

# FISCAL Q2

# 2023

# Earnings Snapshot



# Non-GAAP Financial Measures

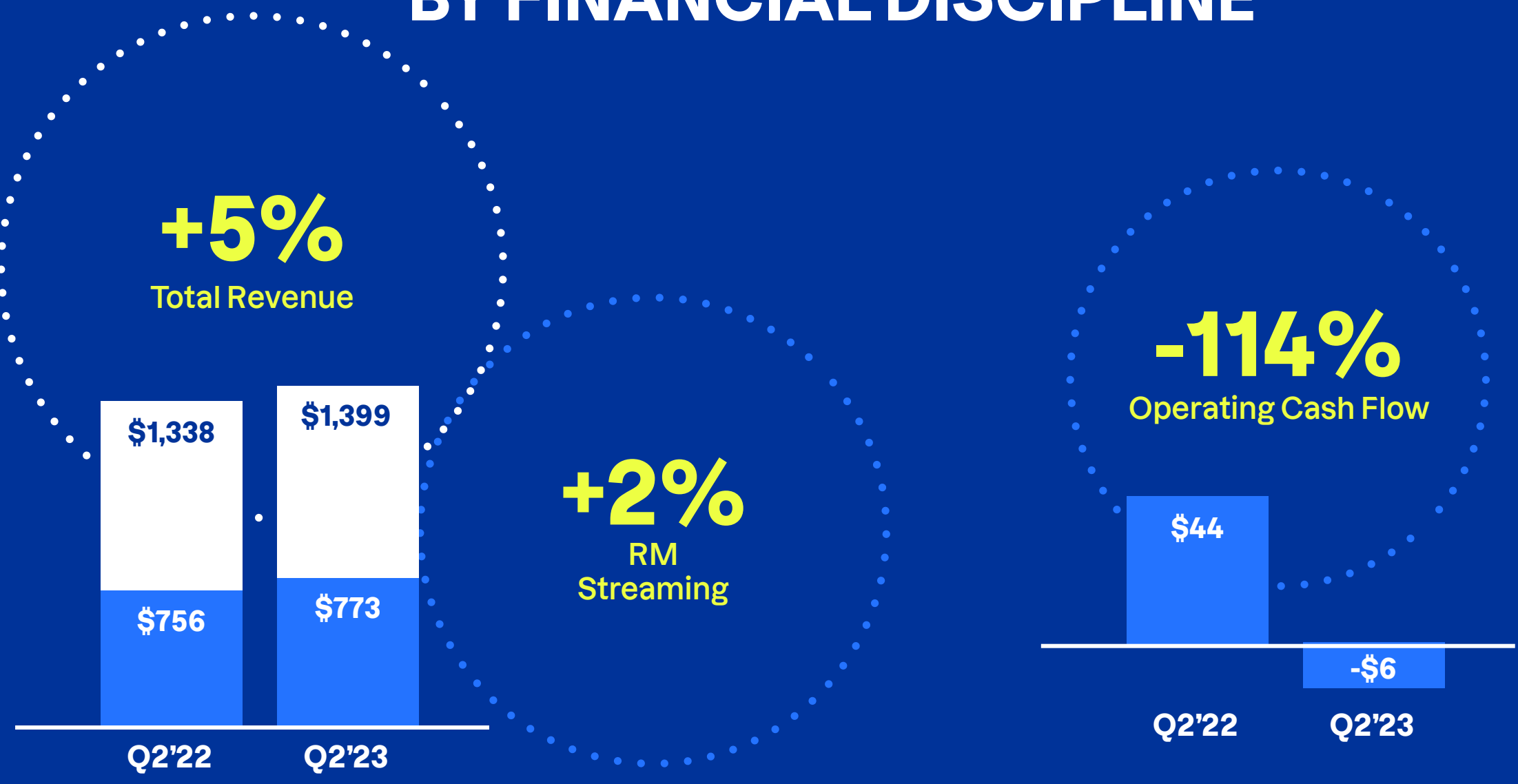
This presentation contains certain non-GAAP financial measures. We provide reconciliations to these non-GAAP financial measures to the most directly comparable GAAP financial measures in our earnings press release, which can be found on our website at [investors.wmg.com](https://investors.wmg.com).



**This presentation is a supplement to, and should be read in conjunction with, Warner Music Group's earnings release for the quarter ended March 31, 2023.**



# ADJUSTED OIBDA GROWTH AND MARGIN IMPROVEMENT UNDERPINNED BY FINANCIAL DISCIPLINE



# EXCITING LAUNCHES, PARTNERSHIPS & GEOGRAPHIC EXPANSION

- Signed exclusive worldwide distribution agreement with **Cross Ratio Entertainment**, Singapore's largest independent record label.
- Acquired majority stake in **Divo**, the largest digital media and music company in South India.
- Renewed partnership and invested in leading Czech Republic hip-hop label, **Mike Roft**.
- Partnered with **Limited Edition Music** to sign and develop emerging songwriters in a range of genres.
- Launched flagship electronic dance music label, **Major Recordings**.
- Launched Warner Records' Nashville-based label, **War Buddha Records** with Jaren Johnston and Neil Mason.
- Signed worldwide publishing agreement with **MZMC Inc. Korea Co., Ltd.**, a production and publishing company.
- Launched **Gorgona**, a Mexican label which will be completely run and managed by women.
- Launched WMX's new visual podcast series, **Iconic Records**.

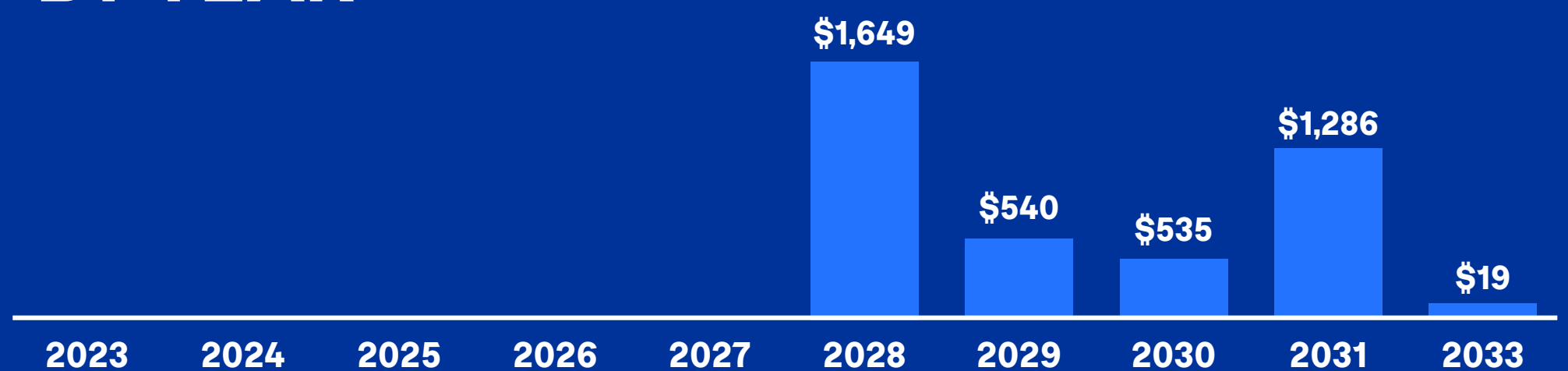
## BUSINESS UPDATES

- **Eric Levin, CFO**, will retire by the end of this calendar year. He is helping the company find a successor and will ensure a smooth transition.
- Announced 4% reduction in headcount that will yield annualized run-rate savings of \$49 million. A portion of the cost savings will be invested in initiatives and expertise in key areas to drive long-term growth.

## DEBT MATURITY BY YEAR

### Since IPO:

- Extended avg. debt maturity from ~5 years to ~6.5 years





# KEY METRICS



<b>+3%</b>	<b>+2%</b>	<b>-16%</b>	<b>+2%</b>	<b>+15%</b>	<b>+18%</b>	<b>+23%</b>	<b>+25%</b>
Revenue	Streaming Revenue	OIBDA	Adj. OIBDA	Revenue	Streaming Revenue	OIBDA	Adj. OIBDA

## RM SPOTLIGHT

ED SHEERAN



Single "Eyes Closed" #1 on UK Charts

AYA NAKAMURA



Claimed her first #1 album in France with "DNK"

PINKPANTHERESS



"Boy's a liar, Pt. 2" reached #1 on UK, US and Global charts

## MP SPOTLIGHT

ZACH BRYAN



Signed global publishing deal with Grammy Award-nominated Warner Records country singer/songwriter

RAYE



Scored her first #1 single in the UK with "Escapism"

MAG



Renewed global publishing deal with Grammy Award-winning Latin producer

## SOCIAL JUSTICE UPDATE

- **Warner Music Group / Blavatnik Family Foundation Social Justice Fund** announced additional grant recipients in the U.S. and Canada through its Repertoire Fund.
- This new set of grantees includes 51 organizations based in 14 states and three Canadian provinces and follows the announcement of **more than 20 Repertoire Fund partners** in Sub-Saharan Africa and Latin America.
- **Janelle Monáe** teamed up with Warner Music Group / Blavatnik Family Foundation Social Justice Fund to expand the programs of her non-profit, Fem the Future. The \$150,000 grant will serve as a pilot for longer-term collaboration between the two organizations.

