*This document is an unofficial English-language translation of the draft response document (projet de note en réponse) which was filed with the French Financial Markets Authority (the "**AMF**") on April 26, 2024, and which remains subject to its review. In the event of any discrepancies between this unofficial English-language translation and the official French draft response document, the official French draft response document shall prevail.*

DRAFT DOCUMENT ESTABLISHED BY

believe

IN RESPONSE

TO THE DRAFT OFFER DOCUMENT RELATING TO THE SIMPLIFIED TENDER OFFER

INITIATED BY

UPBEAT BIDCO

AMF AUTORITÉ DES MARCHÉS FINANCIERS

This draft response document ("**Draft Response Document**") was filed with the AMF on 26 April 2024, pursuant to Articles 231-26 of the general regulation of the AMF. It has been prepared in accordance with Article 231-19 of the general regulation of the AMF.

The draft Offer, the Draft Offer Document and the Draft Response Document remain subject to review by the AMF

IMPORTANT NOTICE

In accordance with Articles 231-19 and 261-1 *et seq*. of the general regulation of the AMF, the report of Ledouble, represented by Mrs. Agnès Piniot and Mr. Romain Delafont, acting as independent expert (the "**Independent Expert**"), is included in the Draft Response Document.

The Draft Response Document is available on the websites of the AMF (www.amf-france.org) and Believe (https://www.believe.com/fr/investisseurs/), and may be obtained free of charge at Believe's registered office: 24 rue Toulouse Lautrec – 75017 Paris (Ile-de-France).

In accordance with Article 231-28 of the general regulation of the AMF, the information relating to the legal, financial and accounting characteristics of Believe will be filed with the AMF and made available to the public, under the same conditions, no later than the day preceding the opening of the Offer.

A press release will be published, no later than the day before the offer opens, to inform the public about how this document may be obtained.

TABLE DES MATIERES

1. OVERVIEW OF THE OFFER

Pursuant to Title III of Book II and more specifically Articles 233-1, 2° *et seq.* of the general regulation of the AMF, Upbeat BidCo, a simplified joint stock company (*société par actions simplifiée*), with a share capital of one euro (1 €), having its registered office at 176 avenue Charles de Gaulle, Neuilly-sur-Seine (92200), registered with the Nanterre Trade and Companies Registry under number 985 046 424 ("**BidCo**" or the "**Offeror**") irrevocably offers to all the shareholders of Believe, a public limited company *(société anonyme)* with a board of directors (the "**Board**" or "**Board of Directors**"), with a share capital of 485,806.755 euros, having its registered office at 24, rue Toulouse Lautrec 75017 Paris, registered with the Paris Trade and Companies Registry under number 481 625 853 ("**Believe**" or the "**Company**", and together with its directly- or indirectly-owned subsidiaries, the "**Group**"), to purchase in cash all of their shares in the Company whether outstanding or to be issued (the "**Shares**") other than the Shares held, directly or indirectly, by the Offeror (subject to the exceptions set out below) in the context of a simplified tender offer, the terms of which are described below (the "**Offer**").

The Offer price is of fifteen euros (€ 15) per Share (the "**Offer Price**"). The Offer Price is identical to the price paid in cash by the Offeror in the context of the Acquisitions and the DL Contribution (as defined hereinafter).

The Shares are admitted to trading on compartment B of the Euronext Paris regulated market ("**Euronext Paris**") under ISIN code FR0014003FE9, mnemonic "BLV".

The Offer follows the Acquisitions (described in Sections 1.1.3 and 1.3.5 of the Draft Offer Document and Sections 1.1.1 and 6.5 of the Draft Response Document).

Therefore, as of the date of the Draft Response Document, BidCo holds 69,835,174 Shares and 80,686,494 voting rights, of which 10,851,320 Shares and 21,702,640 voting rights are assimilated to the Shares and voting rights held by BidCo in accordance with Article L. 233-9 of the French Commercial Code, due to an irrevocable undertaking by Mr. Denis Ladegaillerie to contribute such Shares to BidCo on the first business day following the Offer's closure, pursuant to the terms of the Contribution Agreement (as described in detail in Section 1.3.2 of the Draft Offer Document and 6.2 of the Draft Response Document).

Such 69,835,174 Shares and 80,686,494 voting rights represent, as of the date of the Draft Response Document, 71.88% of the share capital and at least 71.00% of the theoretical voting rights of the Company[1].

To the extent that, as a result of the Acquisitions (described in Sections 1.1.1 and 6.5 of the Draft Response Document), the Offeror has exceeded the thresholds of 30% of the Company's share capital

[1] On the basis of a share capital comprising, as of April 24, 2024, 97,161,351 Shares and a total number of 113,644,103 theoretical voting rights resulting from the loss of 37,594,402 theoretical voting rights following completion of the Acquisitions and including the double voting rights attached to the 10,851,320 Shares which are the subject of the DL Contribution (it being specified that these double voting rights will be lost upon completion of the DL Contribution).

and voting rights, the Offer is mandatory pursuant to the provisions of Article L. 433-3, I of the French Monetary and Financial Code and Article 234-2 of the General regulation of the AMF.

The Offer targets all Shares, whether outstanding or to be issued, that are not held, directly or indirectly, by the Offeror, *i.e.*, the Shares:

- which are already issued, *i.e.* a maximum of 27,235,886 Shares (excluding treasury Shares held by the Company, as the Board of Directors has decided not to tender them to the Offer), and
- which could be issued before the closing of the Offer as a result of:
    i. the exercise of 1,024,257 BSPCE (as defined in Section 1.2.5 of the Draft Response Document) granted by the Company under the BSPCE Plans (as defined in Section 1.2.5 of the Draft Response Document), *i.e.*, as of April 24, 2024, a maximum of 2,650,182 Shares;
    ii. the exercise of 258,194 Warrants (as defined in Section 1.2.5 of the Draft Response Document) granted by the Company under the Warrants Plans (as defined in Section 1.2.5 of the Draft Response Document), *i.e.*, as of April 24, 2024, a maximum of 516,388 Share; and
    iii. the vesting of 388,112 Free Shares granted by the Company under Free Shares Plans (as defined in Section 1.2.4 of the Draft Response Document),

except for the following Shares:

- the Shares held in treasury by the Company, *i.e.*, as of the date of the Draft Response Document, 90,291 Shares, and
- the 2,031,919 Unvested Free Shares (as defined in Section 1.2.4 of the Draft Response Document),

i.e., as of April 24, 2024, a maximum number of 30,790,568 Shares targeted by the Offer.

Except for Free Shares granted by the Company, the BSPCE and Warrants, there are, as of the date of the Draft Response Document, no other equity securities or other financial instruments issued by the Company or rights conferred by the Company that may give access, immediately or in the future, to the share capital or voting rights of the Company. It is specified that the BSPCE and the Warrants are not targeted by the Offer as they are not transferable.

The Offer will be conducted under the simplified procedure in accordance with the provisions of Articles 233-1 *et seq.* of the general regulation of the AMF.

In accordance with the provisions of Article 231-13 of the general regulation of the AMF, Goldman Sachs and BNP Paribas, acting as the presenting banks of the Offer (the "**Presenting Banks**"), have filed with the AMF the Draft Offer Document on behalf of the Offeror.

It is specified that only BNP Paribas is guaranteeing, in accordance with the provisions of Article 231-13 of the General regulation of the AMF, the content and irrevocable nature of the commitments made by the Offeror in the context of the Offer.

1.1. Background of the Offer

1.1.1. Reasons for the Offer

Founded in 2005 by Mr. Denis Ladegaillerie, the Group grew in the recorded music sector and quickly began making catalogs of music available for download on digital platforms (Apple Music, Fnac, Virgin). Believe is now one of the world's leading digital music companies. In 2021, Believe took the next step in its development by going public.

The Consortium has indicated in the Draft Offer Document that it is willing to support the Company so that it can better execute on its value-creation plan and accelerate the scale-up of an independent player supporting artists and label clients. The Offer relies on an organic and inorganic growth and investment plans with a view to allow the Group to further grow as a French and European champion. The Offeror believes that the Group should lead the current market consolidation, backed by reputable long-term investors willing to fuel the Group's growth.

On February 11, 2024, the members of the Consortium entered into an investment agreement entitled "*Consortium and Investment Agreement*" to regulate the cooperation between them in the context of the Offer (the "**Consortium and Investment Agreement**"). The Offeror entered into the Consortium and Investment Agreement on March 13, 2024.

On February 11, 2024, TCV Luxco BD S.à r.l, a private limited liability company (*société à responsabilité limitée*), organized under the laws of Luxemburg, whose registered office is at 35, Avenue Monterey, L-2163 Luxembourg, Grand Duchy of Luxembourg, and registered with the trade and company registry of Luxembourg, under number B191493 ("**TCV Luxco BD**"), as seller, and Upbeat MidCo, as purchaser, entered into a share purchase agreement, under condition precedent, in relation to the purchase of 39,942,982 Shares, representing approximately 41.11% of the share capital of the Company[2] (the "**TCV Acquisition**") for a price of fifteen euros (€15) per Share. Pursuant to an agreement dated March 14, 2024, BidCo was substituted for Upbeat MidCo as purchaser for the purposes of such share purchase agreement.

On the same day, the funds managed by Ventech, a simplified joint stock company (*société par actions simplifiée*) whose registered office is at 47 avenue de l'Opéra, 75002 Paris and registered with the trade and company registry of Paris, under number 416 316 699 *(i.e.*, Ventech Capital III, Ventech Capital F, Ventech Opportunity Primary Fund I, Ventech Opportunity Secondary Fund I, Ventech Opportunity Primary Fund I Reserve and Ventech Opportunity Secondary Fund I Reserve) ("**Ventech**") and the funds managed by Siparex XAnge Venture, a simplified joint stock company (*société par actions simplifiée*) whose registered office is at 5 rue Feydeau, 75002 Paris and registered with the trade and company registry of Paris, under number 452 276 181 (*i.e.*, XAnge Credo Opportunity Fund, XAnge Capital 2 and XAnge Selection Fund II) ("**XAnge**"), as sellers, and Upbeat MidCo, as purchaser, entered into a share purchase agreement, under condition precedent, in relation to the sale of a total of 17,790,872 Shares, representing approximately 18.31%[3] of the share capital of the Company (the "**Ventech and XAnge Acquisition**") for a price of fifteen euros (€15) per Share. Pursuant to an agreement dated March

[2] On the basis of a total number of 97,161,351 Shares as of April 24, 2024.

[3] On the basis of a total number of 97,161,351 Shares as of April 24, 2024.

14, 2024, BidCo was substituted for Upbeat MidCo as purchaser for the purposes of such share purchase agreement.

Pursuant to the Consortium and Investment Agreement (as described in greater detail in Section 1.3.1 of the Draft Offer Document and 6.1 of the Draft Response Document), Mr. Denis Ladegaillerie irrevocably undertook, in addition to the DL Contribution, to sell 1,250,000 Shares to BidCo, representing approximately 1.29% of the share capital of the Company[4] (the "**DL Acquisition**", together with the TCV Acquisition and the Ventech and XAnge Acquisition, the "**Acquisitions**"). BidCo and Mr. Denis Ladegaillerie entered into a binding share purchase agreement on April 25, 2024, reflecting the terms of the agreements relating to the TCV Acquisition and the Ventech and XAnge Acquisition.

On April 18, 2024, following the receipt of the fairness opinion issued by the independent expert, the Board of Directors issued a reasoned opinion (*avis motivé*) in accordance with Article 231-19 of the general regulation of the AMF stating in its conclusion that the Offer is in the interest of the Company, its shareholders and its employees.

The Acquisitions were completed on April 25, 2024.

A more detailed description of the context of the Offer can be found in the Board reasoned opinion (*avis motivé*) reproduced in Section 3 of the Draft Offer Response.

1.1.2. Presentation of the Offeror

The Offeror is a simplified joint stock company (*société par actions simplifiée*) incorporated under French law for the purposes of the Offer and which as of the date of the Draft Offer Document is wholly-owned by Upbeat MidCo, which itself is 50% owned by the TCV Luxcos and indirectly 50% owned by EQT.

As described further in Section 1.3.1 of the Draft Offer Document and Sections 6.1 and 6.2 of the Draft Response Document, the TCV Luxcos and EQT will finance the Offer through shareholder loans cascaded down to the Offeror, which will then be capitalized at the level of Upbeat MidCo and the Offeror, in consideration for new ordinary shares issued by Upbeat MidCo on the one hand and the Offeror on the other.

Mr. Denis Ladegaillerie has irrevocably undertaken to contribute 10,851,320 Shares to BidCo (the "**DL Contribution**"). In consideration for the DL Contribution, he will receive new ordinary shares issued by the Initiator. The DL Contribution will be completed after the above-mentioned capitalization of the shareholder loans and on the date of payment of the purchase price in relation to the TCV Acquisition and the Ventech and XAnge Acquisition (as defined in Section 6.5 of the Draft Response Document). The DL Contribution will be made at the Offer Price and remunerated by ordinary shares issued by the Offeror, valued by transparency with the Offer Price.

Given the above transactions, the exact breakdown of the Offeror's share capital and voting rights will depend on the number of Shares acquired under the Offer.

[4] On the basis of a total number of 97,161,351 Shares as of April 24, 2024.

1.2. Characteristics of the Offer

1.2.1. Terms of the Offer

In accordance with Article 231-13 of the General regulation of the AMF, the Presenting Banks, acting as presenting institutions on behalf of the Offeror, filed the draft Offer with the AMF on April 26, 2024, in the form of a simplified tender offer for all the Shares outstanding or to be issued other than the Shares held by the Offeror (subject to the exceptions set out in Section 2.3 of the Draft Offer Document and 1.2.3 of the Draft Response Document), *i.e.*, a maximum of 30,790,568 Shares as of April 24, 2024.

In the context of the Offer, which will be carried out in accordance with the simplified procedure in accordance with the provisions of Articles 233-1 *et seq.* of the AMF General Regulation, the Offeror irrevocably undertakes to the Company's shareholders to acquire all the Shares that will be tendered in the Offer, during the Offer period, at the Offer Price, i.e., fifteen euros (€15) per Share.

The attention of the Company's shareholders is drawn to the fact that, as the Offer will be conducted following the simplified procedure, it will not be reopened following the publication of the result of the Offer by the AMF.

BNP Paribas, as guaranteeing bank, guarantees the content and irrevocable nature of the commitments made by the Offeror as part of the Offer, in accordance with the provisions of Article 231-13 of the General regulation of the AMF.

1.2.2. Adjustment of the terms of the Offer

Any distribution of a dividend, interim dividend, reserve, share premium or any other distribution (in cash or in kind) decided by the Company where the ex-date or any share capital reduction would occur before the closing of the Offer, shall give rise to the adjustment, on a euro-for-euro basis, of the price per Share proposed in the context of the Offer.

1.2.3. Number and nature of the Shares targeted by the Offer

As of the date of the Draft Response Document, BidCo holds 69,835,174 Shares and 80,686,494 voting rights, of which 10,851,320 Shares and 21,702,640 voting rights are assimilated to the Shares and voting rights held by BidCo in accordance with Article L. 233-9 of the French Commercial Code, due to an irrevocable undertaking by Mr. Denis Ladegaillerie to contribute such Shares to BidCo on the first business day following the Offer's closure, pursuant to the terms of the Contribution Agreement (as described in detail in Section 1.3.2 of the Draft Offer Document and 6.2 of the Draft Response Document).

Such 69,835,174 Shares and 80,686,494 voting rights represent, as of the date of the Draft Response Document, 71.88% of the share capital and at least 71.00% of the theoretical voting rights of the Company[5].

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[5] On the basis of a share capital comprising, as of April 24, 2024, 97,161,351 Shares and a total number of 113,644,103 theoretical voting rights resulting from the loss of 37,594,402 theoretical voting rights following completion of the Acquisitions and including the double voting rights attached to the 10,851,320 Shares which are the subject of the DL Contribution (it being specified that these double voting rights will be lost upon completion of the DL Contribution).

The Offer targets all Shares, whether outstanding or to be issued, that are not held, directly or indirectly, by the Offeror, *i.e.*, the Shares:

- which are already issued, *i.e.* a maximum of 27,235,886 Shares (excluding treasury Shares held by the Company, as the Board of Directors has decided not to tender them to the Offer), and
- which could be issued before the closing of the Offer as a result of:
    i. the exercise of 1,024,257 BSPCE (as defined in Section 1.2.5 of the Draft Response Document) granted by the Company under the BSPCE Plans (as defined in Section 1.2.5 of the Draft Response Document), *i.e.*, as of April 24, 2024, a maximum of 2,650,182 Shares;
    ii. the exercise of 258,194 Warrants (as defined in Section 1.2.5 of the Draft Response Document) granted by the Company under the Warrants Plans (as defined in Section 1.2.5 of the Draft Response Document), *i.e.*, as of April 24, 2024, a maximum of 516,388 Share; and
    iii. the vesting of 388,112 Free Shares granted by the Company under Free Shares Plans (as defined in Section 1.2.4 of the Draft Response Document),

except for the following Shares:

- the Shares held in treasury by the Company, *i.e.*, as of the date of the Draft Response Document, 90,291 Shares, and
- the 2,031,919 Unvested Free Shares (as defined in Section 1.2.4 of the Draft Response Document),

i.e., on April 24, 2024, a maximum number of 30,790,568 Shares targeted by the Offer.

As of the date of the Draft Response Document, except for the Free Shares granted by the Company, the BSPCE and the Warrants, there are no other equity securities or other financial instruments issued by the Company or rights conferred by the Company that may give access, immediately or in the future, to the share capital or voting rights of the Company.

1.2.4. Situation of the beneficiaries of Free Shares

As of the date of the Draft Response Document, the Company has set up several plans for the allocation of free shares (the "**Free Shares Plans**") for certain employees and/or corporate officers of the Company and its Group (the "**Free Shares**").

It is specified that each Free Shares Plan provides that if during the vesting period a tender offer is initiated on the Shares, the Board of Directors may amend the performance conditions or remove any presence or performance condition and accelerate the vesting period, provided that the Free Shares have vested for a minimum period of two (2) years.

The table below summarises the main characteristics of the Free Shares allocation plans as of April 24, 2024:

Plans	AP 2021	AP 2022		AP 2023
Date of the shareholders' general meeting	25 May 2021	25 May 2021	20 June 2022	16 June 2023
Date of the Board of Directors' decision	15 September 2021	3 May 2022	9 December 2022	27 April 2023
Vesting period	3 years	3 years	3 years	3 years
Vesting date	15 September 2024	3 May 2025	9 December 2025	27 April 2026
Early vesting date	14 May 2024	N/A	N/A	N/A
Performance conditions	✓	✓	✓	✓
Maximum number of allocated Shares	784,543	790,298	113,333	1,264,347
Number of shares cancelled or lapsed	396,431	51,759	0	84,300
Number of Shares to vest if the super performance condition is not met	N/A	645,563	100,000	987,195
Maximum number of Shares to vest in case of super performances	N/A	738,539	113,333	1,180,047
Number of Shares which will vest early	388,112	N/A	N/A	N/A

As a result of the Board of Directors' decision on April 18, 2024 (i) to accelerate the vesting period of the Free Shares granted under the AP 2021 plan (dated September 15, 2021) and (ii) to make marginal changes to the performance conditions (CSR objectives) of the said plan, 388,112 Free Shares may vest early on May 14, 2024, on the basis of the Board of Directors' assessment of the performance conditions. These 388,112 Free Shares remain subject to a presence condition. On the basis of the indicative timetable presented in Section 2.9 of the Draft Offer Document, which provides for an Offer closing date on June 21, 2024, these Free Shares could be tendered to the Offer.

As of the date of the Draft Response Document, a maximum of 2,031,919 Free Shares (if the outperformance conditions are met, or 1,732,758 Free Shares if these conditions are not met) are still in vesting period and shall remain so until the estimated closing date of the Offer (the "**Unvested Free Shares**"). The Unvested Free Shares are not included in the Offer (subject to the cases of lifting of unavailability provided for by applicable laws or regulations).

1.2.5. Situation of beneficiaries of BSPCE and/or Warrants

As of the date of the Draft Response Document, the Company has set up several plans for the allocation of founder's share subscription warrants (*bons de souscription de parts de créateur d'entreprise*) (the "**BSPCE**") and share subscription warrants (*bons de souscription d'actions*) (the "**Warrants**") for certain employees and/or corporate officers of the Company and its Group. They were allocated free of charge to the beneficiaries.

It is specified that, following the division of the par value of the share decided by the shareholders' general meeting on 25 May 2021, each BSPCE and Warrant now gives the right to subscribe to two (2) new ordinary shares of the Company, except for the BSPCE allocated under "BSPCE 2012" plan, where each BSPCE gives right to twenty (20) Shares.

The table below summarises the main characteristics of the BSPCE allocation plans (the "**BSPCE Plans**") and the Warrants allocation plans (the "**Warrants Plans**") as of April 24, 2024:

Plans	Authorization date	Date of issuance and allocation	Exercise price of the warrant	Number of warrants granted	Number of outstanding warrants	Exercise price of the underlying Share	Number of Shares that may be issued in case of exercise	Expiry of exercise period
BSA 2016-1	30 June 2016	31 December 2016	8.57 €	13,000	1,000	4.285 €	2,000	31 December 2026
BSA 2016-2	30 June 2016	30 June 2016	5.40 €	393,210	23,000	2.70 €	46,000	30 June 2026
BSA 2018-1	15 October 2018	19 October 2018	9.18 €	480,000	234,194	4.59 €	468,388	19 October 2028
BSPCE 2012	18 December 2012	7 November 2014	12.24 €	73,542	33,426	0.612 €	668,520	7 November 2024
BSPCE 2016-1	30 June 2016	30 June 2016	5.40 €	260,000	250,000	2.70 €	500,000	30 June 2026
BSPCE 2016-2	30 June 2016	30 June 2016	5.40 €	155,000	54,500	2.70 €	109,000	30 June 2026
BSPCE 2018-1	15 October 2018	19 October 2018	9.18 €	845,000	628,831	4.59 €	1,257,662	19 October 2028

Plans	Authorization date	Date of issuance and allocation	Exercise price of the warrant	Number of warrants granted	Number of outstanding warrants	Exercise price of the underlying Share	Number of Shares that may be issued in case of exercise	Expiry of exercise period
BSPCE 2019-1	15 October 2018	3 May 2019	14.75 €	190,000	57,500	7.375 €	115,000	3 May 2029

As of the date of the Draft Response Document, 1,024,257 BSPCE and 258,194 Warrants are outstanding. The BSPCE and the Warrants may be exercised until their expiry date, set at ten (10) years from their allocation. None of the outstanding BSPCE and Warrants are subject to the expiry of a tax lock-up period.

Neither the BSPCE nor the Warrants may be tendered to the Offer as they are not transferable.

As the terms and conditions of the Warrants and BSPCE plans were determined prior to the Company's IPO, they provided that the Warrants plans "BSA 2016-1", "BSA 2016-2" and "BSA 2018-1" and the BSPCE plans "BSPCE 2016-1", "BSPCE 2016-2", "BSPCE 2018-1" and "BSPCE 2019-1" would lapse upon the occurrence of a "Liquidity Event". As the Shares have been negotiable at any time since the Company's IPO, the Board of Directors decided on April 18, 2024 (i) to consider that all references in the terms and conditions of the Warrants 2016-1, 2016-2 and 2018-1 and BSPCE 2016-1, 2016-2, 2018-1 and 2019-1 to a "Liquidity Event" should be considered null and void and therefore deleted, and (ii) to note that the Warrants and BSPCEs will therefore remain exercisable until their expiry date.

As a result of such decision, 1,024,257 BSPCE and 258,194 Warrants are exercisable during the Offer and, as set out in Section 2.3 of the Draft Offer Document and Section 1.2.3 of the Draft Response Document, the Shares issued before the closing of the Offer as a result of the exercise of outstanding BSPCE and Warrants may be tendered to the Offer by their holders, *i.e.*, a maximum of 3,166,570 Shares.

1.3. Terms of the Offer

In accordance with Article 231-13 of the general regulation of the AMF, the Presenting Banks, acting on behalf of the Offeror, filed the Offer and the Draft Offer Document with the AMF on April 26, 2024. A notice of filing of the Offer and the Draft Offer Document will be published by the AMF on its website (www.amf-france.org) on the same day.

The Company filed the Draft Response Document with the AMF on April 26, 2024. A notice of filing of the Draft Response Document will be published by the AMF on its website (www.amf-france.org).

In accordance with Article 231-16 of the general regulation of the AMF, the Draft Response Document, as filed with the AMF, is made available to the public free of charge at the registered office of the Company and has been published on the websites of the Company (www.believe.com) and of the AMF (www.amf-france.org).

In addition, a press release containing the main characteristics of the Draft Response Document and specifying the details for obtaining or consulting the Draft Response Document has been published by the Company on April 26, 2024.

This Offer, the Draft Offer Document and the Draft Response Document remain subject to review by the AMF.

The AMF will publish on its website a clearance decision of the Offer after having verified its conformity with the legal and regulatory applicable provisions. Pursuant to the provisions of Article 231-26 of the general regulation of the AMF, this clearance decision will serve as the approval ("*visa*") of the Offer document of the Offeror and Response Document of the Company.

The response document having thus received the AMF's approval ("*visa*") will, in accordance with the provisions of Article 231-27 of the general regulation of the AMF, be made available to the public free of charge, no later than the day before the opening of the Offer. This document will also be published on the websites of the AMF (www.amf-france.org) and of the Company (www.believe.com).

In accordance with Article 231-28 of the general regulation of the AMF, the document containing "Other Information" relating to the legal, financial, accounting and other characteristics of the Company will be made available to the public free of charge, no later than the day before the opening of the Offer. This document will also be published on the websites of the AMF (www.amf-france.org) and of the Company (www.believe.com).

In accordance with Articles 231-27 and 231-28 of the general regulation of the AMF, press releases specifying the details for obtaining or consulting these documents made available to the public will be published no later than the day before the opening of the Offer, and be made available on the website of the Company (www.believe.com).

Prior to the opening of the Offer, the AMF will publish a notice of opening and the timetable, and Euronext Paris will publish a notice setting out the content of the Offer and specifying the timetable and terms of its realization.

1.4. Intentions of the Offeror regarding the implementation of a squeeze-out and a delisting of the Company following the Offer

Following the Offer, the Offeror does not intend to implement a squeeze-out procedure for the Shares not tendered in the Offer by the minority shareholders of the Company in accordance with the provisions of Article L. 433-4, II, of the French Monetary and Financial Code and Articles 237-1 et seq. of the general regulation of the AMF.

1.5. Procedure for tendering Shares to the Offer

The Shares tendered in the Offer must be freely negotiable and free from any lien, pledge, collateral or other security interest or restriction of any kind on the free transfer of their ownership. The Offeror reserves the right to reject any Shares tendered in the Offer that do not comply with this condition.

The Offer and all related agreements are subject to French law. Any dispute or litigation, regardless of the subject matter or basis, relating to this Offer shall be brought before the court having jurisdictions.

The Offer will be open for a period of fifteen (15) trading days. The attention of the Company's shareholders is drawn to the fact that, as the Offer will be conducted following the simplified procedure, in accordance with the provisions of Articles 233-1 et seq. of the general regulation of the AMF, the Offer will not be reopened following the publication of the result of the Offer by the AMF.

The Shares held in registered form will have to be converted into bearer form in order to be tendered in the Offer. Accordingly, holders of Shares held in registered form who would like to tender their Shares in the Offer should request, as soon as possible, the conversion of their Shares into bearer form in order to tender them in the Offer.

The shareholders of the Company whose Shares are registered with a financial intermediary and who would like to tender their Shares in the Offer must submit to their financial intermediary holding their Shares a tender or sale order at the price of the Offer, *i.e.*, fifteen euros (€15) per Share, by using the form made available to them by such financial intermediary in time for their order to be executed and at the latest on the closing date of the Offer, specifying whether they opt either for the sale of their Shares directly on the market or for the tender of their Shares in the semi-centralised Offer by Euronext Paris in order to benefit from the Offeror reimbursing the brokerage fees by the Offeror under the conditions described in Section 2.12 of the Draft Offer Document.

Procedure for tendering Shares in the Offer directly through the market

Believe's shareholders wishing to tender their Shares in the Offer through the market sale procedure must submit their sale order no later than the last day of the Offer and the delivery-settlement of the Shares sold will occur on the second trading day following the day of execution of the orders, it being noted that the trading costs (including brokerage fees and related VAT) relating to such transactions will remain entirely at the expense of the shareholder selling directly on the market.

BNP Paribas, an investment services provider duly authorised as a member of the stock market, will acquire, on behalf of the Offeror, the Shares that will be sold on the market in accordance with applicable regulations.

It should also be noted that the Offeror may acquire Shares in the Offer by way of off-market purchases.

Procedure for tendering Shares in the semi-centralised Offer

Believe shareholders wishing to tender their Shares in the semi-centralised Offer by Euronext Paris must submit their tender order no later than the last day of the Offer (subject to specific time limits for certain financial intermediaries). The settlement-delivery will then occur after completion of the semi-centralisation transactions.

In this context, the Offeror will bear the shareholders' brokerage fees under the conditions described in Section 2.12 of the Draft Offer Document.

Euronext Paris will pay directly to the financial intermediaries the amounts due for the reimbursement of the fees mentioned below, as from the settlement-delivery date of the semi-centralisation.

The shareholders of the Company are invited to contact their financial intermediaries regarding the terms and conditions for tendering their Shares in the semi-centralised Offer and for revoking their orders.

1.6. Offeror's right to purchase Shares on and off the market during the Offer period

As from the publication by the AMF of the main provisions of the draft Offer, in accordance with article 231-14 of the general regulation of the AMF, and until the opening of the Offer, the Offeror intends to acquire, on the market through BNP Paribas and off-market, in accordance with the provisions of articles

231-38 and 231-39 of the general regulation of the AMF, within the limits set out in article 231-38, IV of the general regulation of the AMF, corresponding to 30% of the existing Shares targeted by the draft Offer, *i.e.* a maximum of 8,170,765 Shares as of April 24, 2024, or at least a maximum of 8,287,199 Shares as from the vesting on May 14, 2024 of 388,112 Free Shares granted by the Company, by market order at the Offer Price or by off-market purchases at the Offer Price.

Such acquisitions will be declared each day to the AMF and published on the AMF's website in accordance with the regulations in force. This information will also be published, in French and in English, on the website of the Company (www.believe.com) and will thus be available to the U.S. Holders (as defined in Section 1.8 of the Draft Response Document).

1.7. Indicative timetable of the Offer

Prior to the opening of the Offer, the AMF will publish a notice of opening and timetable, and Euronext Paris will publish a notice announcing the terms and timetable of the Offer.

An indicative timetable of the Offer is proposed below for information purposes only:

Date	Main steps of the Offer
April 26, 2024	- Filing of the Offer and the Offeror's Draft Offer Document with the AMF - Offeror's Draft Offer Document made available to the public at the registered office of the Offeror and at the Presenting Banks and published on the websites of the Company (www.believe.com) and of the AMF (www.amf-france.org) - Publication by the Offeror of a press release announcing the filing of the Offer and availability of the Draft Offer Document
April 26, 2024	- Filing of the Company's Draft Response Document (*projet de note en réponse*), including the recommendation of the Company's Board of Directors and the independent expert's report - Company's Draft Response Document is made available to the public at the Company's registered office and published on the websites of the Company (www.believe.com) and of the AMF (www.amf-france.org) - Publication by the Company of a press release announcing the filing and the availability of its draft response document
April 26, 2024	- Start of the purchases by the Offeror in accordance with Section 2.8 (*Offeror's right to purchase Shares on and off the market during the Offer period*) of the Draft Offer Document
May 30, 2024	- Publication by the AMF of its clearance decision on the Offer, which serves as the clearance ("*visa*") of the Offeror's Offer document and of the Company's response document. - Offeror's Offer document having received the AMF's clearance ("*visa*") made available to the public at the registered office of the Offeror and at the Presenting Banks and published on the websites of the Company (www.believe.com) and of the AMF (www.amf-france.org) - Company's response document having received the AMF's approval ("*visa*") made available to the public at the Company's registered office and published on the websites of the Company (www.believe.com) and of the AMF (www.amf-france.org)
May 31, 2024	- Document containing "Other Information" relating to the legal, financial, accounting and other characteristics of the Offeror made available to the

Date	Main steps of the Offer
	public at the registered office of the Offeror and at the Presenting Banks and published on the websites of the Company (www.believe.com) and of the AMF (www.amf-france.org).
May 31, 2024	- Document containing "Other Information" relating to the legal, financial, accounting and other characteristics of the Company made available to the public at the Company's registered office and published on the websites of the Company (www.believe.com) and of the AMF (www.amf-france.org).
May 31, 2024	- Publication by the Offeror of a press release announcing the availability of its Offer document having received the AMF's clearance ("*visa*") and of the document containing "Other Information" relating to its legal, financial, accounting and other characteristics. - Publication by the Company of a press release announcing the availability of its response document having received the AMF's clearance ("*visa*") and of the document containing "Other Information" relating to its legal, financial, accounting and other characteristics
May 31, 2024	- Publication by the AMF of the notice of opening of the Offer - Publication by Euronext Paris of the notice relating to the Offer and its terms
June 3, 2024	- Opening of the Offer for a period of fifteen (15) trading days
June 21, 2024	- Closing of the Offer
June 25, 2024	- Publication by the AMF of the notice of the result of the Offer
July 1, 2024	- Settlement of the semi-centralised Offer by Euronext Paris

1.8. Offer restrictions outside of France

Section 2.13 of the Draft Offer Document states that:

- The Offer has not been subject to any application for registration or approval by any financial market regulatory authority other than the AMF and no measures will be taken in this respect.

- The Offer is therefore made to shareholders of the Company located in France and outside France, provided that the local law to which they are subject allows them to take part in the Offer without requiring that the Offeror complete additional formalities.

- Publication of the Draft Offer Document, the Offer, the acceptance of the Offer and the delivery of the Shares may, in certain jurisdictions, be subject to specific regulations or restrictions. Accordingly, the Offer is not directed at persons subject to such restrictions, either directly or indirectly, and must not be accepted from any jurisdiction where the Offer is subject to restrictions.

- Neither the Draft Offer Document nor any other document relating to the Offer constitutes an offer to sell or acquire financial instruments or a solicitation of such an offer in any jurisdiction in which such an offer or solicitation would be unlawful, could not validly be made, or would require the publication of a prospectus or the completion of any other formality under local financial law. Holders of Shares located outside of France may only participate in the Offer to the extent that such participation is permitted under the local law to which they are subject.

Accordingly, persons in possession of the Draft Offer Document and Draft Response Document are required to obtain information regarding any applicable local restrictions and to comply with such restrictions. Failure to comply with such restrictions may constitute a violation of applicable securities laws.

The Company and the Offeror shall not be liable for any breach by any person of any applicable legal or regulatory restrictions.

United States of America

The Offer is made for the securities of Believe, a company organized under French law, and is subject to French disclosure and procedural requirements, which are different from those of the United States. Shareholders in the United States are advised that the securities of Believe are not listed on a U.S. securities exchange and that Believe is not subject to the periodic reporting requirements of the U.S. Securities Exchange Act of 1934, as amended (the "**U.S. Exchange Act**"), and is not required to, and does not, file any reports with the U.S. Securities and Exchange Commission (the "**SEC**") thereunder.

The Offer is made in the United States pursuant to Section 14(e) and Regulation 14E of the U.S. Exchange Act, subject to exemptions provided by Rule 14d-1(c) under the U.S. Exchange Act for a Tier I tender offer (the "**Tier I Exemption**"), and otherwise in accordance with the disclosure and procedural requirements of French law, including with respect to withdrawal rights, the offer timetable, settlement procedures, waiver of conditions and timing of payments, which are different from those applicable under U.S. domestic tender offer procedures and law. Holders of securities of Believe domiciled in the United States (the "**U.S. Holders**") are encouraged to consult with their own advisors regarding the Offer.

The Offer is made to the U.S. Holders on the same terms and conditions as those made to all other shareholders of Believe to whom an offer is made. Any information documents, including the Draft Offer Document and the Draft Response Document, are being disseminated to U.S. Holders on a basis comparable to the method pursuant to which such documents are provided to Believe's other shareholders.

As permitted under the Tier I Exemption, the settlement of the Offer is based on the applicable French law provisions, which differ from the settlement procedures customary in the United States, particularly as regards to the time when payment of the consideration is rendered. The Offer, which is subject to French law, is being made to the U.S. Holders in accordance with the applicable U.S. securities laws, and applicable exemptions thereunder, in particular the Tier I Exemption. To the extent the Offer is subject to U.S. securities laws, those laws only apply to U.S. Holders and thus will not give rise to claims on the part of any other person.

It may be difficult for Believe's shareholders to enforce their rights and any claims they may have arising under the U.S. federal or state securities laws in connection with the Offer, since Believe is located outside the United States, and some or all of its officers and Directors may be residents of countries other than the United States. Believe's shareholders may not be able to sue Believe or its officers or Directors in a non-U.S. court for violations of U.S. securities laws. Further, it may be difficult to compel Believe and/or its respective affiliates to subject themselves to the jurisdiction or judgment of a U.S. court.

To the extent permissible under applicable law or regulations, BidCo may from time to time and during the pendency of the Offer, and other than pursuant to the Offer, directly or indirectly purchase or arrange to purchase Shares outside the United States. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. In addition, to the extent permissible under applicable law or regulation, the financial advisors to BidCo may also engage in ordinary course trading activities in securities of Believe, which may include purchases or arrangements to purchase such securities as long as such purchases or arrangements are in compliance with the applicable law. Information regarding such purchases or agreements will be published by the AMF on its website (www.amf-france.org).

The receipt of cash pursuant to the Offer by a U.S. Holder may be a taxable transaction for U.S. federal income tax purposes and under applicable U.S. state and local, as well as foreign and other, tax laws. Each shareholder is urged to consult an independent professional adviser regarding the tax consequences of accepting the Offer. Neither BidCo nor its Directors, officers, employees or agents or any other person acting on their behalf in connection with the Offer shall be responsible for any tax effects or liabilities resulting from acceptance of this Offer.

Neither the SEC nor any U.S. State securities commission has approved or disapproved the Offer, or passed any comment upon the adequacy or completeness of the Draft Offer Document or this Draft Response Document. Any representation to the contrary is a criminal offense in the in the United States.

2. INFORMATION AND CONSULTATION OF THE COMPANY'S SOCIAL AND ECONOMIC COMMITTEE

In accordance with the provisions of article L. 2312-52 of the French Labor Code, the Company's social and economic committee was informed of the filing of the Offer on February 12, 2024. The Company's social and economic committee was also consulted, in accordance with the provisions of articles L. 2312-8 *et seq.* of the French Labor Code, on the contemplated Acquisitions described in Section 1.1.1 of the Draft Response Document and issued a favorable opinion on March 1, 2024.

3. REASONED OPINION OF THE BOARD OF DIRECTORS

On April 18, 2024, the Board of Directors was composed of the following members:

1. Mr. Denis Ladegaillerie (Chairman of the Board of Directors and Chief Executive Officer);
2. Mr. John Doran;
3. The Ventech company, represented by Mr. Alain Caffi;
4. Mrs. Anne-France Laclide-Drouin*,
5. Mrs. Orla Noonan*,
6. Fonds Stratégique de Participations, represented by Mrs. Cécile Frot-Coutaz*; and
7. The company Siparex XAnge Venture, represented by Mr. Nicolas Rose (observer).

** independent directors*

In accordance with best corporate governance practices, AMF Instruction 2006-08 and AMF Recommendation 2006-15, the Board of Directors set up, during its October 20, 2023 meeting, an ad hoc committee tasked with proposing to the Company's Board the appointment of an independent expert, overseeing the expert's work and preparing a draft reasoned opinion. This committee comprises three independent members of the Board of Directors - namely Mrs. Orla Noonan, Fonds Stratégique de

Participations (represented by Mrs. Cécile Frot-Coutaz) and Mrs. Anne France Laclide-Drouin (the "**Ad Hoc Committee**").

At its meeting on February 11, 2024, the Company's Board of Directors confirmed the creation of the Ad Hoc Committee and its composition and appointed, on the recommendation of the Ad Hoc Committee, the firm Ledouble, represented by Mrs. Agnès Piniot and Mr. Romain Delafont, as independent expert in accordance with the provisions of Article 261-1 I, 2° and 4° of the General regulation of the AMF, to prepare a report on the financial terms and conditions of the Offer (the "**Independent Expert**").

According to article 231-19 of the General regulation of the AMF, members of the Board of Directors met on April 18, 2024, with Mr. Denis Ladegaillerie as chairman of the Board of Directors, in order to review the Offer and to issue a reasoned opinion on the benefits and consequences of the projected Offer for the Company, its shareholders and its employees.

All Board members were present in person or by videoconference.

Prior to the meeting, the following documents were notably made available to the Board of Directors in order for them to have all the information required to formulate their reasoned opinion:

- the Draft Offer Document prepared by the Offeror in accordance with Article 231-18 of the General regulation of the AMF, which contains in particular the reasons for and background to the Offer, the Offeror's intentions over the next twelve (12) months, and the criteria used by BNP Paribas and Goldman Sachs to assess the Offer Price, as presenting banks of the Offer (the "**Presenting Banks**"), as well as the summary of the main agreements relating to the Offer, which will be filed by the Offeror with the AMF when the Offer is filed;
- the Draft Response Document prepared by the Company in accordance with article 231-19 of the General regulation of the AMF, which will be completed with the Board of Directors' reasoned opinion on the Offer, and which is intended to be filed by the Company with the AMF concurrently with the filing of the Offer and the Draft Offer Document;
- the draft reasoned opinion prepared by the Ad Hoc Committee in accordance with Article 261-1, III of the General regulation of the AMF;
- the report by Ledouble, Independent Expert, dated April 18, 2024, the conclusions of which are summarized below; and
- the financial opinion of Citigroup Global Markets Europe AG ("Citi") dated April 18, 2024, addressed to the members of the Board of Directors[6].

[6] The financial opinion relating to the fairness of the Offer Price is based on and subject to the various assumptions, qualifications and other limitations contained therein. This financial opinion does not constitute, and is not intended to constitute, a "fairness opinion" and Citi cannot be considered as acting as an "independent expert" in each case within the meaning of the AMF's General Regulations. Furthermore, this financial opinion does not constitute a recommendation to the Company's shareholders as to whether or not they should tender their shares to the Offer. This financial notice is for the sole use and benefit of the members of the Board of Directors, and may not be relied upon by any other person.

The Board of Directors recalls that to enable it to diligently carry out its task of analyzing the Offeror's Offer and issuing a reasoned opinion on the Offer, it has been assisted by financial (Citi) and legal (Gide Loyrette Nouel A.A.R.P.I.) counsels.

The Board of Directors met exclusively with independent directors[7], the other directors being either linked to the Consortium (Mr. Denis Ladegaillerie and Mr. John Doran) or linked to a company contractually committed to selling its shares to the Consortium (Mr. Alain Caffi)[8].

The independent members of the Board of Directors unanimously approved the following reasoned opinion:

*"Upbeat BidCo, a simplified joint stock company (société par actions simplifiée), with share capital of one euro (€1), having its registered office at 176 avenue Charles de Gaulle, 92200, Neuilly-sur-Seine, France, registered with the Nanterre Trade and Companies Register under number 985 046 424 ("**Upbeat**" or the "**Offeror**"), acting in concert within the meaning of Article L. 233-10 of the French Commercial Code with TCV and EQT X funds and the founder chairman of the Board and CEO (the "**Manager**") of the Company, Mr. Denis Ladegaillerie (together the "**Consortium**"), has conditioned the Block Acquisition (as this term is defined below) and the filing of a simplified tender offer (the "**Offer**") for the shares of the Company at a price of 15 euros per share (the "**Offer Price**"), upon receipt of a reasoned opinion from the Company's Board of Directors (the "**Board**" or "**Board of Directors**"), pursuant to the provisions of article 231-19, 4° of the General Regulations of the French Financial Markets Authority (the "**AMF**"), on the interest and consequences of the Offer for the Company, its shareholders and its employees. The draft Offer will be filed in the following days.*

*In accordance with best corporate governance practices, as well as with AMF Instruction n°2006-08 and AMF Recommendation 2006-15, the Board of Directors set up an ad hoc committee at its October 20, 2023 meeting, tasked with proposing the appointment of an independent expert to the Company's Board of Directors, overseeing the monitoring of its work and preparing a draft reasoned opinion. This committee comprises three independent members of the Board of Directors - namely Mrs. Orla Noonan, Fonds Stratégique de Participations (represented by Mrs. Cécile Frot-Coutaz) and Mrs. Anne France Laclide-Drouin (the "**Ad Hoc Committee**").*

*At its meeting on February 11, 2024, the Board appointed Ledouble, represented by Mrs. Agnès Piniot and Mr. Romain Delafont, on the recommendation of the Ad Hoc Committee, as independent expert in accordance with the provisions of article 261-1 I, 2° and 4° of the General regulation of the AMF, with a mandate to prepare a report on the financial terms of the Offer (the "**Independent Expert**").*

Prior to today's meeting, the following documents were made available to the members of the Board of Directors, to enable them to obtain all the information they need to issue their reasoned opinion:

- *the draft offer document drawn up by the Offeror in accordance with article 231-18 of the General regulation of the AMF, which contains in particular the reasons for and background to the Offer, the Offeror's intentions over the next twelve (12) months, and the factors taken into account by BNP Paribas and Goldman Sachs in assessing the Offer Price, as presenting banks*

[7] In other words, its composition is identical to that of the Ad-Hoc Committee.
[8] The same applies to Mr. Nicolas Rose, observer.

*of the Offer (the "**Presenting Banks**"), as well as the summary of the main agreements relating to the Offer (the "**Draft Offer Document**"), which will be filed by the Offeror with the AMF when the Offer is filed;*

- *the draft response document prepared by the Company in accordance with article 231-19 of the General regulation of the AMF (the "**Draft Response Document**"), which remains to be completed by the Board of Directors' reasoned opinion on the Offer, and which is intended to be filed by the Company with the AMF concurrently with the filing of the Offer and the Draft Offer Document;*
- *the draft reasoned opinion drawn up by the Ad Hoc Committee in accordance with Article 261-1, III of the General regulation of the AMF;*
- *the report by Ledouble, Independent Expert, dated April 18, 2024, the conclusions of which are summarized hereafter;*
- *the financial opinion of Citigroup Global Markets Europe AG bank ("**Citi**"), dated April 18, 2024, addressed to the members of the Board of Directors*[9]*.*

*The Board of Directors wishes to point out that, to enable it to diligently carry out its task of analyzing the Offeror's Offer and issuing a reasoned opinion on it, it has been assisted by financial advisors (Citi) and legal counsel (Gide Loyrette Nouel A.A.R.P.I., "**Gide**").*

The Board of Directors is composed solely of independent directors, the other directors being either linked to the Consortium (Mr. Denis Ladegaillerie and Mr. John Doran) or linked to a company contractually bound to sell its shares to the Consortium (Mr. Alain Caffi)[10]*.*

<u>Main terms of the Offer and its context</u>

Origin of the Offer

*On October 9, 2023, the Technology Crossover Venture ("**TCV**") fund approached the Board of Directors, indicating that it was considering joining forces with one or more co-investors to set up an investment vehicle, in which the Manager would participate by contributing his shares, with a view to implementing a public tender offer to delist the Company.*

On this occasion, the Manager had explained to the Board of Directors that the listing had not brought the Company the main expected benefits, despite the Company's very good operating performance. In particular, liquidity had proved insufficient to enable shareholders wishing to realize their investment to do so under favorable conditions. In addition, the disappointing share price had hampered Believe's

[9] *The financial opinion relating to the fairness of the Offer Price is based on and subject to the various assumptions, caveats, and other limitations contained therein. Such financial opinion does not constitute, and is not intended to constitute, a "fairness opinion", and Citi shall not be considered as an "independent expert", in each case within the meaning of the General Regulation of the AMF. In addition, such financial opinion does not constitute in any way a recommendation to the shareholders of the Company as to whether or not they should tender their securities to the Offer. Such financial opinion is intended solely for the use and benefit of the members of the Board of Directors, and no other person may rely on it.*

[10] *The same goes for Mr. Nicolas Rose, observer.*

ability to play its role as a consolidator in the sector.

The Manager indicated that, in these conditions, backing the Company with one or more investment funds with substantial financial resources and a track record of investment in music, and supporting the management team's growth and consolidation objectives, seemed to him the best solution to meet Believe's objectives.

He indicated that he had been in regular contact with industrialists in the sector. From these contacts it emerged that no industrialist seemed in a position to make an offer. For reasons of confidentiality, he felt it was important to concentrate on a small pool of financial investors who had shown an interest in principle on the basis of exploratory discussions.

On this basis, TCV and the Manager indicated that they would solicit interest in principle from a limited number of financial investors, and that they would not give them access to inside information at this stage. The Board of Directors decided to appoint Gide as legal counsel to the Company and the Board of Directors. The Board of Directors established an Ad Hoc Committee, comprising three independent members - namely Mrs. Orla Noonan, Fonds Stratégique de Participations (represented by Mrs. Cécile Frot-Coutaz), and Mrs. Anne-France Laclide-Drouin - to ensure that the Board of Directors was well organized in the event of the process leading to a tender offer, and more generally to facilitate the work of the Board of Directors in relation to the project, including in its preparatory phase.

On December 20, 2023, TCV and the Manager informed the Board of Directors of the outcome of the process discussed on October 9, 2023. After they had received several preliminary offers as part of a competitive bidding process, TCV and the Manager considered EQT's proposal to be the most advantageous - including financially - and the best suited to the Company's objectives. For reasons of efficiency and confidentiality, TCV and the Manager proposed that in-depth discussions should only take place with EQT. On this occasion, TCV and the Manager requested that EQT (and the other members of the future Consortium) be given access to certain confidential information within the framework of a "data room" secured by confidentiality agreements in line with standard practice. After the Company's legal counsel had confirmed that this process complied with applicable regulations, the Board took note of it. On this occasion, the Board appointed Citi as the Company's financial advisor.

Following this due diligence, on February 6, 2024, the Company received an offer letter from the Consortium for a proposal likely to lead to the filing of a tender offer for the Company's shares at a price of 14 euros per share. The filing of the said offer was conditional on (i) the conclusion of agreements relating to the acquisition of controlling interests, subject to the completion of confirmatory due diligence work, and (ii) a reasoned opinion from the Board of Directors of the Company concluding that the offer was in the interests of the Company, its employees and its shareholders, and recommending that shareholders tender their shares to the offer.

Formulation of the Offer

*Following discussions between the members of the Ad Hoc Committee and the Consortium with a view to improving the offer, and in particular its financial terms, on February 11, 2024, the Company received the Consortium's revised tender offer proposal at a price of 15 euros per share. This offer followed the Consortium's decision to acquire the shares of TCV Luxco BD S.à r.l., Ventech and XAnge, Believe's historical shareholders, holding respectively 41.14%, 12.03% and 6.29% of Believe's share capital, at a price of 15 euros (the "**Block Acquisition**"). The Consortium also contemplated that the Manager would contribute a portion of his shares in the Company to the Offeror (representing 11.17% of the share* *capital) and sell it the remaining portion (representing 1.29% of the share capital). These acquisitions and contributions would have brought the Consortium's stake in the Company's share capital to 71.92%. It should also be noted that the Consortium had obtained commitments from other Company shareholders to tender their shares to the Offer (representing 3% of the Company's share capital).*

Following the Block Acquisition and the contribution, the Consortium intended to file the Offer with a view of delisting the Company, should the Consortium reach the levels of shareholding necessary to initiate a squeeze-out.

The Block Acquisition, as well as the filing of the Offer, were subject to two conditions:

- *on the one hand, obtaining the necessary regulatory approvals (the "**Regulatory Condition**"); and*
- *on the other hand, the Board's recommendation of the Offer following in particular (x) the report of the independent expert stipulating, in its conclusion presented as a fairness opinion, that the Offer is fair from a financial point of view, including for a squeeze-out, and that there are no related agreements likely to affect the equal treatment of shareholders, and (y) the consultation of the employee representative committee (comité social et économique), it being understood that the Board's recommendation shall take the form of a reasoned opinion concluding unreservedly that the Offer is in the interests of the Company, its employees and its shareholders, and recommending that shareholders tender their shares to the Offer (the "**Favorable Opinion Condition**").*

The Offer would be compulsory, following completion of the Block Acquisition. It would be carried out under the simplified procedure, in accordance with the provisions of articles 233-1 et seq. of the General regulation of the AMF, and would have been open for ten (10) trading days.

On the same day, the Board of Directors met, in particular, to:

- *unanimously approve the Offer, without prejudice to the conclusions of its detailed study of the terms and conditions of the transaction, in the light in particular of the report to be drawn up by the Independent Expert;*
- *confirm the creation of the Ad Hoc Committee and its composition; and*
- *appoint, on the recommendation of the Ad Hoc Committee, Ledouble, represented by Agnès Piniot and Romain Delafont, as Independent Expert, to prepare a report on the financial terms of the Offer.*

On February 12, 2024 (before trading), the Consortium and then the Company issued press releases announcing the terms of the Consortium's proposal and the Offer.

Warner Music Group's potential interest

*On February 21, 2024, Warner Music group ("**WMG**") approached the Company to initiate discussions regarding a potential combination of Believe with WMG and to obtain access to confidential information with a view to possibly presenting a more attractive offer to the Company and its shareholders.*

The Ad Hoc Committee, seeking to assess whether WMG's proposal could constitute an alternative to the Consortium's offer on more advantageous financial terms, requested certain clarifications from WMG.

Following discussions between the members of the Ad Hoc Committee, on February 24, 2024, the Board of Directors met to determine the follow-up to be given to WMG's expression of interest and approved, by unanimous vote of its independent members, a draft response to WMG's letter.

Consequently, on February 25, 2024, the Ad Hoc Committee sent a letter to WMG stating that it had taken note of its expression of interest, had discussed it and, as a result, requested a certain number of clarifications in order to enter into discussions as the case may be, and grant it access to confidential information. In particular, the Ad Hoc Committee asked WMG to indicate the price it would be prepared to offer, even on a preliminary basis, and to explain how it thought it would be able to formulate a competing offer in view of the Consortium's commitment to the Block Acquisition.

On February 27, 2024, WMG indicated to Board members that, at this stage, it should be able to value Believe's shares at a minimum of 17 euros per share (dividend coupon attached), based on the public information currently available, while reaffirming that its approach did not constitute an offer or constitute any obligation to make an offer, nor did it evidence an intention to make an offer. It also stated that it did not see how the Board of Directors could give its recommendation on the Consortium's offer if there were a better offer, and that under these conditions the Favorable Opinion Condition would not be satisfied.

On February 27, 2024, the Ad Hoc Committee met to discuss the response to WMG's second letter.

Following WMG's expression of interest, Upbeat informed the Board of Directors on February 28, 2024 (and the public by way of a press release on February 29, 2024), that it had a unilateral right to waive the Board's Favorable Opinion Condition, a unilateral waiver option stipulated in the contracts for the Block Acquisition, as well as its decision to waive this condition. Upbeat also informed the Board of Directors that, consequently, the completion of the Block Acquisition remained exclusively subject to the Regulatory Condition (under antitrust law), which Upbeat expected to obtain in a short timeframe.

In a letter dated March 2, 2024, WMG informed the Company that it considered the waiver of the Favorable Opinion Condition to be contrary to stock market regulations, and requested access to confidential information in order to make a competing offer for the Company's shares.

Between February 29, 2024 and March 5, 2024, the Ad-Hoc Committee met several times to discuss the follow-up to the Consortium's waiver of the Favorable Opinion Condition and WMG's position.

The Ad-Hoc Committee considered that its role was to exercise all due diligence, on the one hand to ensure that the process underway complied with the applicable rules - in particular stock market regulations - and, more generally, to ensure that shareholders could decide whether or not to tender their shares to the best possible offer, also taking into account the circumstances at hand (including any contractual commitments that certain shareholders may have chosen to enter into).

In this context, upon obtaining the opinion of its legal counsel, the Ad Hoc Committee asked the latter to refer the matter to the AMF by letter dated March 5, 2024, in order to ask the Authority whether (i) Upbeat was in a position, at the time it did so, to unilaterally waive the Favorable Opinion Condition, given that this option was granted in accordance with the agreements entered into for the Block Acquisition, or if (ii) considering the Favorable Opinion Condition and the expression of interest from an interested third party at a potentially higher price, the principles of tender offers, including the principle of free confrontation of offers and competing offers, prevented such waiver of the Favorable Opinion Condition.

In a press release dated March 7, 2024, WMG publicly reiterated its expression of interest. In this press release, WMG indicated that it was awaiting access to a limited list of key due diligence information before confirming its indicative price of a minimum of 17 euros per share (dividend coupon attached). WMG also stated that it considered the Consortium's waiver of the Board's Favorable Opinion Condition to be contrary to French stock market regulations, and that the validity of this waiver could be challenged.

The Consortium issued a press release in response on March 8, 2024, stating that, in its view, its decision to waive the Favorable Opinion Condition was perfectly valid and had been taken in full compliance with French regulations. The Consortium confirmed that, following completion of the Block Acquisition, it would file a mandatory tender offer to acquire the remaining 28% at the same price of 15 euros per share paid to the selling shareholders of the blocks, as required by French tender offer regulations.

Following these events, the Ad Hoc Committee, after discussing them at its meeting on March 9, 2023, issued a press release on March 11, 2024 to inform the market that it had referred the matter to the AMF regarding the validity of the Consortium's waiver of the Favorable Opinion Condition.

In its letter dated March 22, 2024 to the Chair of the Ad-Hoc Committee, the AMF stated:

"In its meeting of March 22, 2024, the board of the AMF considered that considered that the waiver by the consortium of the condition precedent, stipulated for its sole benefit - of which the market was unaware - of the favorable opinion of the Board of Directors, in view of the expression of interest, which was not public at that stage, of a third party, at a higher indicative price, infringes the guiding principles of public bid law, which are part of public policy, and in particular the principles of fairness, transparency and the free confrontation of offers and competing offers within the meaning of article 231-3 of the General Regulation.

As mentioned in your referral, the stipulation of the aforementioned condition precedent made the execution of the purchase agreements dependent on the favorable reasoned opinion of the target company's board of directors, which is an essential regulatory stage in the progress of a public offer. This condition was therefore directly linked to the terms and conditions of the tender offer.

By exercising, in the aforementioned context, its right to unilaterally waive the said condition precedent, stipulated for its sole benefit, while WMG had made known an expression of interest valuing Believe at at least 17 euros per share, the consortium, which was aware of this non-public information, granted itself a decisive advantage in the success of its offer, in violation of the principles of fairness, transparency and the free confrontation of offers and competing offers."

In such context, on March 23, 2024, the Ad Hoc Committee and then the Board of Directors met. The Board of Directors (by a vote of its independent members only) decided to invite WMG to submit a binding, unconditional and fully-funded offer for Believe. To this end, the Company gave WMG access to a data room, subject to appropriate confidentiality undertaking. The Board of Directors asked WMG to submit its binding offer no later than April 7, 2024.

Between March 23, 2024 and April 6, 2024:

- *WMG had access to the Company's confidential information as part of a data room process, and also benefited from several expert sessions of the Company and Q&A sessions with the Company's management and teams;*
- *the Ad Hoc Committee met on several occasions to discuss the due diligence work in progress,*

and ensured that competitors had equal access to information;

- *the Ad Hoc Committee also held discussions with WMG and its legal counsel on the one hand, and with the Consortium on the other hand, to seek the best proposal for the Company and its stakeholders, although these discussions did not result in any concrete proposals.*

On April 6, 2024, WMG informed the Ad-Hoc Committee that it would not be making an offer for Believe, and announced it in a press release.

The Ad-Hoc Committee took note of such information and indicated that it wished to meet with interested parties, including the Consortium, before determining how to proceed.

The Offer, subject of this opinion

Following such withdrawal, the Consortium informed the Ad-Hoc Committee that it remained seized by its initial proposal dated February 11, 2024.

However, following discussions with the independent expert and the Ad-Hoc Committee, the Consortium indicated in a press release dated March 12, 2024, that it no longer intended to request a squeeze-out as part of the Offer.

Constitution of the Ad Hoc Committee

At its meeting on October 20, 2023, the Board of Directors decided to set up an Ad Hoc Committee comprising three independent Board members - namely Mrs. Orla Noonan, Fonds Stratégique de Participations (represented by Mrs. Cécile Frot-Coutaz), and Mrs. Anne-France Laclide-Drouin - to ensure that the Board of Directors was well organized in the event of the process leading to a tender offer, and more generally to facilitate the work of the Board of Directors in relation to the project, including in its preparatory phase. The creation of the Ad Hoc Committee and its composition were confirmed at the meeting of the Board of Directors on February 11, 2024, including in order to propose to the Board the appointment of an independent expert, to oversee the monitoring of its work and to prepare a draft reasoned opinion.

Process and basis for the appointment of the Independent Expert

Insofar as (i) the Company's senior executives have entered into an agreement with the Offeror that could affect their independence, (ii) various agreements that could be considered related to the Offer have been entered into between the Offeror and certain shareholders and/or senior executives of the Company, and (iii) the Offer is likely to generate conflicts of interest within the Board of Directors, the Offer requires the appointment of an Independent Expert.

Once informed of the Consortium's project, which could result in the obligation to file a public tender offer, the members of the Ad Hoc Committee studied the profiles of several experts likely to be appointed as independent experts, and were able to interview two of them, taking into account in particular (i) the absence of any present or past links with the Company or the Offeror, (ii) the recent experience of the proposed experts in similar transactions, (iii) their financial proposal and (iv) more generally, the professional reputation and human and material resources of these experts.

At their meeting on February 11, 2024, the members of the Ad Hoc Committee unanimously decided to recommend the firm Ledouble, represented by Mrs. Agnès Piniot and Mr. Romain Delafont, which is regularly involved in this type of transaction and offers all the guarantees, in terms of independence, competence and resources, to carry out the mission of independent expert in the context of the proposed

Offer.

On the same day, the Board of Directors, on the recommendation of the Ad Hoc Committee, decided to appoint Ledouble as independent expert to draw up a report on the financial terms of the Offer.

The firm Ledouble, via Mrs Agnès Piniot and Mr Romain Delafont, indicated its acceptance of this appointment as independent expert and confirmed that it had no conflict of interest with the various parties involved, and that it had sufficient material resources and availability to carry out its assignment during the period in question.

Aware of the Consortium's intention not to request a squeeze-out in connection with the Offer, and on the basis of the Company's engagement letter, the Independent Expert issued its report in accordance with the provisions of article 261-1, I 2°and 4° of the General regulation of the AMF. Ledouble's engagement letter is appended to the Independent Expert's report.

Follow-up of the Independent Expert's work by the Ad Hoc Committee

Mrs. Orla Noonan, chairperson of the Ad Hoc Committee, reports on its work.

The Ad Hoc Committee has met on a number of occasions since it was informed of the implementation at the end of 2023 of a competitive process by the Manager and TCV to find one or more co-investors to create a consortium with the aim of making a public tender offer for all the Company's shares.

In particular, the Ad Hoc Committee met with the Independent Expert:

- *in February 2024, for an initial introductory briefing on its mission and the information required to begin its work;*
- *on February 26, 2024, in the presence of the Company's financial and legal advisors, to discuss the Independent Expert's initial findings and, in particular, to inform him of WMG's expression of interest;*
- *on March 8, 2024, in the presence of the Company's financial and legal advisors, for a detailed presentation by the Independent Expert of its initial findings;*
- *on April 10, 2024, in the presence of the Company's financial and legal advisors, for a presentation of its conclusions to date.*

Throughout this period, the Ad Hoc Committee ensured that the Independent Expert had in its possession all the information it considered necessary for the completion of its mission, and that it was in a position to carry out its work under satisfactory conditions.

The Independent Expert was able to exchange views with the Company's management on several occasions, as well as with the Offeror and the Presenting Banks.

The Company provided the Independent Expert with a number of financial and legal documents, in particular the Company's business plan for the period 2024-2030 prepared by management and *approved by the Board of Directors on January 12, 2024*[11].

Work of the Independent Expert and conclusions of its report

Following the exchanges between the Ad Hoc Committee and the Independent Expert detailed above, Ledouble submitted its report to the Board of Directors on April 18, 2024.

The Independent Expert, in the persons of Mrs. Agnès Piniot and Mr. Romain Delafont, presented a summary of its work and the conclusions of its report to the members of the Board of Directors. These conclusions can be summarized as follows, bearing in mind that the Independent Expert refers to the full text of its report (which alone is authentic):

*"**7. Summary***

In accordance with the scope of the Independent Expert's Mission (§ 1.6.1), we have verified:

- *the fairness of the financial terms of the Offer, with regard to the value of the Share resulting from the Multicriteria Valuation;*
- *the absence of provisions in the Related Agreements and Transactions that could be prejudicial to the interests of Minority Shareholders.*

We remind you that we assess the Offer Price by reference to the financial conditions of the Offer and the valuation of the Share in the current circumstances, which, by definition, differ from the conditions under which Shareholders were able, on a case-by-case basis, to acquire their Shares.

The Offer Price is currently the best offer from a financial point of view, bearing in mind that:

- *the Blocks Acquisitions were carried out following a search for an investor conducted among several investment funds with references in the music industry, none of the potential investors having made a binding or non-binding offer at a price higher than the Offer Price;*
- *on April 6, 2024, after carrying out due diligence, WMG decided not to submit an offer.*

We believe that the Business Plan, which underpins the Multicriteria Evaluation, reflects a voluntarist vision and captures Believe's value potential over the medium and long term. The forecasts take into account the development prospects of the rapidly changing music market, and postulate the Group's ability to gain market share while improving profitability and accelerating the deployment of its external growth strategy. It also assumes the absence of any major contingencies, despite the existence of threats and risks that could slow down or compromise the achievement of its objectives.

Given Management's confidence in its ability to achieve the objectives set out in the Business Plan, and the performance achieved since the IPO, we have not taken into account any specific execution risks. We note, however, that given the strong growth phase in which the Company finds itself, which implies investment efforts in the short and medium term and improved profitability in the longer term, the present value of the Share is particularly sensitive to the discounting parameters and assumptions of the Business Plan, notably in terms of target profitability.

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[11] At the request of the Independent Expert, the business plan was re-approved by the Board of Directors on April 10, 2024, which confirmed the trajectory completed with the impact of share-based payments.

In addition, most of our value ranges include a significant contribution from future acquisitions to the current Share value, bearing in mind that these transactions, which involve specific risk factors, notably in terms of timing and integration, have not yet been initiated.

In our intrinsic valuation approach, the Offer Price represents a discount of 12.8% to the central value of the Share including the impact of external growth transactions, and a premium of 2.7% to the central value of the Share excluding external growth.

Our relative valuations have been implemented taking into account the specificities of the Group. Overall, the Offer Price implies premiums over values based on short- and medium-term forecast metrics, and discounts for values based on estimated long-term metrics, which nevertheless present a higher execution risk.

Lastly, the Offer Price shows significant premiums over the past twelve months' Share prices, ranging from 21.0% to 52.2%, depending on the dates and periods of observation.

We also note that:

- *the proposed Offer presents the advantage, for Minority Shareholders, of obtaining a liquidity window at a price identical to that retained for the Blocks Acquisitions and with a significant premium compared with the stock market prices prior to the announcement of the Offer;*
- *progress over time and the achievement of the objectives set out in the Business Plan could result, all other things being equal, in a significant increase in Share value. Minority Shareholders who do not wish to tender their shares to the Offer will, however, remain exposed to risks that could also have a downward impact on Share value;*
- *after discussions with the Independent Expert and the Ad Hoc Committee, the Offeror has waived its request regarding the squeeze-out procedure, a decision that underlines our fairness opinion which is given in these circumstances;*
- *Minority Shareholders may choose to tender their shares to the Offer or remain shareholders of the Company.*

The Related Agreements and Transactions have no impact on our assessment of the Offer Price fairness (§ 5).

We have responded to the comments made orally and by e-mail by a minority shareholder (§6).

8. Conclusion

In the light of all the elements of assessment described in our summary (§ 7), and following our valuation of the Share, we are in a position to conclude that the terms of the Offer are fair, from a financial point of view, to the Shareholders voluntarily tendering their shares to the Offer.

We have not identified any provisions in the Related Agreements and Transactions that might be prejudicial to the interests of the Shareholders whose securities are targeted by the Offer."

<u>Main comments received from shareholders in accordance with stock market regulations</u>

The Company has not received any comments from minority shareholders.

It notes that the Independent Expert has received comments from a shareholder, to which the Independent Expert has replied in its report.

Recommendations of the Ad Hoc Committee

On April 18, 2024 the Ad Hoc Committee met and finalized its recommendation to the Board of Directors in light of the Independent Expert's report.

The chairperson of the Ad Hoc Committee presents the following conclusions to the Board of Directors:

Regarding the interest of the Offer for the Company

The Ad Hoc Committee notes that the Offeror's intentions are described in paragraph 1.2.1 of the Draft Offer Document. In particular, it is stated that "The Offeror intends to maintain the Group's integrity, and, with the support of the current management team, to continue the main strategic orientations implemented by the Company and does not intend to modify the operational model of the Company, outside the normal evolution of the business".

The Ad Hoc Committee thus notes that the Offer will enable the Company to be backed by a controlling shareholder whose shareholders have substantial financial resources, and whose project is in line with the strategy deployed by the Company and in support of its development strategy.

The Offer is in line with the strategy pursued by management, while benefiting from the support of leading shareholders aligned with its development strategy and with the ability to support the company in the next phase of growth and market consolidation. This should enable the Company to strengthen its positioning to seize market opportunities driven by the digital transformation of artists worldwide in the music and publishing sectors, with the ambition of building a global player in independent music that relies on technology to adapt to the digital world.

Having considered the above, the Ad Hoc Committee confirms the interest of the Offer for the Company.

Regarding the interest of the Offer for employees

The Offeror indicated in its Draft Offer Document (paragraph 1.2.2) that "The Offer forms part of a plan in which the Company's business activities and development are to continue. As a result, the Offer should not in itself result in any particular impact on the Company's workforce, wage policy or human resource management policy."

*It should be noted that the applicable procedures for informing and consulting the Company's social and economic committee ("**CSE**") have been followed.*

The CSE, in its deliberation of March 1, 2024, approved the proposed sale of shares.

Aware of the above, and that the Offer is in line with the Company's strategy, the Ad Hoc Committee confirms the interest of the Offer for the employees.

With regard to the Offer Price and the interest of the Offer for the Company's shareholders

The Ad Hoc Committee has taken note of the Independent Expert's report, which concludes that the terms of the Offer are fair, from a financial point of view, to the shareholders voluntarily tendering their shares to the Offer.

The Ad Hoc Committee also notes that Citi concluded that, as of the date of the delivery of its financial opinion (i.e., April 18, 2024), the Offer Price is fair, from a financial point of view, to the shareholders of the Company (other than the Manager and the sellers as part of the Block Acquisition).

The Ad Hoc Committee first notes that the Offer price corresponds to the price negotiated by the Offeror *with the sellers of the majority blocks, following a competitive process and discussions with the Board of Directors, with the Independent Expert concluding that there are no related elements likely to affect the equal treatment of the other shareholders. It notes that no competing offer have materialized. In particular, WMG decided not to submit a binding offer*[12].

The Ad Hoc Committee also notes that the Offer generates premiums ranging from 38.2% to 52.2% over the average share price[13]*, and a 50% premium over the share price before rumors*[14]*, but remains below the IPO price of 19.50 euros per share.*

The Ad Hoc Committee therefore notes that a Believe shareholder wishing to sell its shares can do so in an organized manner, without its ability to sell being impacted by the limited liquidity of the stock, at a substantial premium to relevant price references, and at a price that has convinced professional shareholders holding the majority of the capital to sell their shares.

The Ad Hoc Committee also notes that the price is within the range of the independent expert's intrinsic discounted cash flow analysis. However, the price represents a discount of 12.8% compared with the central value of the share in this context, which stands at 17.20 euros per share (even if this price represents a slight premium of 2.4% compared with the central value excluding external growth); it is noted, however, that external growth is an intrinsic part of the Company's business plan.

Moreover, the value of the share in an intrinsic discounted cash flow analysis seems particularly sensitive to discounting parameters and business plan assumptions, in particular the ability to carry out and integrate future external growth operations.

With regard to other methods, the Ad Hoc Committee notes that the Independent Expert's report shows the following values for criteria other than the stock share price and discounted cash flow analysis:

- *premiums between 2.7% and 44.2% on analogical values based on stock market multiples applied by the Independent Expert to the performance expected by management in the short and medium term, taking into account in particular the growth and profitability differential between Believe and Market Comparables;*
- *premiums between 6.4% and 70.5% on values which come from Comparable Transactions;*
- *a discount of 8.0% to the median analysts' target price observed prior to the announcement of the proposed Offer.*

The Ad Hoc Committee has noted that the Offeror has in fine decided to keep the Company's shares listed following the Offer. This change compared with the initial proposal will enable shareholders who wish so to remain involved in the Company's development and growth prospects, and in the potential creation of value.

The Ad Hoc Committee points out, however, that shareholders opting for this option would remain exposed to the Company's risks. The Ad Hoc Committee also notes that, depending on the rate of

[12] After having had access to a "data room"
[13] Cf. p. 50 of the Independent Expert's report
[14] i.e. spot price on February 9, 2024. The premium over the spot price before the announcement (February 9, 2024) is 21%.

contribution to the Offer, the liquidity of the share may also be reduced.

Reasoned opinion of the Board of Directors

The Board of Directors, composed solely of the independent directors present[15]*, after deliberation, on the recommendation of the Ad Hoc Committee, and after having taken note of all the information made available to its members, in particular (i) the elements of assessment of the Offer Price set out in the Draft Offer Document, (ii) the objectives and intentions expressed by the Offeror in the Draft Offer Document, (iii) the report of the Independent Expert, and (iv) the conclusions of the review carried out by the members of the Ad Hoc Committee, including the latter's favorable opinion on the Offer:*

- *considers that the Offer is consistent with the interests of the Company and its employees, in particular since the Offer is not expected to have any particular impact on employment and is in line with the Company's strategy by enabling the Company to benefit from support of leading shareholders aligned with its development strategy and with the ability to support the company in the next phase of growth and market consolidation;*
- *considers that the Offer is consistent with the interests of minority shareholders wishing to realize their investment, by enabling them to benefit from immediate and full liquidity at a significant premium over the relevant stock price averages, and at the same price as that obtained by the sellers of majority blocks, and recommends that minority shareholders pursuing this objective tender their shares to the Offer;*
- *notes that the Offer is in line with the interests of shareholders wishing to remain associated with the Company's potential, by enabling those who decide not to tender their shares to the Offer to remain shareholders of the Company while its listing is maintained, such shareholders thereby accepting to remain exposed to the associated risks, including the risk of a reduction in the liquidity of the share depending on the rate of tender to the Offer;*
- *decides not to tender the treasury shares held by the Company;*
- *approves the Draft Response Document; and*
- *grants full powers to the Chief Executive Officer to finalize, amend and allow the filing, in the name and on behalf of the Company, of the Draft Response Document, as well as the "Other Information" document relating to the Company's other legal, financial and accounting information, and any other document useful or necessary for the Offer, and more generally to take any decision, perform any act or sign any document necessary for the Offer and its implementation."*

4. INTENTIONS OF THE MEMBERS OF THE BOARD OF DIRECTORS

As detailed in Sections 1.1.1, 1.1.2 and 6.5 of the Draft Response Document:

[15] *i.e.* a composition identical to that of the Ad-Hoc Committee

- Mr. Denis Ladegaillerie has committed to sell 1,250,000 Shares to BidCo in the context of the DL Acquisition and has irrevocably committed to contribute 10.851.320 Shares to BidCo in the context of the DL Contribution; and
- Ventech (represented by Mr. Alain Caffi[16] within the Board of Directors), and Siparex XAnge (represented by Mr. Nicolas Rose[17] within the Board of Directors) have committed to sell all their Shares, *i.e.* a total of 17.790.872 Shares in the Context of the Ventech and XAnge Acquisition.

As indicated in Section 1.2.3. of the Draft Offer Document, Ventech and XAnge have resigned from their respective positions as members of the Company's Board of Directors and observer on April 25, 2024.

Consequently, as of the date of the Draft Response Document, the composition of the Board of Directors is as follows:

1. Mr. Denis Ladegaillerie (Chairman of the Board of Directors and Chief Executive Officer);
2. Mr. John Doran;
3. Mrs. Anne-France Laclide-Drouin*,
4. Mrs. Orla Noonan*, and
5. Fonds Stratégique de Participations, represented by Mrs Cécile Frot-Coutaz*.

**independent directors*

During the Board of Directors' meeting held on April 18, 2024, which issued a reasoned opinion of the Offer,

- Mrs. Anne-France Laclide-Drouin, independent Director, has announced that she does not intent to contribute to the Offer with the 150 Shares she holds;
- Mrs. Orla Noonan, independent Director, has announced that she does not intent to contribute to the Offer with the 5,000 Shares she holds[18].

Fonds Stratégique de Participations, represented by Mrs. Cécile Frot-Coutaz, independent director, has indicated that it has not yet taken a decision on whether or not to tender its 3,559,433 Shares to the Offer.

M. John Doran announced that he does not hold any Shares of the Company in his personal name[19].

[16] The Board of Directors' internal rules provide that Directors representing shareholders whose corporate procedures prohibit direct shareholding by their representatives are not, by decision of the Board of Directors, required to hold a minimum of 100 Shares in the Company throughout their term of office. Therefore, Mr. Alain Caffi, Ventech's permanent representative, does not hold any shares in his personal capacity.

[17] Mr. Nicolas Rose does not hold any Shares in his personal name.

[18] 5.000 Shares held by Knightly Investments whose share capital is wholly owned by Orla Noonan.

[19] The Board of Director s' internal rules stipulate that Director s representing shareholders whose corporate procedures prohibit direct shareholding by their representatives are not, by decision of the Board of Director s, required to hold a minimum of 100 Shares throughout their term of office.

5. INTENTIONS OF THE COMPANY RELATING TO TREASURY SHARES

As of the date of the Draft Response Document, the Company holds 90,291 of its own Shares.

By a decision adopted on 18 2024, the Board of Directors has decided not to contribute to the Offer with the 90,291 treasury shares.

6. AGREEMENTS LIKELY TO HAVE A MATERIAL IMPACT ON THE ASSESSMENT OR OUTCOME OF THE OFFER

Under the exception of the agreements described below, the Company does not have knowledge of any other agreement entered into by third parties concerned by the Offer, or its shareholders, that may have a significant impact on the assessment or the outcome of the Offer.

6.1. Consortium and Investment Agreement

As set out in Section 1.1.1 of the Draft Offer Document and Section 1.1.1 of the Draft Response Document, the Consortium and Investment Agreement was entered into between the TCV Luxcos, EQT, Mr. Denis Ladegaillerie and Upbeat MidCo, on February 11 2024, to regulate the cooperation between them in the context of the Offer.

The Offeror adhered to the Consortium and Investment Agreement on March 13, 2024. The Consortium and Investment Agreement was the subject of an amendment signed by the parties on April 16, 2024 to take into account the fact that the Consortium announced on April 12, 2024 that it no longer intended to request the implementation of a squeeze-out following the Offer.

The terms of the Consortium and Investment Agreement (as amended), as they are set out in the Draft Offer Document, are reproduced hereinafter.

Financing of the Offer

The acquisition of Shares under the Offer will be financed by TCV Luxcos and EQT by means of loans which will then be capitalized at the level of Upbeat MidCo and the Offeror, in consideration for new shares issued by Upbeat MidCo and the Offeror respectively. TCV Luxcos and EQT will invest *pari passu* so that they will hold, in the same proportions, the same classes of shares in Upbeat MidCo and, indirectly, in the Initiator.

Acquisitions

The Consortium and Investment Agreement provides for BidCo to enter into:

- the share purchase agreement, pursuant to which BidCo purchases all the Shares held by TCV Luxco BD, signed on February 11, 2024; and
- the share purchase agreement, pursuant to which BidCo purchases all the Shares held by the funds managed by Ventech and XAnge, signed on February 11, 2024.

Contribution and sale to the Offeror of the Shares held by Mr Denis Ladegaillerie

The Consortium and Investment Agreement provides for an undertaking by Mr. Denis Ladegaillerie (i) to sell 1,250,000 Shares to BidCo and (ii) to contribute 10,851,320 Shares to BidCo, in each case at a price equal to the Offer price.

The DL Contribution, which will be paid for with BidCo new ordinary shares, shall be completed on the date of the payment of the purchase price in relation to the Acquisitions.

BidCo and Mr. Denis Ladegaillerie accordingly entered into (i) a binding share purchase agreement on April 25, 2024, which reflects the terms of the agreements relating to the TCV Acquisition and the Ventech and XAnge Acquisition, and (ii) the Contribution Agreement (as such term is defined below) on April 25, 2024.

Offer launch

The Consortium and Investment Agreement provides for:

- the main terms of the Offer which was meant to be filed promptly by the Offeror with the AMF following completion of the Acquisitions; and
- an undertaking by the parties to cooperate in order to obtain from the holders of Warrants and/or BSPCE undertakings to (i) exercise their Warrants and/or the BSPCE prior to the closing of the Offer and (ii) tender the Shares resulting from such exercise to the Offer.

Antitrust clearances

The Consortium and Investment Agreement provides for an undertaking by the parties according to which they shall take all necessary steps to obtain approvals from the competent antitrust authorities, in the context of the Acquisitions, as promptly as possible[20].

Commitments concerning the Group

The Consortium and Investment Agreement provides that the parties exercise all their authority in order for the Group to operate its business in the ordinary course consistent with past practice (including, not to issue or authorize any issuance of any security of the Company, except if such issuance results from the vesting of Free Shares (*actions gratuites)* in the meaning of Article L. 225-197-1 *et seq.* of the French Commercial Code) granted by the Company before the date hereof or results from the exercise of Warrants or BSPCE by their holders).

Other commitments

Lastly, the Consortium and Investment Agreement provides for:

- an undertaking by the parties to enter into a shareholders' agreement regarding the Offeror and the subsidiaries it controls (including the Company) consistent with the terms and conditions included in a co-investment term sheet annexed to the Consortium and Investment Agreement (the "**Co-Investment Term Sheet**") (which is described in Section 1.3.2 of the Draft Offer Document and Section 6.3 of the Draft Response Document);
- an undertaking by each party, until the entry into force of such shareholders' agreement, not to (i) purchase, any securities of the Company other than through the Offeror and in accordance with the Consortium and Investment Agreement, (ii) carry out any act which may create the obligation to increase the Offer Price and (iii) carry out any act which may create an obligation

[20] Approvals from the Austrian and German antitrust authorities were received on March 27 and March 15, 2024 respectively.

to file a mandatory tender offer over the securities of the Company other than in accordance with this Consortium and Investment Agreement; and

- an undertaking by Mr. Denis Ladegaillerie, until the entry into force of such shareholders' agreement, not to transfer any Shares he holds.

6.2. Contribution Agreement

As indicated in Section 1.3.1 of the Draft Offer Document and 6.1 of the Draft Response Document, Mr. Denis Ladegaillerie had undertaken under the Consortium and Investment Agreement to contribute 10,851,320 Shares he holds to the Offeror.

On 25 April, 2024, the Offeror and Mr. Denis Ladegaillerie signed a contribution agreement (the "**Contribution Agreement**") confirming Mr. Denis Ladegaillerie's irrevocable undertaking to complete the DL Contribution. The Contribution Agreement provides that the DL Contribution will be made at the Offer Price and in consideration of which, ordinary shares issued by the Offeror, valued on a transparent basis at the Offer Price will be granted. The Contribution Agreement also provides that the DL Contribution will be completed on the date of payment of the transfer price relating to the Acquisitions.

6.3. Co-Investment Term Sheet

As set out in Section 1.3.1 of the Draft Offer Document, the parties to such Consortium and Investment Agreement have undertaken to enter into a shareholders' agreement consistent with the terms and conditions included in the Co-Investment Term Sheet. The main terms of the Co-Investment Term Sheet, as they are in the Draft Offer Document, are reproduced below.

Gouvernance

The Offeror is a French simplified joint stock company (*société par actions simplifiée*) governed by a president (*président*), under the control of a Board of Directors. The Board will be composed of a maximum of six (6) Directors appointed by the general meeting of the shareholders of the Offeror, as follows:

- two (2) Directors appointed among the candidates selected by the TCV Luxcos (the "**TCV Directors**");
- two (2) Directors appointed among the candidates selected by EQT (the "**EQT Directors**");
- one (1) Director appointed among the candidates selected by Mr. Denis Ladegaillerie (the "**Founder Director**"); and
- one (1) independent Director among the candidates selected by the TCV Luxcos, EQT, and Mr. Denis Ladegaillerie (the "**Independent Director**").

Decisions of the Board shall be validly adopted by simple majority of the votes cast, with each Director having one vote, except for certain fundamental decisions requiring the unanimous vote of the TCV Directors, the EQT Directors and the Founder Director, and for certain strategic decisions requiring the positive vote of the TCV Directors and the EQT Directors.

Transfer of securities

The following provisions are applicable to the transfer of the securities of the Offeror:

- lock-up period: all shareholders of the Offeror shall be prohibited from transferring their shares, except with regards to customary free transfers or transfers in the context of a sale of securities to a third party or an IPO;
- drag-along right: all shareholders of the Offeror will be subject to customary drag-along rights in the event of a sale that is approved by EQT and the TCV Luxcos, or as the case may be, EQT or the TCV Luxcos, provided that certain financial conditions are met as the case may be, depending on the timing of the exit; and
- tag-along right: all shareholders of the Offeror will benefit from (i) a proportional tag along right in the event of a transfer of securities of the Offeror not resulting in a change in control and (ii) a total tag along right in the event of a transfer of securities of the Offeror resulting in a change of control.

Exit clauses

The following provisions are applicable to an exit:

- EQT and/or TCV Luxcos (as the case may be) can initiate an exit process (it being specified that this process is subject to certain conditions depending on the date on which it is implemented).

6.4. Commitments to tender Shares to the Offer

On February 11, 2024, certain shareholders undertook *vis-à-vis* the Offeror to tender their Shares to the Offer, representing a maximum of approximately 3.02% of the share capital of the Company[21] at the Offer Price.

These undertakings are revocable if a competing tender offer has been declared compliant by the AMF and opened, and if the Offeror (or one of its affiliates) does not file or announce its intention to file a competing improved tender offer within fifteen trading days from the opening of such competing tender offer.

6.5. Acquisitions

On 11 February 2024, TCV Luxco BD, as seller, and Upbeat MidCo, as purchaser, entered into a share purchase agreement in relation to the sale of 39,942,982 Shares, representing approximately 41.11% of the share capital of the Company[22] at a price of fifteen euros (€15) per Share. Pursuant to an agreement dated March 14, 2024, BidCo was substituted for Upbeat MidCo as purchaser for the purposes of such share purchase agreement.

On the same day, Ventech and XAnge, as sellers, and Upbeat MidCo, as purchaser, entered into a share purchase agreement in relation to the sale of a total of 17,790,872 Shares, representing approximately 18.31% of the share capital of the Company[23] at a price of fifteen euros (€15) per Share. Pursuant to an

[21] On the basis of a share capital comprising 97,161,351 Shares as of April 24, 2024.
[22] On the basis of a share capital comprising 97,161,351 Shares as of April 24, 2024.
[23] On the basis of a share capital comprising 97,161,351 Shares as of April 24, 2024.

agreement dated March 14, 2024, BidCo was substituted for Upbeat MidCo as purchaser for the purposes of such share purchase agreement.

The completion of the TCV Acquisition and the Ventech and XAnge Acquisition was subject to the receipt of the required antitrust approvals (or confirmation that no regulatory approval was required) from the Austrian and German antitrust authorities. Such clearances were received respectively on March 27 and March 15, 2024.

BidCo and Mr. Denis Ladegaillerie have also entered into a binding share purchase agreement dated April 25, 2024 in relation to the sale of 1,250,000 Shares held by Mr. Denis Ladegaillerie to BidCo, representing 1.29% of the share capital of the Company[24] at a price of fifteen euros (€15) per Share.

These agreements also include an undertaking by BidCo not to file the Offer at a price higher than the Offer Price. In the event that BidCo files the Offer at a price higher than the Offer Price, BidCo undertakes to pay the sellers the product of (i) the difference between the price per Share offered under the Offer and fifteen euros (€15), multiplied by (ii) the number of Shares sold by each seller under the Acquisitions.

The Acquisitions were also subject to the condition precedent of the issuance of a fairness opinion by the independent expert confirming the fairness of the tender offer, and the issuance of an opinion by the board of directors of the Company recommending the proposed offer. In accordance with the terms of these agreements, BidCo will pay the purchase price for the Acquisitions on the first business day following the closing of the Offer.

6.6. Other agreements of which the Offeror is aware

Under the exception of the agreements described in Section 1.3 of the Draft Offer Document and Section 6 of the Draft Response Document, the Offeror is not aware of any other agreement that could have an impact on the assessment or outcome of the Offer.

7. INFORMATION REGARDING THE COMPANY LIKELY TO HAVE A MATERIAL IMPACT ON THE ASSESSMENT OR OUTCOME OF THE OFFER

7.1. Shareholding structure of the Company

The share capital of the Company, as of April 24, 2024, was set at 485,806.755 €, divided in 97,161,351 Shares of a nominal value of 0.005 € each.

(a) Shareholding structure of the Company's share capital and voting rights before the Acquisitions and the DL Contribution

Ownership of the Company's share capital and theoretical voting rights broke down as follows[25] before the Acquisitions and the DL Contribution:

[24] On the basis of a total number of 97,161,351 Shares as of April 24, 2024.

[25] On the basis of a share capital comprising 97,161,351 Shares and 151,238,505 theoretical voting rights on April 24, 2024.

Shareholder	Number of Shares	% of capital	Number of theoretical voting rights	% of theoretical voting rights*
TCV Luxco BD	39,942,982	41.11%	64,603,070	42,72%
Denis Ladegaillerie	12,101,320	12.45%	24,202,640	16,00%
Ventech	11,684,314	12.03%	23,368,628	15,45%
XAnge	6,106,558	6.28%	6,106,558	4,04%
Fonds Stratégique de Participations	3,559,433	3.66%	6,636,356	4,39%
Treasury Shares	90,291	0.09%	90,291	0,06%
Free float	23,676,453	24.37%	26,230,962	17,34%
Total	**97,161,351**	**100%**	**151,238,505**	**100%**

*According to Article 223-11 paragraph 2 of the general regulation of the AMF, the total number of theoretical voting right is calculated on the basis of the total number of shares to which voting rights are attached, including shares deprived of their voting right.

(b) Shareholding structure of the Company's share capital and voting rights at the date of the Draft Response Document (*i.e.* after completion of the Acquisitions but prior to the DL Contribution):

As of the date of the Draft Response Document, ownership of the Company's share capital and theoretical voting rights is as follows[26], after completion of the Acquisitions, but before the acquisition of the 388,112 Free Shares granted by the Company in the context of a Free Shares Plan, which will vest definitively on May 14, 2024[27], and the completion of the DL Contribution[28]:

Shareholder	Number of Shares	% of capital	Number of theoretical voting rights	% of theoretical voting rights*
BidCo	58,983,854	60.71%	58,983,854	51.90%
Denis Ladegaillerie	10,851,320	11.17%	21,702,640	19.10%

[26] On the basis of a share capital comprising, as of April 24, 2024, 97,161,351 Shares and a total number of 113,644,103 theoretical voting rights resulting from the loss of 37,594,402 theoretical voting rights following completion of the Acquisitions and including the double voting rights attached to the 10,851,320 Shares which are the subject of the DL Contribution (it being specified that these double voting rights will be lost upon completion of the DL Contribution).

[27] These Free Shares remain subject to a presence condition. For further details, please refer to Section 2.4 of the Draft Offer Document and Section 1.2.4 of the Draft Response Document.

[28] In accordance with the terms of the Contribution Agreement, Mr. Denis Ladegaillerie has irrevocably undertaken to contribute 10,851,320 Shares to BidCo. These Shares are assimilated to the Shares held by the Offeror on the date hereof, in accordance with article L. 233-9 of the French Commercial Code. However, the DL Contribution will be completed on the date of payment of the transfer price relating to the Acquisitions, *i.e.* the first business day after the closing of the Offer.

Shareholder	Number of Shares	% of capital	Number of theoretical voting rights	% of theoretical voting rights*
Total held by Upbeat Bidco (shares and voting rights owned and held by assimilation)	**69,835,174**	**71.88%**	**80,686,494**	**71.00%**
Fonds Stratégique de Participations	3,559,433	3.66%	6,636,356	5.84%
Treasury shares	90,291	0.09%	90.291	0.08%
Free float	23,676,453	24.37%	26,230,962	23.08%
Total	**97,161,351**	**100%**	**113,644,103**	**100%**

*According to Article 223-11 paragraph 2 of the General regulation of the AMF, the total number of theoretical voting right is calculated on the basis of the total number of shares to which voting rights are attached, including shares deprived of their voting right.

(c) Shareholding structure of the Company's share capital and voting rights after the Acquisitions and the DL Contribution

Ownership of the Company's share capital and theoretical voting rights should break down as follows, following completion of the Acquisitions, the vesting on May 14, 2024 of 388,112 Free Shares[29] granted by the Company under a Free Shares Plan and completion of the DL Contribution[30]:

Shareholder	Number of Shares	% of capital	Number of theoretical voting rights	% of theoretical voting rights*
BidCo	69,835,174	71.59%	69,835,174	67.68%
Fonds Stratégique de Participations	3,559,433	3.65%	6,636,356	6.43%
Treasury Shares	90,291	0.09%	90.291	0.09%
Free float	24,064,565	24.67%	26,619,074	25.80%

[29] These Free Shares remain subject to a presence condition. For further details, please refer to Section 2.4 of the Draft Offer Document and Section 1.2.4 of the Draft Response Document.

[30] It is specified that the DL Contribution would be completed on the first business day after the closing of the Offer, *i.e.* before the settlement-delivery of the semi-centralized part of the Offer. This table does not take into account any Shares acquired on or off the market by the Offeror prior to that date.

Shareholder	Number of Shares	% of capital	Number of theoretical voting rights	% of theoretical voting rights*
Total	**97,549,463**	**100%**	**103,180,895**[31]	**100%**

*According to Article 223-11 paragraph 2 of the General regulation of the AMF, the total number of theoretical voting right is calculated on the basis of the total number of shares to which voting rights are attached, including shares deprived of their voting right.

The situation of the holders of BSPCE and Warrants as well as the details of Free Shares awarded by the Company to employees or executives of the Group are described in Sections 2.4 and 2.5 of the Draft Offer Document and Sections 7.9.3 and 7.9.4 of the Draft Response Document.

7.2. Agreements between shareholders that the Company has knowledge of and that may result in restricting the transfer of Shares or the exercise of voting rights of the Company

Other than the agreements listed in Section 6.1 and 6.3 of the Draft Response Document, the shareholders' agreement entered into between Mr. Denis Ladegaillerie, TCV Luxcos, XAnge, Ventech (the "**Shareholders' Agreement**") provides for a lock-up period according to which Mr. Denis Ladegaillerie undertakes to hold his shares for a period of three (3) years from the date of execution of the Shareholders' Agreement, *i.e.* until June 9th, 2024.

However, such commitment has been recently waived in order to enable Mr. Denis Ladegaillerie to publicly announce his intent to participate to the draft Offer.

It is specified that the Shareholders' Agreement provides for a case of early termination the date on which any entity were to hold more than 50% of the Company's share capital.

With the exception of the agreements listed in Sections 6.1 and 6.3 of the Draft Response Document and the Shareholders' Agreement, the Company is not aware to date of any other agreement in force that could result in restrictions on the transfer of Shares and the exercise of voting rights in the Company.

7.3. Statutory restrictions to the exercise of voting rights or to any transfer of Shares or agreements' provisions notified to the Company in accordance with Article L. 233-11 of the French Commercial Code

7.3.1. Statutory restrictions to the exercise of voting rights or to any transfer of Shares

Restrictions to the transfer of Shares

[31] The number of 103,180,895 theoretical voting rights results from (i) the loss of 10,851,320 theoretical voting rights following the completion of the DL Contribution and (ii) the inclusion of 388,112 theoretical voting rights attached to the 388,112 Free Shares that will be definitively vested by the beneficiaries on May 14, 2024.

According to Article 13 of the Articles of Association of the Company, dated April 24, 2024 (the "**Articles of Association**"), the ordinary shares are freely negotiable, unless otherwise provided by applicable laws or regulations.

Mandatory declaration of threshold crossing

According to article 14 of the Articles of Association, for as long as the Company's shares are admitted to trading on a regulated market, in addition to the declarations of threshold crossing expressly provided for by the laws and regulations in force, any individual or legal entity who comes to own directly or indirectly, alone or in concert, a fraction of the capital or voting rights (calculated in accordance with the provisions of Articles L. 233-7 and L. 233-9 of the French Commercial Code and the provisions of the general regulation of the AMFs) equal to or greater than 1% of the capital or voting rights, or any multiple of this percentage, including above the thresholds provided for by legal and regulatory provisions, must notify the Company of the total number of (i) shares and voting rights its holds, directly or indirectly, alone or in concert with others, (ii) securities giving future access to the Company's share capital it holds, directly or indirectly, alone or in concert, and the voting rights potentially attached thereto, and (iii) shares already issued which this person may acquire by virtue of an agreement or a financial instrument referred to in Article L. 211-1 of the French Monetary and Financial Code. This notice must be sent by registered letter with acknowledgement of receipt, within four (4) trading days of the threshold being crossed.

The obligation to inform the Company also applies, within the same timeframe and under the same conditions, when the shareholder's capital interest or voting rights falls below one of the aforementioned thresholds.

In the event of failure to comply with the aforementioned notification obligation, and at the request of one or more shareholders representing at least 3% of the capital or voting rights, recorded in the minutes of the shareholders' meeting, the shares in excess of the fraction that should have been declared will be deprived of voting rights until the expiry of a two-year period following the date on which the notification is rectified.

It is specified that the Company reserves the right to inform the public and shareholders either of the information it has been notified of, or of any failure by the person concerned to comply with the aforementioned obligation.

Double voting right

Pursuant to the provisions of Article 11 of the Articles of Association, double voting rights automatically apply to fully paid-up shares registered in the name of the same shareholder for at least two (2) years, in accordance with Article L. 225-123 of the French Commercial Code.

The Articles of Association specify that, in accordance with Article L. 225-123 of the French Commercial Code, in case of capital increase by incorporation of reserves, profits or issue premiums, double voting rights are conferred, as from their issue, on registered shares allocated free of charge to a shareholder in respect of existing shares for which he or she benefits from this right.

7.3.2. Agreement provisions providing for preferential conditions for the sale or purchase of Shares and relating to at least 0.5% of the Company's share capital or voting rights notified to the Company in accordance with Article L. 233-11 of the French Commercial Code

The sole agreement in force brought to the attention of the Company in accordance with Article L. 233-11 of the French Commercial Code is the Shareholders' Agreement. The main terms of the Shareholders' agreement are set forth in Section 7.3.3 of the Company's Universal Registered Document for 2023 (published on the Company's institutional website).

To the Company's knowledge, the Shareholders' Agreement does not provide for any preferential conditions for the sale or purchase of Shares.

7.4. Direct and indirect contributions to the Company's share capital that have been the subject of a declaration of threshold crossing or declaration of transaction on securities

During the last 12 months, the Company has received the following declarations of legal and/or statutory threshold crossings:

- pursuant to the declaration of threshold crossing dated July 17, 2023, Ventech, acting on behalf of the fund it manages, informed the AMF that its interest in the Company has fallen below 15% of the share capital and voting rights of the Company due to a Share distribution, and stated its intentions;
- pursuant to the declarations of threshold crossing dated April 24 and April 26, 2024, BidCo informed the AMF, following the Acquisitions and the DL Contribution, that its interest in the Company, individually and in concert, has risen above the thresholds of 5%, 10%, 15%, 20%, 25%, 30%, 1/3, 50% and 2/3 of the Company's share capital and 5%, 10%, 15%, 20%, 25%, 30%, 1/3 and 50% of the Company's voting rights, and stated its intentions; and
- pursuant to the declaration of threshold crossing dated April 26, 2024, TCV Luxco BD informed the AMF, following the TCV Acquisition, that its interest in the Company, individually, has fallen below the thresholds of 5%, 10%, 15%, 20%, 25%, 30% and 1/3 of the Company's share capital and voting rights.

7.5. List of holders of Believe shares with special control rights and description of such rights

To the Company's knowledge, there are no holders of securities with special control rights other than the double voting rights described in Section 7.3.1 of the Draft Response Document.

7.6. Control mechanisms provided for in any employee share ownership scheme when control rights are not exercised by employees

As of April 24, 2024, the FCPE "Believe Shares" (the "**Believe Shares FCPE**") held 262,296 shares, representing 0.27% of the Company's share capital and 0.23% of its theoretical voting rights[32].

[32] On the basis of a share capital comprising, as of April 24, 2024, 97,161,351 Shares and a total number of 113,644,103 theoretical voting rights resulting from the loss of 37,594,402 theoretical voting rights following completion of the Acquisitions and including the double voting rights attached to the 10,851,320 Shares which are the subject of the DL Contribution (it being specified that these double voting rights will be lost upon completion of the DL Contribution).

In accordance with the internal rules of the "Believe Shares" FCPE, the voting rights attached to Shares held by employees and former employees of the Group are exercised by one or more representatives appointed by the supervisory board of such FCPE to represent it at the annual shareholders' meeting. In accordance with its responsibilities under Article L. 214-165 II of the French Monetary and Financial Code, the supervisory board decides whether to tender the Shares it holds in the event of a tender offer.

The supervisory board of the "Believe Share" FCPE will meet to decide whether or not to tender the Shares of the FCPE to the Offer.

7.7. Applicable rules to the appointment and replacement of the Board members and to amending the Articles of Association

7.7.1. Applicable rules to the appointment and replacement of the Board members

Pursuant to Article 15 of the Articles of Association and Article L. 225-17 of the French Commercial Code, the Company is managed by a Board of Directors comprising at least three (3) and no more than eighteen (18) members.

In accordance with Articles L. 225-18 and L. 225-24 of the French Commercial Code, directors are appointed by the ordinary shareholders' meeting, except that in the event of a vacancy caused by the death or resignation of one or more directors, the Board of Directors may co-opt a replacement between two shareholders' meeting, each for the remainder of his or her predecessor's term of office, subject to ratification by the next shareholders' meeting. In the absence of ratification, the deliberations and actions previously taken by the Board of Directors remain valid. Any director appointed to replace another remains in office only for the remainder of its predecessor's term.

However, when the number of Board members in office falls below the legal minimum, the Board of Directors or, failing this, the statutory auditors, must immediately convene an ordinary shareholders' meeting to complete the board's membership, in accordance with article L. 225-24 of the French Commercial Code.

In accordance with Article 15.3 of the Articles of Association, Board members must not be over 75 years of age. Should a director exceed this age limit during its term of office, it will be deemed to have resigned at the close of the next shareholders' meeting. Furthermore, the number of directors over the age of 70 may not exceed one-third of the Board members in office. Where this limit is exceeded, the oldest director will be deemed to have resigned automatically at the close of the next shareholders' meeting.

Pursuant to Article 15.3 of the Article of Association, directors are appointed for a term of four (4) years. By way of exception, the shareholders' meeting may, in order to establish or maintain a principle of staggered renewal of the Board of Directors, appoint one or more directors for a different term not exceeding four (4) years, or reduce the term of office of one or more directors in office to less than four (4) years. The term of office of any director so appointed, or whose term of office is modified for a period not exceeding four (4) years, shall expire at the close of the ordinary shareholders' meeting called to approve the financial statements for the previous year and held in the year in which the term of office of the said director expires.

Directors are eligible for re-election under the conditions laid down by law, and may be dismissed at any time by the annual shareholders' meeting.

In accordance with Article 15.1 of the Articles of Association, the Board of Directors may appoint up to two (2) observers to assist it. Observers are invited to attend Board meetings and take part in deliberations with a consultative vote. Observers may be natural persons or legal entities, and may or may not be chosen within the shareholders. They are appointed for a maximum term of four (4) years. They may be re-elected. They may be dismissed at any time by the Board of Directors.

The Board of Directors elects a chairman from among its natural person members. The chairman is appointed for the duration of its directorship. It may be re-elected. The chairman of the Board of Directors must not be over 75 years of age. If it reaches this age, it is deemed to have resigned.

The Shareholders' Agreement provides for a certain number of rules governing the composition of the Board of Directors[33].

Furthermore, the internal rules of the Board of Directors provide that each member of the Board must hold at least 100 Shares throughout its term of office, with the exception of Directors representing Group employees and, by decision of the Board of Directors, Directors representing shareholders when internal procedures prohibit them from any direct shareholding through their representatives.

The Board of Directors is currently composed as described in Section 3 of the Draft Response Document.

As indicated in Section 1.2.3 of the Draft Offer Document, in accordance with the agreement entered into with Ventech and XAnge, the latter have agreed to resign from their respective positions as member of the Board of Directors and observer. The agreement provides that the Offeror may propose the identity of a new member of the Board of Directors who may be co-opted following these resignations. The Offeror therefore intends to propose the co-optation of Mr. Nicolas Brugère to the Board of Directors with effect from the completion of the Acquisitions.

7.7.2. Rules applicable to the amendment of the Articles of Association

In accordance with applicable laws and regulations, the extraordinary shareholders' meeting has sole authority to amend the Articles of Association. However, the extraordinary shareholders' meeting may only increase the commitments of shareholders by a unanimous vote.

An extraordinary shareholders' meeting is valid on first convening only if the shareholders present or represented hold at least one-quarter of the Shares with voting right.

Extraordinary shareholders' meeting is valid on second convening only if the shareholders present or represented hold at least one-fifth of the Shares with voting right.

Resolutions at extraordinary shareholders' meeting require a two-thirds majority of the votes cast by shareholders present or represented. The votes cast do not include those attached to Shares for which the shareholder(s) did not take part in the vote, abstained from voting or voted blank or invalid.

[33] For further details, please refer to section 7.3.3 of the Company's 2023 Universal Registration Document, published on its corporate website.

7.8. Authority of the Board of Directors, particularly in respect of share issues and buybacks

The Board of Directors determines the orientation of the Company's business and oversees its implementation. Subject to the powers expressly vested in the shareholders' meetings, and within the limits of the corporate purpose, the Board deals with all matters concerning the proper operation of the Company, and settles all matters concerning the Company through its deliberations. The Board of Directors carries out any controls and verifications it deems appropriate.

The duties and attributions of the Board of Directors are described in article 3 of the Board's internal rules.

As part of its internal organization, the Board of Directors has set up specialized permanent committees[34].To our knowledge the Offeror, regardless of the outcome of the Offer, does not intend to amend the composition or attributions of the committees of the Board of Directors.

In addition to the transactions governed by the law and regulations in force, and in accordance with the Board' internal rules, the following are subject to prior authorization by the Board of Directors, acting by a simple majority of its members present or represented:

- adoption or modification of the Group's annual budget;
- annual update or amendment of the Group's business plan;
- any commitment or investment (excluding advances on repayments) in excess of 10,000,000 euros made by the Company or one of its subsidiaries, not included in the annual budget;
- any new loan or borrowing, in any form (including bonds, credit facilities, financial lease contracts), and any guarantee or surety, in each case by the Company or one of its subsidiaries, which is not provided for by the annual budget and (i) the unit amount of which exceeds 10,000,000 euros or (ii) which increases the Group's total indebtedness, ongoing guarantees and sureties for an amount exceeding 10,000,000 euros;
- the acquisition or disposal by the Company or one of its subsidiaries of an interest in a company for an amount exceeding 1,000,000 euros, unless such transaction is carried out between members of the Group;
- any delegation of authority relating to the issue or repurchase, or the issue or repurchase, of shares or securities giving access to the Company's capital or voting rights;
- any distribution of dividends, interim dividends, premiums or reserves by the Company;
- any merger, demerger, reorganization, dissolution, liquidation, partial contribution of assets, business lease, business sale or transfer of key assets of the Company or any subsidiary whose turnover represented, during the last financial year, more than 5% of the Company's consolidated annual turnover, unless such transaction is carried out between members of the Group;

[34] An Audit Committee, a Nominations and Compensation Committee and a CSR Committee.

- the appointment, remuneration or dismissal of an executive corporate officer of the Company.

In addition to the general powers provided by law and the specific powers provided by the Articles of Association and the Board of Directors' internal rules, the Board of Directors has been granted the following delegations and authorizations by the shareholders' meeting:

Nature	Resolution no.	Term	Characteristics	Use in 2023
GENERAL MEETING OF JUNE 20, 2022				
Share capital increase			**Overall cap:** **● of the maximum nominal amount: €240 thousand** **● of debt securities: €750 million**	
Share capital increase with PSR[(1)]	13th	26 months	● Maximum nominal amount: €240 thousand ● Maximum nominal amount of debt securities: €750 million ● Possibility of subscribing on a reducible basis ● Possibility of limiting the increase to 75% and offering to the public all or part of the unsubscribed shares	None
Capital increase without PSR			**Global caps** (except contributions in kind) **● maximum nominal amount of increases without PSR: €96 thousand** **● maximum nominal amount of increases with PSR: €240 thousand**	
Public offering with priority rights	14th	26 months	● Maximum nominal amount: €96 thousand ● Maximum nominal amount of debt securities: €750 million	None
Public offering with optional priority rights	15th	26 months	● Maximum nominal amount: €48 thousand ●Maximum nominal amount of debt securities: €750 million	None
Private placement as referred to in 1 of Article L. 411-2 1° of the French Monetary and Financial Code	16th	26 months	● Maximum nominal amount: €48 thousand ● Maximum nominal amount of debt securities: €750 million	None
Contributions in kind	19th	26 months	● Maximum nominal amount: €48 thousand (legal limit of 10% KS on the date of the Board's decision) ● Maximum nominal amount of debt securities: €750 million	None

Setting the issue price	17th	26 months	● **Within the limit of 10% and subject to the caps on issues set out in the 14th, 15th and 16th resolutions** ● Maximum nominal amount of debt securities: €750 million	None
Greenshoe with or without PSR	18th	26 months	● **Within the limit of 15% and subject to the caps on issues set out in the 13th, 14th, 15th and 16th resolutions)** ● Maximum nominal amount of debt securities: €750 million	None
Capital increase by incorporation of reserves, profits and/or premiums	12th	26 months	●Maximum amount: €96 thousand ● Broken non-negotiable	None
Capital increase reserved for employees who are members of a company savings plan (PEE)	20th	26 months	**Overall cap (maximum nominal amount) for capital increases with PSR: €240 thousand** ● Maximum nominal amount: €24 thousand ● Maximum discount of 30% ● Possibility of allocating shares to replace the discount and/or the contribution	None
Free shares (including ECOs) (2)	22th	38 months	● **Cap: 2.9%** ●**Sub-cap for EDs: 0.3% of the overall budget**	Two free performance share plans were set up by the Board of Directors on December 9, 2022 and April 27, 2023, respectively (3).
Share subscription or purchase options	23th	38 months	●**Cap: 2.9%** ●**Sub-cap for EDs: 0.3% of the overall budget**	None
GENERAL MEETING OF JUNE 16, 2023				
Capital increase without PSR for a specified category of beneficiaries	10th	18 months	**Overall nominal cap: €240 thousand** ● Maximum nominal amount: €24 thousand	None

7.9. Agreements entered into by the Company that would be amended or terminated in the event of a change of control of the Company

7.9.1. Liquidity contract

On July 13, 2021, the Company signed a liquidity contract with Oddo BHF SCA and Natixis SA, to which the amount of €2 million was allocated. The contract entered into force on July 13, 2021 for a period of one year, tacitly renewable.

The execution of the contract is suspended pursuant to the conditions set out in Article 5 of AMF decision No. 2021-01 of June 22, 2021, on the renewal of the introduction of liquidity contracts on equity securities under accepted market practices; as a result, the contract is suspended during a public offer or during a pre-offer period and until the closing of the offer, when the Company is the Offeror or when the securities of the Company are targeted by an Offer.

In view of the draft Offer, the Company suspended the liquidity contract.

7.9.2. Financing agreement

There is a change of control clause in the Revolving Facility Agreement entered into between the Company and a syndicate of international banks including BNP Paribas, Caisse d'Épargne et de Prévoyance d'Île-de-France and HSBC Continental Europe and Société Générale on May 6, 2021.

The facility agreement provides for an early repayment and/or cancellation event if there is a change of control, at the request of any lender within 15 business days upon receipt of the notification by the facilities agent to the lenders of the notification of the Company informing the facilities agent of the occurrence of such an early repayment/cancellation event.

The affected undrawn loans shall be cancelled upon receipt by the facilities agent of the request by the affected lender(s) and the affected outstanding drawings shall be repaid within 15 business days of receipt by the facilities agent of the request of the affected lender(s).

In the context of the draft Offer, the Company and the banks which are party to the Revolving Facility Agreement entered into an addendum according to which they amended the definition of change of control of the Company so that, in particular, the completion of the Acquisitions would not target the early repayment of the loan.

7.9.3. Free performance share allocation plan

The free performance share allocation plan regulations dated September 15, 2021, May 3, 2022, December 9, 2022 and April 27, 2023 provides that if, during the vesting period, (i) a public tender offer and/or exchange offer is launched on the Company's shares or (ii) a shareholder acting alone or in concert holds more than 30% of the Company's share capital, the Board may, at its discretion, decide to amend the performance conditions in order to assess them at the time of one of the above-mentioned events or to remove any presence and/or performance condition and consider that the shares have vested early, subject to compliance with a minimum vesting period of two (2) years.

Given the Board of Directors' decision on April 18, 2024, (i) to accelerate the vesting period of the Free Shares granted under the AP 2021 plan (dated September 15, 2021) and (ii) to make marginal changes to the performance conditions (CSR objectives) of the said plan, 388,112 Free Shares are likely to vest early on May 14, 2024 on the basis of the Board of Directors' assessment of the performance conditions. These 388,112 Free Shares remain subject to a presence condition. On the basis of the indicative timetable presented in section 2.9 of the Draft Offer Document, which provides for an Offer closing date on June 21, 2024, these Free Shares could be tendered to the Offer.

As of the date of the Draft Response Document, a maximum of 2,031,919 Free Shares (if the outperformance conditions are met, or 1,732,758 Free Shares if these conditions are not met) are vesting and shall remain so until the estimated closing date of the Offer. Such Unvested Free Shares are not included in the Offer (subject to the cases of lifting of unavailability provided for by applicable laws or regulations).

7.9.4. Warrant/BSPCE plans

The 2012 BSPCE plan, decided by the Board of Directors on November 7, 2014 provides that in the event of a tender offer made by a third party for 100% of the share capital and voting rights (on a fully diluted basis), the beneficiaries will have the option, without prejudice to the lapsing cases in the event of termination of the functions of employees or corporate officers of the Company, to exercise on the final date of the said purchase all of the BSPCE they hold.

As specified in Section 1.2.5 of the Draft Response Document, as the terms and conditions of the Warrants and BSPCE plans were agreed prior to the Company's IPO, they provided that the Warrants plans "BSA 2016-1", "BSA 2016-2" and "BSA 2018-1" and the BSPCE plans "BSPCE 2016-1", "BSPCE 2016-2", "BSPCE 2018-1" and "BSPCE 2019-1" would lapse upon the occurrence of a "Liquidity Event". As the Shares have been negotiable at any time since the Company's IPO, the Board decided on April 18, 2024 (i) to consider that all references in the terms and conditions of the Warrants 2016-1, 2016-2 and 2018-1 and BSPCE 2016-1, 2016-2, 2018-1 and 2019-1 to a "Liquidity Event" should be considered null and void and therefore deleted, and (ii) to note that the Warrants and BSPCEs will therefore remain exercisable until their expiry date.

7.10. Agreements providing for indemnities for members of the Board of Directors or employees, if they resign or are dismissed without just cause, or if their employment terminated as a result of a takeover bid or public exchange offer

In order to protect the Group's interests and its development in a highly specialized sector, the Chief Executive Officer would be subject, in the event of his departure, to a non-compete commitment for a period of 24 months. In this respect, he would receive a monthly lump sum payment equal to 50% of the average monthly fixed and variable compensation received during the 12- and 24-months period preceding the end of his term of office. Upon termination of the Chief Executive Officer's term of office, the Board may decide to waive the non-compete obligation. The Chief Executive would then be free from all the constraints of the non-compete obligation and the Company would be released from any commitment to pay the Chief Executive Officer any noncompete indemnity[35].

To the Company's knowledge, there are no other specific agreements providing for indemnities for the Chief Executive Officer or the Company's employees in the event of resignation or termination as a result of a public tender offer.

8. INDEPENDENT EXPERT'S REPORT

In accordance with Article 261-1, I, 2° and 4° of the general regulation of the AMF, Ledouble, represented by Mrs. Agnès Piniot and Mr. Romain Delafont, has been appointed by the Board of Directors on recommendation of the Ad-Hoc Committee as Independent Expert on February 11, 2024, in order to draw up a report enabling the assessment of the fairness of the Offer's financial conditions.

This report, dated April 18, 2024, is reproduced in its entirety in Appendix 1 and forms an integral part of the Draft Response Document.

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[35] For further details, please refer to section 4.6.3.2.1 of the Company's 2023 Universal Registration Document, published on the Company's website.

9. TERMS AND CONDITIONS OF ACCESIBILITY TO OTHER INFORMATIONS REGARDING THE COMPANY

Other information regarding legal, financial and accounting characteristics of the Company will be filed with the AMF no later than the day preceding the opening of the Offer. Pursuant to Article 231-28 of the general regulation of the AMF, such information will be made available on the Company's website (https://www.believe.com/fr/investisseurs/) and of the AMF's website (www.amf-france.org) no later than the day preceding the opening of the Offer and may be obtained free of charge at Believe's registered office: 24 rue Toulouse Lautrec – 75017 Paris (Ile-de-France).

10. PERSONS RESPONSIBLE FOR THE DRAFT RESPONSE DOCUMENT

"*In accordance with article 231-19 of the AMF's general regulation, to the best of my knowledge, the information contained in this draft response document is true and accurate and contains no omission likely to alter the interpretation thereof.*"

Monsieur Denis Ladegaillerie, Chairman of the Board and Chief Executive Officer of Believe.

Appendix 1

Independent Expert's report

Ledouble

BELIEVE

24, rue de Toulouse Lautrec
75017 Paris

SIMPLIFIED TENDER OFFER

FAIRNESS OPINION

Ledouble SAS - 8, rue Halévy - F 75009 PARIS
Tel. (33)1 43 12 84 85 - E-mail info@ledouble.fr
Accounting and auditing company
Registered with the Order of Chartered Accountants and the Paris Society of Statutory Auditors
Simplified joint stock company with a capital of 438 360 €.
RCS PARIS B 392 702 023 - Intracommunity VAT FR 50 392 702 023

CONTENTS

GLOSSARY, ACRONYMS AND ABBREVIATIONS

Ad Hoc Committee	Specialized committee of the Board of Directors, responsible in particular for monitoring the work of the Independent Expert and preparing a draft reasoned opinion.
Adjusted EBITDA	Alternative performance indicator defined by the Group as operating income (loss) before (i) depreciation, amortization and impairment, (ii) share-based payments (IFRS 2) including social security contributions and employer contributions, (iii) other operating income and expenses, and (iv) depreciation and amortization of identified assets at the acquisition date, net of deferred taxes, for the share of net income (loss) of equity-accounted companies
Advisors	Financial and legal advisors involved in the Offer
AMF	Autorité des marchés financiers
Analysts Trajectory	Forecasts based on a consensus of analysts at the time of the IPO
Benchmark Index	Euronext Tech Croissance
BidCo	Upbeat BidCo
Blocks Acquisitions	Transfer of blocks of shares to the Consortium, representing a total of 71.9% of Believe's share capital, prior to the Offer, pursuant to the Share Purchase Agreements and taking into account the shares tendered by Denis Ladegaillerie, assimilated to shares held by the Consortium under Article L. 233-9 of the French Commercial Code.
Board of Directors	Board of directors of the Company
bp	Basis point(s)
BSA	Share subscription warrants
BSPCE	Founder's share subscription warrants
Business Plan	Business plan drawn up by Management for the Explicit Period, approved by the Board of Directors at its meetings on January 12, 2024 and April 18, 2024
Capex	Capital expenditures
CFO	Operating cash flow before WCR
Co-Investment Term Sheet	Document summarizing the main terms and conditions of the draft shareholders' agreement to be entered into by the parties to the Consortium and Investment Agreement
Company	Believe
Comparable Transactions	Sample of transactions used for relative valuation of the Share
Condition Precedent	Unreservedly favorable opinion of the Board of Directors to be obtained for Blocks Acquisitions
Consortium	Signatories to the Consortium and Investment Agreement
Consortium and Investment Agreement	Agreement entered into on February 11, 2024 between Luxcos TCV, EQT, Denis Ladegaillerie and Upbeat MidCo (which BidCo joined) to govern the terms and conditions of their cooperation in connection with the Offer, and amendment signed on April 16, 2024
DCF	Discounted Cash Flow

Draft Information Memorandum	Draft offer document to be filed by the Offeror with the AMF
Draft Information Memorandum in Response	Draft offer document to be filed by the Company with the AMF
EBIT	Earnings Before Interests and Taxes
EBITDA	Earnings Before Interests Taxes Depreciation and Amortization
Enterprise Value	Group economic asset value
EQT	EQT X Investments S.à.r.l.
EV	Enterprise Value
Explicit Period	2024-2030
Extrapolation Period	2031-2035
Fairness Opinion	Report conclusion
Free cash flow	Alternative performance indicator defined by the Group as net cash flow from operating activities, after taking into account acquisitions and disposals of intangible assets and property, plant and equipment, and restated for (i) acquisition-related costs, (ii) costs of acquiring a group of assets that do not meet the definition of a business combination, and (iii) advances linked to distribution contracts intended specifically for the acquisition of assets (acquisition of companies, catalogs, etc.)
Free Shares	Performance shares that may be issued under the free share plans set up by the Group since Believe's IPO
Group	Company and subsidiaries
IFRS	International Financial Reporting Standards
Independent Expert	Ledouble
IPO Price	€19.50 per Share
Ledouble	Ledouble SAS
Luxcos TCV	Funds managed by TCV Group
Management	Company management
Minority Shareholders	Shareholders whose Shares are targeted by the Offer
Mission	Independent appraisal of Ledouble in connection with the Offer
Multicriteria Valuation	Multicriteria valuation of the Group and the Share
NAV	Net asset value
NBV	Net book value
Net cash flow	Free cash flow less rental payments and acquisition-related costs
OAT	French Treasury bonds
Offer	Offer in connection with the Believe Shares
Offer Price	€15.00 per share
Offeror	Upbeat BidCo
Operation	Blocks Acquisitions followed by the Offer

Peers	Sample of public companies used for the relative valuation of the Group and the Share based on stock market multiples
Presenting Institutions	BNP Paribas and Goldman Sachs
Related Agreements and Transactions	Agreements and transactions related to the Offer governed by article 261-1 I 4° of the AMF's general regulations
Report	Present report by Ledouble
Share Purchase Agreements	Share purchase agreements entered into on February 11, 2024 by TCV Luxco BD, Ventech and XAnge, as sellers, and Upbeat MidCo, as purchaser (substituted by BidCo) and draft share purchase agreement to be entered into between Denis Ladegaillerie and BidCo
Share(s)	Company share(s)
Shareholders	Company shareholders
SWOT	Strengths, Weaknesses, Opportunities, Threats
TCV	TCV Group
TV	Terminal value
UMG	Universal Music Group
VWAP	Volume-weighted average price(s)
WACC	Weighted average cost of capital
WCR	Working capital requirement
WMG	Warner Music Group

1. Introduction

In view of the Simplified Public Tender Offer (the "**Offer**") contemplated by the consortium comprising several funds managed by TCV (the "**TCV Luxcos**" or "**TCV**"), EQT X Investments S.à.r.l. ("**EQT**"), and Denis Ladegaillerie (the "**Consortium**"), through a dedicated investment vehicle, Upbeat BidCo SAS ("**BidCo**" or the "**Offeror**"), on the shares of Believe (the "**Company**" or "**Believe**"), we present in this report (the "**Report**") the procedures we performed in connection with the Offer, for which Ledouble SAS ("**Ledouble**" or the "**Independent Expert**") was appointed on February 11, 2024 by the Company's board of directors (the "**Board of Directors**"), on the recommendation of the ad hoc committee (the "**Ad Hoc Committee**"), as Independent Expert (the "**Mission**").

The fairness opinion as defined in article 262-1[1] of the general regulations of the Autorité des Marchés Financiers ("**AMF**"), at the conclusion of our report (the "**Fairness Opinion**"), relates to the fairness, for the shareholders of the Company whose securities are targeted by the Offer (the "**Minority Shareholders**"), of the financial terms and conditions of the Offer, which is contemplated at a price of **€15.0** per share (the "**Offer Price**").

1.1. Background

In a press release dated February 12, 2024[2] , the Company announced that the Consortium planned, through a dedicated investment vehicle[3] , to acquire several blocks of shares representing a total of 71.9% of Believe's share capital (the "**Blocks Acquisitions**"), comprising:

- shares held by TCV Luxco BD S.à.r.l., Ventech and XAnge[4] , representing 41.1%, 12.0% and 6.3% of the Company's capital respectively;
- the shareholding of Denis Ladegaillerie, the Company's founder, representing 12.5% of the Company's capital, through contributions (11.2%) and disposals (1.3%).

The press release stated that the Blocks Acquisitions would be carried out at a price of €15.0 per share, and that the Consortium planned to file a public tender offer at the same price (together, the "**Operation**"), as well as a squeeze-out procedure if the conditions for its implementation were met.

The announcement to the market followed the conclusion by the Consortium members of an agreement dated February 11, 2024 (the "**Consortium and Investment Agreement**").

The Blocks Acquisitions were subject to the condition precedent that the Board of Directors issues a favorable and unqualified opinion, notably following the review of the independent expert's report on the fairness of the financial terms of the proposed offer and the consultation of Believe's social and economic committee (the "**Condition Precedent**").

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[1] Extract from Article 262-1 of the AMF General Regulation:
" *I. - The independent appraiser draws up a report on the financial terms of the offer or transaction. The content of said report is specified in an AMF instruction. In particular, the report contains the statement of independence mentioned in Paragraph II of Article 261-4, a description of the verifications performed and a valuation of the company in question. The report's conclusion takes the form of a fairness opinion.*
No other type of opinion shall count as a fairness opinion [...]".
[2] "*Believe has received a proposal from a consortium to make an offer for all outstandings shares at 15 euros per share*", February 12, 2024.
[3] Initially Upbeat MidCo, substituted by BidCo.
[4] Believe's historical shareholders.

On February 28, 2024, the Consortium informed the Board of Directors of its decision to waive the benefit of the Condition Precedent, with the result that completion of the Blocks Acquisitions remained subject only to obtaining regulatory approvals.

On March 1er 2024[5] , the Ad Hoc Committee informed the market of this, also announcing that the Company had received a preliminary, exploratory and non-binding expression of interest from a third party.

On March 7, 2024[6] , Warner Music Group ("**WMG**") officially confirmed its interest in the Company, and declared that the Consortium's waiver of the Condition Precedent was, in its view, contrary to French stock market regulations.

On March 11, 2024[7] , the Ad Hoc Committee announced that it had asked the AMF to give its opinion on the validity of the waiver of the Condition Precedent under stock market law.

On March 22, 2024, the AMF Board considered that "*the Consortium's waiver of the condition precedent, stipulated for its sole benefit - of which the market was unaware - of the favorable opinion of the Board of Directors, in light of the expression of interest, not public at this stage, by a third party, violated the guiding principles of takeover law [...]*"[8].

On March 25, 2024, the Company announced that the Board of Directors had decided to grant WMG access to a *data room* including a level of information equivalent to that granted to the Consortium, so that WMG could submit a binding offer by April 7, 2024 at the latest.

On April 6, 2024, after carrying out due diligence, WMG decided not to submit an offer.

In a press release dated April 12, 2024[9] , the Consortium announced that it had obtained all the necessary regulatory authorizations and, following discussions with the Independent Expert and the Ad Hoc Committee, no longer intended to request a squeeze-out.

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[5] Press release from the Ad Hoc Committee of March 1, 2024.
[6] WMG press release, March 7, 2024.
[7] Press release from the Ad Hoc Committee of March 11, 2024.
[8] Translated extract from a letter from the Chairperson of the AMF to the Chairman of the Ad Hoc Committee, dated March 22, 2024.
[9] Consortium press release, April 12, 2024.

1.2. Scope of the Offer

To the best of our knowledge, the breakdown of the Company's share capital and theoretical voting rights[10] at the most recent date, as mentioned in the Offeror's draft offer document (the "**Draft Offer Document**"), and prior to the completion of the Blocks Acquisitions, was as follows:

Breakdown of share capital and voting rights before the Blocks Acquisitions

Shareholders	Number of Shares	% capital	Number of theoretical voting rights	% of theoretical voting rights
TCV Luxco BD	39,942,982	41.12%	64,603,070	42.49%
Denis Ladegaillerie	12,101,320	12.46%	24,202,640	15.92%
Ventech	11,684,314	12.03%	23,368,628	15.37%
XAnge	6,106,558	6.29%	6,106,558	4.02%
Subtotal	**69,835,174**	**71.90%**	**118,280,896**	**77.80%**
Fonds stratégique de participations	3,559,433	3.66%	6,636,356	4.37%
Free float excluding treasury Shares	23,645,452	24.34%	27,017,925	17.77%
Treasury Shares	90,291	0.09%	90,291	0.06%
Total	**97,130,350**	**100.00%**	**152,025,468**	**100.00%**

Source: Company

Following the Blocks Acquisitions[11] , the Company's shareholding structure is expected to be as follows[12]:

Breakdown of share capital and voting rights after the Blocks Acquisitions

Shareholders	Number of Shares	% capital	Number of theoretical voting rights	% of theoretical voting rights
BidCo	69,835,174	71.61%	69,835,174	67.17%
Fonds stratégique de participations	3,559,433	3.65%	6,636,356	6.38%
Free float excluding treasury Shares	24,033,564	24.65%	27,406,037	26.36%
Treasury Shares	90,291	0.09%	90,291	0.09%
Total	**97,518,462**	**100.00%**	**103,967,858**	**100.00%**

Source: Company

The Company has also issued several instruments giving access to its capital. To the best of our knowledge and at the most recent date, 1,024,757 Founder's share subscription warrants ("**BSPCE**") and 273,194 share subscription warrants ("**BSA**") were outstanding[13].

The Company has also set up several free performance share plans (the "**Free Shares**"). The acceleration of the vesting period, decided by the Board of Directors on April 18, 2024, enables the Free Shares' beneficiaries concerned to tender their shares to the Offer. This acceleration of the vesting period concerns the Free Shares allocated under the 2021 plan, i.e. a total of 388,112 Free Shares based on the Board of Directors' assessment of the performance

[10] In accordance with Article 223-11 of the AMF's General Regulations, the number of theoretical voting rights is calculated on the basis of all shares to which voting rights are attached, including shares stripped of voting rights.
[11] Including the contribution of 10,851,320 Shares by Denis Ladegaillerie to the Offeror.
[12] The Blocks Acquisitions have the effect of eliminating double voting rights. The allocation table also takes into account the early delivery of 388,112 Free Shares under the 2021 plan.
[13] On April 18, 2024, the Board of Directors decided to amend the terms and conditions of exercise of the BSPCEs and BSAs so that they would be exercisable until their expiry date.

conditions. The Free Shares allocated under the 2022 and 2023 plans, i.e. a total of 1,732,758 Free Shares currently vesting, are not covered by the Offer.

The Offer relates to all Believe shares (the "**Shares**"), outstanding or to be issued, not held, directly or indirectly, by the Offeror, i.e.:

- 27,204,885 Shares already issued and not held by BidCo, excluding the 90,291 treasury shares not covered by the Offer;
- 2,651,182 Shares that may be issued prior to the close of the Offer as a result of the exercise of BSPCEs;
- 546,388 Shares that may be issued before the close of the Offer, following the exercise of the BSA;
- 388,112 Free Shares under the 2021 plan, for which the vesting period has been accelerated.

The maximum number of Shares covered by the Offer is 30,790,567.

1.3. Offer financing

Assuming that all the Shares to which the Offer relates are tendered, the total cash consideration to be paid by the Offeror, excluding expenses and commissions relating to the Offer, would amount to €461,858,505[14].

The acquisition of Shares under the Offer will be financed by Luxcos TCV and EQT by means of interest-free loans, which will then be capitalized. Luxcos TCV and EQT will invest *pari passu* so that they will hold the same classes of BidCo securities and in the same proportions.

1.4. Dividend policy

As indicated in the Draft Information Memorandum, the Offeror has no plans to change its dividend distribution policy, given that the Company has not paid any dividends in respect of the last three financial years.

1.5. Synergies and economic gains related to the Offer

Given its profile and corporate purpose, the Offeror does not anticipate the realization of cost or revenue synergies with the Company following completion of the Offer.

[14] Number of shares targeted by the Offer: 30,790,567 Shares x Offer price: €15.0.

1.6. Scope of the Mission

1.6.1. Appointment of Ledouble

Our appointment and the Report comply with the provisions of article 261-1 I 2°[15], 4°[16] of the AMF General Regulation, AMF application instructions n°2006-07[17] and n°2006-08[18], and AMF recommendation n°2006-15[19].

Following our appointment as Independent Expert by the Board of Directors on February 11, 2024, the Company sent us a letter of engagement specifying the regulatory basis for our appointment[20]; this letter is shown in **Appendix 1**[21].

1.6.2. Ledouble's independence and competence

Ledouble is independent of the Company, its legal advisor[22] and its financial advisor[23] (the "**Advisors**"), as well of the institutions presenting the Offer[24] (the "**Presenting Institutions**").

We confirm our independence within the meaning of Articles 261-1 et seq. of the AMF's General Regulations, in accordance with the provisions of Article 261-4 of the AMF's General Regulations, and attest to the absence of any known past, present or future relationship with the legal entities and individuals involved in the Offer, which may affect our independence and the objectivity of our judgment in carrying out our assignment.

In particular:

- we do not intervene repeatedly with the Presenting Institutions[25];
- we are not involved in any of the conflicts of interest referred to in Article 1 of AMF Instruction 2006-08.

We were therefore able to carry out the Mission with complete independence.

We also have the human and material resources required to carry it out.

The skills of the team who carried out the Mission are listed in **Appendix 6**.

In accordance with AMF Instruction 2006-08, an independent review of the work performed and the Report was carried out by a Ledouble partner who was not directly involved in the engagement; a description of his role and the work he performed is provided in **Appendix 10**.

[15] Management of the Company or persons controlling it within the meaning of Article L. 233-3 of the French Commercial Code who have entered into an agreement with the Offeror likely to affect their independence.
[16] In view of the existence of agreements and transactions related to the Offer that are likely to have a significant impact on the Offer Price.
[17] "Takeover bids".
[18] "Fairness opinion".
[19] "Fairness opinion in the context of corporate finance transactions".
[20] Pursuant to Article 1 of AMF Instruction 2006-08.
[21] The Company's letter, which was sent to us on April 12, 2024, takes into account the Consortium's announcement not to request a squeeze-out.
[22] Gide Loyrette Nouel (legal counsel to the Company and the Ad Hoc Committee) and Bredin Prat (legal counsel to the Consortium).
[23] Citi (financial advisor to the Company).
[24] BNP Paribas (presenting bank and guarantor) and Goldman Sachs (presenting bank).
[25] The independent public appraisals we have carried out over the last five years are listed in **Appendix 7**, together with the names of the presenting institutions.

1.7. Due diligence

We conducted our procedures in accordance with the requirements of articles 262-1 et seq. of the AMF General Regulation, AMF application instructions 2006-07 and 2006-08, and AMF recommendation 2006-15.

The program of work implemented and the amount of fees received in connection with the Mission are shown in **Appendix 2**, and the timetable in **Appendix 3**.

The document base used to support our work is shown in **Appendix 5**.

Essentially, our due diligence consisted of familiarizing ourselves with the context and legal framework of the Offer, including the agreements and transactions related to the Offer (the "**Related Agreements and Transactions")**, the business and environment of the Company and its subsidiaries (the "**Group**"), and a multicriteria valuation of the Group and the Share (the "**Multicriteria Valuation**"), with a view to assessing:

- the fairness of the Offer Price for the Minority Shareholders;
- the absence of elements in the Related Agreements and Transactions likely to be prejudicial to the interests of Minority Shareholders.

This due diligence, which was carried out in parallel with the meetings, interviews and e-mail exchanges we had throughout the Mission with representatives of the Company, members of the Ad Hoc Committee, the Consortium, the Advisors and the Presenting Institutions[26] , was based in particular on:

- the understanding of the Offeror's strategy and objectives justifying the implementation of the proposed Offer;
- the use of public and regulated information, as well as additional legal, tax, accounting and financial documentation relating to the Group, useful for our work;
- a review of the deliberations of the Board of Directors and the decisions taken by the General Meeting prior to the proposed Offer;
- an analysis of the Group's strategy, its positioning in target markets and its competitive environment, in order to properly assess its economic outlook and value potential in its various operating regions;
- a review of the terms and conditions of Believe's initial public offering and an analysis of the Company's share price history, events and press releases to help interpret its development;
- a review of the analysts' initial coverage of the IPO and the most recent notes published before and after the announcement of the proposed Offer;
- a review of expressions of interest in Believe made prior to the announcement of the Offer;
- a review of *due diligence* and valuation work carried out by third parties, notably at the time of the IPO and, more recently, in connection with the proposed Operation;

[26] A list of the main people met and/or contacted during the Mission is given in **Appendix 4**.

- a review of certain exchanges between WMG, the Board of Directors and the Ad Hoc Committee, and a meeting with WMG;
- a review of the Group's historical performance and investments, based on available accounting and management data;
- an analysis of the impact of recent acquisitions;
- a critical examination of the Group's financial projections;
- putting these estimates into perspective with our analysis of the market, the consensus of analysts following the stock, historical performance and previous forecasts established by the Company's management (the "**Management**");
- a multicriteria valuation of the Share using valuation methods adapted to the Group's characteristics;
- sensitivity analysis of the Share's valuation to market parameters and management's key assumptions;
- a comparison of the valuation work carried out by the Presenting Institutions with our Multicriteria Valuation;
- the study of the Related Agreements and Transactions;
- a review of the Draft Information Memorandum and the Draft Information Memorandum in Response;
- consideration of the comments made by a minority shareholder on the terms of the Offer.

We have also obtained confirmation from Management and the Consortium of significant matters which we have examined in the course of our engagement.

1.8. Mission limits

In accordance with standard independent expertise practice, our work did not seek to validate the historical and forecast information provided to us, and was limited to verifying its plausibility and consistency. In this respect, we considered that all the information provided to us by our contacts was reliable and given in good faith.

The Report does not constitute a recommendation to proceed with the Offer, which is a matter for the Board of Directors to decide in its reasoned opinion on the Offer.

The Independent Expert cannot be held responsible for the entire content of the Information Memorandum in Response in which the Report is inserted, for which he alone is responsible.

1.9. Report outline

Hereafter, we present:

- the Group's environment, business and performance (§2);

- the Multicriteria Valuation (§ 3);
- the analysis of the valuation works carried out by the Presenting Institutions (§ 4);
- the analysis of the Related Agreements and Transactions (§ 5);
- the observations made by a Minority Shareholder (§ 6);
- the summary of our due diligence (§ 7);
- the Fairness Opinion (§ 8).

1.10. Presentation conventions

The amounts presented in the Report are expressed in:

- euros (€);
- million euros (€m);
- billion euros (€bn).

Cross-references between parts and chapters are indicated by the § sign in brackets.

Any discrepancies in arithmetic checks are due to rounding.

Hyperlinks can be activated in the electronic version of the Report.

2. Presentation of the Group and its market[27]

We briefly present the Group's activities (§ 2.1) and its environment (§ 2.2), as well as its historical performance and balance sheet structure (§ 2.3).

This information, supplemented by a SWOT analysis (§ 2.4), enables us to assess the main risk factors inherent to the Group and its environment, which were taken into account in our valuation work.

2.1. Introducing Believe

2.1.1. Group history

Founded in 2005, the Group has rapidly developed its offering and expanded internationally, notably through mergers and targeted acquisitions in a fragmented market.

Here are a few key dates in the Group's history:

- **2005** Company creation
- **2007 – 2008** Venture capital funds XAnge and Ventech acquire a stake in the company
- **2010** The Group began distributing its catalogues on digital distribution platforms and launched Backstage, which enables artists and labels to manage, promote and analyse the performance of their tracks.
- **2012 – 2013** The Group continues to expand internationally, setting up operations in South-East Asia, Eastern Europe and Latin America.
- **2015** Entry of venture capital funds TCV and GP Bullhound and reinvestment of historic shareholders in a fund-raising operation, enabling in particular the acquisition of TuneCore in the United States and Musicast in France.
- **2016 – 2018** Launch of Artist Services in France and acquisition of several catalogues, including the French label Naïve, Nuclear Blast, one of the world's leading rock metal labels, and the German distributor Groove Attack.
- **2019** Strengthening in India, with the acquisition of a music catalogue and several companies specialising in artist services. Expansion in emerging markets, notably Chile, Peru, Malaysia and Vietnam.
- **2020** Acquisition of the SoundsGood start-up, takeover of DMC, Turkey's leading label, and minority stake in IRCAM Amplify
- **2021** IPO to accelerate the Group's development and growth. Consolidation of the Group's presence on the French market with the acquisition of the Play Two and Jo&Co labels. Takeover of the Indian label Think Music and establishment of a strategic partnership with the Philippine label Viva Music and Artists Group.
- **2022 – 2023** Partnerships and minority and majority stakes in several independent labels. Acquisition of music publishing platform Sentric.
- **2024** Operation announcement

[27] The presentation of the Group's environment is based on public information, private studies and interviews with the Management.

2.1.2.Group's market position and business model

Believe is a specialist player in the recorded music sector, supporting local artists and independent labels. It offers a range of digital services to support and promote artists and independent labels at every stage of their careers.

The Group's digital technology platform positions it as a key intermediary between independent artists and labels on the one hand, and streaming platforms such as Spotify, Apple Music, Amazon Music and social networks[28] on the other. Today, the Group has taken on the role of a pure player with a digital culture and expertise, and thus enjoys a strong legitimacy with regard to independent artists and labels. Its ambition to become a world leader in the rapidly changing music industry has led it to implement a strategy of local presence in many countries, combining investment efforts to develop organically with external growth operations.

Believe's offering is part of the evolving panorama of the music industry, responding to the digital needs of local independent artists and labels. It is structured around the following solutions:

- Premium Solutions, aimed at optimizing the marketing and promotion of the musical content of labels and artists who have entrusted the Group with the exploitation of their catalogs, across all digital channels. These solutions, which operate on a revenue-sharing business model[29] , bring together the "Label & Artist Solutions" offering - the Group's core historical business - and the "Artist Services" offering, launched in 2018 and geared towards "top artists" to whom are offered customized services with dedicated teams to implement their marketing strategy and promote their works;

- Automated Solutions, which enable music creators, *via* the TuneCore digital platform acquired in 2015, to distribute their content in an automated way to digital distribution platforms and social media.

Business model presentation

	Solutions	Target	Business model	Profile	
Premium	Artist Services	Top and well established artists	Revenue sharing with additional remuneration for additional services	Technology	◑
				Support from music experts	◑
	Label and Artist Solutions	Emerging and established labels and artists	Revenue sharing	Technology	◕
				Support from music experts	◔
Automated	TuneCore	Music creators and self-distributed artists	Subscription or revenue sharing	Technology	●
				Support from music experts	○

Source: Company, Ledouble analysis

A significant proportion of Believe's sales are generated by the digital distribution platforms[30], on which the Group makes audio and video content available, mainly via streaming. The growth of this distribution method has transformed the music industry and contributed to the democratization of music production and distribution. The industry's revenues, which were

[28] Remunerating the music used.
[29] The platforms pay the Group a portion of the revenues generated by subscriptions paid by users, advertising and, to a lesser extent, the sale of downloadable music. Calculation methods vary according to the content monetization methods used by the platforms.
[30] Part of these sums is then paid out by the Group to artists and labels.

previously concentrated around the most popular artists ("top artists") supported by the industry majors, are now partly redistributed to a larger number of artists.

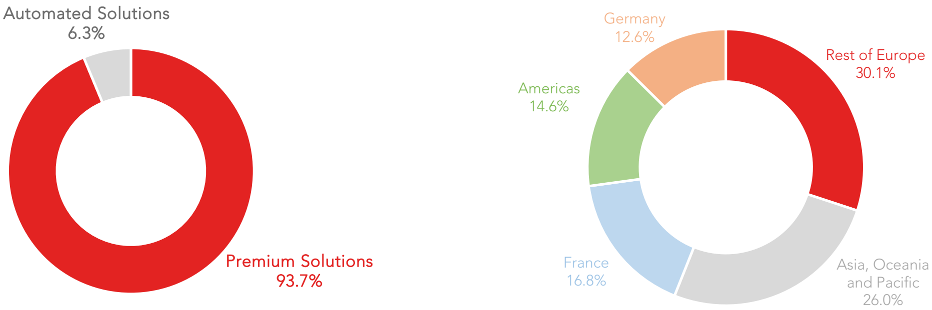
The accelerating digitization of the music publishing market led the Group to acquire the independent technology platform Sentric in 2023, with a view to deploying a global music publishing offering.

The Group enters into licensing agreements with the digital distribution platforms and social media that broadcast audio and video content[31]. At the same time, it signs distribution and digital promotion and marketing contracts with artists and labels[32]. These contracts may cover the entirety of an artist's recordings or a label's catalog, or concern only certain recordings. Like the industry majors, the Group may provide for the payment of advances on the artist's or label's future revenues.

For its more marginal music production business, in which it directly produces the recordings of its performers, the Group enters into artist contracts with them, through its own labels.

As of December 31, 2023, Believe offered its services to over 1.35 million artists at various stages of their careers, either directly or via labels. With around 1,900 employees, the Group is present in some fifty countries. It enjoys a significant market share in France - its historic home country - in Germany[33] and in certain Asian countries. It is gradually strengthening its global presence, particularly in emerging markets such as Asia-Pacific, Europe and certain key Latin American countries:

Breakdown of 2023 revenues by business segment and geographic area



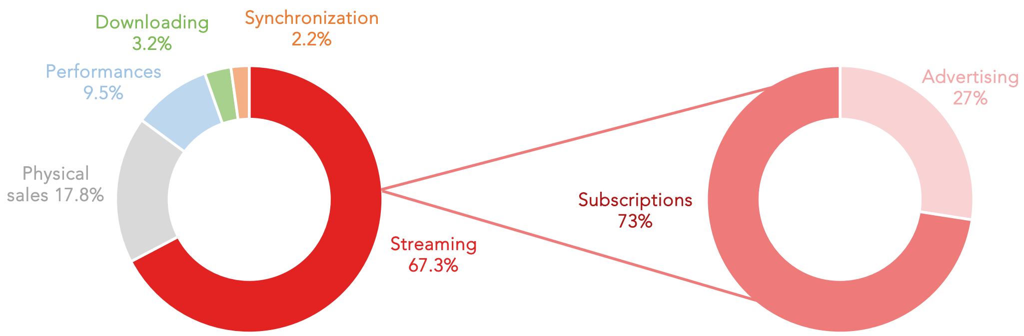
Source: Company

2.2. Industry players and main features of the competitive environment

In the global recorded music market, IFPI[34] estimates that streaming now accounts for more than two-thirds of revenues[35]. The balance is made up of revenues from physical sales[36] , public performances, downloads and synchronization[37].

[31] These licensing agreements allow platforms to exploit the content made available to them for a certain period and in a defined territory.
[32] These contracts enable the Group to benefit from content rights. Unlike traditional labels, Believe does not retain the artists' intellectual property rights (recording rights).
[33] Since the 2018 acquisitions of Nuclear Blast, one of the world's leading rock metal labels, and of the distributor Groove Attack.
[34] The voice of the global recording industry, the International Federation of the Phonographic Industry (IFPI) represents over 8,000 members record companies worldwide.
[35] Of which 73% from subscriptions and 27% from advertising.
[36] The physical market continues to decline, despite the resilience of vinyl sales and the dynamism of certain regions such as Japan.
[37] Remuneration for the use of music in films and series.

Breakdown of 2023 revenues for the global recorded music market



Source: IFPI[38]

Streaming is also the main growth driver, despite the slowdown observed in the most mature markets. The development of advertising monetization, the gradual democratization of subscription offers and the prices rise[39] are major growth drivers, particularly in emerging countries where penetration rates for streaming services are currently low. In these regions, winning subscribers and monetizing access to content are slow processes, with a long-term return on investment.

The three majors[40] dominate the world market for recorded music, owning a large proportion of the music catalogs, with an estimated market share of 63%[41] according to MIDiA Research. The remainder is divided between independent labels (around 31%) and non-label artists (around 6%), who show the most favourable dynamics[42].

The Group believes that its historical positioning vis-à-vis independent artists and labels, its proprietary technologies and its local presence in many countries differentiate it from its main competitors in the recorded music market, particularly in the digital music sub-segment; these characteristics, combined with its business model, enable it to outperform the market in terms of growth.

However, it is facing increasing competition from the majors who, having recognized the potential of service offerings to independent artists and labels for several years, are seeking to position themselves by investing. For example:

- In 2022, Sony Music Entertainment completed the acquisition of Kobalt's recorded music business, including AWAL, a leading provider of services to independent artists;
- Virgin Music Group[43] announced in September 2023 a global reorganization of its business, with plans to integrate Ingrooves' global platform and patented marketing technology into Virgin Music, with the aim of providing independent artists and labels with a full range of services.

The Group also faces competition from local players, who can draw on their local presence and knowledge of the local music industry.

[38] Source: IFPI (2024), *Global Music Report, State of the Industry.*
[39] Tariff increases have begun in countries where the penetration rate of streaming services has stabilized.
[40] Universal Music Group (UMG), Sony Music Entertainment (SME) and Warner Music Group (WMG).
[41] Of which nearly 30% for UMG.
[42] Source: MIDiA Research (2024), *Global recorded music revenues grew by 9.8% in 2023.*
[43] Division of Universal Music Group.

In Automated Solutions, the TuneCore platform competes mainly with independent online music distribution companies such as Distrokid, CD Baby and Ditto[44].

Believe's business model may also be affected by changes to the streaming remuneration model. In this context, French platform Deezer and major Universal Music Group announced in September 2023 the launch of an artist-centric streaming remuneration model with the implementation of an algorithm aimed at better rewarding artists considered professional and benefiting from strong engagement from their listeners. This overhaul, taking place against a backdrop of increasing content generated by artificial intelligence, is likely to reduce the market share of emerging artists to the benefit of established artists.

2.3. Historical analysis of Group performance

The data presented below are taken from the consolidated financial statements published by the Company. We analyze the Group's performance over a five-year period (§ 2.3.1) and its balance sheet structure at December 31, 2023 (§ 2.3.2).

2.3.1. Group historical performance and profitability

We examine the trend in sales and operating margin (Adjusted EBITDA before central platform[45], Adjusted EBITDA[46] and EBIT[47]) over the period 2019 to 2023:

Historical performance indicators

In million euros	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23
Group Revenues	395	441	577	761	880
% of change	*65.7%*	*11.9%*	*30.7%*	*31.8%*	*15.7%*
% organic growth (*)	*45.2%*	*9.8%*	*29.9%*	*32.2%*	*19.5%*
Adjusted EBITDA before central platform	61.5	60.7	83.3	107.9	128.4
% of Group Revenues	*15.6%*	*13.8%*	*14.4%*	*14.2%*	*14.6%*
Adjusted EBITDA	35.3	7.7	23.3	34.7	50.3
% of Group Revenues	*8.9%*	*1.7%*	*4.0%*	*4.6%*	*5.7%*
EBIT	14	(22)	(20)	(22)	(18)
% of Group Revenues	*3.5%*	*(5.0%)*	*(3.4%)*	*(2.9%)*	*(2.1%)*

(*) Percentages are presented at constant exchange rates from 2021. The 2023 rate corresponds to the rate adjusted by the Group, providing a view on Believe's organic revenue growth after neutralizing embedded market forex impact.

Source: Company, Ledouble analysis

[44] Major label UMG has decided to discontinue its Spinnup digital music distribution service in 2022. The Level Music platform, on the other hand, has the backing of Warner Music Group but, as far as we know, remains independent.

[45] The central platform does not constitute an operating segment under IFRS 8 "Operating Segments", but is monitored by the Group for internal reporting purposes.

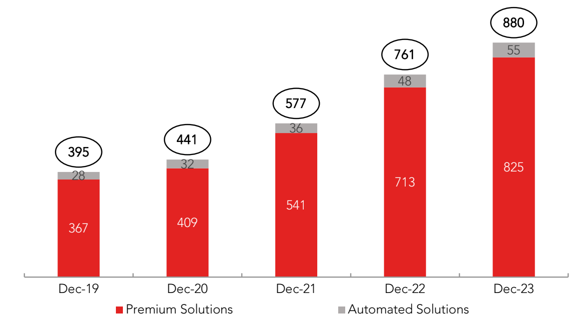
[46] We remind you that EBITDA, as an alternative performance indicator, is a concept whose construction is not standardized and may therefore vary according to issuers and circumstances. Adjusted EBITDA is defined by the Group as operating income (loss) before (i) depreciation, amortization and impairment, (ii) share-based payments (IFRS 2) including social security contributions and employer contributions, (iii) other operating income and expenses, and (iv) depreciation and amortization of identified assets at the acquisition date, net of deferred taxes, for the share of net income (loss) of equity-accounted companies.

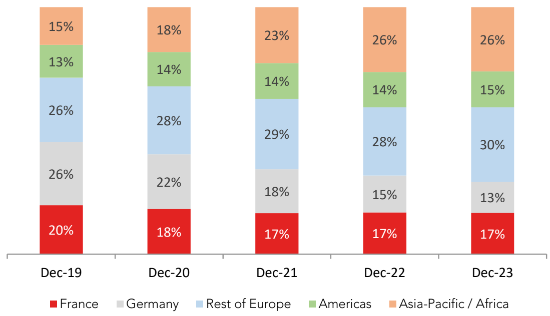
[47] We have assimilated the operating income historically published by the Group with EBIT, it being specified that the Group does not publish an EBIT indicator.

2.3.1.1. Group Revenues

Consolidated sales, broken down by business segment and geographical area, are as follows:

Group Revenues by segment and geographic area (€m and %)





Source: Company

Over the period under review, the Group recorded average annual sales growth of 22%[48]. All geographical regions contributed significantly to sales growth, with the exception of Germany, where the Group was exposed to physical sales, particularly affected by the pandemic[49]. The Group is pursuing its strategy of becoming a leader in Asia, where its investment efforts have enabled it to gain market share; in 2023, the Asia-Pacific and Africa zone accounts for more than a quarter of consolidated sales.

The Group revenues over the last years were marked:

- in 2019, with significant sales growth (+65.7%), resulting from:
  - organic growth in sales (+45.2%)[50] , driven by structural growth in the digital music market and the roll-out of Premium Solutions in new countries;
  - the integration of Nuclear Blast and Groove Attack[51] and the acquisition of several companies in India;
- in 2020, by a slowdown in sales growth (+11.9%), due to:
  - the Covid-19 pandemic, which led to a decrease in advertising spending by advertisers, a drop in the monetization of content[52] , a delay in the release of certain artists, and affected physical sales, particularly in Germany;
  - the absence of structuring acquisitions[53];
- in 2021 and 2022, with a return to growth (+31% on average), mainly organic[54] , underpinned by the expansion of the service offering in key markets and by the gain of new artists and labels. The Asia-Pacific region recorded the strongest growth (+63%

[48] At current exchange rates.
[49] Certain music genres included in the Group's label catalogs continue to be distributed largely in physical format. In these cases, the Group is reorganizing to reduce its exposure to physical sales.
[50] At current exchange rates.
[51] Transactions completed in October 2018, generating additional growth of €57m in 2019.
[52] Decline in the Group's digital sales linked to ad-supported free offers.
[53] The Group acquired a majority stake in the DMC label in Turkey, and took another stake in IRCAM Amplify. It also acquired the assets of SoundsGood, a company specializing in the creation of playlists on streaming platforms. However, these operations did not contribute significantly to consolidated sales in 2020.
[54] The Group carried out several external growth operations in 2021 and 2022, but these did not contribute significantly to consolidated sales, given the amounts invested and the minority nature of certain investments (Play 2, Viva Music and Artists Group), which are accounted for using the equity method.

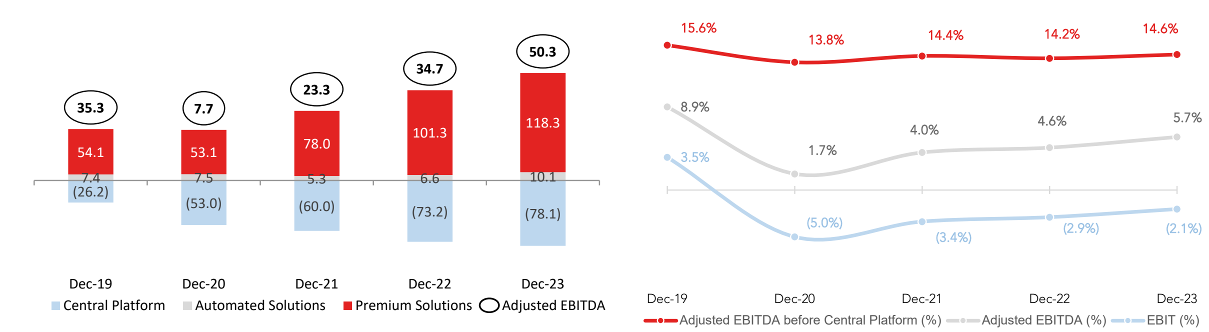
in 2021 and +53% in 2022), thanks to the expansion of the Premium Solutions offering and the establishment of strategic partnerships with Think Music and VMAG. The high level of activity in Latin America and the strengthening of local teams in Europe (excluding France and Germany) have also contributed strongly to the Group's growth momentum. In France, Believe confirmed its position as a key player, with a solid performance in artist services and continued growth in solutions for artists and labels;

- by 2023, with a deceleration in growth, which nevertheless remains at a high level (+15.7%). Adjusted for currency effects, which had a negative impact on royalties collected and paid out by digital partners (DSP[55]), organic growth was close to 20%. Premium Solutions revenues benefited from price increases decided by several DSPs, and from improved monetization of ad-supported streaming. The Group continued to gain market share in most key countries, positioning itself among the top three players working with local artists and labels in many European and Asian markets. The Automated Solutions segment benefited from the launch of a new marketing program and a change in pricing for pay-per-use offers, as well as from the integration of Sentric self-service activities.

2.3.1.2. Operating profitability

The following graphs illustrate trends in Adjusted EBITDA[56] and operating profitability[57], expressed as a percentage of sales:

Adjusted EBITDA (€m) and operating margin trends (%)



Source: Company, Ledouble analysis

Over the last five years, operating profitability has varied essentially according to the costs incurred at the central platform and the contribution of Premium Solutions to Group results, with Automated Solutions making a more marginal contribution.

The central platform develops some of the tools and processes used by local and central teams to roll out offers to artists and labels. Central platform costs are essentially made up of internal and external personnel involved in technological development, sales activities, marketing and support functions.

In 2020, the deterioration in the Adjusted EBITDA margin (-720 basis points versus sales) was mainly due to the sharp rise in costs incurred by the central platform (+540 basis points[58]). The slowdown in growth in the context of the pandemic and the rise in costs incurred in rolling out

[55] Digital Service Partners.
[56] By breaking down the contribution of the central platform, Premium Solutions and Automated Solutions.
[57] Adjusted EBITDA margin before central platform, Adjusted EBITDA margin and EBIT margin.
[58] Central platform costs represented 6.6% and 12.0% of consolidated sales in 2019 and 2020 respectively.

Premium Solutions offerings also weighed on the other operating expenses included in the Adjusted EBITDA margin (+180 basis points).

Over the 2021-2023 period, the Adjusted EBITDA margin before central platform costs has been relatively stable, fluctuating between 14.2% and 14.6% of consolidated sales. The completion at the end of 2020 of the scaling-up of the central platform has led to a significant improvement in the Adjusted EBITDA margin rate (+310 basis points over the last three years)[59].

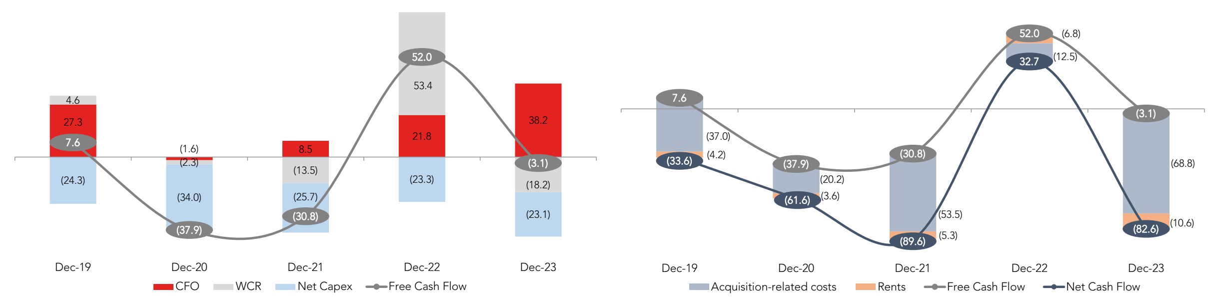
Over the same period, EBIT margin, which includes the amortization not only of capitalized development costs but also of certain assets recognized as part of external growth operations (*e.g.* catalogs, artist and label relations), grew at a similar, albeit slower, pace.

2.3.1.3. Cash flow trend

In line with our analysis of the Group's historical performance, we present below a breakdown of operating and investing cash flows:

- Free Cash Flow, as defined by the Group[60], broken down into operating cash flow before WCR ("**CFO**"), change in WCR and net Capex, adjusted for acquisition-related costs[61];
- Net cash flow, after taking into account payment of rents[62] and acquisition-related costs ("**Net Cash Flow**[63] ").

Group cash flow (€m)



Source: Company, Ledouble analysis

With the exception of 2020, during which operating profitability deteriorated sharply (§ 2.3.1.2), the Group posted positive CFO over the entire period under review. Net Capex, corresponding mainly to capitalized development costs for the central platform and Automated Solutions, represented an annual budget of between €23m and €34m.

[59] Central platform costs represented 12.0% and 8.9% of consolidated sales in 2020 and 2023 respectively.
[60] Net cash flow from operating activities, after taking into account acquisitions and disposals of intangible assets and property, plant and equipment, and restated for (i) acquisition-related costs, (ii) costs of acquiring a group of assets that do not meet the definition of a business combination, and (iii) advances linked to distribution contracts specifically earmarked for the acquisition of assets (acquisition of companies, catalogs, etc.).
[61] Due to the restatements made, the figures presented cannot be directly reconciled with the Group's consolidated cash flow statements.
[62] Since IFRS 16 "Leases" came into force, lease payments have been classified as net cash flows from financing activities.
[63] This indicator does not include cash flows from financing activities (with the exception of rental income).

Given the sharp rise in operating profitability, in 2023 the Group has achieved CFO of €38m[64] and Free Cash Flow close to break-even, despite the increase in advances to artists and labels[65].

As a result of the Group's external growth policy, Net Cash Flow remains structurally negative, with a cumulative cash outflow of €235m over the last five years. Over this period, the Group invested almost €200m in external growth operations[66]:

- in 2019, the Group made three acquisitions in India[67] and acquired a stake in France in the company 6&7 SAS, which operates the eponymous label, for a total of €37.0m;
- in 2020, it took control of the DMC label in Turkey, for a net sum of €18.8m, and acquired a stake in IRCAM Amplify[68]; it also acquired the assets of SoundsGood[69] , a company specializing in the creation of playlists on streaming platforms;
- in 2021, it consolidated its presence on the French market by acquiring stakes in independent labels Play Two (€12.0m) and Jo&Co (€3.4m). In emerging markets, it took control of the Indian label Think Music (€11.5m), one of the leaders in the film soundtrack segment, and forged a strategic partnership with the Philippine label Viva Music and Artists Group (€23.0m);
- in 2022, external growth investments represented a more modest budget[70] , as the Group suspended its external growth policy at the end of February, in an economic environment marked in particular by the war in Ukraine;
- in 2023, external growth represented a total investment of almost €70m, including the acquisition of the Sentric music publishing technology platform (€35.9m [71]), acquisitions of catalogs and other technological assets (€25.0m), and advances and other related-acquisition costs (€8.1m).

In a fragmented market, the Group aims to pursue its acquisition strategy, investing around €100m a year in external growth operations. Companies providing services to artists and labels account for over half of the targets identified by the Group, followed by technology or digital marketing companies, distribution players and catalogs.

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[64] Excluding acquisition-related costs.
[65] In 2022, the positive Free Cash Flow resulted in particular from the change in WCR, which included an exceptional payment of €20m from a digital partner.
[66] The amounts shown below are net of cash acquired and excluding acquisition costs.
[67] Venus, Entco and Canvas.
[68] For a total of €0.5m.
[69] For a total of €0.6m.
[70] Cash outflows include the increase in the Group's stake in 6&7, the takeover of Morning Glory and the acquisition of a minority interest in Structure PY.
[71] Net amount of cash acquired.

2.3.2. Balance sheet structure

The Group's balance sheet structure at December 31, 2023 is as follows:

Simplified balance sheet

In million euros	Dec-23
Goodwill	141.2
Other intangible and tangible assets	166.5
Investments in equity-accounted companies	48.8
Other financial assets	10.9
Deferred tax assets	20.1
Working capital assets	505.2
Cash and cash equivalents	214.2
Total Assets	**1,107.0**
Equity attributable to owners of the parent	370.8
Non-controlling interests	8.4
Equity	**379.2**
Provisions	2.0
Financial debt	31.9
Non current liabilities related to acquisitions	16.5
Deferred tax liabilities	20.7
Working capital liabilities	656.7
Liabilities	***727.8***
Total Equity and Liabilities	**1,107.0**

Source: Company, Ledouble analysis

2.3.2.1. Goodwill

Total goodwill arising from the Group's various acquisitions amounts to €141.2m[72].

2.3.2.2. Other intangible assets and property, plant and equipment

These assets, recorded in the balance sheet at a total net book value of €166.5m, include:

- catalogs acquired by the Group (€42.5m);
- softwares (€35.2m), mainly corresponding to capitalized development costs;
- brands (€24.1m) and relations with artists and labels (€20.3m), recognized as part of business combinations;
- other intangible assets (€13.5m) corresponding mainly to ongoing development costs for the Group's technology platform;
- property, plant and equipment (€31.0m), comprising rights of use for buildings and IT equipment leased by the Group, as well as various proprietary assets.

[72] The amount breaks down between the following acquisitions: Sentric Music Group (€36.4m), Venus Music (€23.9m), TuneCore (€17.8m), SPI Think Music (€15.8m), Nuclear Blast (€12.4m), DMC (€11.6m), others (€23.3m).

2.3.2.3. Investments in equity-accounted companies

Investments in companies over which the Group exercises joint control or significant influence are accounted for using the equity method. The net book value of these investments amounts to €48.8m[73].

2.3.2.4. Other financial assets

Other financial assets, amounting to €10.9m, comprise loans granted by the Group (€4.9m), deposits and guarantees paid (€3.1m), non-consolidated shares (€1.2m), assets linked to employee benefits (€0.4m) and current financial assets (€1.4m) including escrow accounts related to Believe's Live business.

2.3.2.5. Deferred taxes

Deferred taxes arise from temporary differences between the carrying amounts of assets and liabilities and their tax bases. They relate in particular to:

- recognition in the consolidated financial statements of intangible assets identified during business combinations (*e.g.* catalogs, brands, relationships with artists and labels);
- certain consolidation adjustments;
- recognition of a portion of deferred tax assets relating to tax loss carryforwards.

At December 31, 2023, deferred taxes represented a net liability of €0.6m[74]. They include a deferred tax asset of €5.3m relating to tax loss carryforwards, while unrecognized deferred tax assets in respect of tax loss carryforwards amount to €31.1m.

2.3.2.6. Working capital requirement[75]

Changes in working capital over the last five years were as follows:

Evolution of working capital requirements

In million euros	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23
Advances to artists and labels	62.9	108.8	166.0	178.5	258.6
Trade receivables	97.6	110.4	136.6	158.5	200.2
Other current assets	46.2	39.0	41.3	44.0	46.5
Working capital assets	*206.7*	*258.2*	*343.9*	*380.9*	*505.2*
Trade payables and contract liabilities	282.6	333.0	411.2	509.3	611.8
Other current liabilities	48.4	30.7	28.8	33.9	45.0
Working capital liabilities	*330.9*	*363.7*	*440.0*	*543.2*	*656.7*
WCR	(124.3)	(105.5)	(96.1)	(162.3)	(151.5)

Source: Company, Ledouble analysis

[73] This total amount breaks down as follows: Viva Music and Artists Group Inc (€22.3m), Play 2 SAS (€12.3m), Groupe Lili Louise (€10.9m), Groupe Structure (€2.5m) and GS Believe LLP (€0.8m).
[74] Deferred tax liabilities (€20.7m) net of deferred tax assets (€20.1m).
[75] Our calculation of WCR differs slightly from that of the Company, which includes current financial assets and provisions.

Its main components are:

- advances to artists and labels (current and non-current portions);
- trade receivables, mainly corresponding to outpayments due to the Group by digital distribution and social media platforms, as well as invoices to be issued as part of the year-end sales estimate;
- trade payables and contract liabilities, including advances and minimum guarantees received from digital platforms on the one hand, and deferred income relating to subscriptions paid by artists in the Automated Solutions business on the other.

Historically, WCR has been structurally negative, due in particular to the time lag between payments made by digital distribution platforms and payments to artists. However, the development of Premium Solutions and the Group's strategy of offering artists and labels more services have resulted in a significant increase in advances to them, which should significantly alter the structure of working capital in the future[76].

2.3.2.7. Cash and cash equivalents

At December 31, 2023, the Group had cash and cash equivalents of €214.2m.

2.3.2.8. Equity

The equity book value attributable to owners of the Company amounted to €370.8m.

Minority interests in fully-consolidated companies not wholly-owned by Believe[77] are recorded in the balance sheet at €8.4m.

2.3.2.9. Provisions

Provisions, which total €2m, mainly comprise commitments to employees.

2.3.2.10. Financial liabilities

Financial debt, at €31.9m, comprises lease liabilities (€30.2m) and Bank borrowings and debt (€1.7m)[78].

2.3.2.11. Acquisition-related non-current liabilities

The Group recognized non-current liabilities of €16.6m, relating to a forward contract for the remaining SPI Music shares to be acquired[79] (€13.2m) and the cross put/call option on MGM shares (€3.3m).

[76] Assuming that the contractual conditions (and in particular the duration and legal form of contracts, the level of services or the range of artists' remuneration) remain unchanged.
[77] Minority interests relate to the following companies: Madizin Music (49%), 6&7 (49%), Jo and Co (49%), Morning Glory Music (47%), TuneCore Japan (45%), Dogan Muzik Yapim (40%) and Netd Müzik Video (40%).
[78] Net of deferred financing costs.
[79] The Group took control of SPI Music Private Limited ("**SPI Music**") in 2021, with an initial stake of 76% and a forward contract to acquire the remaining 24% by 2025.

2.4. SWOT matrix

The SWOT matrix below summarizes the Group's strengths and weaknesses, as well as the threats and opportunities it faces in its market:

Strengths

- Pure player with strong legitimacy vis-à-vis independent artists and labels

- Proprietary technological platform, combined with human expertise in digital distribution and promotion

- Local presence in many countries

- Leading position in the independent artist and label segments in many European and Asian markets

- Business model with significant scale effects

- Solid growth and financial performance, ahead of certain guidance provided at the time of the IPO

Weaknesses

- Limited diversification of revenue sources, with a large proportion of music catalogs held by the three majors, who still largely dominate the global recorded music market

- Low profitability of the Automated Solutions offering

- Modest financial base compared with the traditional majors, particularly for making structuring acquisitions

- Increase in advances to artists and labels to support Premium Solutions growth

- Delay in deploying external growth

Opportunities

- Development of advertising monetization, gradual democratization of subscription offers in emerging countries, and prices rise in countries with higher penetration rates

- Capturing market share from traditional majors, particularly in the top artists and established artists segments

- Fragmented market with a large number of potential targets identified by the Group

- Accelerated digitalisation of the music publishing market

- Improved operating profitability, resulting notably from scale effects

Threats

- Increased competition from the majors, who are seeking to position themselves in service offerings to independent artists and labels

- Development of similar or alternative technologies by competitors

- New players likely to emerge, particularly locally

- Convergence at some point of Believe's business model with that of the traditional majors

- Risks of integrating acquired targets

- Distant return on investment in emerging zones

- Evolution of the streaming remuneration model and increase in content generated by artificial intelligence

3. Multicriteria valuation

We have carried out a Multicriteria Valuation of the Group and the Share, the various aspects of which are presented below:

- data structuring the Multicriteria Valuation (§ 3.1);
- references and valuation methods dismissed (§ 3.2);
- references and valuation methods used (§ 3.3);
- analysis of the position of the Share value in comparison to the IPO price (§ 3.4);

The summary of our valuation work presents the results of the Multicriteria Valuation and our assessment of the premiums or discounts induced by the Offer Price (§ 3.5).

3.1. Data structuring the Multicriteria Valuation

3.1.1. Accounting standards

Believe prepares its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS).

Believe's consolidated financial statements and annual financial statements for the year ended December 31, 2023 have been certified by the statutory auditors.

3.1.2. Date of Multicriteria Valuation

The Multicriteria Valuation is carried out on the date the Report is issued.

Market data have been determined as at April 5, 2024, and we have ensured, up to the date of issue of the Report, that changes in market data are not likely to have a material impact on our valuation parameters and the results of the Multicriteria Valuation.

For the purposes of calculating the number of Shares (§ 3.1.3) and adjusted net cash position (§ 3.1.7), we refer to the consolidated financial statements for the year ended December 31, 2023[80].

3.1.3. Number of shares

At December 31, 2023, the Company's share capital comprised 97,086,350 shares, of which 105,030 were held in treasury.

The Company has also granted certain employees and executives:

- share subscription warrants (BSA) and founder's share subscription warrants (BSPCE), giving access, if exercised, to 3,241,571 new Shares. Given their position in the money

[80] For consistency purposes, we have used the same date for calculating the number of shares and the adjusted net cash position, as movements in share capital are likely to have an impact on the Group's cash position. We do, however, take into account events that have occurred since that date.

and the Board of Directors' decision to modify their exercise conditions[81], we have included these dilutive instruments in the calculation of the number of Shares;

- 2,304,355 Free Shares, whose definitive vesting is conditional, on the one hand, on a condition of presence in the Company and, on the other hand, on several financial and non-financial performance criteria. We have retained a total number of 2,120,870 Free Shares[82] , taking into account the acceleration of the vesting period for Free Shares under the 2021 plan[83] and the vesting rate estimated by Management for Free Shares under the 2022 and 2023 plans.

Our estimates of the unit value of the Share are thus based on a number of 102,343,761 Shares:

Number of diluted Shares

Category	Number
Issued Shares	97,086,350
BSA/BSPCE plans	3,241,571
Free Shares	2,120,870
(Treasury Shares)	(105,030)
Total	**102,343,761**

Source: Company, Ledouble analysis

3.1.4. Impact of IFRS 16 - Leases

In modeling discounted cash flows (§ 3.3.4), we have taken into account the impact of the Group's operating lease commitments. Consequently, the transition from Enterprise Value to equity value excludes lease obligations (§ 3.1.7.1).

For the relative valuation based on public Peers (§ 3.3.5), we examined the results obtained with or without restatement of IFRS 16 and ASC 842[84] relating to leases [85]. Following our analysis, and in order to arrive at the results deemed most relevant, we determined the Peers multiples taking into account lease payments and excluding lease liabilities in the transition from Enterprise Value to equity value (§ 3.1.7.2).

In the absence of sufficient information on the terms and conditions of the Comparable Transactions, we have determined the value of the Share before and after taking into account the impact of operating lease expenses (§ 3.3.6).

3.1.5. Non-controlling interests

The buyout of non-controlling interests[86] is modeled in the Business Plan, so that the impact of minority interests is directly taken into account in forecast cash flows under the intrinsic valuation method.

[81] Decision taken on April 18, 2024.
[82] i.e. 388,112 Free Shares under the 2021 plan, 745,563 Free Shares under the 2022 plan and 987,195 Free Shares under the 2023 plan.
[83] In accordance with the decision of the Board of Directors on April 18, 2024.
[84] Standard applied by Peers under US GAAP.
[85] The choice of whether or not to restate the multiples depends in particular on (i) the weight of rental obligations on the balance sheet of the listed comparables, (ii) the expected improvement in the relevance of the results in the event of restatement, (iii) the risk of error in the event of restatement, which is higher or lower depending on the quality of the listed comparables' financial communications, and (iv) the metric used (EBITDA or EBIT). Regardless of the choice made, the method used to calculate the Peers multiples is applied consistently to the Group's metrics.
[86] Minority interests are recorded in the balance sheet at a net book value of €8.4m (§ 2.3.2.8).

In the relative approaches, the discounted cost of buying out minority interests, estimated at €83.8m, is included in the transition from Enterprise Value to equity value (§ 3.1.7.2).

3.1.6. Tax losses

We have taken into account the present value of recognized and unrecognized tax loss carryforwards:

- in the intrinsic approach, *via* the tax trajectory estimated by the Company, which provides for the allocation of these tax loss carryforwards over the explicit period of the Business Plan;
- in relative approaches, by integrating the present value of tax loss carryforwards in the transition from Enterprise Value to equity value.

Based on our discounting parameters, the present value of tax loss carryforwards has been estimated at €16.0m.

3.1.7. Transition from Enterprise Value to equity value

In the transition from Enterprise Value to the equity value, the Multicriteria Valuation incorporates net cash adjusted for certain assets and liabilities that have an impact on the value of the Share.

3.1.7.1. Intrinsic valuation approach

At December 31, 2023, net cash, excluding rental obligations, amounted to €212.5m:

Net cash position

In million euros	Dec-23
Cash and cash equivalents	214.2
(Bank worrowings and debt)	(1.7)
Total	**212.5**

Source: Company

We have also taken into account:

- the net book value[87] of equity-accounted investments, with the exception of stakes in Play 2 and Groupe Structure, whose value is already included in the Business Plan forecasted cash flows (€34.0m)[88];
- the cash flow that would result from the exercise of BSAs and BSPCEs taken into account in the number of diluted Shares (€11.3m);
- loans granted by the Group (€4.9m) and non-consolidated shares (€1.2m), accounted as non-current financial assets;
- current financial assets relating to the liquidity contract (€0.3m).

[87] On the basis of the information made available to us, we are of the opinion that the revaluation of these investments would not have a material impact on our assessment of the Share value.
[88] The buyout of non-controlling interests in Play 2 and Groupe Structure is modeled in the Business Plan.

Adjusted net cash position - intrinsic approach	
In million euros	Dec-23
Net cash position	212.5
+Investments in equity-accounted companies	34.0
+Impact of the exercise of dilutive instruments	11.3
+Current and non-current financial assets	6.4
Total	264.2

Source: Company, Ledouble analysis

The adjusted net cash position is **€264.2m** for the intrinsic valuation approach.

3.1.7.2. *Relative valuation approaches*

The adjustments made for relative valuations also include:

- the net book value of stakes in Play 2 and Groupe Structure (€14.8m, i.e. a total of €48.8m for all equity-accounted investments);
- the present value of tax loss carryforwards (€16.0m);
- the cost of buying out minority interests (€83.8m).

Adjusted net cash position - analog approaches	
In million euros	Dec-23
Net cash position	212.5
+Investments in equity-accounted companies	48.8
+Current value of losses carried forward	16.0
+Impact of the exercise of dilutive instruments	11.3
+Current and non-current financial assets	6.4
(Discounted cost of buying out minority interests)	(83.8)
Total	211.2

Source: Company, Ledouble analysis

The adjusted net financial cash position is **€211.2m** for the relative valuation approaches.

3.2. Discarded references and valuation methods

3.2.1. Net asset value

The net asset value ("**NAV**") method consists of adjusting the net book value ("**NBV**"[89]) to take account of the fair value of the Group's assets and liabilities. This patrimonial approach is used to revalue assets that are not part of the Group's operations, or those whose fair value is likely to differ from their value in use, and which are individually transferable.

We believe that the relevance of this method in this case is limited, and point out that the potential value of Believe's intangible assets is fully recognized in the valuation methods we have applied.

[89] For information, the NBV per share is €3.6 at December 31, 2023.

3.2.2. Dividend Discount Model

In the absence of dividend forecasts, the dividend discounting method could not be applied.

However, we have used the discounted cash flow valuation method, which takes into account the long-term potential for dividend distribution, and enables us to take into account the undistributed portion of earnings (§ 3.3.4).

3.3. References and valuation methods

To assess the Offer Price, we have:

- examined the stock market references (§ 3.3.1), recent expressions of interest in the Company (§ 3.3.2) and the reference to the Blocks Acquisitions (§ 3.3.3);
- valued the Share using a multicriteria approach based on:
  - primarily, the intrinsic valuation method based on discounted cash flow (**DCF**) (§ 3.3.4);
  - on a secondary basis, on relative valuation methods by reference to stock market multiples (§ 3.3.5) and transaction multiples (§ 3.3.6).

3.3.1. Stock market references

3.3.1.1. Share price analysis

The Share is listed on the Euronext Paris regulated market[90].

We present below the evolution of the Share price since its IPO in June 2021, in parallel with that of the French stock market index Euronext Tech Croissance[91] (the "**Benchmark Index**"):

Share price

Source: Bloomberg, Ledouble analysis

Several phases emerge from this observation period:

- In the first few weeks following the IPO, the share price fell sharply:
  - despite the stabilization operations carried out by J.P. Morgan AG[92] , the Share price fell by 18% on its first day of trading[93];
  - the decline continued until July 19, 2021, when the share price stood at €13.4, representing a discount of over 30% to the IPO price of €19.5 (the "**IPO Price**");
- in the second half of 2021, the Share price rose significantly, following the Company's business update and the upward revision of its targets when it published its third-quarter sales figures. At the end of 2021, however, the Share price closed at €16.9, well below the IPO price;

[90] Under ISIN code FR0014003FE9; mnemonic: BLV.
[91] Index dedicated to small and medium-sized tech companies listed in Paris, made up of high-potential stocks with a liquidity of over €10,000/day, a market capitalization of between €25m and €1bn, and which are representative of the technology sector as a whole.
[92] J.P. Morgan AG had been appointed by the Company as stabilizing agent.
[93] On June 10, 2021, the share closed at €16.1.

- In 2022, the Share price underperformed both the equity market and the Benchmark Index[94]. Its performance was, however, correlated with that of the Benchmark Index: technology stocks were more affected by the rise in interest rates, and a number of companies in the technology sector underwent stock market corrections, returning to their pre-pandemic valuation levels[95]. After reaching a low of €7.6, the Share price closed at €9.7 at the end of 2022;

- In 2023, the Share price fluctuated between €7.9 and €12.4. After reaching a low point in October, the Share price began to recover in line with the Benchmark Index and broader stock market indices; from December onwards, the Share price followed an upward trend, which may have been fuelled by rumours emanating from press articles[96].

- on the eve of the announcement of the Offer, the Share price closed at €12.4. Following the announcement of the proposed Offer, WMG expressed its interest in Believe, indicating, on the basis of publicly available information, that it might be able to value the Share at a minimum price of €17.0. The Share price moved towards this level until April 6, 2024, when WMG decided not to submit a firm offer for Believe.

We present below the volume-weighted average share price ("**VWAP**"):

- on December 4, 2023, the day before publication of an article reporting rumours of a potential takeover of the Company;

- on February 9, 2024, the last trading day prior to the announcement of the Offer[97].

VWAP of the Share

€	Reference dates	
	4-Dec-23	9-Feb-24
Spot	10.0	12.4
20 trading days	10.1	10.9
60 trading days	9.2	10.4
120 trading days	9.5	9.9
180 trading days	10.1	10.0
250 trading days	10.4	10.3
12 months	10.4	10.3
12-month high	8.0	8.0
12-month low	12.4	12.4

Source: Bloomberg

[94] In 2022, the CAC 40 fell by around 10%. The Benchmark Index and the Share price fell by 27% and 42% respectively.
[95] As an indication, the Benchmark Index closed at the end of 2022 at 1,277 points, i.e. below the level observed in February 2020.
[96] Betaville published an article on December 5, 2023 concerning potential interest in a takeover of the Company. Then on January 11, 2024, Reuters reported that the Company's major shareholders had sounded out interest from private equity firms with a view to delisting the Company.
[97] The Offer was announced on February 12, 2024, before the market opened.

We also present below the turnover of the Share, expressed in relation to the free float over the last twelve months:

Share turnover (in thousands and %)

Reference dates	4-Dec-23	9-Feb-24
Trading volume 12 months	5,774.0	6,832.2
Free float	23,735.7	23,735.7
Share turnover (%)	24%	29%

Source: Bloomberg, S&P Capital IQ, Ledouble analysis

The volume of shares traded over the last twelve months illustrates the limited liquidity of the stock, with an annual turnover of between 24% and 29% of the free float.

Although the share's liquidity is limited and Believe's management stresses that " *the strength of its operational performance has not been reflected in the share price evolution*"[98], the Share's performance has been correlated to that of the Benchmark Index on several occasions, and the Share's liquidity seems to us to be sufficient to historically enable small holders to exchange their shares. We therefore consider that the reference to the Share price can be retained in our assessment of the Offer Price.

3.3.1.2. Analysts' target prices

The target prices published by analysts prior to the announcement of the Offer are shown below:

Analysts' target prices

Analysts	Date	Target price
Stifel	8-Feb-24	18.5 €
Redburn Atlantic	5-Feb-24	16.0 €
CIC Market Solutions	24-Jan-24	16.0 €
Goldman Sachs	16-Jan-24	11.5 €
Citi	12-Jan-24	29.0 €
JP Morgan	13-Dec-23	11.6 €
Société Générale	4-Dec-23	17.1 €
Oddo BHF	25-Oct-23	13.5 €
BNP Paribas Exane	24-Oct-23	14.0 €
HSBC	4-Oct-23	15.0 €
UBS	2-Aug-23	17.0 €
Median		16.3 €

Source: Notes from analysts, Bloomberg, S&P Capital IQ

The median target price is **€16.3**, within a wide range of target prices, from **€11.5** to **€29.0**[99] , which reflects the sensitivity of the Share price to the valuation assumptions and parameters used[100].

[98] Extract from the Company's press release dated February 12, 2024.
[99] The target price of €29.0 determined by Citi is an extreme value, as the second-highest target price determined by Stifel was €18.5 prior to the announcement of the proposed Offer on February 12, 2024.
[100] We have also reviewed the notes published by analysts following the announcement of the Offer. Some analysts maintain a target price above the Offer Price, including Stifel, with a target price raised to €20.0.

3.3.2. Recent expressions of interest

We have taken note of recent expressions of interest in the Company made by:

- on the one hand, as part of a search for an investor led by Denis Ladegaillerie and TCV, with a view to forming the Consortium;
- by WMG following the announcement of the proposed Offer.

With regard to the expressions of interest received prior to the announcement of the proposed Offer, we note that:

- the search for an investor was conducted with several investment funds with a proven track record in the music industry;
- all potential investors have expressed an interest and carried out preliminary due diligence on the basis of public information and discussions with management;
- at the end of the initial phase of the process, EQT was selected on the basis of several criteria and submitted a bid of €15.0, corresponding to the best offer from a financial point of view and in line with the Offer Price.

Following the announcement of the proposed Offer, WMG expressed its interest in Believe, stating that it could value the Share at a minimum price of €17, based on publicly available information, this expression of interest being of an exploratory and non-binding nature.

On March 25, 2024, the Company announced that the Board of Directors had decided to grant WMG access to a data room including a level of information equivalent to that granted to the Consortium, so that WMG could submit a binding offer. After due diligence, WMG has decided not to submit an offer[101].

3.3.3. Reference to Blocks Acquisitions

The Blocks Acquisitions, carried out at the Offer Price, constitute a reference transaction.

They include the acquisition of:

- the interests of the XAnge and Ventech investment funds, which acquired a stake in Believe in 2007 and 2008 respectively, and are not members of the Consortium;
- of the Shares held by Denis Ladegaillerie, the majority of which will be contributed to the Offeror, enabling the Believe founder to reinvest alongside the other members of the Consortium.

3.3.4. Intrinsic valuation by *Discounted Cash-Flow* (DCF)

3.3.4.1. The principle of the DCF method

The DCF method consists in estimating the value of a company's economic assets on the basis of its cash flows, discounted at a rate reflecting the return expected by the capital and debt providers.

[101] We have examined the information brought to our attention relating to this decision.

The calculation of terminal value, estimated beyond the explicit forecast period, is based on an estimate of sustainable free cash flow, and thus takes into account a going concern assumption and an estimate of long-term growth (perpetual growth).

To obtain the market value of shareholders' equity, the value of operating activities (the "**Enterprise Value**") is increased by net financial cash or reduced by net financial debt; in this case, the Group has net financial cash (§ 3.1.7).

3.3.4.2. Management Business Plan

We have used the business plan drawn up by Management, presented to and approved by the Board of Directors[102] (the "**Business Plan**"). The forecast data cover the period from 2024 to 2030 (the "**Explicit Period**") and make it possible to distinguish between:

- assumptions for growth in size[103] and market share, as well as revenue and margin projections by segment and geographic area;
- the capital expenditure planned to support the Group's organic and external growth;
- changes in working capital by component and business segment;
- the impact of share-based payments, in line with the Group's compensation policy.

The Business Plan is based on the following key assumptions:

- rapid development of targeted markets combined with market share gains in Premium Solutions and music publishing, generating strong organic growth with a threefold increase in sales over the Explicit Period, on a like-for-like basis;
- external growth operations, with a dedicated annual budget of around €100m;
- a gradual improvement in operating profitability, with the Adjusted EBITDA margin[104] converging towards the long-term target of 15%;
- investments to develop the central platform and Automated Solutions, representing less than 2% of consolidated sales at the end of the Explicit Period;
- an increase of the working capital requirement, which represents almost 10% of consolidated sales at the end of the Explicit Period; this increase should result from the change in the business mix and the rise in advances granted to artists and labels to support organic growth;
- the pursuit of a remuneration policy that includes a portion based on share-based payments, growing in proportion *to* payroll.

Based on our review of the Business Plan, we note that:

[102] The Business Plan was approved by the Board of Directors on January 12, 2024. At our request, it was re-approved by the Board of Directors on April 18, 2024, which pronounced on the impact of share-based payments.
[103] Market size is determined in particular by changes in subscriber numbers, monetization (*e.g.* advertising, pay-per-view) and pricing.
[104] For the record, Adjusted EBITDA margin does not include the impact of rents, which we have reintegrated into our calculation of forecast cash flows.

- Management's forecasts reflect a voluntarist vision, taking into account the development prospects of a music market in the throes of change (§ 2.2), and postulating the Group's ability to win market share while improving profitability and accelerating the deployment of its external growth strategy;

- Management has not modeled any business contingencies, despite the threats and risks identified in our analysis of the Group and its competitive environment[105] (§ 2.2 and 2.4);

- the use of forecasting data enables to capture Believe's medium and long-term value potential.

3.3.4.3. Extrapolation period and assumptions used to calculate terminal value

Based on the forecast data included in the Business Plan and additional information provided to us by Management, we have extrapolated the forecast cash flows over the period 2031-2035 (the "**Extrapolation Period**"), in order to determine the normative cash flow underlying the calculation of the terminal value.

The forecast cash flows for the Extrapolation Period have been modelled assuming:

- a gradual slowdown in organic growth, the rate of which converges towards the level of perpetual growth used to calculate terminal value (§ 3.3.4.5);

- the acquisition of the remaining capital on previous acquired targets[106];

- a target Adjusted EBITDA of 15% of revenues;

- stable Capex, excluding acquisitions, at around 2% of revenues;

- a positive WCR target representing around 10% of revenues.

The forecast cash flow underlying the calculation of terminal value at the end of the Extrapolation Period is based on:

- Group revenues of around €5bn;

- Adjusted EBITDA margin of 15%;

- a Net Cash Flow to Adjusted EBITDA ratio of around 60%.

3.3.4.4. Cost of capital

We have determined the weighted average cost of capital ("**WACC**") using the Capital Asset Pricing Model (CAPM) formula. The discount rate was calculated from the following components:

[105] Examples include delays in the implementation of the external growth policy, integration risks for acquired targets, and increased competition from the majors, which could have an impact on both the acquisition of market share and the profitability of Believe's activities.
[106] Over the Explicit Period, management has modelled the gradual acquisition of stakes in the capital of several targets. We have modeled the increase to 100% of the capital of all targets during the Extrapolation Period, so that the normative cash flow of the Business Plan underlying the calculation of the terminal value does not include non-controlling interests.

- a risk-free rate of **2.8%** corresponding to the historical 3-month average of the 10-year OAT[107];
- the Company's beta observed since its IPO, equal to **1.37;**
- a French market risk premium estimated at **6.4%**[108].

The average cost of capital used to discount forecast cash flows is **11.5%**[109]:

Weighted average cost of capital

Components	
Risk free rate	2.8%
Economic asset beta	1.37
Market return	9.2%
Market risk premium	6.4%
Discount rate	11.5%

Source: Bloomberg, Ledouble analysis

The WACC of 11.5% has not been increased by a specific risk premium to cover the risk of non-execution of the Business Plan.

3.3.4.5. Perpetual growth rate

We have used a perpetual growth rate of **3.0%** to take account of growth prospects in Believe's target markets (§ 2.2)[110].

3.3.4.6. DCF valuation summary - Business Plan

On the basis of the Business Plan extrapolated to 2035, we present below a sensitivity analysis of the value of the Share to changes in the discount rate and the perpetual growth rate used to calculate the terminal value:

Sensitivity analysis of the value per Share

Perpetual	Discount rate				
growth rate	-100 bp	-50 bp	0 bp	+50 bp	+100 bp
-100 bp	18.8	17.1	15.5	14.2	13.0
-50 bp	19.9	18.0	16.3	14.9	13.6
0 bp	21.1	19.0	17.2	15.7	14.3
+50 bp	22.6	20.2	18.2	16.5	15.0
+100 bp	24.2	21.6	19.4	17.5	15.8

[107] Source: Banque de France.
[108] Ledouble has its own model for estimating French market yields. Based on an estimated French market yield of **9.2%**, the risk premium for the French market, after deduction of the **2.8%** risk-free rate, comes to **6.4%**.
[109] We note that this rate coincides with the average of rates found in our benchmark of technical parameters used by analysts following Believe. As an indication, we have also implemented an alternative calculation based on the beta of the Peers, by integrating a size premium and a country risk premium, to take into account the size differential between Believe and the Peers, and Believe's exposure to the risks of emerging countries. The results of this alternative approach support our discount rate of 11.5%.
[110] For information, most analysts following Believe apply a normative growth rate of between 3.0% and 4.0%, which they do however apply over a shorter time horizon, bearing in mind that we have extrapolated forecast cash flows over the period 2031-2035.

The central value of the Share according to the intrinsic approach is **€ 17.2**, within a value range of **€ 14.9** to **€ 20.2**, including the contribution of external growth to the current value, which we have estimated at **€ 2.6** per Share.

In view of management's confidence in its ability to achieve the objectives set out in the Business Plan and the performance achieved since the IPO, we have not taken into account a specific risk premium when discounting forecast cash flows[111].

We note, however, that:

- given the Company's high-growth profile, and the positioning of the majority of positive cash flows at the end of the Extrapolation Period[112] , the current value of the Share is particularly sensitive to the discounting parameters and assumptions used. For instance, a normative target Adjusted EBITDA margin of 13%[113] would lead to a central value of the Share equal to **€13.9**;

- external growth operations also entail specific risk factors (*e.g.* uncertainties over completion schedules, integration risks). Moreover, although Management has identified potential targets, external growth operations have not yet been carried out. For information, taking into account a specific risk premium of 1% to 2% would significantly reduce the contribution of external growth to **€1.6** and **€0.9** per Share respectively.

Excluding the contribution of external growth, the central value of the Share according to the intrinsic approach is **€14.6**, within a range of values between **€13.1** and **€16.6**:

Sensitivity analysis of the value per Share - Excluding M&A

Perpetual growth rate	Discount rate -100 bp	-50 bp	0 bp	+50 bp	+100 bp
-100 bp	15.7	14.6	13.5	12.6	11.8
-50 bp	16.4	15.2	14.1	13.1	12.2
0 bp	17.3	15.9	14.6	13.6	12.6
+50 bp	18.2	16.6	15.3	14.1	13.1
+100 bp	19.3	17.5	16.0	14.8	13.7

3.3.5. Relative valuation based on public peers multiples

In this chapter, we develop the relative valuation of the Share by reference to multiples observed on a sample of public peers (the "**Peers**").

3.3.5.1. Composition of the Peers sample

To the best of our knowledge, there are no listed companies strictly comparable to Believe, with identical characteristics in terms of size, profitability, business model and location.

[111] The discount rate is based on the Company's beta, which in principle incorporates the systematic risks perceived by investors since the IPO.
[112] After taking external growth operations into account, almost all the Group's value comes from its terminal value. The terminal value is therefore based on the Group's ability to achieve its long-term objectives as reflected in the Business Plan.
[113] This represents a reduction of 200 basis points on the Group's target of 15%.

However, we have selected a panel of listed global players in the music distribution and artist and label services markets[114]. We present their market capitalizations below[115]:

Market capitalisation of Peers

Peers	Country	€bn
Universal Music Group	Netherlands	49.6
Spotify	Sweden	48.6
Tencent Music Entertainment	China	17.1
Warner Music Group	United States	15.9
Moyenne		32.8

Source: Bloomberg

The Peers main characteristics are presented in **Appendix 8.**

We note that, compared to Believe, the Peers present:

- a significantly larger size;
- improved profitability over the short, medium and long term;
- lower capital intensity in the short and medium term;
- less favorable overall growth prospects.

In order to have relevant valuation results, we have taken these observations into account in our methodological choices (§ 3.3.5.2).

3.3.5.2. Methodological choices

Based on our review of the characteristics of Believe and the Peers, we have excluded:

- EBITDA multiples due to the differences in capital intensity observed between the Peers and Believe;
- EBIT multiples, given the significant discrepancies observed between the level of Capex and that of depreciation and amortization, within the sample of Peers and Believe;
- Price to earnings multiples, due in particular to differences in financial structure affecting multiples.

We examined multiples based on:

- EBITDA margin less Capex, taking into account Believe's growth prospects, the expected effects of scale in terms of investment, and the size differential;
- Sales, taking into account Believe's growth prospects and the profitability differential between the Group and its Peers[116]. Given the potential bias induced by the adjustments made, this method is presented for cross-checking purposes.

[114] We did not include Deezer in our sample, as it has a negative short-term operating margin.
[115] On average 3 months.
[116] We have not applied a size discount, considering that the size effect was already partially taken into account through our adjustment for the profitability differential.

To determine the multiples, we referred to:

- to the market capitalization of the Peers;
- their last published net financial debt, which comes between market capitalization and Enterprise Value, from which multiples are determined;
- analyst consensus estimates for Sales, EBITDA and Capex over the 2024-2027 period.

In order to take into account the specificities of Believe and the Peers, and to capture Believe's value potential, we have:

- applied the EBITDA - Capex margin multiples of the Peers to Believe's metrics expected in the short and medium term (2024 to 2027), making the following adjustments:
  - restatement of Believe's forecast Adjusted EBITDA, integrating rental charges and share-based payments and excluding the share of net income from equity-accounted companies[117];
  - neutralization of the impact of external growth transactions so as not to penalize the value of the Share, as these transactions are expected to generate value over the longer term;
  - normalization of the Capex[118] , also considering that Believe's short- and medium-term investment efforts support longer-term growth and value creation;
  - adjustment of the multiples of the Peers to take into account Believe's strong growth prospects[119];
  - application of a 20% size discount to take account of risk factors linked to Believe's smaller size[120].
- applied the EBITDA - Capex margin multiples of the Peers to Believe's metrics expected in 2030:
  - before and after the impact of acquisitions;
  - by applying a discount factor to account for the time lag between the metrics underlying the Peers multiples[121] and the Believe metrics to which the multiples are applied;

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[117] As we have retained the value of these investments in the transition between Enterprise Value and equity value (§ 3.1.7.2).
[118] We have considered annual Capex representing 1.9% of forecast sales, corresponding to the weight of Capex expected at the end of the Explicit Period.
[119] The adjusted multiples were determined from the average multiples of the Peers, taking into account the growth rate differential with the following formula:
Adjusted multiple = 1 / [(1 / Average multiple of Peers) + g_1 - g $]_2$
where:
- g_1 corresponds to the average compound growth rate of the Peers;
- g_2 corresponds to the Company's compound average growth rate.

[120] For example, a small size is likely to result in:
- greater exposure to the competitive environment, economic hazards and operational incidents;
- an unfavorable balance of power vis-à-vis third parties;
- less diversification (customer portfolio, activities, geographical areas, etc.);
- greater difficulty in seizing external growth opportunities and limited access to certain financial resources;
- a cost structure that undermines operating profitability;
- lower stock liquidity.

[121] After analyzing the respective growth curves of the Peers and Believe, we preferred the average 2026 multiple of the Peers, which is also based on a more comprehensive market consensus than the one extracted for 2027.

- by applying a size discount of 20%.

- adjusted the sales multiples of the Peers to take account of the observed and expected profitability differential between Believe and its Peers[122]. To take account of Believe's growth prospects, we applied the adjusted multiples of the Peers to Believe's metrics expected in the medium and long term (in 2027, in 2030 and in the terminal year[123]), by applying discount factors[124].

3.3.5.3. Multiple applications to Believe

The EBITDA - Capex multiples applied to Believe range from **8.1x** (2030 metric) to **52.5x** (2024 metric):

EBITDA - Capex multiples

Peers	xEBITDA - Capex 2024	2025	2026	2027	2030 (*)
Universal Music Group	21.7x	19.0x	17.0x	15.4x	
Spotify	47.5x	30.4x	22.0x	17.5x	
Tencent Music Entertainment	13.7x	11.4x	10.2x	9.6x	
Warner Music Group	16.5x	15.3x	13.8x	12.4x	
Mean Peers	**24.9x**	**19.0x**	**15.8x**	**13.7x**	**15.8x**
Adjustment factors					
Growth differential	2.64x	1.91x	1.65x	1.52x	n.a.
Size differential	0.80x	0.80x	0.80x	0.80x	0.80x
Discount factor	n.a.	n.a.	n.a.	n.a.	0.65x
Multiple applied to Believe	52.5x	29.0x	20.8x	16.7x	8.1x

(*) For Believe's 2030 metrics, the average 2026 multiple of the Peers has been used. A discount factor has been applied to take account of the time lag.

Source: Bloomberg, Ledouble analysis

Before discounting, we applied multiples of between **0.7x and 2.0x** to Believe's forecast sales, determined as follows:

Sales multiples

Peers	2024	2027		2030		Terminal year	
Universal Music Group	4.3x						
Spotify	2.6x						
Tencent Music Entertainment	3.4x						
Warner Music Group	3.3x						
Mean Peers (*)	3.4x	3.4x		3.4x		3.4x	
Adjustment factors							
External growth		w/o	with	w/o	with	w/o	with
Profitability differential		0.20x	n.a.	0.34x	0.45x	0.45x	0.57x
Multiple applied to Believe before discounting		0.7x		1.2x	1.5x	1.5x	2.0x
Discount factor		0.68x	n.a.	0.49x	0.49x	0.26x	0.26x
Multiple applied to Believe after discounting		0.5x		0.6x	0.8x	0.4x	0.5x

(*) The average 2024 Peers multiples was used. Adjustment factors were then applied to take into account the profitability differential and the time lag.
Source: Bloomberg, Ledouble analysis

122 All other things being equal, we assume that an A company that is twice as profitable as a B company is valued on the basis of a sales multiple that is twice as high.
123 Terminal-year sales are positioned in 2036.
124 The discount factors take into account the time lag between the Peers consensus (2024) and the Believe metrics to which the multiples are applied (2027, 2030 and terminal-year sales). The factors were determined using the 11.5% discount rate corresponding to our estimate of Believe's cost of capital (§ 3.3.4.4).

The low multiple of 0.7x implies that the Group will not succeed in improving its profitability beyond the targets it has set itself for 2027. The high multiple of 2.0x, on the other hand, assumes that it will succeed in reaching its target Adjusted EBITDA margin of 15%.

3.3.5.4. Summary of valuation by public Peers

The relative value of the Share based on public Peers ranges from:

- **€13.2** to **€14.6** for EBITDA - Capex 2024^e to 2027^e multiples;
- **€16.9** to **€19.5** for EBITDA - Capex 2030^e multiples, it being specified that the bottom and top of the value range are determined respectively before and after the impact of future external growth operations;
- **€10.4** to **€20.3** for sales multiples, it being specified that:
  - this method was used for cross-checking purposes;
  - the bottom of the range corresponds to the value obtained by applying the Peers multiples to Believe's 2027 sales[125];
  - applying the multiples to Believe's 2030 sales results in a value per Share of between €16.9 and €19.1[126];
  - the application of multiples to terminal-year sales leads to a value per Share of between €17.7 and €20.3[127].

3.3.6. Relative valuation based on precedent transactions

We have also valued the Share by reference to recent transactions in the music distribution and artist and label services markets (the "**Comparable Transactions**"), presented in **Appendix 9**.

In the absence of sufficient information to determine EBITDA - Capex multiples, we have valued the Group using the average EBITDA multiples derived from Comparable Transactions.

Our sample of Comparable Transactions generates an average EBITDA multiple of 21.6x, which we have applied to the Group's 2023 and 2024 metrics[128] , without adjusting for the impact of any control premiums that may have been granted as part of the transactions.

On this basis, the relative value of the Share through Comparable Transactions falls within a value range of:

- **€8.8** to **€11.0** based on 2023 metrics;
- **€11.6** to **€14.1** based on 2024^e metrics;

[125] Excluding M&A growth.
[126] Before and after external growth transactions respectively.
[127] Before and after external growth transactions respectively.
[128] As we are unable to determine whether the transactional multiples have been calculated before or after the impact of rental payments, we have applied the multiples to Believe's metrics, before and after rental payments. In addition, in the same way as for the relative valuation based on the Peers' multiples, we have:
- taken the share-based payments into account;
- neutralized the share of net income from equity-accounted companies.

We have also reviewed the EBITDA multiples generated by recent transactions within the Group. Applying the resulting average multiple would lead to a Share value below the above-mentioned range.

3.4. Analysis of the position of the Share value in relation to the IPO Price

In this section, we analyze how our estimate of the Share's value compares with the initial public offering price of €19.5.

We note that the Offer Price and our estimate of the central value of the Share according to the intrinsic valuation method, i.e. €17.2, are lower than the IPO Price, despite the fact that Management stressed, at the time of the announcement of the Offer, that "*since being a public company, Believe has systematically outperformed its objectives, delivering its IPO plan two years ahead of schedule*"[129].

First, we remind that:

- the public offering took the form of an open price offer, with the IPO price at the lower end of the indicative range, which had been set at between €19.50 and €22.50 per Share;
- the indicative price range was set by the Board of Directors at its meeting on May 31, 2021, in the light of market conditions prevailing at the date of its decision;
- the indicative price range is usually determined on the basis of a set of criteria, including meetings with the financial community in the form of roadshows;
- in an open price offer, the IPO price also depends on the order book when the shares are admitted to trading.

We also remind that:

- the market environment and macro-economic indicators have changed since the IPO;
- many technology stocks have suffered stock market corrections (§ 3.3.1.1).

In this respect, we note that the Offer Price is higher than the Benchmark Index rebased on the IPO Price[130]. However, as Believe's characteristics are not identical to those of the companies making up the Benchmark Index[131] , we have examined the positioning of the IPO Price by reference to the intrinsic value of the Share.

Based on our diligences, we note that:

- the intrinsic valuation of the Share, which was carried out by banks as part of the IPO process, used analysts' forecasts covering the period 2021-2030, based on certain elements of Management guidance[132] (the "**Analysts Trajectory**");

[129] Extract from the Company's press release dated February 12, 2024.
[130] On June 9, 2021, the Benchmark Index stood at 1,699 points. On the date of the announcement of the proposed Offer, the Benchmark Index stood at 1,135 points, down 33%.
[131] The Offer Price is lower than other benchmark stock market index rebased on the IPO Price, such as the Eurostoxx 600 index used as a benchmark by the Company as part of its share-based compensation policy.
[132] Management had only provided forecasts up to 2025.

- discounting the cash flow forecasts set out in the Analysts Trajectory, using technical parameters determined by us[133], would lead us to a value within the IPO indicative price range of €19.5 to €22.5;

- in the absence of any change in the Analysts Trajectory, the discounted cash flow from 2024, with our estimate of the current cost of capital, would lead to an increase in the value of the Share;

- our central estimate of the Share's value, €17.2, implies a value decrease since the IPO.

This decrease is the result of taking into account the current Business Plan, which reflects Management's vision up to 2030, being reminded that we consider that this plan reflects a voluntarist vision and enables us to capture Believe's value potential over the medium and long term (§ 3.3.4.2).

Although it is difficult to isolate and quantify the various factors driving down the value[134] , we note in particular that the Analysts Trajectory:

- expected external growth investments in the near future significantly higher than those actually made by the Group, with a faster return on investment;

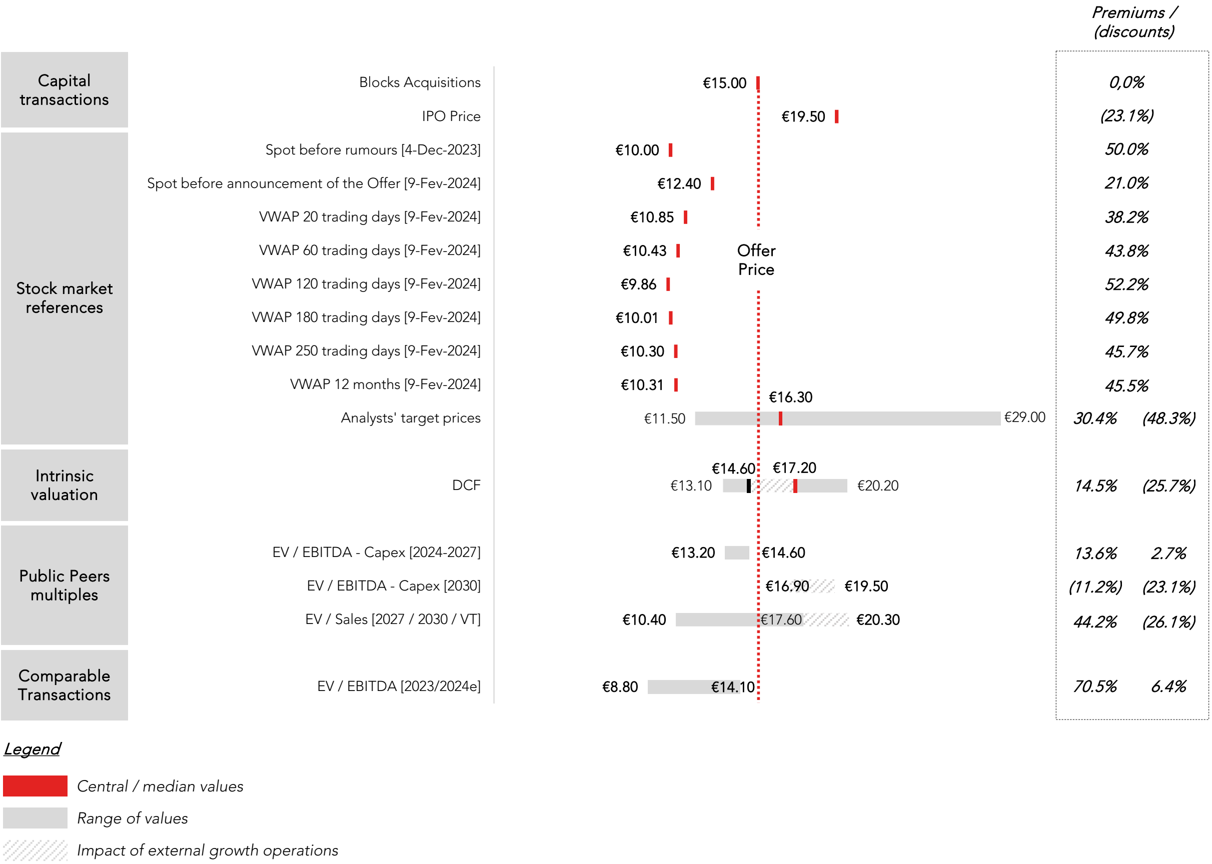
- did not anticipate the significant increase in WCR expected by Management, due in particular to the change in the business mix and the strategy implemented in terms of advances to artists and labels;

- did not take into account the impact of share-based payments, the cost of which is excluded from the Adjusted EBITDA margin historically reported by the Group.

[133] We have estimated the discount rate we would have used at the time of the IPO, using the same methodology as that employed to estimate Believe's current cost of capital.
[134] Particularly in view of the lack of an independent appraisal at the time of the IPO to value the Share.

3.5. Summary of the Multicriteria Valuation

The values obtained at the end of the Multicriteria Valuation are summarized in the graph below, which also shows the level of premiums or discounts implied by the Offer Price of **€15.0**, on all the references and valuation methods we examined and implemented:



The Offer Price proposed to Minority Shareholders, lower than the IPO Price, corresponds to the price of the Blocks Acquisitions.

The Blocks Acquisitions followed a process led by Denis Ladegaillerie and TCV to find an investor with a view to forming the Consortium. As part of this process, no investor has made a binding or non-binding offer at a price higher than the Offer Price. We also remind that, following its due diligence, WMG decided not to submit an offer.

The Multicriteria Valuation is based on Management's Business Plan, which reflects objectives that we consider voluntarist, and which captures Believe's long-term value potential, by integrating its development prospects in a rapidly changing music market (§ 2.2).

We note that the Offer Price externalizes:

- significant premiums on the Share price over the twelve months preceding the announcement of the Offer, ranging from 21.0% to 52.2%, depending on the dates and periods of observation;
- an 8.0% discount to the median analysts' target price observed prior to the announcement of the Offer;

- a 12.8% discount to our estimate of the central value of the Share including the impact of external growth transactions, and a 2.7% premium to the central value of the Share without taking into account the external growth contribution. We remind you that:
  - given the Company's high-growth profile, the present value of the Share is particularly sensitive to the discounting parameters and forecasting assumptions used;
  - our discount rate does not include any specific risk premium that might have been applicable given the voluntarist nature of the Business Plan;
- premiums of between 2.7% and 44.2% on relative values based on stock market multiples that we have applied to the performance expected by Management over the short and medium term, taking into account the growth and profitability differential between Believe and its Peers;
- discounts of between 11.2% and 26.1% on relative values determined by reference to Management's expected long-term performance between 2030 and 2035;
- premiums of between 6.4% and 70.5% on values derived from Comparable Transactions.

Given the Company's profile, and its policy of organic and external growth involving significant investment in the short and medium term, the value of the Share is based on the Group's ability to achieve its long-term objectives. The current value of the Share is therefore particularly sensitive to discounting parameters and assumptions, notably in terms of target profitability.

4. Analysis of the valuation works carried-out by the Presenting Institutions

We have analyzed the valuation work carried out by Goldman Sachs and BNP Paribas in their capacity as Presenting Institutions of the Offer, a summary of which is set out in the Draft Information Memorandum.

The main convergences or divergences observed in the choice of references and valuation methods, and in their implementation, can be summarized as follows.

4.1. Stock market references

Stock market references have been examined by Ledouble and the Presenting Institutions over overlapping observation periods.

The difference in the median target price results from the Presenting Institutions' exclusion of the target price published by UBS, given its earlier date of publication.

4.2. Reference to the IPO Price

In order to assess the Offer Price, we have examined the positioning of the Share's value in relation to the IPO Price (§ 3.4).

The elements of assessment of the Offer Price presented by the Presenting Institutions in the Draft Information Memorandum do not include a similar analysis.

4.3. DCF intrinsic value

The Presenting Institutions have applied the DCF method based on Management forecasts.

However, our estimate of the Share's central value of **€17.2**[135] is far from their estimate of **€10.1**. This difference of €7.1 results from[136]:

- the choice of discounting parameters, the Presenting Institutions having estimated the cost of capital at 12.8%, i.e. an increase of around 130 basis points compared with our estimate (€3.5)[137];
- the extrapolation by Ledouble of the forecast cash flows in the Business Plan over the period 2031-2035, the Presenting Institutions having calculated the terminal value on the basis of the 2030 cash flow positioned at the end of the Explicit Period (€2.3);
- the consideration by the Presenting Institutions of an estimate made by the Consortium of additional costs relating to consultancy fees and the integration of acquired companies, not included in the Business Plan (€0.7);
- miscellaneous adjustments on both sides (€0.6), notably in the transition from Enterprise Value to equity value.

[135] Including the impact of the external growth operations on the Share value.
[136] The breakdown of the difference is based on our estimates and is therefore given for information purposes only.
[137] Presenting Institutions have also used discounting periods that differ slightly from our own.

4.3.1. Relative valuation based on Peers multiples

The Presenting Institutions estimated the value of the Share using this method at between **€4.7** and **€10.2**, well below our values of between **€10.4 and €20,3**.

The differences are mainly due to:

- the fact that the Presenting Institutions have applied stock market multiples to metrics expected in the short term by Management (2024 and 2025), while we have extended the analysis to performance expected in the medium and long term (2026 to 2035);

- the adjustments we have made to take account of Believe's specific features, in particular its growth prospects and the expected effects of scale[138].

In addition to the UMG and WMG companies included in the Presenting Institutions' panel, our sample of Peers includes Spotify and Tencent Music Entertainment, which are among the leading players in the streaming sector and offer growth prospects similar to those of Believe. The average multiples observed in our sample are comparatively higher than those obtained by the Presenting Institutions.

4.3.2. Relative valuation based on Comparable Transactions

The Presenting Institutions have estimated the value of the Share using this method at between **€6.2** and **€10.3**, below our value range of between **€8.8** and **€14.1**.

The samples of the Presenting Institutions and Ledouble include common transactions[139]. The value differences are essentially due to the fact that the Presenting Institutions have applied transactional multiples:

- to EBITDA margin less rents ("pre-IFRS 16" metrics), while we have applied them to pre- and post-IFRS 16 metrics;

- to 2023 metrics, while we have extended the analysis by also applying them to the margin expected in 2024.

[138] In particular, we adjusted the multiples to take account of the growth differential and normalized Capex for the calculation of EBITDA - Capex margin, considering that Believe's short- and medium-term investment efforts supported longer-term growth and value creation. The Presenting Institutions have not made any such adjustments.
[139] In addition to the transactions selected by the Presenting Institutions, we have included the acquisition of the US independent music company Reservoir Media Management, which took place in 2021 (**Appendix 9**). On the other hand, we did not include the acquisition of SESAC, which took place in 2017, as we analyzed transactions over the period 2018 to 2024; this latter transaction generates a multiple at the lower end of the range.

4.4. Summary of value comparison

The summary of our respective results is set out below:

Comparison with the Presenting Institutions

€/Share	Ledouble			Presenting Institutions		
	Min	Central	Max	Min	Central	Max
Capital Transactions						
Blocks Acquisitions		15.00			15.00	
IPO Price		19.50			n.c.	
Stock market references						
Spot Share price as of 4 December, 2023		10.00			10.00	
Spot Share price as of 9 February, 2024		12.40			12.40	
VWAP 20 trading days		10.85			n.c.	
VWAP 30 trading days		n.c.			10.43	
VWAP 60 trading days		10.43			n.c.	
VWAP 120 trading days		9.86			9.86	
VWAP 180 trading days		10.01			10.01	
VWAP 250 trading days		10.30			n.c.	
VWAP 12 months		10.31			n.c.	
12 months low		n.c.			7.95	
12 months high		n.c.			12.44	
Target prices	11.50	16.30	29.00	11.50	15.50	29.00
Intrinsinc valuation						
DCF	13.10	17.20	20.20	8.71	10.06	11.75
Relative valuations						
Peers multiples						
EV / EBITDA - Capex [2024-2027]	13.20		14.60	4.69		10.24
EV / EBITDA - Capex [2030]	16.90		19.50	n.c.		n.c.
EV / Sales [2027 / 2030 / TV]	10.40		20.30	n.c.		n.c.
Comparable Transactions						
EV / EBITDA [2023 / 2024e]	8.80		14.10	6.21	8.57	10.34

5. Analysis of Related Agreements and Transactions

On the basis of the Draft Information Memorandum and the information provided to us in the course of our engagement, we have identified the following Related Agreements and Transactions:

- Consortium and Investment Agreement, concluded to govern the terms and conditions of cooperation between Consortium members in connection with the Offer (§ 5.1);
- Draft shareholders' agreement (§ 5.2);
- Blocks Acquisitions (§ 5.3);
- Commitments by shareholders to tender their Shares to the Offer (§ 5.4).

5.1. Consortium and Investment Agreement

The purpose of the Consortium and Investment Agreement is to govern the terms and conditions of cooperation between the members of the Consortium in connection with the Offer.

This agreement provides:

- the main terms and conditions of the Offer;
- some usual undertakings of the parties to facilitate completion of the Operation;
- the terms and conditions for financing the Operation[140];
- a commitment by the parties to enter into a shareholders' agreement (§ 5.2);
- the completion of the Blocks Acquisitions (§ 5.3).

Based on our review of the Consortium and Investment Agreement and its draft amendment, we have not identified any provisions prejudicial to the interests of the Minority Shareholders.

5.2. Draft shareholders' agreement

The parties to the Consortium and Investment Agreement have agreed to enter into a shareholders' agreement in accordance with the terms and conditions summarized in a document attached to the Consortium and Investment Agreement (the "**Co-Investment Term Sheet**").

The Co-Investment Term Sheet includes:

- governance provisions;

[140] The acquisition of Shares under the Offer will be financed by Luxcos TCV and EQT by means of interest-free loans to be subsequently capitalized. Luxcos TCV and EQT will invest *pari passu* so that they will hold the same classes of BidCo securities and in the same proportions (§ 1.3).

- rules governing the transfer and subsequent sale of the Offeror's shares, using standard mechanisms[141].

Based on our review of the Co-Investment Term Sheet, we have not identified any provisions prejudicial to the interests of the Minority Shareholders.

5.3. Blocks Acquisitions

The conditions under which Blocks Acquisitions will be carried out are detailed in:

- the share purchase agreements entered into on February 11, 2024 by TCV Luxco BD, Ventech and XAnge, as transferors, and Upbeat MidCo[142] , as purchaser;

- the draft share purchase agreement to be entered into between Denis Ladegaillerie, as seller, and BidCo, as purchaser (together, the "**Share Purchase Agreements**").

Based on our review of the Share Purchase Agreements, we have not identified any provisions prejudicial to the interests of the Minority Shareholders, the Blocks Acquisitions being carried out at a price of €15 per Share corresponding to the Offer Price.

In addition, we have taken note of the draft contribution agreement to be entered into between Denis Ladegaillerie and the Offeror. The contribution of the Shares, which will take place on the date of payment of the price of the Blocks Acquisitions, should be made at the Offer Price and remunerated by ordinary shares issued by the Offeror valued by transparency with the Offer Price.

5.4. Commitments to tender to the Offer

On February 11, 2024, certain shareholders agreed with the Offeror to tender their Shares to the Offer, representing a maximum of approximately 3.0% of the Company's share capital.

5.5. Summary of analysis of the Related Agreements and Transactions

Based on our analysis of the Related Agreements and Transactions, we consider that they do not affect our assessment of the Offer Price fairness.

[141] The Co-Investment Term Sheet includes a lock-up period, joint exit rights and obligations, and exit clauses.
[142] Substituted by BidCo.

6. Comments from Minority Shareholders

We relayed the press release announcing Ledouble's appointment as Independent Expert as of February 12, 2024 on our website.

We received verbal and e-mail comments from a minority shareholder who wished to remain anonymous. We have examined and assessed, in the light of the financial terms of the Offer, the financial arguments brought to our attention.

The matters brought to our attention, which concern the Mission and are likely to have an impact on our assessment of the financial terms of the Offer, are set out below together with our responses:

- Consideration of market outlook: our valuation work and our assessment of the Share's value are notably based on our analysis of the Group's economic and market outlook (§ 2.2). At the end of our due diligence and as indicated on several occasions (§ 3.3.4.2 and 3.5), we are of the opinion that the Business Plan, which underlies the Multicriteria Valuation, reflects a voluntarist vision and captures Believe's value potential in the medium and long term, by reflecting the Group's ambitious development objectives. We have also made adjustments to the relative valuations in order to take into account Believe's development prospects in all our valuation methods (§ 3.3.5.2).

- Favorable trends for streaming players: we have incorporated the trends observed in the streaming market into our analysis and assessment of the Share's value, and in particular the growth prospects that benefit to the main players in the market, including with the tariff increases deployed in certain zones (§ 2.2 and 2.4). We also remind that our sample of Peers includes Spotify and Tencent Music Entertainment (§ 3.3.5).

- Group performance since IPO: we have reviewed the Group's historical performance (§ 2.3) and found that it has achieved ahead of schedule several of the objectives it set itself at the time of the IPO, particularly in terms of organic growth. On the other hand, we note that the Group is behind schedule for the deployment of its external growth strategy (§ 2.4). Given the Group's performance since its IPO, we have not taken into account any specific execution risks, despite the voluntarist nature of the Business Plan and changes in Believe's competitive environment (§ 2.4 and 3.3.4.6).

- Sales multiples: for cross-checking purposes, we have applied a valuation approach based on sales multiples, taking into account both the Group's growth prospects and its potential to improve profitability (§ 3.3.5.2). We point out, however, that Believe's long-term profitability prospects are significantly lower than those of the majors.

- Founder's reinvestment arrangements: we have not identified any arrangements prejudicial to the interests of Minority Shareholders in the context of our review of the Related Agreements and Transactions existing at the issue date of our Report and brought to our attention (§ 5).

The minority shareholder also asked us about:

- the potential synergies that a "strategic" industrial acquirer would be willing to provide, emphasizing that the search for an investor to form the Consortium had been conducted exclusively with financial profiles;

- potential financial synergies that an investment fund could generate, particularly in the event of favorable access to financing for the Group's external growth strategy;

- the impact on the Minority Shareholders situation of a possible change of control following the Offer.

Pursuant to AMF instruction no. 2006-08[143] , the Independent Expert examines any anticipated synergies in the context of the Offer when these are quantified. In the present case, the Offeror does not anticipate cost or revenue synergies (§ 1.5).

We also remind that:

- our assessment of the Offer Price takes into account the context of the Offer, the regulatory basis for our appointment and all the analyses carried out and set out in the Report;

- we spoke to WMG, a strategic player who expressed an interest in Believe, but then decided not to submit an offer following its due diligence. We have also taken into consideration the information brought to our attention concerning its decision not to submit an offer (§ 3.3.2).

We have not received any other letters or e-mails from Minority Shareholders, nor have we been informed of any by Management or the AMF.

[143] "Fairness opinion".

7. Summary

In accordance with the scope of the Independent Expert's Mission (§ 1.6.1), we have verified:

- the fairness of the financial terms of the Offer, with regard to the value of the Share resulting from the Multicriteria Valuation;
- the absence of provisions in the Related Agreements and Transactions that could be prejudicial to the interests of Minority Shareholders.

We remind you that we assess the Offer Price by reference to the financial conditions of the Offer and the valuation of the Share in the current circumstances, which, by definition, differ from the conditions under which Shareholders were able, on a case-by-case basis, to acquire their Shares.

The Offer Price is currently the best offer from a financial point of view, bearing in mind that:

- the Blocks Acquisitions were carried out following a search for an investor conducted among several investment funds with references in the music industry, none of the potential investors having made a binding or non-binding offer at a price higher than the Offer Price;
- on April 6, 2024, after carrying out due diligence, WMG decided not to submit an offer.

We believe that the Business Plan, which underpins the Multicriteria Evaluation, reflects a voluntarist vision and captures Believe's value potential over the medium and long term. The forecasts take into account the development prospects of the rapidly changing music market, and postulate the Group's ability to gain market share while improving profitability and accelerating the deployment of its external growth strategy. It also assumes the absence of any major contingencies, despite the existence of threats and risks that could slow down or compromise the achievement of its objectives.

Given Management's confidence in its ability to achieve the objectives set out in the Business Plan, and the performance achieved since the IPO, we have not taken into account any specific execution risks. We note, however, that given the strong growth phase in which the Company finds itself, which implies investment efforts in the short and medium term and improved profitability in the longer term, the present value of the Share is particularly sensitive to the discounting parameters and assumptions of the Business Plan, notably in terms of target profitability.

In addition, most of our value ranges include a significant contribution from future acquisitions to the current Share value, bearing in mind that these transactions, which involve specific risk factors, notably in terms of timing and integration, have not yet been initiated.

In our intrinsic valuation approach, the Offer Price represents a discount of 12.8% to the central value of the Share including the impact of external growth transactions, and a premium of 2.7% to the central value of the Share excluding external growth.

Our relative valuations have been implemented taking into account the specificities of the Group. Overall, the Offer Price implies premiums over values based on short- and medium-term forecast metrics, and discounts for values based on estimated long-term metrics, which nevertheless present a higher execution risk.

Lastly, the Offer Price shows significant premiums over the past twelve months' Share prices, ranging from 21.0% to 52.2%, depending on the dates and periods of observation.

We also note that:

- the proposed Offer presents the advantage, for Minority Shareholders, of obtaining a liquidity window at a price identical to that retained for the Blocks Acquisitions and with a significant premium compared with the stock market prices prior to the announcement of the Offer;

- progress over time and the achievement of the objectives set out in the Business Plan could result, all other things being equal, in a significant increase in Share value. Minority Shareholders who do not wish to tender their shares to the Offer will, however, remain exposed to risks that could also have a downward impact on Share value;

- after discussions with the Independent Expert and the Ad Hoc Committee, the Offeror has waived its request regarding the squeeze-out procedure, a decision that underlines our fairness opinion which is given in these circumstances;

- Minority Shareholders may choose to tender their shares to the Offer or remain shareholders of the Company.

The Related Agreements and Transactions have no impact on our assessment of the Offer Price fairness (§ 5).

We have responded to the comments made orally and by e-mail by a minority shareholder (§6).

8. Conclusion

In the light of all the elements of assessment described in our summary (§ 7), and following our valuation of the Share, we are in a position to conclude that the terms of the Offer are fair, from a financial point of view, to the Shareholders voluntarily tendering their shares to the Offer.

We have not identified any provisions in the Related Agreements and Transactions that might be prejudicial to the interests of the Shareholders whose securities are targeted by the Offer.

Paris, April 18, 2024

LEDOUBLE SAS

Agnès PINIOT	Romain DELAFONT
President - Partner	Partner

[O*nly the French version of the Report has been executed as this document is provided for information purposes only. Ledouble does not accept any responsibility in respect of this document*]

APPENDICES

APPENDIX 1: ENGAGEMENT LETTER

BELIEVE
Société anonyme au capital de 485 431,75 €
24, rue Toulouse Lautrec - 75017 Paris
481 625 853 RCS Paris
(la « **Société** »)

Cabinet Ledouble
8 rue Halévy
75009 Paris

Paris, le 12 avril 2024

Objet : Désignation du cabinet Ledouble en tant qu'expert indépendant dans le cadre du projet d'offre publique d'achat visant les actions Believe

Madame,

Dans le cadre du projet d'acquisition de blocs majoritaires qui serait suivi d'une offre publique d'achat (l' « **Offre** »), projet annoncé par le consortium formé de Monsieur Denis Ladegaillerie (président-directeur général de la Société), certains fonds gérés par TCV et le fonds EQT X, via une entité dédiée (l' « **Initiateur** »), l'Offre visant l'intégralité des actions de la Société qui ne seraient pas déjà détenues directement ou indirectement par l'Initiateur, le conseil d'administration de la Société (le « **Conseil d'Administration** ») a décidé de nommer, le 11 février 2024, sur recommandation du comité ad hoc constitué par le Conseil d'administration (le « **Comité ad hoc**[1] »), le cabinet Ledouble, dont vous êtes présidente, en qualité d'expert indépendant (l' « **Expert Indépendant** »).

Votre désignation est intervenue en application notamment des dispositions de l'article 261, I-2° et -4° du règlement général de l'Autorité des Marchés Financiers (ci-après le « **RGAMF** »).

Dans ce cadre, votre cabinet, représenté par Monsieur Romain Delafont (associé) et vous-même, a pour mission d'évaluer les actions de la Société et d'établir un rapport sur les conditions financières de l'Offre en application des dispositions susvisées du RGAMF.

Conformément à la proposition que vous avez transmise au Comité ad hoc le 31 janvier 2024 et à votre lettre de mission transmise à la Société en date du 19 mars 2024, les diligences mises en œuvre par votre cabinet dans le cadre de cette mission, engagée depuis le 11 février 2024, ont compris (et comprennent) notamment, conformément aux dispositions du RGAMF susvisées et de son instruction d'application n°2006-08 du 25 juillet 2006 relative à l'expertise indépendante (telle que modifiée), elle-même complétée des recommandations de l'AMF en date du 28 septembre 2006 (telle que modifiée) : la prise de connaissance du contexte et du corpus juridique de l'Offre, des activités et de l'environnement de la Société et, au terme d'un diagnostic à partir de ces informations, une valorisation multicritère de l'action Believe, ainsi qu'une analyse du prix de l'Offre par rapport aux résultats de cette évaluation. En application de ce qui précède, vous avez restitué (et vous continuerez à restituer) vos travaux au Comité ad hoc, au fur et à mesure, que vous le teniez informé d'éventuelles difficultés et que des réunions de travail ont été planifiées avec ledit Comité ad hoc.

Dans le cadre de cette mission, la Société a fourni (et fournira, pour les quelques éléments qui resteraient le cas échéant à fournir) à votre cabinet tous les documents nécessaires au bon accomplissement de ses travaux. Ces documents peuvent être considérés comme exacts et exhaustifs et ne feront pas l'objet de

[1] Le Comité ad hoc est constitué de Madame Orla Noonan, Fonds Stratégique de Participation (représenté par Madame Cécile Frot-Coutaz) et Madame Anne-France Laclide, membres indépendants du Conseil d'Administration.

1

vérification particulière.

Votre intervention s'inscrit dans le calendrier discuté avec vous, à savoir une remise de votre rapport prévue au cours de la semaine du 15 avril 2024, étant rappelé que vous aurez disposé, conformément à l'instruction de l'AMF 2006-07 du 28 septembre 2006 (telle que modifiée), d'un délai d'au moins 20 jours de négociation à compter de la réception des principaux documents que vous estimez nécessaires à l'élaboration de votre mission, pour réaliser votre mission jusqu'à la remise de votre rapport.

Nous restons à votre disposition et vous prions de croire, Madame, à notre considération distinguée.

Xavier Dumont

Believe
Représentée par Monsieur Xavier Dumont,
Directeur Général Adjoint en charge des
Finances et de la Stratégie, dûment autorisé

2

APPENDIX 2: WORK SCHEDULE AND REMUNERATION

Preliminary work

- Interviews with the Management, the Ad Hoc Committee members, the Advisors and the Presenting Institutions
- Analysis of the context of and the motives for the Offer
- Analysis of the setting terms of the Company's IPO Price
- Review of public information about the Company
- Market survey in connection with the Group's activities
- Examination of the historical evolution of the Share price since the IPO and of the notes published by the analysts covering the Share.
- Review of minutes of the Board of Directors and AGM meetings
- Analysis of the Group's historical performance and key events in recent years

Valuation work

- Interviews with the Management, the Ad Hoc Committee members, the Advisors and the Presenting Institutions
- Critical review of the Business Plan
- Setting of the Multicriteria Valuation parameters
- Analysis of the sector and financial information issued from our databases
- Selection of samples of public Peers and Comparable Transactions
- Multicriteria Valuation of the Share and sensitivity analysis
- Analysis of the position of the Share value in relation to the IPO Price
- Comparison of the Multicriteria Valuation results with those of the Presenting Institutions
- Analysis of the Related Agreements and Transactions
- Responses to comments made by a minority shareholder

Mission completion

- Interviews with Management, Ad Hoc Committee members, Advisors and Presenting Institutions
- Acknowledgement of the Draft Information Memorandum and the Draft Information Memorandum in Response
- Report writing
- Obtainment of letters of representation from Management and Consortium
- Mission administration and supervision

Fees

Ledouble's fees amounted to €305,760 exclusive of tax, corresponding to a total of 1,050 hours devoted to the Mission.

APPENDIX 3: MAIN STAGES OF THE MISSION

- February 2024
  - Appointment of the Independent Expert by the Board of Directors (February 11, 2024)
  - Analysis of the available public information about the Company
  - Preparing and sending document requests
  - Obtaining access to the data room
  - Meetings and discussions with Management, Advisors and Presenting Institutions
  - Meetings with the Ad Hoc Committee on the scope of the Mission, the modalities of its implementation and the approaches envisaged by the Independent Expert for the Multicriteria Valuation.
  - Market survey and analysis of the Group's historical performance
  - Start of the Multicriteria Valuation
  - Review of historical Share prices
  - Analysis of the IPO Price fixing
  - Critical review of forecasts prepared by Management
- March 2024
  - Continuation of Multicriteria Valuation
  - Meetings and discussions with Management, Advisors and Presenting Institutions
  - Meetings with the Ad Hoc Committee, focusing in particular on our findings and the impact of a potential squeeze-out procedure on our conclusion
  - Interview with WMG
  - Report writing
- April 2024
  - Waiver by the Consortium of its request for a squeeze-out procedure
  - Finalization of the Multicriteria Valuation on the basis of the latest available information and market data
  - Analysis of the Related Agreements and Transactions
  - Review of the valuation work carried-out by the Presenting Institutions to present the elements of assessment of the Offer Price in the Draft Information Memorandum
  - Examination of the Draft Information Memorandum and the Draft Information Memorandum in Response
  - Summary meeting with the Ad Hoc Committee
  - Draft report submitted to the Ad Hoc Committee
  - Independent review

APPENDIX 3: MAIN STAGES OF THE MISSION (continued)

- April 2024
  - Receipt of letters of representation
  - Report finalization
  - Presentation of the Report to the Ad Hoc Committee prior to the Board of Directors' meeting and prior to filing with the AMF of the Draft Information Memorandum and the Draft Information Memorandum in Response

APPENDIX 4: LEDOUBLE'S MAIN CONTACTS

Company

Denis LADEGAILLERIE	*Founder and Chief Executive Officer*
Xavier DUMONT	*Chief Financial and Strategy Officer*
Béatrice DUMURGIER	*Chief Operating Officer*
Romain VIVIEN	*Global Head of Music & President Europe*
Émilie MEGEL	*Head of Investor Relations*
Sophie DEBAY	*Corporate Development Director*
Tristan VILLEMIN	*Corporate Development Senior Manager*
Romain SOULARD	*Director, Reporting and Consolidation*

Ad Hoc Committee

Orla NOONAN	Chairman of the Ad Hoc Committee
Anne FRANCE LACLIDE-DROUIN	Member of the Ad Hoc Committee
Cécile FROT-COUTAZ	Member of the Ad Hoc Committee

Offeror

TCV

John DORAN	*General Partner*
Michael KALFAYAN	*Partner*
Marta SUAREZ	*Partner*

EQT

Nicolas BRUGÈRE	*Partner*
Michiel THIESSEN	*Managing Director*
Marie-Anne CAMILLERI	*Associate*

Financial Council and Ad Hoc Committee

Citi

Robin ROUSSEAU	*Head of EMEA M&A, Managing Director*
Pierre CASTAING	*Co-Head of M&A France, Managing Director*
Jean-Melchior de ROQUEFEUIL	*Director*
Charles MAISANT	*Vice President*
Aziz KOLSI	*Associate*
Amandine HÉRITIER	*Analyst*

APPENDIX 4: LEDOUBLE'S MAIN CONTACTS (continued)

Legal advice

Legal counsel to the Ad Hoc Committee - Gide Loyrette Nouel

- Olivier DIAZ — *Partner*
- Charles de REALS — *Partner*
- Apolline COUDERC — *Associate*
- Kathleen QUINARD — *Associate*

Legal counsel to the Offeror - Bredin Prat

- Olivier ASSANT — *Partner*
- Kate ROMAIN — *Partner*
- Florian BOUAZIZ — *Partner*
- Karine ANGEL — *Counsel*
- Marie CHARLET — *Associate*
- Constantin MATHEWS — *Associate*

Presenting establishments

Goldman Sachs

- Anne BIZIEN — *Managing Director*
- Thomas GAGNEZ — *Managing Director*
- Edouard PANIÉ — *Managing Director*
- Guillaume SCHLOEGEL — *Vice President*
- Victor DONSIMONI — *Associate*

BNP Paribas

- Nicolas SUDRE — *Managing Director & Head of Media M&A Advisory*
- Olivier RINAUDO — *Managing Director*
- Anne PORTELANCE — *Vice President*

Warner Music Group / Access Industries

- Robert KYNCL — *Chief Executive Officer (WMG)*
- Tim MATUSCH — *Executive Vice President of Strategy & Operations (WMG)*
- Guillaume d'HAUTEVILLE — *Executive Vice Chairman (Access Industries)*

Cleary Gottlieb Steen & Hamilton

- Pierre-Yves Chabert — *Partner*

Minority shareholder[144]

[144] The minority shareholder we met wished to remain anonymous.

APPENDIX 5: MAIN SOURCES OF INFORMATION USED

Offer documentation

- Minutes of the Board of Directors' meeting concerning the appointment of the Independent Expert
- Board minutes approving the Business Plan
- Letters of intent received as part of the investor search process led by Denis Ladegaillerie and TCV, with a view to forming the Consortium
- Draft Information Memorandum[145]
- Draft Information Memorandum in Response[146]
- Valuation work carried out by the Company's financial advisor
- Valuation report of the Presenting Institutions
- Related Agreements and Transactions

Believe documentation

General documentation

- Press releases
- Quarterly financial results publications

IPO documentation

- Registration document approved by the AMF on May 7, 2021 under number I.21-018
- Supplement to the registration document approved by the AMF on May 31, 2021 under number I.21-026
- Operation memorandum approved by the AMF on May 31, 2021 under number 21-191
- Valuation work carried-out by banks in April 2021[147]
- Analysts' notes published in connection with the IPO

Legal documentation

- Kbis extract
- Group organization chart
- Breakdown of capital and voting rights
- Minutes of the Board of Directors (2021 to 2024)
- Minutes of Annual General Meetings (2022 to 2023)

[145] Draft version dated April 18, 2024.
[146] Draft version dated April 18, 2024.
[147] Document entitled "*Project Nova - Update on investor marketing and valuation, April 2021*".

APPENDIX 5: MAIN SOURCES OF INFORMATION USED (continued)

Historical accounting and financial information

- Annual consolidated financial reports (2019 to 2023)
- Consolidated annual budgets (2021 to 2023)
- Consolidated financial statements by entity (2019 to 2023)
- Financial statements of equity-accounted companies[148]
- Details of 2022 and 2023 tax returns
- Details of the Group recognized and unrecognized tax loss carryforwards (December 31, 2023)

Forecast financial information

- Detailed Group Business Plan
- Business Plan presentation

Information about WMG's expression of interest

- Letter from WMG to the Board of Directors (February 21, 2024)
- Reply from the Ad Hoc Committee to WMG (February 25, 2024)
- Letter from WMG to the Board of Directors (February 27, 2024)
- Letter from WMG to the Ad Hoc Committee (March 2, 2024)
- Letter from WMG to the Independent Expert (March 12, 2024)
- Letter from the Chairperson of the AMF to the Chairman of the Ad Hoc Committee (March 22, 2024)
- Letter from WMG to the Chairman of the Ad Hoc Committee (April 6, 2024)

Other information

- Summary of acquisitions / disposals made by the Group since 2021 and terms / multiples of acquisitions
- Notes published by the analysts covering the Company's Share

> Press review

> Websites

Company

- Believe, https://www.believe.com

Peers

- Spotify, https://www.spotify.com
- Tencent Music Entertainment, https://www.tencentmusic.com
- Universal Music Group, https://www.universalmusic.fr

[148] To June 30, 2023.

APPENDIX 5: MAIN SOURCES OF INFORMATION USED (continued)

- Warner Music Group, https://www.warnermusic.fr

Other websites

- AMF, http://www.amf-france.org/
- Banque de France, https://www.banque-france.fr/
- Euronext, https://live.euronext.com/

Databases

- Bloomberg
- Mergermarket
- S&P Capital IQ
- Xerfi

APPENDIX 6: COMPOSITION OF THE LEDOUBLE TEAM

Ledouble is a firm specializing in financial appraisals. It has carried out numerous independent appraisal assignments, notably in connection with public offerings. The main independent appraisal and financial assignments carried out in this field over the most recent period (2019 to 2024) are listed in **Appendix 7**.

Ledouble is a founding member of the Association Professionnelle des Experts Indépendants (APEI), a professional association approved by the AMF in application of article 263-1 of its general regulation, and of the Société Française des évaluateurs (SFEV), and follows the ethical rules described on its website: http://www.ledouble.fr.

Members of the Ledouble team regularly carry out independent appraisal and valuation missions.

- **Agnès PINIOT, Partner, President of Ledouble**
  - Chartered accountant and statutory auditor
  - Expert to the Paris Court of Appeal
  - MSTCF, University of Paris IX - Dauphine
  - Honorary President of APEI
  - Member of SFEV
  - Member of the Compagnie Nationale des Commissaires aux Comptes (CNCC) Valuation, Contribution and Merger Commission
- **Romain DELAFONT, Partner**
  - Master 225 "Corporate Finance and Financial Engineering" from Université Paris IX - Dauphine
  - Diplôme Supérieur de Comptabilité et de Gestion (Higher Diploma in Accounting and Management)
  - Member of APEI
  - Member of SFEV
- **Jonathan NILLY, Director**
  - EM Lyon Business School - Specialized Master in Financial Engineering
  - École Nationale Supérieure des Mines de Douai - Master's Degree in Engineering
  - Diplôme Supérieur de Comptabilité et de Gestion (Higher Diploma in Accounting and Management)
  - Member of SFEV
- **Ambre AIDEMOY, Senior**
  - ISG International Business School - Grande École Program, Master of Finance
  - Heriot Watt University (UK) - MSc Finance & Management
- **Erwan BOBIN, Senior**
  - NEOMA Business School - Master in Corporate Finance

APPENDIX 6: COMPOSITION OF THE LEDOUBLE TEAM (continued)

- Olivier CRETTÉ, Partner, Independent Review
  - Chartered accountant and statutory auditor
  - Expert to the Paris Court of Appeal
  - EM Lyon, Doctor of Management Sciences
  - Member of APEI and SFEV
  - Vice-Chairman of the Commission des Normes Professionnelles of the Compagnie Nationale des Commissaires aux Comptes (CNCC) (French national auditing body)
  - Associate Professor at the Conservatoire National des Arts et Métiers (CNAM)

APPENDIX 7: INDEPENDENT APPRAISALS CARRIED-OUT BY LEDOUBLE

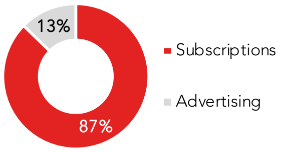
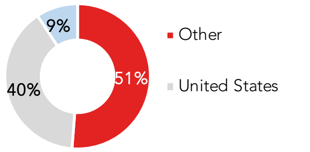
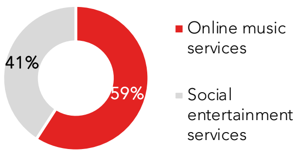
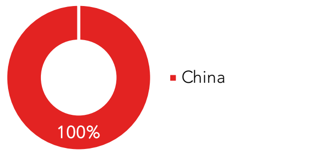
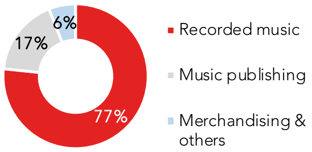
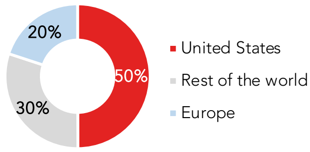
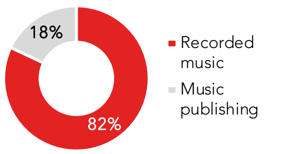
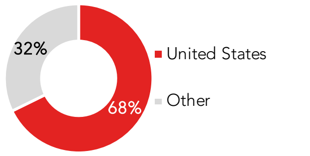
Independent appraisals

Year	Companies	Presenting Institutions
2024	FIEBM	Oddo BHF
2024	Accor	*
2023	Ober	Banque Delubac & Cie
2023	Colas	Portzamparc
2023	Kaufman & Broad	*
2023	FIEBM	Oddo BHF
2023	Technicolor Creative Studios	*
2023	UFF	Natixis
2022	Altur Investissement	Oddo BHF
2022	Linedata	Degroof Petercam
2022	Robertet	Lazard Frères Banque, Portzamparc - Groupe BNP Paribas
2022	Albioma	Société Générale
2022	CNP Assurances	Barclays Bank, Morgan Stanley, Natixis, BNP Paribas
2021	L'Oréal	*
2021	Europcar	Bank of America, BNP Paribas
2021	Baccarat	Mediobanca
2021	XPO Logistics Europe	Rothschild Martin Maurel
2021	Natixis	JP Morgan
2021	EPC Groupe	Natixis
2021	Selectirente	Natixis
2021	Spir Communication	Kepler Cheuvreux
2020	EasyVista	Natixis
2020	Lafuma	Société Générale
2020	Ingenico	BNP Paribas, Morgan Stanley, Natixis, Société Générale
2019	Terreis	Goldman Sachs Paris et Cie, Natixis
2019	MBWS	*
2019	Selectirente	Rothschild Martin Maurel
2019	Locindus	Natixis

** : Share buyback / Financial restructuring / Reserved capital increase*

APPENDIX 8: PRESENTATION OF PEERS

Description of peers

Peers	Description	Market capitalisation 3 months (€bn)*	Sales by activity	Sales by geography
Spotify	Nationality: Sweden Creation: 2006 Headcount: 9.100	48.6		
Tencent Music Entertainment	Nationality: China Creation: 2016 Headcount: 5.800	17.1		
Universal Music Group	Nationality: Netherlands Creation: 1934 Headcount: 10.100	49.6		
Warner Music Group	Nationality: United States Creation: 1929 Headcount: 5.900	15.9		

** As of 5 April, 2024.*

APPENDIX 9: PRESENTATION OF COMPARABLE TRANSACTIONS

Comparable Transactions

Date	Target company	EV/EBITDA
Sep-22	Kobalt Music Group	17.0x
Jun-21	Universal Music Group	23.5x
Apr-21	Reservoir Media Management	24.7x
Dec-19	Universal Music Group	23.7x
Jun-18	EMI Music Publishing	19.1x
Mean		21.6x

Source: Mergermarket, S&P Capital IQ, press

APPENDIX 10: QUALITY REVIEW PRINCIPLES

Article 3-12 of AMF Instruction 2006-08 stipulates that the appraisal report must include "*a description of the mission, role and due diligence performed by the person in charge of the quality review of the appraisal report, as well as a description of the guarantees of independence from which this person benefits*".

For the purpose of this Mission, the quality controller:

- was not directly involved in the realization of the Mission and acted in complete independence from the two signatories of the Report, as well as from the other members of the Ledouble team;

- was consulted when accepting the Mission on Ledouble's independence and its own independence;

- intervened to:
  - validate the structure of the Report and verify its consistency with the scope of the assignment as defined in the Company's engagement letter in **Appendix 1;**
  - examine the regulatory basis for designation;
  - ensure, in the context of the Mission, that the provisions of the AMF General Regulation, AMF Instruction 2006-07, AMF Instruction 2006-08 and AMF Recommendation 2006-15 are taken into account;
  - verify compliance with Ledouble's internal procedures for independent appraisal;
  - find out about the nature of the documentation used during the Mission;
  - question the signatories of the Report on the assumptions and parameters structuring the valuation of the Share, their assessment of the impact of the Related Agreements and Transactions, as well as the summary of their exchanges with Ledouble's interlocutors in **Appendix 4;**
  - examine the content of the summary files underlying the Multicriteria Valuation;
  - Follow up the formal drafting of the Report with the signatories, through the formalization of "questions and answers";
  - verify the consistency between the content of the Report and the Fairness Opinion.