net outflow compared to a €615 million net outflow for the first half of 2024, a decreased outflow of €293 million. Purchase of consolidated companies, after acquired cash and Investment in equity affiliates in the first half of 2025 were respectively €74 million and €344 million lower than in the first half of 2024 that included various strategic investments including the investments in Chord Music Partners, NTRWK and Mavin Global. Divestitures of €33 million in the first half of 2025 included the sale of various tangible, intangible and financial assets. Divestitures of €78 million in the first half of 2024 primarily related to the release of funds, previously paid into escrow, to complete a catalogue acquisition during the period. Catalogue investments were higher (–€53 million) than in the first half of 2024.

Net cash provided by financing activities

Net cash provided by financing activities in the first 6 months of 2025 was a €23 million net inflow compared to a €415 million net inflow for the first 6 months of 2024, a decreased inflow of €392 million. This was mainly attributable to the increase in net proceeds from borrowings in the first 6 months of 2025 of €594 million compared to an increase in net proceeds from borrowings in the first 6 months of 2024 of €955 million (–€361 million). Dividend payments in the first half of 2025

were broadly in line with payments in the first half of 2024. Interest expense payments net of interest income receipts were €66 million in the first half of 2025 compared to €35 million in the first half of 2024, an increase of €31 million due to the timing of certain bond interest payments that last year were paid in the second half year.

Reconciliation of cash provided by operating activities to Free Cash Flow

(in millions of euros)	Six Months Ended June 30,	
	2025	2024
	<i>(unaudited)</i>	<i>(unaudited)</i>
Net cash provided by/(used for) operating activities before income tax paid	488	436
Income tax paid	(236)	(199)
Net cash provided by/(used for) operating activities	252	237
Net cash provided by/(used for) investing activities	(322)	(615)
Repayment of lease liabilities and related interest expenses	(46)	(53)
Interest, net	(66)	(35)
Other cash items related to financing activities	3	6
Free Cash Flow	(179)	(460)

Free Cash Flow

Free Cash Flow in the first half of 2025 was a €179 million net outflow compared to a €460 million net outflow for the first half of 2024, an improvement of €281 million. This improvement was largely due to lower Net cash used for investing activities, which was €293 million lower than in the first 6 months of 2024 due to greater strategic investments in the prior period including investments in Chord Music Partners, NTRWK and Mavin Global.

# CAUTIONARY STATEMENTS

## Risk and uncertainties

The 2024 Annual Report on pages 85 to 102 outlines a number of risk factors which UMG still believes are the key risks and uncertainties concerning the business and industry in which UMG operates, and that alone or in combination with other events or circumstances, could have a material adverse effect on UMG's business, results and financial position.

## External auditors' involvement

The Interim Financial Review and Unaudited Condensed Consolidated Interim Financial Statements have not been audited by UMG's external auditors.

## Related party transactions

Please refer to Note 13 of the Unaudited Condensed Consolidated Interim Financial Statements for details on related party transactions.

## Forward-looking statements

These Interim Financial Review and Unaudited Condensed Consolidated Interim Financial Statements may contain statements that constitute forward-looking statements with respect to UMG's financial condition, results of operations, business, strategy and plans. Such forward-looking statements may be identified by the use of words such as 'profit forecast', 'expect', 'estimate', 'project', 'anticipate', 'should', 'intend', 'plan', 'probability', 'risk', 'target', 'goal', 'objective', 'will', 'endeavour', 'optimistic', 'prospects' and similar expressions or variations on such expressions. 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, changes in global economic and financial conditions, UMG's inability to protect its intellectual property and against piracy, challenges

related to generative AI, UMG's inability to attract and retain key personnel, UMG's restructuring and reorganization activities, UMG's acquisitions and other investments, changes in laws and regulations (and UMG's compliance therewith) and the other risks that have been described in UMG's 2024 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 these Interim Financial Review and Unaudited Condensed Consolidated Interim Financial Statements. 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.

## Responsibility statement

In accordance with article 5:25d(2)(c) of the Dutch Financial Supervision Act (Wet op het financieel toezicht), we confirm that, to the best of our knowledge:

- the Unaudited Condensed Consolidated Interim Financial Statements for the six-month period ended June 30, 2025, which have been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and result of the Company and the undertakings included in the consolidation as a whole;
- the Interim Financial Review provides a true and fair view of the important events that have occurred during the first six months of the financial year, and their impact on the Unaudited Condensed Consolidated Interim Financial Statements, together with a description of the principal risks and uncertainties for the remaining six months of the financial year, as well as of the major related parties transactions.

On behalf of the Board,

Sir Lucian Grainge, Executive Director, Chairman and Chief Executive Officer

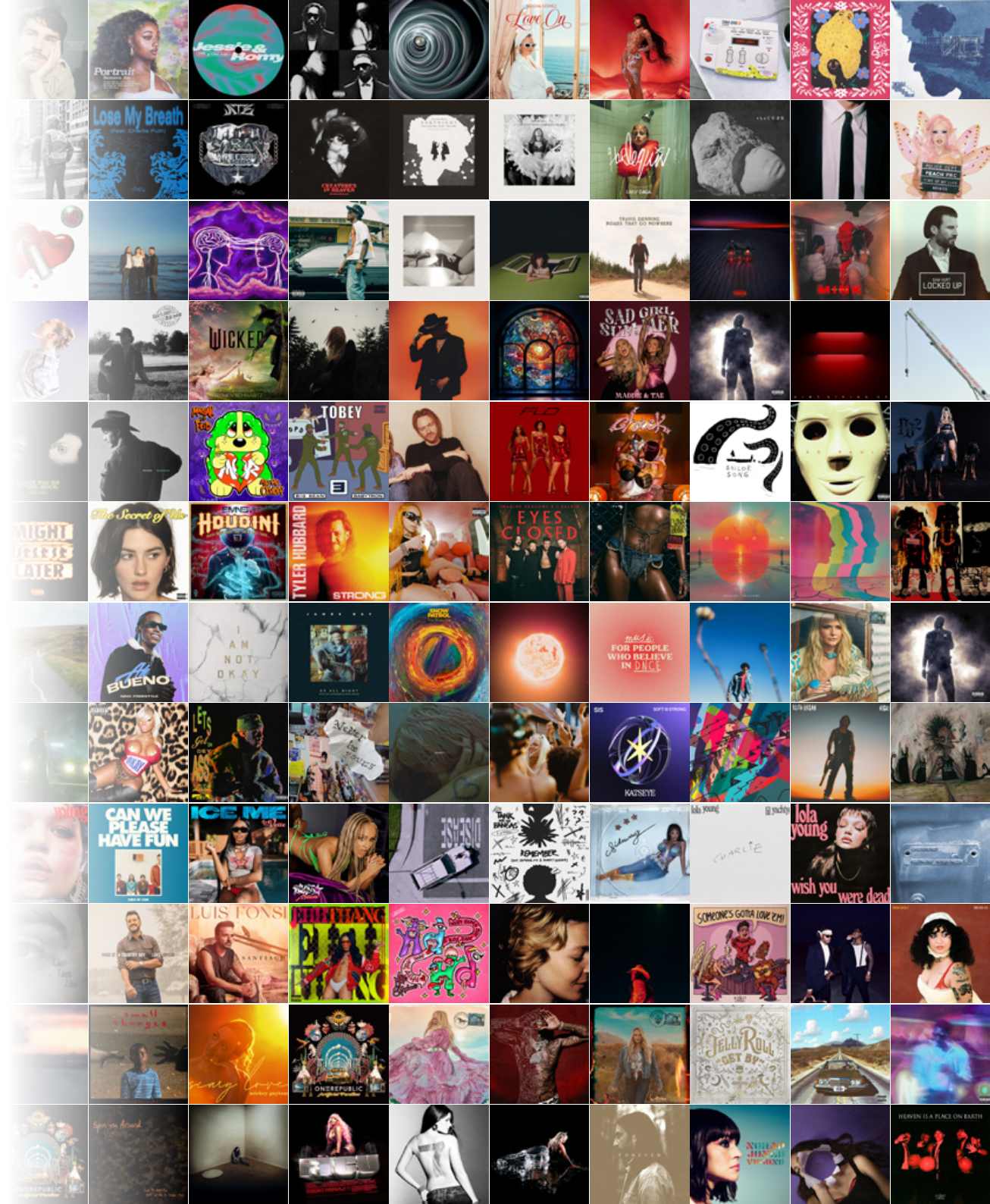
Vincent Vallejo, Executive Director, Deputy Chief Executive Officer



# FINANCIAL REVIEW APPENDIX



UNIVERSAL MUSIC GROUP





# NON-IFRS ALTERNATIVE PERFORMANCE INDICATORS AND RECONCILIATIONS

## UMG results by segment

(in millions of euros)	Six months ended June 30,		%	%
	2025	2024	YoY	const.
	<i>(unaudited)</i>	<i>(unaudited)</i>		
<b>Revenues</b>				
Recorded Music	4,464	4,190	6.5%	7.0%
Music Publishing	1,125	1,008	11.6%	12.1%
Merchandising & Other	305	341	(10.6%)	(10.0%)
Corporate Centre	-	-	0.0%	0.0%
Elimination of inter-segment transactions	(13)	(13)		
<b>Total UMG</b>	<b>5,881</b>	<b>5,526</b>	<b>6.4%</b>	<b>6.9%</b>
<b>Adjusted EBITDA</b>				
Recorded Music	1,163	1,065	9.2%	9.9%
Music Publishing	259	241	7.5%	7.9%
Merchandising & Other	(3)	18	(116.7%)	(116.7%)
Corporate Centre	(83)	(84)	(1.2%)	(1.2%)
<b>Total UMG</b>	<b>1,336</b>	<b>1,240</b>	<b>7.7%</b>	<b>8.5%</b>

Note: % YoY indicates % change year-over-year; % const. indicates % change year-over-year adjusted for constant currency. Constant currency change is calculated by taking current year results and comparing against prior year results restated at current year rates.

## Recorded Music

(in millions of euros)	Six months ended June 30,		%	%
	2025	2024	YoY	const.
	<i>(unaudited)</i>	<i>(unaudited)</i>		
Subscriptions and streaming revenue	3,160	2,945	7.3%	7.9%
of which streaming	711	685	3.8%	4.6%
of which subscription	2,449	2,260	8.4%	8.9%
Downloads and other digital revenue	109	94	16.0%	17.2%
Physical revenue	611	612	(0.2%)	(0.5%)
License and other revenue	584	539	8.3%	8.6%
<b>Recorded Music revenues</b>	<b>4,464</b>	<b>4,190</b>	<b>6.5%</b>	<b>7.0%</b>
Adjusted EBITDA	1,163	1,065	9.2%	9.9%
Adjusted EBITDA margin	26.1%	25.4%	0.7pp	

Note: % YoY indicates % change year-over-year; % const. indicates % change year-over-year adjusted for constant currency.



## Music Publishing

(in millions of euros)	Six months ended June 30,		%	%
	2025	2024	YoY	const.
	<i>(unaudited)</i>	<i>(unaudited)</i>		
Performance revenue	225	214	5.1%	5.1%
Synchronisation revenue	130	124	4.8%	5.7%
Digital revenue	690	595	16.0%	16.6%
Mechanical revenue	54	51	5.9%	5.9%
Other revenue	26	24	8.3%	8.3%
<b>Music Publishing revenues</b>	<b>1,125</b>	<b>1,008</b>	<b>11.6%</b>	<b>12.1%</b>
Adjusted EBITDA	259	241	7.5%	7.9%
<i>Adjusted EBITDA margin</i>	<i>23.0%</i>	<i>23.9%</i>	<i>(0.9pp)</i>	

Note: % YoY indicates % change year-over-year; % const. indicates % change year-over-year adjusted for constant currency.

## Merchandising and Other

(in millions of euros)	Six months ended June 30,		%	%
	2025	2024	YoY	const.
	<i>(unaudited)</i>	<i>(unaudited)</i>		
Merchandising and other revenues	305	341	(10.6%)	(10.0%)
Adjusted EBITDA	(3)	18	(116.7%)	(116.7%)
<i>Adjusted EBITDA margin</i>	<i>(1.0%)</i>	<i>5.3%</i>	<i>(6.3pp)</i>	

Note: % YoY indicates % change year-over-year; % const. indicates % change year-over-year adjusted for constant currency.



### Net cash provided by operating activities - Adjustments

Operating profit includes certain non-cash items that are adjusted to get to the Net cash provided by operating activities as follows:

(in millions of euros)	Six months ended June 30,	
	2025	2024
	<i>(unaudited)</i>	<i>(unaudited)</i>
Amortisation and depreciation expense	220	200
Non-cash share-based compensation expense, net of employees tax withheld	15	(23)
Changes in provisions, net	(49)	36
(Gain)/loss on sale of tangible and intangible assets	(4)	-
Impairment (reversal)/charge on intangible assets	2	-
<b>Adjustments</b>	<b>184</b>	<b>213</b>

### Adjusted net profit per share

(in millions of euros)	Six months ended June 30,	
	2025	2024
	<i>(unaudited)</i>	<i>(unaudited)</i>
Adjusted net profit	882	809
<b>Number of shares (in millions)</b>		
Weighted average number of shares outstanding	1,831	1,825
Potential dilutive effects related to sharebased compensation	23	23
<b>Adjusted weighted average number of shares</b>	<b>1,854</b>	<b>1,848</b>
<b>Adjusted net profit per share (in euros)</b>		
Adjusted net profit per share - basic	0.48	0.44
Adjusted net profit per share - diluted	0.48	0.44



# DEFINITIONS

In this Interim Financial Review, UMG presents certain financial measures when discussing UMG's performance that are not measures of financial performance or liquidity under IFRS ("non-IFRS"). These non-IFRS measures (also known as alternative performance indicators) are presented because management considers them important supplemental measures of UMG's performance and believes that they are widely used in the industry in which UMG operates as a means of evaluating a company's operating performance and liquidity. UMG believes that an understanding of its sales performance, profitability, financial strength and funding requirements is enhanced by reporting the following non-IFRS measures. All non-IFRS measures should be considered in addition to, and not as a substitute for, IFRS measures of operating and financial performance as presented in UMG's Unaudited Condensed Consolidated Interim Financial Statements and the related Notes. In addition, it should be noted that other companies may use definitions and calculations for these non-IFRS measures that differ from those used by UMG, thereby affecting comparability.

## EBITDA and EBITDA margin

UMG considers EBITDA and EBITDA margin, non-IFRS measures, to be relevant measures to assess its operating performance. It excludes restructuring expenses, which may impact period-to-period comparability. EBITDA margin is EBITDA divided by revenue.

To calculate EBITDA, the accounting impact of the following items is excluded from Operating Profit:

1. amortisation of intangible assets;
2. impairment of goodwill and other intangibles;
3. depreciation of tangible assets including right of use assets;
4. (gains)/losses on the sale of tangible assets, including right of use assets and intangible assets; and
5. restructuring expenses.

## Adjusted EBITDA and Adjusted EBITDA margin

The difference between EBITDA and Adjusted EBITDA consists of non-cash share-based compensation expense and certain one-time items that are deemed by management to be

significant and incidental to normal business activity. Adjusted EBITDA margin is Adjusted EBITDA divided by revenue.

UMG considers Adjusted EBITDA and Adjusted EBITDA margin, non-IFRS measures, to be relevant measures to assess its operating performance and performance of its operating segments excluding items that may be incidental to normal business activity and excluding non-cash share based compensation which may impact period-to-period comparability.

## Adjusted Net Profit/Adjusted Net Profit Per Share

UMG uses Adjusted Net Profit as the basis for Adjusted Net Profit Per Share both of which are non-IFRS financial measures. UMG considers Adjusted Net Profit and Adjusted Net Profit Per Share to be relevant measures to represent profitability as it removes the impact of unusual or non-recurring items. Adjusted net profit and Adjusted Net Profit Per Share may be subject to limitations as an analytical tool for investors, as they exclude certain items and therefore do not reflect the expense associated with such items, which may be significant and have a significant effect on UMG's net profit.

The accounting impact of the following items is excluded from Net profit attributable to equity holders of the parent:

1. amortisation of catalogues;
2. impairment losses on goodwill and intangible assets;
3. financial income and expenses, excluding interest and income from investments;
4. restructuring expenses;
5. earnings from discontinued operations;
6. non-cash share-based compensation expense;
7. certain one-time items that are deemed by management to be significant and incidental to normal business activity;
8. income tax impact on the above adjustments;
9. non-recurring tax items; and
10. adjustments attributable to non-controlling interests.





Adjusted Net Profit Per Share is defined as Adjusted Net Profit divided by the weighted average number of shares outstanding during the period. UMG presents both basic and diluted Adjusted Net Profit Per Share.

Adjusted Net Profit Per Share — basic is calculated by dividing Adjusted Net Profit by the weighted average number of shares outstanding during the period. Adjusted Net Profit Per Share — diluted is calculated by dividing Adjusted Net Profit by the weighted average number of shares outstanding during the period, adjusted for the effects of all potentially dilutive shares, which comprise share rights and options granted to employees.

### Financial Net Debt

UMG considers Financial Net Debt, a non-IFRS measure, to be a relevant indicator of its liquidity and capital resources. UMG management uses this indicator for reporting, management and planning purposes. Financial Net Debt is calculated as:

1. the value of borrowings at amortised cost as reported in the Consolidated Statement of Financial Position

less the sum of:

1. cash and cash equivalents, as reported in the Consolidated Statement of Financial Position, including (i) cash in banks and deposits, whether or not compensated, corresponding to cash, and (ii) money market funds
2. cash management financial assets, included in the Consolidated Statement of Financial Position under “Other current financial assets”, relating to financial investments, which do not satisfy the criteria for classification as cash equivalents set forth in IAS 7
3. derivative financial instruments, net (assets and liabilities) where the underlying instruments are Financial Net Debt items, as well as cash deposits securing borrowings included in the Consolidated Statement of Financial Position under “Other current financial assets”

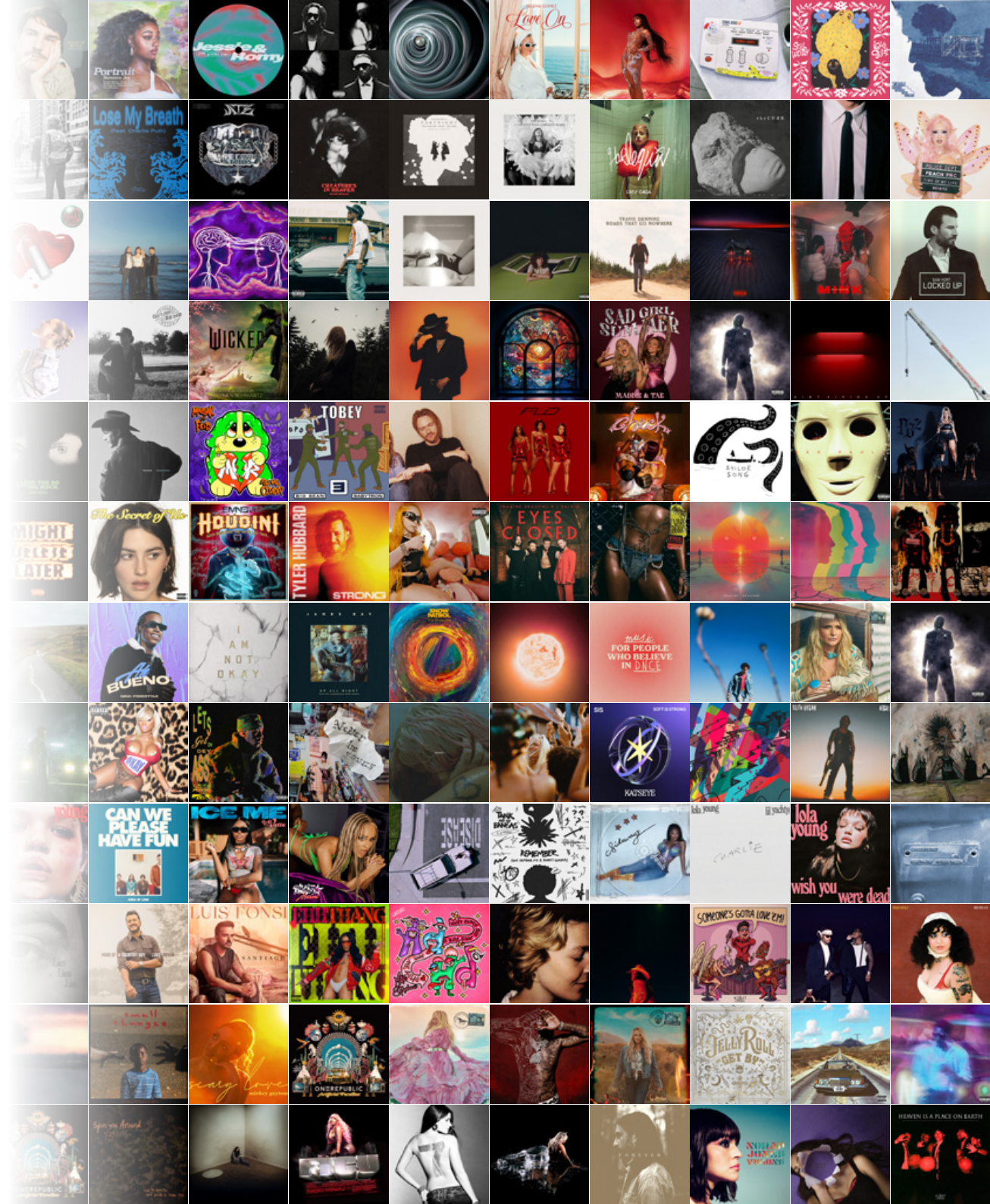
### Free Cash Flow

UMG defines Free Cash Flow as net cash provided by/(used for) operating activities plus net cash provided by/(used for) investing activities, less repayment of lease liabilities and related interest expense, interest paid, net and other cash items related to financing activities. UMG considers Free Cash Flow, a non-IFRS measure, to be a relevant indicator of its cash flow generated to fund dividend payments and repayment of debt. Free Cash Flow is not a measure of performance calculated in accordance with IFRS and therefore it should not be considered in isolation of, or as a substitute for cash flow provided by operating activities as a measure of liquidity. Free Cash Flow, as we calculate it, may not be comparable to similarly titled measures employed by other companies. In addition, Free Cash Flow does not necessarily represent funds available for discretionary use and is not necessarily a measure of our ability to fund our cash needs.

# UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS



UNIVERSAL MUSIC GROUP





# CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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# CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTHS ENDED JUNE 30, 2025

## CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS

(in millions of euros)	Note	Six months ended June 30,	
		2025	2024
		<i>(unaudited)</i>	<i>(unaudited)</i>
<b>Revenues</b>	3	5,881	5,526
Cost of revenues		(3,341)	(3,113)
Selling, general and administrative expenses		(1,429)	(1,512)
Amortisation and impairment losses on intangible assets		(164)	(145)
<b>Operating profit</b>		947	756
Financial income	5	1,099	596
Financial expenses	5	(93)	(81)
		1,006	515
Income/(loss) from equity affiliates		(9)	(8)
<b>Profit before income taxes</b>		1,944	1,263
Income taxes	6	(509)	(345)
<b>Net profit</b>		1,435	918
Of which:			
Net profit attributable to equity holders of the parent		1,432	914
Net profit attributable to non-controlling interests		3	4
<b>Earnings per share (in euros)</b>			
Earnings for the period attributable to equity holders of the parent - basic		0.78	0.50
Earnings for the period attributable to equity holders of the parent - diluted		0.77	0.49



## CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

(in millions of euros)	Six months ended June 30,	
	2025	2024
	<i>(unaudited)</i>	<i>(unaudited)</i>
<b>Net profit</b>	<b>1,435</b>	<b>918</b>
Actuarial gains/(losses) related to employee defined benefit plans, net of tax	-	-
Financial assets at fair value through other comprehensive income, net of tax	(1)	(3)
<b>Items not subsequently reclassified to profit or loss, net of tax</b>	<b>(1)</b>	<b>(3)</b>
Foreign currency translation adjustments	(531)	79
Other comprehensive income/(loss) from equity affiliates, net of tax	(56)	6
Net gain/(loss) on hedge of net investment	5	8
<b>Items to be subsequently reclassified to profit or loss, net of tax</b>	<b>(582)</b>	<b>93</b>
<b>Other comprehensive income/(loss), net of tax</b>	<b>(583)</b>	<b>90</b>
<b>Total comprehensive income, net of tax</b>	<b>852</b>	<b>1,008</b>
<i>Of which</i>		
<i>Total comprehensive income attributable to equity holders of the parent</i>	851	1,004
<i>Total comprehensive income attributable to non-controlling interests</i>	1	4





## CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

(in millions of euros)	Note	June 30, 2025	December 31, 2024
		<i>(unaudited)</i>	<i>(audited)</i>
Goodwill		1,748	1,895
Non-current royalty advances	7	1,975	2,085
Catalogues	7	3,036	3,393
Other intangible assets	7	240	232
Property, plant and equipment		232	242
Right of use assets		414	446
Investments in equity affiliates		550	578
Non-current financial assets	10	4,842	3,245
Deferred tax assets		722	625
Other non-current assets		5	6
<b>Non-current assets</b>		<b>13,764</b>	<b>12,747</b>
Inventories		267	255
Current tax receivables		72	30
Current royalty advances	7	1,171	1,211
Other current financial assets	10	32	27
Trade and other receivables		2,502	2,497
Cash and cash equivalents	9	493	553
<b>Current assets</b>		<b>4,537</b>	<b>4,573</b>
<b>TOTAL ASSETS</b>		<b>18,301</b>	<b>17,320</b>

(in millions of euros)	Note	June 30, 2025	December 31, 2024
		<i>(unaudited)</i>	<i>(audited)</i>
Shareowners equity		4,877	4,526
Non-controlling interests		30	25
<b>Total equity</b>		<b>4,907</b>	<b>4,551</b>
Non-current provisions		262	266
Long-term borrowings and other financial liabilities	9	2,179	1,778
Deferred tax liabilities		1,542	1,170
Long-term lease liabilities		428	475
Other non-current liabilities	10	1,809	1,456
<b>Non-current liabilities</b>		<b>6,220</b>	<b>5,145</b>
Current provisions		137	195
Short-term borrowings and other financial liabilities	9	1,049	873
Trade and other payables		5,755	6,394
Short-term lease liabilities		79	66
Current tax payables		154	96
<b>Current liabilities</b>		<b>7,174</b>	<b>7,624</b>
<b>Total liabilities</b>		<b>13,394</b>	<b>12,769</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>18,301</b>	<b>17,320</b>



## CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

(in millions of euros)	Note	Six months ended June 30,	
		2025	2024
		(unaudited)	(unaudited)
<b>Operating activities</b>			
Operating profit		947	756
Adjustments	8	184	213
Royalty advances payments, net of recoupments		(377)	(315)
<b>Gross cash provided by operating activities before income tax paid</b>		<b>754</b>	<b>654</b>
Other changes in net working capital		(266)	(218)
<b>Net cash provided by operating activities before income tax paid</b>		<b>488</b>	<b>436</b>
Income tax paid		(236)	(199)
<b>Net cash provided by/(used for) operating activities</b>		<b>252</b>	<b>237</b>
<b>Investing activities</b>			
Catalogue investments		(149)	(96)
Other intangible assets investments		(58)	(43)
Capital expenditures		(23)	(28)
Purchases of consolidated companies, after acquired cash		(37)	(111)
Investments in equity affiliates		(41)	(385)
Purchase of financial assets		(53)	(41)
<b>Investments</b>		<b>(361)</b>	<b>(704)</b>
Proceeds from sales of property, plant, equipment and intangible assets		28	1
Proceeds from sale of financial assets		5	77
<b>Divestitures</b>		<b>33</b>	<b>78</b>
Dividends received from equity affiliates		4	8
Dividends received from investments		2	3
<b>Net cash provided by/(used for) investing activities</b>		<b>(322)</b>	<b>(615)</b>

(in millions of euros)	Note	Six months ended June 30,	
		2025	2024
		(unaudited)	(unaudited)
<b>Financing activities</b>			
Distributions to shareowners	11	(458)	(455)
Dividends paid by consolidated companies to their non-controlling interests		(4)	(3)
<b>Transactions with shareowners</b>		<b>(462)</b>	<b>(458)</b>
Proceeds from borrowings		2,241	2,326
Repayments of borrowings		(1,647)	(1,371)
Interest, net		(66)	(35)
Other cash items related to financing activities		3	6
<b>Transactions on borrowings and other financial liabilities</b>		<b>531</b>	<b>926</b>
Repayment of lease liabilities		(35)	(43)
Payment of interest of lease liabilities		(11)	(10)
<b>Net cash provided by/(used for) financing activities</b>		<b>23</b>	<b>415</b>
<b>Net change in cash and cash equivalents</b>		<b>(47)</b>	<b>37</b>
Foreign currency translation adjustments		(30)	(10)
<b>Change in cash and cash equivalents</b>	9	<b>(77)</b>	<b>27</b>
<b>Cash and cash equivalents</b>			
At beginning of the period	9	545	387
At end of the period	9	468	414



## CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

Six months ended June 30, 2025 <i>(unaudited)</i>									
	Note	Number of shares (in thousands)	Share capital	Additional paid- in capital	Treasury shares	Retained earnings	Shareowners equity	Non- Controlling interest	Total equity
(in millions of euros)									
BALANCE AS OF DECEMBER 31, 2024		1,829,281	18,293	15,041	(5)	(28,803)	4,526	25	4,551
Net profit		-	-	-	-	1,432	1,432	3	1,435
Income and expenses directly recognized in other comprehensive income, net of tax		-	-	-	-	(581)	(581)	(2)	(583)
TOTAL COMPREHENSIVE INCOME		-	-	-	-	851	851	1	852
Dividends paid and payable by UMG N.V.	11	-	-	-	-	(513)	(513)	(4)	(517)
Share-based compensation plans		4,819	48	52	-	(87)	13	-	13
NCI on acquired business		-	-	-	-	-	-	8	8
TOTAL CHANGES OVER THE PERIOD		4,819	48	52	-	(600)	(500)	4	(496)
BALANCE AS OF JUNE 30, 2025		1,834,100	18,341	15,093	(5)	(28,552)	4,877	30	4,907



Six months ended June 30, 2024 <i>(unaudited)</i>									
	Note	Number of shares (in thousands)	Share capital	Additional paid- in capital	Treasury shares	Retained earnings	Shareowners equity	Non- Controlling interest	Total equity
(in millions of euros)									
BALANCE AS OF DECEMBER 31, 2023		1,821,665	18,217	14,994	(5)	(30,244)	2,962	21	2,983
Net profit		-	-	-	-	914	914	4	918
Income and expenses directly recognized in other comprehensive income, net of tax		-	-	-	-	90	90	-	90
TOTAL COMPREHENSIVE INCOME		-	-	-	-	1,004	1,004	4	1,008
Dividends paid and payable by UMG N.V.		-	-	-	-	(494)	(494)	(3)	(497)
Share-based compensation plans		7,594	76	47	-	(146)	(23)	-	(23)
NCI on acquired business		-	-	-	-	-	-	20	20
Acquired/(exercised) put options over NCI		-	-	-	-	(20)	(20)	-	(20)
TOTAL CHANGES OVER THE PERIOD		7,594	76	47	-	(660)	(537)	17	(520)
BALANCE AS OF JUNE 30, 2024		1,829,259	18,293	15,041	(5)	(29,900)	3,429	42	3,471

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

## Note 1. General information

Universal Music Group N.V. is a public company with limited liability incorporated under the laws of the Netherlands and listed on Euronext Amsterdam under the symbol 'UMG'. As used herein, the term UMG ("the Group") is used for Universal Music Group N.V. ('the Company') and its subsidiaries within the meaning of Section 2:24b of the Dutch Civil Code. UMG's statutory seat is located in Amsterdam and its principal office is located at:

's-Gravelandseweg 80,  
1217 EW Hilversum  
The Netherlands

## Note 2. Basis of preparation

The Unaudited condensed consolidated interim financial statements ("Condensed consolidated interim financial statements") are presented in millions of euros, unless stated otherwise. The presentation currency of UMG is the euro.

### 2.1. Statement of compliance

These Condensed consolidated interim financial statements are in compliance with IAS 34 'Interim Financial Reporting' and do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with UMG's annual consolidated financial statements for the year ended December 31, 2024. These Condensed consolidated interim financial statements were prepared by the UMG Board of Management and authorized for issue on July 30, 2025.

The accounting policies adopted in the preparation of the Condensed consolidated interim financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2024, except for the adoption of new or amended standards and interpretations effective for annual periods beginning on or after January 1, 2025. There is only one amendment that applies for the first time - Amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rate: Lack of Exchangeability*. This amendment does not have a material impact on these Condensed consolidated interim financial statements. UMG has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

### 2.2. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the Condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from the estimates. The significant judgments and estimates are consistent with those disclosed in UMG's annual consolidated financial statements for the year ended December 31, 2024.

The income tax expense is recognised based on management's estimate of the weighted average effective annual income tax rate expected for the full year. The accounting policies applied in the Condensed consolidated interim financial statements are consistent with those applied in UMG's annual consolidated financial statements for the year ended December 31, 2024.

## Note 3. Segment data

### Operating segment data

The following tables present financial information for UMG's operating segments. Corporate centre represents amounts not allocated to the operating segments and includes certain costs related to central activities as well as group enabling functions. Inter-segment pricing is determined on an arm's length basis. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Segment Adjusted EBITDA is included in these disclosures because it is the primary measure of profit or loss used by UMG Management to assess each segment's performance and make decisions about allocating resources. Adjusted EBITDA is a non-IFRS measure. Adjusted EBITDA is calculated as Operating Profit excluding amortisation of intangible assets, impairment of goodwill and other intangibles, depreciation of tangible assets including right of use assets, gains/losses on the sale of tangible assets including right of use assets and intangible assets, restructuring expenses, non-cash share-based compensation expense and certain one-time items that are deemed by management to be significant and incidental to normal business activity.

UMG consider Adjusted EBITDA to be a relevant measure to assess performance of UMG's operating activities excluding items that may be incidental to normal business activity and excluding restructuring expenses and non-cash share-based compensation which may impact period-to-





period comparability.

### Main aggregates of the Statement of profit or loss

	Recorded Music	Music Publishing	Merchandising and other	Corporate centre	Elimination of intersegment transactions	Total
(in millions of euros)						
<b>Six months ended June 30, 2025</b>						
External revenue	4,462	1,116	303	-	-	5,881
Intercompany revenue	2	9	2	-	(13)	-
<b>Revenues</b>	<b>4,464</b>	<b>1,125</b>	<b>305</b>	<b>-</b>	<b>(13)</b>	<b>5,881</b>
<b>Operating profit/(loss)</b>	<b>946</b>	<b>171</b>	<b>(5)</b>	<b>(165)</b>	<b>-</b>	<b>947</b>
Non-cash share-based compensation expense	69	7	1	33	-	110
Certain one-time items <sup>1</sup>	2	-	-	10	-	12
Amortisation and depreciation expense	112	81	1	26	-	220
Restructuring expenses <sup>2</sup>	35	-	-	14	-	49
(Gain)/loss on sale of tangible and intangible assets	(3)	-	-	(1)	-	(4)
Impairment (reversal)/charge on intangible assets	2	-	-	-	-	2
<b>Adjusted EBITDA</b>	<b>1,163</b>	<b>259</b>	<b>(3)</b>	<b>(83)</b>	<b>-</b>	<b>1,336</b>

<sup>1</sup> Certain one-time items consists of US listing preparation costs and certain M&A advisory costs.

<sup>2</sup> Restructuring expenses include employee termination costs and other related expenses that result from a material change in the scope of a UMG business or the manner in which a UMG business is conducted.

	Recorded Music	Music Publishing	Merchandising and other	Corporate centre	Elimination of intersegment transactions	Total
(in millions of euros)						
<b>Six months ended June 30, 2024</b>						
External revenue	4,189	1,000	337	-	-	5,526
Intercompany revenue	1	8	4	-	(13)	-
<b>Revenues</b>	<b>4,190</b>	<b>1,008</b>	<b>341</b>	<b>-</b>	<b>(13)</b>	<b>5,526</b>
<b>Operating profit/(loss)</b>	<b>748</b>	<b>146</b>	<b>16</b>	<b>(154)</b>	<b>-</b>	<b>756</b>
Non-cash share-based compensation expense	106	12	-	53	-	171
Certain one-time items <sup>1</sup>	-	-	-	-	-	-
Amortisation and depreciation expense	116	80	1	3	-	200
Restructuring expenses <sup>2</sup>	95	3	1	14	-	113
(Gain)/loss on sale of tangible and intangible assets	-	-	-	-	-	-
Impairment (reversal)/charge on intangible assets	-	-	-	-	-	-
<b>Adjusted EBITDA</b>	<b>1,065</b>	<b>241</b>	<b>18</b>	<b>(84)</b>	<b>-</b>	<b>1,240</b>



Disaggregated revenue information

Recorded Music

(in millions of euros)	Six months ended June 30,	
	2025	2024
Streaming revenue	711	685
Subscription revenue	2,449	2,260
Downloads and other digital revenue	109	94
Physical revenue	611	612
License and other revenue	584	539
Recorded Music revenue	4,464	4,190

Music Publishing

(in millions of euros)	Six months ended June 30,	
	2025	2024
Performance revenue	225	214
Synchronisation revenue	130	124
Digital revenue	690	595
Mechanical revenue	54	51
Other revenue	26	24
Music Publishing revenue	1,125	1,008

Subscriptions and streaming represents the largest type of recorded music revenue and is recognised over time and is 54% (53% in HY 2024) of total UMG revenues. Physical recorded music revenues are recognised at a point in time and represent 10% (11% in HY 2024) of total UMG revenues.

Other Recorded Music revenues mostly include neighbouring rights income which are recognized over time.

Merchandising revenue is recognised at a point in time. Music Publishing revenue is mostly recognised over time.

Segment assets

Segment assets by Segment

Segment assets that are reported to the executive board include items that are directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated assets mainly comprise of cash and deferred tax assets which are managed at the Group level.

(in millions of euros)	Recorded Music	Music Publishing	Merchandising and other	Corporate centre	Total
As of June 30, 2025					
Goodwill	939	710	99	-	1,748
Royalty advances, non-current	1,151	632	192	-	1,975
Catalogues	1,589	1,447	-	-	3,036
Property, plant & equipment	217	5	-	10	232
Other intangible assets	47	43	-	150	240
Right of use relating to leases	401	10	-	3	414
Royalty advances, current	578	500	93	-	1,171
Other assets	6,450	980	147	621	8,198
Total segment assets	11,372	4,327	531	784	17,014
Unallocated assets					1,287
Total assets					18,301



(in millions of euros)	Recorded Music	Music Publishing	Merchandising and other	Corporate centre	Total
As of December 31, 2024					
Goodwill	1,003	788	104	-	1,895
Royalty advances, non-current	1,138	730	217	-	2,085
Catalogues	1,732	1,661	-	-	3,393
Property, plant & equipment	227	5	-	10	242
Other intangible assets	52	40	-	140	232
Right of use relating to leases	442	4	-	-	446
Royalty advances, current	566	551	94	-	1,211
Other assets	5,112	821	132	543	6,608
Total segment assets	10,272	4,600	547	693	16,112
Unallocated assets					1,208
Total assets					17,320

#### Content assets by segment

(in millions of euros)	Note	June 30, 2025			Total
		Recorded Music	Music Publishing	Merchandising and other	
Catalogues (of music and publishing rights)		1,589	1,447	-	3,036
Royalty advances (to artists and repertoire owners)		1,729	1,132	285	3,146
<i>Of which:</i>					
<i>Non-current</i>		1,151	632	192	1,975
<i>Current</i>		578	500	93	1,171
<b>Content assets, net</b>	<b>7</b>	<b>3,318</b>	<b>2,579</b>	<b>285</b>	<b>6,182</b>
Current content assets		578	500	93	1,171
Non-current content assets		2,740	2,079	192	5,011

(in millions of euros)	Note	December 31, 2024			Total
		Recorded Music	Music Publishing	Merchandising and other	
Catalogues (of music and publishing rights)		1,732	1,661	-	3,393
Royalty advances (to artists and repertoire owners)		1,704	1,281	311	3,296
<i>Of which:</i>					
<i>Non-current</i>		1,138	730	217	2,085
<i>Current</i>		566	551	94	1,211
<b>Content assets, net</b>	<b>7</b>	<b>3,436</b>	<b>2,942</b>	<b>311</b>	<b>6,689</b>
Current content assets		566	551	94	1,211
Non-current content assets		2,870	2,391	217	5,478

#### Note 4. Acquisitions and divestments

During half year 2025, UMG did not have any material investments or divestments.

During the half year 2024, UMG completed investments in Chord Music Partners ("Chord"), NTRWK and Mavin Global ("Mavin"). Total cash used for these investments was €476 million. UMG accounts for its investments in Chord and NTRWK as associates using the equity method while the investment in Mavin was recognised as a business combination. The NTRWK and Chord transactions closed in March 2024 and the Mavin transaction closed in May 2024.



## Note 5. Financial income and expenses

		Six months ended June 30,	
(in millions of euros)		2025	2024
	Note		
Interest income from cash, cash equivalents and other		13	9
Change in fair value of financial instruments through profit or loss	10	1,067	569
Gain on derivative instruments at fair value through profit or loss		15	13
Foreign exchange gain		2	2
Income from investments		2	3
<b>Financial income</b>		<b>1,099</b>	<b>596</b>
Interest expense on borrowings		(51)	(50)
Change in fair value of financial instruments through profit or loss	10	(3)	(3)
Unwinding of interest component		(1)	(1)
Interest cost related to employee benefit plans		(3)	(4)
Interest expenses on lease liabilities		(11)	(10)
Loss on derivative instruments at fair value through profit or loss		(9)	(10)
Cost of finance		(3)	(3)
Other		(12)	-
<b>Financial expenses</b>		<b>(93)</b>	<b>(81)</b>
<b>Net total financial income and (expenses)</b>		<b>1,006</b>	<b>515</b>

## Note 6. Income taxes

The income tax expense in the first six months of 2025 increased by €164 million to an income tax expense of €509 million from an income tax expense of €345 million in the corresponding period of the previous year. The increased expense is caused by a mix of higher revaluation gains through profit or loss of the interests in Spotify and other equity holdings and increased operating profit. UMG has determined that the impact for Pillar Two in the first six months of 2025 is not material.

## Note 7. Content assets (catalogues and royalty advances) and other intangibles

### Net book value

		June 30, 2025	
		Asset value, gross	Accumulated amortisation and impairment losses
			Net book value
(in millions of euros)			
Catalogues (of music and publishing rights)		6,098	(3,062)
Royalty advances (to artists and repertoire owners)		3,146	-
<b>Content assets</b>		<b>9,244</b>	<b>(3,062)</b>
Other intangible assets		692	(453)
		December 31, 2024	
		Asset value, gross	Accumulated amortisation and impairment losses
			Net book value
(in millions of euros)			
Catalogues (of music and publishing rights)		6,623	(3,230)
Royalty advances (to artists and repertoire owners)		3,296	-
<b>Content assets</b>		<b>9,919</b>	<b>(3,230)</b>
Other intangible assets		684	(452)



## Note 8. Reconciliation of net cash flow from operating activities

(in millions of euros)	Six Months Ended June 30,	
	2025	2024
<b>Operating Profit</b>	<b>947</b>	<b>756</b>
Amortisation and depreciation expense	220	200
Non-cash share-based compensation expense, net of employees tax withheld	15	(23)
Impairment (reversal)/charge on intangible assets	2	-
Changes in provisions, net	(49)	36
(Gain)/loss on sale of tangible and intangible assets	(4)	-
<b>Adjustments</b>	<b>184</b>	<b>213</b>
Royalty advances payments, net of recoupments	(377)	(315)
Other changes in net working capital	(266)	(218)
<b>Net cash provided by/(used for) operating activities before income tax paid</b>	<b>488</b>	<b>436</b>
Income tax paid	(236)	(199)
<b>Net cash provided by/(used for) operating activities</b>	<b>252</b>	<b>237</b>

## Note 9. Cash position and borrowings

### Cash position

(in millions of euros)	December 31,	
	June 30, 2025	2024
Cash and cash equivalents	493	553
Bank overdrafts	(25)	(8)
<b>Cash and cash equivalents in the statement of cash flows</b>	<b>468</b>	<b>545</b>

### Borrowings and other financial liabilities

(in millions of euros)	June 30, 2025			December 31, 2024		
	Total	Long-term	Short-term	Total	Long-term	Short-term
Bonds	2,178	2,176	2	1,810	1,776	34
Drawn revolving credit facilities	9	-	9	-	-	-
Commercial papers	934	-	934	746	-	746
Bank overdrafts	25	-	25	8	-	8
Other	82	3	79	87	2	85
<b>Borrowings at amortised cost</b>	<b>3,228</b>	<b>2,179</b>	<b>1,049</b>	<b>2,651</b>	<b>1,778</b>	<b>873</b>
Cash and cash equivalents	(493)	-	(493)	(553)	-	(553)
Derivative financial assets	(1)	-	(1)	-	-	-
<b>Net debt</b>	<b>2,734</b>			<b>2,098</b>		

### New borrowings

In April 2025, UMG entered into a USD \$500 million bilateral revolving credit facility. The facility matures 36 months from the signing date.

In May 2025, UMG issued €300 million of senior unsecured notes due on June 30, 2032 with a coupon of 3.75% and in June 2025, UMG issued €100 million of senior unsecured notes due on June 13, 2031 with a coupon of 3.36%.





### Note 10. Financial assets and liabilities

The following table shows the carrying amounts and fair values of financial assets and liabilities according to their fair value hierarchy. Based on the nature, maturity or the magnitude of the amounts, UMG considers that the fair value of trade and other receivables, short-term deposits, loans receivable, borrowings, trade and other payables are not materially different from their carrying value.

Fair value hierarchy is based on the transparency of the inputs used and is as follows:

- Level 1: fair value measurement based on quoted prices in active markets for identical assets or liabilities;
- Level 2: fair value measurement based on observable market data (other than quoted prices included under Level 1), being for example, price on the last transactions on over-the-counter (OTC) markets; and
- Level 3: fair value measurement based on valuation techniques using inputs for the asset or liability that are not based on observable market data.

	Carrying amount	June 30, 2025		
		Fair value		
(in millions of euros)		Level 1	Level 2	Level 3
<b>Financial assets at fair value through profit and loss</b>				
Listed equity securities	4,536	4,536	-	-
Other financial assets	112	-	9	103
<b>Financial assets at fair value through other comprehensive income</b>				
Unlisted equity securities	21	-	-	21
<b>Financial assets at amortised cost</b>				
Trade and other receivables	2,502	-	-	-
Other financial assets	205	-	-	-
<b>Total financial assets</b>	<b>7,376</b>	<b>4,536</b>	<b>9</b>	<b>124</b>
<b>Financial liabilities at fair value through profit and loss</b>				
Trade and other payables	(2)	(2)	-	-
Other non-current liabilities	(61)	(9)	-	(52)
<b>Financial liabilities at amortised cost</b>				
Trade and other payables	(5,753)	-	-	-
Bonds	(2,178)	(2,207)	-	-
Borrowings, excluding bank overdrafts and bonds	(1,025)	-	-	-
Other non-current liabilities	(1,748)	-	-	-
<b>Total financial liabilities</b>	<b>(10,767)</b>	<b>(2,218)</b>	<b>-</b>	<b>(52)</b>



	Carrying amount	December 31, 2024		
		Fair value		
(in millions of euros)		Level 1	Level 2	Level 3
<b>Financial assets at fair value through profit and loss</b>				
Listed equity securities	2,945	2,945	-	-
Other financial assets	112	-	7	105
<b>Financial assets at fair value through other comprehensive income</b>				
Unlisted equity securities	18	-	-	18
<b>Financial assets at amortised cost</b>				
Trade and other receivables	2,497	-	-	-
Other financial assets	197	-	-	-
<b>Total financial assets</b>	<b>5,769</b>	<b>2,945</b>	<b>7</b>	<b>123</b>
<b>Financial liabilities at fair value through profit and loss</b>				
Trade and other payables	(3)	(3)	-	-
Other non-current liabilities	(63)	(8)	-	(55)
<b>Financial liabilities at amortised cost</b>				
Trade and other payables	(6,391)	-	-	-
Bonds	(1,810)	(1,791)	-	-
Borrowings, excluding bank overdrafts and bonds	(833)	-	-	-
Other non-current liabilities	(1,393)	-	-	-
<b>Total financial liabilities</b>	<b>(10,493)</b>	<b>(1,802)</b>	<b>-</b>	<b>(55)</b>

**Listed equity portfolio**

	Number of shares held	Ownership interest	Average purchase price <sup>1,2</sup>	Stock market price	Carrying value	Change in value over the period <sup>3</sup>	Cumulative unrealized capital gain/ (loss)	Sensitivity at +/- 10 pts
	(in thousands)		(€/share)		(in millions of euros)			
Spotify	6,487	3.16%	6.58	431.90	2,802	1,690	2,759	+280/-280
Tencent	12,246	0.79%	na	10.96	134	33	134	+13/-13
Music Entertainment								
Other					9	(5)	9	
<b>Total at December 31, 2024</b>					<b>2,945</b>	<b>1,718</b>	<b>2,902</b>	
Spotify	6,487	3.12%	6.58	666.09	4,321	1,519	4,278	+432/-432
Tencent	12,246	0.80%	na	16.92	207	73	207	+21/-21
Music Entertainment								
Other					8	(1)	8	
<b>Total at June 30, 2025</b>					<b>4,536</b>	<b>1,591</b>	<b>4,493</b>	

1 Includes acquisition fees and taxes.

2 na: not applicable.

3 Includes net revaluation gains, net of liabilities, of €1,067 million in HY 2025 (net revaluation gains, net of liabilities, of €566 million in HY 2024) as recognised in Note 5.



Note 11. Equity

Dividend Distribution

In May 2025 the proposal submitted to the 2025 Annual General Meeting of Shareholders to pay a cash dividend of €0.28 per ordinary share was approved. This corresponded to a total distribution of €513 million which is included within the Condensed Consolidated Interim Statement of Changes in Equity. The dividend was paid in June 2025 to shareholders, except for withholding tax which was settled in July 2025.

Note 12. Share-based compensation plans

As detailed in UMG's 2024 Annual Report, UMG granted to senior executives, a number of senior management and certain non-executive board directors Restricted Stock Units (RSUs) and Performance Stock Units (PSUs) as well as Stock Options (SOs) to two senior executive under the UMG Global Equity Plan.

During the first half of 2025, UMG granted further RSUs to senior executives, a number of senior management and certain non-executive board directors. UMG also granted annual PSUs to a number of senior executives and senior management during this period. The total expense reflected in the first half of 2025 for all granted RSUs was €53 million (HY 2024: €122 million) and for all granted PSUs was €43 million (HY 2024: €32 million).

The total equity reserve at June 30, 2025 for all granted awards was €316 million (HY 2024: €249 million).

Note 13. Related parties

Related-party transactions

UMG's related parties include:

- companies fully consolidated by UMG. The transactions between these companies have been eliminated for the preparation of UMG's Condensed consolidated interim financial statements;
- companies over which UMG exercises a significant influence or has joint control;
- all companies that are controlled or jointly controlled by Corporate Executives or their close relatives; and
- all companies that have a significant influence over UMG.

UMG distributes its cash surpluses to shareowners through dividends (please refer to Note 11 *Equity*).

The balances and transactions with the parties described above are summarised in the table below:

	June 30, 2025			
(in millions of euros)	Associates	Shareholders	Other	Total
Statement of Financial Position				
Assets				
Trade accounts receivable	54	1	-	55
Loans and other receivables	145	-	-	145
Other financial assets	54	-	-	54
Royalty advances	18	-	-	18
Liabilities				
Trade accounts payable	(27)	-	-	(27)



Six months ended June 30, 2025				
(in millions of euros)	Associates	Shareholders	Other	Total
<b>Statement of Profit or Loss</b>				
Revenue	128	1	-	129
Cost of revenues	(52)	-	-	(52)
Selling, general and administrative expenses	-	-	-	-
Other financial income	4	-	-	4

December 31, 2024				
(in millions of euros)	Associates	Shareholders	Other	Total
<b>Statement of Financial Position</b>				
<b>Assets</b>				
Trade accounts receivable	89	2	-	91
Loans and other receivables	101	-	-	101
Other financial assets	58	-	-	58
Royalty advances	-	-	-	-
<b>Liabilities</b>				
Trade accounts payable	(1)	-	-	(1)

Six months ended June 30, 2024				
(in millions of euros)	Associates	Shareholders	Other	Total
<b>Statement of Profit or Loss</b>				
Revenue	123	5	-	128
Cost of revenues	-	-	-	-
Selling, general and administrative expenses	(2)	(1)	-	(3)
Other financial income	3	-	-	3

#### Note 14. Subsequent events

The Group has evaluated subsequent events and no events have been identified that could have a material impact on its financial statements.



UNIVERSAL MUSIC GROUP