

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

*This document is an unofficial English-language translation of the press release relating to the filing of the draft response document (projet de note en réponse) which was filed with the French Autorité des marchés financiers 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 press release, the official French press release shall prevail.*

**PRESS RELEASE ON APRIL 26, 2024, RELATING TO THE FILING OF THE DRAFT  
RESPONSE DOCUMENT PREPARED BY**

**believe®**

**IN RESPONSE TO THE SIMPLIFIED TENDER OFFER  
ON THE SHARES OF BELIEVE**

**INITIATED BY  
UPBEAT BIDCO**



This press release has been prepared by Believe and distributed in accordance with the provisions of article 231-26 of the General Regulations of the Autorité des marchés financiers (the "AMF") on April 26, 2024 (the "Press Release").

The draft Offer, the draft offer document (the "**Draft Offer Document**") and the draft response document (the "**Draft Response Document**") remain subject to review by the AMF.

The Draft Response Document, filed with the AMF on April 26, 2024, is available on the AMF's website ([www.amf-france.org](http://www.amf-france.org)) and Believe's website (<https://www.believe.com/fr/investisseurs/>), and is available free of charge to the public at Believe's registered office at 24 rue Toulouse Lautrec - 75017 Paris (Ile-de-France).

In accordance with article 231-28 of the General Regulation of the AMF, information concerning the legal, financial and accounting characteristics of Believe will be filed with the AMF and made available to the public, in the same way, no later than the day before the opening of the Offer.

A press release will be issued, no later than the day before the opening of the Offer, to inform the public of the procedures for making these documents available.

## **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 Section 6.5 of the Press Release).

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 Section 6.2 of the Press Release).

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<sup>1</sup>.

To the extent that, as a result of the Acquisitions (described in Sections 1.1.1 and 6.5 of the Press Release), the Offeror has exceeded the thresholds of 30% of the Company’s share capital 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:

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<sup>1</sup> 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 draft Offer, the Draft Offer Document and the Draft Response Document remain subject to review by the AMF*

- 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 Press Release) granted by the Company under the BSPCE Plans (as defined in Section 1.2.5 of the Press Release), *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 Press Release) granted by the Company under the Warrants Plans (as defined in Section 1.2.5 of the Press Release), *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 Press Release),

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 Press Release),

*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 Luxembourg, 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<sup>2</sup> (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%<sup>3</sup> 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 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 6.1 of the Press Release), 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<sup>4</sup> (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

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<sup>2</sup> On the basis of a total number of 97,161,351 Shares as of April 24, 2024.

<sup>3</sup> On the basis of a total number of 97,161,351 Shares as of April 24, 2024.

<sup>4</sup> On the basis of a total number of 97,161,351 Shares as of April 24, 2024.

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 Press Release.

### **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 6.1 and 6.2 of the Press Release, 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 Press Release).

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.

## **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 1.2.3 of the Press Release), *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 6.2 of the Press Release).

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<sup>5</sup>.

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 Press Release) granted by the Company under the BSPCE Plans (as defined in Section 1.2.5 of Press Release), *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 Press Release) granted by the Company under the Warrants Plans (as defined in Section 1.2.5 of Press Release), *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 Press Release),

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 Press Release),

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

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<sup>5</sup> 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).

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 :

<b>Plans</b>	<b>AP 2021</b>	<b>AP 2022</b>		<b>AP 2023</b>
<b>Date of the shareholders’ general meeting</b>	25 May 2021	25 May 2021	20 June 2022	16 June 2023
<b>Date of the Board of Directors’ decision</b>	15 September 2021	3 May 2022	9 December 2022	27 April 2023
<b>Vesting period</b>	3 years	3 years	3 years	3 years
<b>Vesting date</b>	15 September 2024	3 May 2025	9 December 2025	27 April 2026
<b>Early vesting date</b>	14 May 2024	N/A	N/A	N/A
<b>Performance conditions</b>	✓	✓	✓	✓
<b>Maximum number of allocated Shares</b>	784,543	790,298	113,333	1,264,347
<b>Number of shares cancelled or lapsed</b>	396,431	51,759	0	84,300

Plans	AP 2021	AP 2022		AP 2023
<b>Number of Shares to vest if the super performance condition is not met</b>	N/A	645,563	100,000	987,195
<b>Maximum number of Shares to vest in case of super performances</b>	N/A	738,539	113,333	1,180,047
<b>Number of Shares which will vest early</b>	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
<b>BSA 2016-1</b>	30 June 2016	31 December 2016	8.57 €	13,000	1,000	4.285 €	2,000	31 December 2026
<b>BSA 2016-2</b>	30 June 2016	30 June 2016	5.40 €	393,210	23,000	2.70 €	46,000	30 June 2026
<b>BSA 2018-1</b>	15 October 2018	19 October 2018	9.18 €	480,000	234,194	4.59 €	468,388	19 October 2028
<b>BSPCE 2012</b>	18 December 2012	7 November 2014	12.24 €	73,542	33,426	0.612 €	668,520	7 November 2024
<b>BSPCE 2016-1</b>	30 June 2016	30 June 2016	5.40 €	260,000	250,000	2.70 €	500,000	30 June 2026
<b>BSPCE 2016-2</b>	30 June 2016	30 June 2016	5.40 €	155,000	54,500	2.70 €	109,000	30 June 2026
<b>BSPCE 2018-1</b>	15 October 2018	19 October 2018	9.18 €	845,000	628,831	4.59 €	1,257,662	19 October 2028
<b>BSPCE 2019-1</b>	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 1.2.3 of the Press Release, 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](http://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](http://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](http://www.believe.com)) and of the AMF ([www.amf-france.org](http://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](http://www.amf-france.org)) and of the Company ([www.believe.com](http://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](http://www.amf-france.org)) and of the Company ([www.believe.com](http://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](http://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](http://www.believe.com)) and will thus be available to the U.S. Holders (as defined in Section 1.7 of the Press Release).

#### **1.7. 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](http://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 the 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 Press Release, 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\*;
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<sup>6</sup>.

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<sup>7</sup>, 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)<sup>8</sup>.

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

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<sup>6</sup> 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.

<sup>7</sup> In other words, its composition is identical to that of the Ad-Hoc Committee.

<sup>8</sup> The same applies to Mr. Nicolas Rose, observer.

*“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 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<sup>9</sup>.

*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)<sup>10</sup>.*

### **Main terms of the Offer and its context**

#### **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 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*

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<sup>9</sup> *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.*

<sup>10</sup> *The same goes for Mr. Nicolas Rose, observer.*

*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*

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

*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:*

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

- *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<sup>11</sup>.*

#### **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:*

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<sup>11</sup> 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.

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

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

*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.”*

### **Main comments received from shareholders in accordance with stock market regulations**

*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.”*

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

*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<sup>12</sup>.*

*The Ad Hoc Committee also notes that the Offer generates premiums ranging from 38.2% to 52.2% over the average share price<sup>13</sup>, and a 50% premium over the share price before rumors<sup>14</sup>, 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:*

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<sup>12</sup> After having had access to a " data room"

<sup>13</sup> Cf. p. 50 of the Independent Expert's report

<sup>14</sup> i.e. spot price on February 9, 2024. The premium over the spot price before the announcement (February 9, 2024) is 21%.

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

- *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 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<sup>15</sup>, 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;*

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<sup>15</sup> *i.e.* a composition identical to that of the Ad-Hoc Committee

- *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 Press Release:

- 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<sup>16</sup> within the Board of Directors), and Siparex XAnge (represented by Mr. Nicolas Rose<sup>17</sup> 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 intend to contribute to the Offer with the 150 Shares she holds;

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<sup>16</sup> 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.

<sup>17</sup> Mr. Nicolas Rose does not hold any Shares in his personal name.

- Mrs. Orla Noonan, independent Director, has announced that she does not intend to contribute to the Offer with the 5,000 Shares she holds<sup>18</sup>.

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<sup>19</sup>.

## **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 Press Release, 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 are described in Section 1.3.1 of the Draft Offer Document and 6.1 of the Draft Response Document.

### **6.2. Contribution Agreement**

As indicated in Section 6.1 of the Press Release, 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

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<sup>18</sup> 5.000 Shares held by Knightly Investments whose share capital is wholly owned by Orla Noonan.

<sup>19</sup> 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.

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 are described in Section 1.3.2 of the Draft Offer Document and Section 6.3 of the Draft Response Document.

### **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<sup>20</sup> 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<sup>21</sup> 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<sup>22</sup> 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.

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.

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<sup>20</sup> On the basis of a share capital comprising 97,161,351 Shares as of April 24, 2024.

<sup>21</sup> On the basis of a share capital comprising 97,161,351 Shares as of April 24, 2024.

<sup>22</sup> On the basis of a share capital comprising 97,161,351 Shares as of April 24, 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<sup>23</sup> 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 Sections 6.1 to 6.5 of the Press Release, the Offeror is not aware of any other agreement that could have an impact on the assessment or outcome of the Offer.

#### **7. 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.

The conclusions of the report, dated April 18, 2024, are reproduced hereinafter:

##### ***“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:*

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<sup>23</sup> On the basis of a total number of 97,161,351 Shares as of April 24, 2024.

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

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

*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.”*

### **8. TERMS AND CONDITIONS OF ACCESSIBILITY 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](http://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).

#### **Disclaimer**

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