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I2PO and Deezer reached definitive agreement for a business combination to publicly list the leading global music streaming services platform

- A pioneer of innovation in the music streaming industry, Deezer is the second largest independent music streaming platform in the world, with 9.6 million subscribers, having generated revenue of €400 million in 2021
- Deezer, the “Home of Music” for fans and artists has developed a scalable and differentiated global platform, supported by its state-of-the-art product and successful hybrid B2B/B2C business model
- Transaction will value Deezer at a pre-money equity value of €1,050 million (on a fully diluted basis) corresponding to an enterprise value of approximately €1,075 million
- The combination with I2PO will be a catalyst for Deezer’s next stage of growth, with the ambition to achieve €1 billion revenue by 2025, and a clear path to operating profitability and positive cash-flow
- The combined company will benefit, on the date of completion of the merger, from the cash held by I2PO, notably in its IPO escrow account (after deduction of any redemption, as the case may be), and from the cash raised through a PIPE; with a total amount secured to date of €135 million (through PIPE and non-redemption undertaking) meeting the minimum cash condition to pursue the group’s growth strategy, regardless of final redemption rate
- PIPE subscribed by most of the existing shareholders of Deezer including Access Industries, UMG, Warner Music, Orange, Kingdom Holdings, Eurazeo and Xavier Niel, as well as a selected group of long-term French and international investors including Groupe Artémis, Bpifrance and Media Participations
- I2PO will be renamed Deezer upon completion of the combination

Paris, 18 April 2022 – I2PO (ISIN: FR0014004J15, Euronext Paris) (the “Company”), a Special Purpose Acquisition Company (SPAC), and Deezer, a leading global music and audio streaming platform, one of the earliest French unicorns and member of France’s Next40 index, today announced that they have entered into a definitive agreement for a business combination that would result in the combined entity, to be renamed Deezer becoming a publicly traded company on the professional segment (*Compartiment Professionnel*) of the regulated market of Euronext Paris.

This press release constitutes the IBC Notice mentioned in the IPO Prospectus and I2PO Articles of Association (as such terms are defined below).

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Iris Knobloch, Chairwoman of the Board of Directors and Chief Executive Officer of I2PO, commented: *"With its well-established brand, first-class management team and scalable platform, Deezer is poised to continue to capture a significant share in the booming music streaming growth. This is a perfect match and a transformational deal that will deliver long-term value creation for our shareholders as Deezer is a unique asset with considerable strategic avenues for future growth. With Deezer's hybrid B2B/B2C strategy to enter key international markets, its highly competitive technology and focus on ESG, we are confident that the company is well-positioned to disrupt and consolidate while providing a high-quality music streaming service to millions of users around the world."*

François-Henri Pinault, co-founder and Member of the Board of Directors of I2PO, declared: *"We launched the first European SPAC dedicated to entertainment and leisure with the ambition to take a European champion to new heights. In Deezer, we have found the ideal combination. I2PO brings an extensive international network and a complementary skill set to help develop Deezer as the leading independent music streaming platform through strong positions in selected key markets. We are excited to accompany one of the emblematic European tech leaders in its next chapter as a public company listed in Paris."*

Matthieu Pigasse, co-founder and Member of the Board of Directors of I2PO, added: *"Music is life. It is the only universal language. Where words fail, music speaks. As a longtime investor in the media and entertainment world and a customer of Deezer, I know first-hand that Deezer is the home of music, with the best experience possible and a unique potential. 'The future is unwritten' said Joe Strummer (The Clash). With Deezer, we're going to write together the future of music streaming, with a great team, fantastic tech capabilities, a differentiated business platform and an ability to scale."*

Guillaume d'Hauteville, Chairman of the Board of Deezer, said: *"Deezer has been accelerating its momentum substantially over the past months, reaching again double-digit growth in February. With the imminent launch of the RTL+ partnership in Germany, among other developments, the future of Deezer is brighter than ever. We chose to go public via a merger with I2PO as this route allowed us to review our future business plans and opportunities with an excellent team, increase our financial means, keep our strategic potential, and provide liquidity to our current and future shareholders. I would also like to thank all Deezer employees, its management team and historical shareholders led by Access Industries, for having allowed the company to become what it is today and for continuing to do so with further investments as part of this transaction. In addition, today's transaction is another landmark for Access Industries as we like to help our music and digital investments, such as Deezer, Spotify, Beats, Warner Music or DAZN, to name a few, grow and become references in their respective markets."*

Jeronimo Folgueira, Chief Executive Officer of Deezer, added: *"Today marks an important milestone in Deezer's history as we embark on a journey to become a publicly traded company on Euronext Paris. I am thrilled to partner with I2PO who will provide us with the expertise, the global network and the capital we need to execute our strategic plan. We are uniquely positioned on the growing music streaming industry, with a very competitive product, a clear strategy and an experienced and renewed management team to seize this opportunity and create substantial shareholder value."*

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The combination of Deezer and I2PO is a catalyst for growth acceleration and value creation

From a French tech start-up created in 2007 by Daniel Marhely, Deezer has become one of the earliest French unicorns and the second largest independent music streaming platform globally¹. With 9.6 million subscribers² and €400 million revenue for the year ended December 31, 2021, Deezer has solid foundations for continued growth in the booming music streaming market. Music streaming³ is indeed the fastest growing segment of the recorded music market, with retail revenue growing at a 28% compounded annual growth rate (“CAGR”) between 2016 and 2020, reaching a total addressable market of approximately \$22 billion in 2020. Subscribers are expected to continue to grow at a 10% CAGR between 2020 and 2027 with market size reaching \$41.6 billion, on the back of music streaming subscriber penetration increasing from 8% of worldwide population in 2020 to 14% in 2027.

Deezer intends to continue to grow directing its efforts towards large attractive markets through its partnership-first strategy and focusing on product innovation and brand differentiation around being the “Home of Music” connecting fans and artists around the world, all such initiatives being supported by data-driven and return-on-investment based operational excellence.

Bringing together Iris Knobloch's international industry network and operational expertise, Groupe Artémis' ability to launch world-class consumer brands and generate long-term value, along with Combat Holding's expertise in music and unrivalled track record in building leaders through M&A, I2PO provides a unique combination of talent and expertise and has pursued a unique acquisition strategy whereby Deezer meets all I2PO's designated investment criteria⁴.

The transaction with I2PO would value Deezer at a pre-money equity value of €1,050 million (on a fully diluted basis) estimated to represent an enterprise value of approximately €1,075 million⁵ and allow for significant value creation potential with compelling leverage in key areas:

- **Hybrid B2B/B2C strategy:** I2PO's international network with media and entertainment companies in the key target countries (US, UK, France, Germany, Canada, Italy and Spain) will provide Deezer with a strategic competitive advantage. Once merged into I2PO, Deezer will gain significant visibility in Europe and globally, further enhancing its capacity to continue executing its hybrid B2B/B2C strategy in new regions to win more customers globally. This strategy provides a cost-efficient entry into new markets to quickly gain market share and build brand equity, allowing for a transition to B2C expansion with optimized marketing investments.

¹ Based on latest number of subscribers published by MIDiA (as of June 21); excludes non-independent players part of larger conglomerates (Apple Music, Amazon Music, YouTube Music, Tencent Music and NetEase Music).

² Please refer to **Schedule 1** for detailed methodology.

³ Source: MIDiA Research Global Music Forecasts 2021 – 2028; retail revenue of subscription and audio ad-supported streaming.

⁴ See below on pages 8 and 9.

⁵ €424m bridge to enterprise value includes net cash position of €10m as at December 31, 2021 as per audited IFRS accounts, plus cash proceeds from transaction of €390m (net of estimated €35m transaction fees), plus €19m from exercising warrants, hence a pro forma net cash position of €419m, €6m of investments in equity affiliates, and €1m of provision for employee benefits net of tax (as at December 31, 2021 as per audited IFRS accounts).

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- **Product and brand marketing:** the founder team of I2PO will provide invaluable input to increase marketing efficiency and brand impact combining Iris Knobloch's experience of launching and marketing media brands and IP around the globe and the unique expertise of Groupe Artémis in developing and marketing global brands.
- **Content and music:** the founder team brings expertise, networks and knowledge with respect to content, culture and more specifically music. Combat Holding's investments in and understanding of the music industry, Iris Knobloch's deep knowledge of the content business and Groupe Artémis' expertise in arts and culture will bring tremendous upside to Deezer's strategy and decision process.
- **Strategic execution:** I2PO's founder team also provides an extensive experience in structuring, running and scaling operations globally to ensure growth strategy execution and operational excellence.
- **Funding:** the contemplated transaction will unlock the resources required by the combined entity to execute its business development strategy, marketing investments, technology and product roadmap, international expansion and ESG efforts

As such, I2PO's deep expertise and strong connections in the media and entertainment landscape are highly complementary with Deezer's hybrid B2B/B2C partnership-focused strategy. I2PO and Deezer's management teams have fully aligned ambitions for the next stage of growth to achieve approximately €1 billion revenue by 2025, leading Deezer to operational profitability and positive free cash-flow.

I2PO considers that Deezer fits perfectly within I2PO's designated set of investment criteria.

The PIPE transaction is subscribed by new strategic investors and by most of the existing Deezer shareholders

The combined company will benefit, on the date of completion of the Merger, from the cash held by I2PO, notably in its IPO escrow account (after deduction of any redemption amount from existing shareholders of I2PO, as the case may be), and from the cash raised through a PIPE. The total amount secured to date amounts to €135 million through PIPE and non-redemption undertaking. The PIPE will be subscribed by most of the existing shareholders of Deezer including Access Industries, UMG, Warner Music, Orange, Kingdom Holdings, Eurazeo and Xavier Niel as well as a select group of long-term French and international investors including Groupe Artémis, Bpifrance and Media Participations.

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Management of I2PO and Deezer will host an investor call at 12:30 pm CET on April 19, 2022, to discuss the proposed transaction.

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I2PO, the first SPAC in Europe dedicated to entertainment and leisure, which started trading on Euronext Paris on July 20, 2021, is announcing its Initial Business Combination (as such term is defined in the prospectus approved by the French *Autorité des marchés financiers* (“AMF”) on July 13, 2021 (the “**IPO Prospectus**”)) with Deezer, a leading global provider of music streaming services.

The Initial Business Combination (the “**IBC**”) would occur through a merger of Deezer, a French “*société anonyme*”, whose registered office is located at 24, rue de Calais, 75009 Paris, registered in the Paris Trade and Companies Register under number 511 716 573 (“**Deezer**”) into I2PO, with I2PO being the surviving entity following the merger (the “**Merger**”) and being renamed Deezer.

The ordinary shares to be issued by I2PO as consideration for the Merger will be listed and traded on the professional segment (*Compartiment Professionnel*) of the regulated market of Euronext Paris on the settlement and delivery date of the Merger. A prospectus will be prepared and submitted to the approval of the AMF in relation thereto (the “**Merger Prospectus**”).

In order to fund the cash requirements of I2PO following the Merger, I2PO will proceed with a share capital increase of a total amount (issuance premium included) of up to €150 million reserved to certain identified investors (the “**PIPE**” and together with the IBC, the “**Transaction**”), by way of issuance of up to 15 million new ordinary shares of I2PO expected to be issued at a subscription price of €10.00 per new ordinary share (the “**PIPE Shares**”). The PIPE Shares, once issued by I2PO, will be listed and traded on the professional segment (*Compartiment Professionnel*) of the regulated market of Euronext Paris on the settlement and delivery date of the PIPE. A prospectus will be prepared and submitted to the approval of the AMF in relation thereto (the “**Listing Prospectus**”). Completion of the PIPE is a condition precedent to the completion of the Merger.

(1) Presentation of Deezer

Deezer is a leading global provider of music streaming services, with a catalogue of more than 90 million tracks. Deezer provides millions of subscribers with access to music, as well as live radio, podcasts and audiobooks. Deezer’s users, in more than 180 countries, can stream audio content on the device of their choice, including smart speakers, voice assistants, smart watches, smart TVs, connected cars, smartphones, laptops, tablets and other wireless audio systems. Deezer markets and distributes its service offerings to consumers directly through its mobile application and website, www.deezer.com, and indirectly through B2B partnerships. Deezer’s partners include telecommunications, video streaming, cable television and other media companies, smart device manufacturers and other partners. In 2010, Deezer established a long-term partnership with Orange S.A., France’s largest telecom operator and, in 2016, Deezer entered into a partnership with TIM Celular S.A., one of the largest mobile and fixed telecommunications carriers in Brazil. Deezer also recently entered into a long-term partnership with RTL Interactive GmbH (“**RTL**”), Germany’s leading broadcast, content and digital media company.

Subscription streaming is the fastest growing segment of the recorded music market, with retail revenue growing at a 28% compounded CAGR between 2016 and 2020, reaching a total addressable market of approximately \$22.0 billion in 2020, of which \$0.9 billion in France and \$0.4 billion in Brazil. Subscribers are expected to continue to grow at a 10% CAGR between 2020 and 2027 with a market size reaching \$41.6 billion, on the back of music streaming subscriber penetration increasing from 8% of worldwide population in 2020 to 14% in 2027. Music streaming subscriber penetration is expected to increase, in France, from 18% in 2020 to 30% in 2027 and, in Brazil, from 10% in 2020 to 17% in 2027. Subscription streaming is expected to remain largely a concentrated market, with top ten countries

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estimated to represent around 75% of the total market revenue in 2027⁶. In addition to the audio streaming industry, music adjacent markets are expected to reach an estimated \$33.3 billion revenue in 2027, comprising \$17.9 billion from podcasts⁷ and audiobooks⁸, \$9.0 billion from meditation and sleep⁹ and \$6.4 billion from livestream ticketing¹⁰.

As the world's second largest independent music streaming providers¹¹ with a state-of-the-art product, leading technological and research capabilities, a unique partnership "DNA" and longstanding relationships within the music ecosystem, Deezer is ideally positioned to play a key role in the continued development of these addressable markets.

As of December 31, 2021, Deezer had 9.6 million total subscribers. This consists of 5.6 million Direct – B2C subscribers¹² (i.e., who subscribed directly to Deezer's service) and 3.9 million Indirect – B2B subscribers¹³ (i.e., who subscribed or obtained access to Deezer's service through one of Deezer partners). As of December 31, 2021, Deezer had 4.2 million subscribers in France and 2.7 million in Brazil with latest available market shares estimated at 29% in France and 17% in Brazil¹⁴.

Deezer had a strong start of the year in 2022 with revenue¹⁵ growth accelerating to 11.0% for the month ended February 28, 2022 (as compared to February 2021), after having grown by 7.8% for the month ended January 31, 2022 (as compared to January 2021). Revenue growth was largely driven by the performance of the Direct - B2C segment, having grown by 11.8% for the month ended February 28, 2022 (as compared to February 2021).

Deezer's IFRS Consolidated Revenue was €400.0 million for the year ended December 31, 2021, of which €242.6 million in France and €28.1 million in Brazil, representing 5.5% revenue growth compared to a Revenue of €379.2 million for the year ended December 31, 2020. Deezer's IFRS Gross Profit was €48.5 million for the year ended December 31, 2021 compared to a Gross Profit of €61.7 million for the year ended December 31, 2020. Deezer's IFRS Operating Loss was €120.6 million for

⁶ Source: MIDiA Research Global Music Forecasts 2021 – 2028; retail revenue of subscription and audio ad-supported streaming.

⁷ Source: Research Moz - Global Podcast Player Market Size, Status And Forecast 2021-2027.

⁸ Source: Grand View Research - Audiobooks Market Size, Share, Industry Report, 2020-2027.

⁹ Source: Data Bridge Market Research - Global Meditation Market – Industry Trends and Forecast to 2027.

¹⁰ Source: MIDiA - Virtual Concerts | A New Video Format.

¹¹ Based on latest number of subscribers published by MIDiA (as of June 21); excludes non-independent players part of larger conglomerates (Apple Music, Amazon Music, YouTube Music, Tencent Music and NetEase Music).

¹² Users that subscribed directly through Deezer's websites or mobile applications, which pay the subscription price directly to Deezer or through a third-party app store or carrier billing partner. Direct subscribers include all users that have completed registration and have activated a payment method, therefore including free trialists during their trial period. Direct subscribers include all registered accounts in a family plan. A family plan consists of one primary subscriber and up to five additional sub-accounts, allowing up to six subscribers per family plan. Direct subscribers also include subscribers in a grace period of up to 31 days after failing to pay their subscription fee.

¹³ Users that have access to Deezer's service through a distribution partner. It includes users in Standalone and Bundle offers. Standalone subscribers are recorded based on the number of provisioned accounts, namely the accounts on which a revenue is paid by the distribution partner. Bundle subscribers are recorded on a deal by deal basis depending on the contracts' arrangements, which can be based on either provisioned accounts, linked accounts or monthly active users. Indirect subscribers include free trialists during their trial period. Indirect subscribers also include all registered accounts in a family plan. A family plan consists of one primary subscriber and up to five additional sub-accounts, allowing up to six subscribers per family plan.

¹⁴ In terms of subscribers, source: MIDiA Music market subscriber shares 2021; as of Q2 2021.

¹⁵ Unaudited figures.

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the year ended December 31, 2021 compared to an Operating Loss of €88.3 million for the year ended December 31, 2020. Deezer's IFRS cash-flow pre-funding was €(47.5)¹⁶ million for the year ended December 31, 2021 compared to a cash-flow pre-funding of €(21.2)¹⁷ million for the year ended December 31, 2020.

Deezer's IFRS cash and cash equivalents amounted to €35 million as at December 31, 2021. In January 2021, Deezer entered into three state-guaranteed loans totalling €25 million with BNP Paribas, HSBC Continental Europe and Bpifrance. The loans were for an initial period of one year, which was extended for an additional period of five years, until January 2027, with capital repayment starting in April 2023. Deezer has no other financial indebtedness.

Deezer's management follows adjusted financial metrics that it estimates better reflect Deezer's recurring economic performance, notably Adjusted Gross Profit¹⁸ and Adjusted EBITDA¹⁹. Deezer's Adjusted Gross Profit was €84.1 million (or 21.0% margin) for the year ended December 31, 2021 compared to an Adjusted Gross Profit of €74.3 million (or 19.6% margin) for the year ended December 31, 2020. Deezer's Adjusted EBITDA was €(64.6) million for the year ended December 31, 2021 compared to an Adjusted EBITDA of €(58.2) million for the year ended December 31, 2020.

Deezer's growth strategy is based on the following four strategic pillars:

- **Focus on large markets:** Focus on selected, large music and audio streaming markets with consumers showing a strong willingness to pay for music streaming services and attractive economics in terms of acquisition costs, churn and average revenue per user.
- **Partnership-led growth:** Implementation of partnership-first strategy in attractive music streaming markets to replicate historical successes in France and Brazil as illustrated by the recent signing of the RTL partnership in Germany. Key attractive markets include the United States, the United Kingdom, Canada, Italy and Spain totaling a market opportunity of \$20.1 billion revenue in 2027²⁰. This strategy provides a cost-efficient entry into new markets to quickly gain market shares and build brand equity, allowing for a transition to B2C expansion with optimized marketing investments.
- **Differentiation:** Be the "Home of Music" for fans and artists by focusing on product innovation and brand differentiation around music.
- **Operational Excellence:** Data-driven and ROI-based decision making with a particular focus on pricing and marketing efficiency and cross-selling into new verticals to expand lifetime value and streamlined operations to efficiently support our strategic focus.

Deezer estimates that it will generate a revenue of approximately €455 million for the financial year ending 31 December 2022, representing a 14% revenue growth compared to the financial year ended December 31, 2021. Deezer believes to have visibility on its 2022 revenue forecasts following recent

¹⁶ €(17.3) million IFRS change in net cash position net of €5.1 million IFRS increase in share capital and share premium (net of costs) and €25.0 million IFRS proceeds from issuance of long-term debt.

¹⁷ €(21.4) million IFRS change in net cash position net of €(0.2) million IFRS increase in share capital and share premium (net of costs).

¹⁸ IFRS Gross Profit adjusted for non-recurring expenses related to license agreements and onerous contract depreciation; please refer to **Schedule 1** for definition and reconciliation with IFRS metrics.

¹⁹ IFRS Operating Loss mainly adjusted for Adjusted Gross Profit adjustments, Depreciation and amortization as well as Share-based expenses; please refer to **Schedule 1** for definition and reconciliation with IFRS metrics

²⁰ Source: MIDiA; retail revenue of subscription and audio ad-supported streaming.

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price increases on its B2C – Direct segment. Deezer aims to generate a revenue of approximately €560 million for the financial year ending December 31, 2023, representing a revenue growth of approximately 24%, mainly based on the expected continued growth of the music streaming industry in its core geographies, the ramp-up of the RTL deal, the launch of new verticals and the signing of new B2B deals. Deezer aims to generate a revenue of approximately €1 billion for the year ending December 31, 2025 (with Direct – B2C expected to contribute approximately half of it while the remainder will be contributed by Indirect – B2B and new verticals). Deezer also aims to achieve a slightly positive Adjusted EBITDA for the year ending December 31, 2025. With respect to cash-flow generation, Deezer aims to generate positive cash flow pre-funding for the year ending December 31, 2024 and a cash-flow pre-funding in excess of €50 million for the year ending December 31, 2025.

The audited historical financial information of Deezer for the fiscal years ended on December 31, 2021, December 31, 2020 and December 31, 2019 prepared in accordance with IFRS standards are available on I2PO website www.i2po.com on the specific page dedicated to the IBC (extracts are attached as **Schedule 2**) and will be included in the Merger Prospectus together with pro forma accounts of the combined entity for the fiscal year ended on December 31, 2021.

The share capital of Deezer is divided into 14,855,210 class A preferred shares and 14,213,020 class B preferred shares. The allocation of the share capital of Deezer between its shareholders is attached as **Schedule 3**.

Between the date hereof and the execution date of the Merger Agreement, Deezer will convene a shareholders' meeting in order to decide, inter alia, the conversion of the outstanding 14,855,210 class A preferred shares into 2,886,312 class A12 preferred shares, 3,422,314 class A16Tranche1 preferred shares, 3,422,314 Class A16Tranche2 preferred shares and 5,124,270 Class A18 preferred shares.

(2) **Presentation of the IBC**

I2PO considers that Deezer fits perfectly within I2PO's designated set of investment criteria:

- **Technological** company operating in the **entertainment and leisure** industry in a market with significant growth;
- **Significant value creation** potential;
- **Well-established brand positioning** in France and abroad;
- **Highly scalable product**, built on tailor-made technology and industry-first innovations;
- **Well-invested platform with optionality for inorganic expansion** across geographies and verticals;
- **High-quality and seasoned management team** committed to enhancing the company's rapid growth trajectory, with a clearly identified path to profitability through growth and operational improvements; and
- **Clear attention to ESG challenges** since Deezer's inception, with the Company's policy on social and environmental issues resonating strongly with I2PO's attachment to the 3Ps, "people, planet and profit". As an employer, Deezer is committed to Diversity & Inclusion, as well as employee wellbeing. In line with its strategic focus on local music, Deezer operates with a continuous attention to its impact on the communities it engages with on a daily basis and

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promotes social impact through music projects. And lastly, Deezer is committed to meet high environmental standards, with its new headquarter in Paris being HQE certified.

I2PO and Deezer's management teams have fully aligned ambitions for the next stage of growth of the combined company and share a common vision to turn it into a profitable €1 billion revenue company by focusing on certain large, attractive markets, implementing its partnership-first go-to-market B2B/B2C strategy, by using its focus on music and innovation to differentiate from its competitors and thanks to operational excellence.

The contemplated transaction is expected to create significant value, leveraging the complementarity of both companies:

- **Hybrid B2B/B2C strategy:** I2PO's international network with media and entertainment companies in the key target countries (US, UK, France, Germany, Canada, Italy and Spain) will provide Deezer with a strategic competitive advantage. Once merged into I2PO, Deezer will gain significant visibility in Europe and globally, further enhancing its capacity to continue executing its hybrid B2B/B2C strategy in new regions to win more customers globally. This strategy provides a cost-efficient entry into new markets to quickly gain market share and build brand equity, allowing for a transition to Direct - B2C expansion with optimized marketing investments.
- **Product and brand marketing:** the founder team of I2PO will provide invaluable input to increase marketing efficiency and brand impact combining Iris Knobloch's experience of launching and marketing media brands and IP around the globe and the unique expertise of Groupe Artémis in developing and marketing global brands.
- **Content and music:** the founder team brings expertise, networks and knowledge with respect to content, culture and more specifically music. Combat Holding's investments and connections in the music industry, Iris Knobloch's deep knowledge of the content business and Groupe Artémis' expertise in arts and culture can bring tremendous upside to Deezer's strategy and decision process.
- **Strategic execution:** I2PO's founder also provides an extensive experience in structuring, running and scaling operations globally to ensure growth strategy execution.
- **Funding:** the contemplated transaction will unlock the resources required by the combined entity to execute on its business development strategy, marketing investments, technology and product roadmap, international expansion and ESG efforts.

Following the completion of the IBC, it is contemplated to modify the management of I2PO and the composition of the corporate bodies of I2PO in order to reflect its new shareholding structure as follows:

- one member shall be Mr. Guillaume d'Hauteville, current Chairman of the Board of Directors of Deezer, who has accepted to be appointed Chairman of the Board of Directors in order to ensure a smooth transition for a period ending no later than December 31, 2022 at which point he will resign from his Chairman position and will be proposed as Vice-Chairman;
- one member shall be Mr. Jeronimo Folgueira, current CEO of Deezer;
- one member shall be Ms. Iris Knobloch, who shall also be appointed Vice-Chairwoman of the Board of Directors and shall become the new Chairwoman of the Board of Directors by no later than January 1st, 2023, with the support of Access Industries and of Mr. Guillaume d'Hauteville;

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- one member shall be Mr. Matthieu Pigasse;
- one member shall be Mr. Alban Gréget;
- the remaining five members shall be appointed amongst the candidates proposed by Deezer's shareholders.

Half of the Board of Directors of I2PO will be composed of independent members in accordance with the AFEP-MEDEF Code.

It is further contemplated that Mr. Jeronimo Folgueira, the current CEO of Deezer, would be appointed as Chief Executive Officer of I2PO (to be renamed Deezer) following the completion of the IBC.

I2PO intends to continue to abide by the corporate governance code published by AFEP-MEDEF (the "**AFEP-MEDEF Code**"), the latest version of which, dated January 2020, is available at the following address: <http://www.medef.com/>. In accordance with the recommendations of the AFEP-MEDEF Code, the Merger Prospectus will identify, in a summary table, those provisions of such code that I2PO would not apply and explain the reasons for that choice.

(3) Main risks factors associated with the Transaction

The main risk factors associated to the completion of the IBC are the following:

- The new shares to be issued as consideration for the Merger and in the context of the PIPE will result in a dilution for the existing shareholders of I2PO.
- The completion of the IBC could have an adverse impact on I2PO's share price.
- Existing shareholders of I2PO as well as Deezer shareholders could decide to sell on the market any of their shares of I2PO, held before the Merger, received by virtue thereof or subscribed in the PIPE after the completion of the IBC, which could have an adverse effect on the share price of I2PO. In order to mitigate this risk, Deezer's shareholders representing, in the aggregate, 96% of Deezer's current share capital (on a non-diluted basis), have agreed to be bound by a lock-up undertaking with respect to the I2PO ordinary shares (i) to be issued in the context of the Merger during a 9-month period as from the completion date of the IBC and (ii) to be subscribed by certain of them in the PIPE during a 6-month period as from the completion of the PIPE (see below), all subject to customary exceptions.²¹
- The Merger is subject to the approval of the shareholders of I2PO and Deezer. In addition, the completion of the Merger remains subject to the fulfilment of the conditions precedent described below in pages 18 and 19. If any of such conditions precedent would not be fulfilled the IBC may not be completed.

²¹ It is reminded that each of the I2PO's founders are bound by a one (1) year lock-up with respect to their (a) Class A preferred shares, (b) ordinary shares resulting from the conversion of his/her/its Class A preferred shares and (c) ordinary shares received upon exercise of his/her/its market warrants. Each of the I2PO's founder have agreed to extend to nine (9) month (instead of one hundred and eighty (180) days) the early releasing of such lock-up undertaking if and when, the daily average price of the ordinary shares for any 20 trading days out of a 30 consecutive trading day period equals or exceeds € 12. Groupe Artémis is moreover bound by (a) a nine (9) months lock-up undertaking as from the IBC completion date with respect to its Market Shares and ordinary shares received upon exercise of its market warrants and (b) a six (6) months lock-up undertaking as from the IBC completion date with respect to the Ordinary Shares it may, as the case may be, subscribe in the PIPE.

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- Existing shareholders of I2PO who would not agree with the IBC may request the redemption of their shares. This may lower the financial means available to I2PO. This may also lead to the withdrawal of the IBC in the event where the level of redemption and the amount of the PIPE would not enable satisfaction of the minimum cash condition of €135 million provided for by the Merger Agreement.
- Deezer may not be successful in attracting or retaining consumers to its paid subscription services.
- Deezer is dependent on the increasing and continuing acceptance of audio streaming as a delivery format for audio content, as it operates in the rapidly evolving and highly competitive audio streaming industry.
- Deezer's business plan and strategy are subject to change and may yield results that sometimes do not align with the market's expectations.
- Deezer relies on its ability to negotiate and maintain license agreements on terms acceptable to it with rights holders.
- Deezer's results of operations depend on its ability to establish and maintain relationships on favourable terms with distribution partners that promote and distribute Deezer's services as well as with third party service providers that perform certain functions that are important to the functioning of its service and business.
- Technology issues and disruptions could materially and adversely impact Deezer's ability to operate and harm its reputation and business.
- Deezer's reputation and business could be harmed by security breaches and fraudulent activity.
- Given Deezer's limited operating history, history of net losses and fluctuating operating results, Deezer may not be successful in achieving profitability and generating positive cash-flows in the future, and may require additional funding which may not be available on acceptable terms or at all.

(4) Fair market value of Deezer and consideration

The IBC will be based on a pre-money equity value of Deezer of €1,050 million (on a fully diluted basis), estimated to represent an enterprise value of approximately €1,075 million²². This valuation is based on the assumptions described in the presentation of Deezer and of the IBC which was made to the PIPE investors (the "**Investors Presentation**") (and which is available on I2PO website www.i2po.com on the specific page dedicated to the IBC) and in particular to pages 37 and 38 of this Investors Presentation.

²² €424m bridge to enterprise value includes net cash position of €10m as at December 31, 2021 as per audited IFRS accounts, plus cash proceeds from transaction of €390m (net of estimated €35m transaction fees), plus €19m from exercising warrants, hence a pro forma net cash position of €419m, €6m of investments in equity affiliates, and €1m of provision for employee benefits net of tax (as at December 31, 2021 as per audited IFRS accounts).

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This pre-money equity valuation of Deezer has been moreover confirmed by a fairness opinion from Lazard Frères prepared on April 11, 2022 which was submitted to the Board of Directors of I2PO prior to its meeting dated April 18, 2022 as described below.

In the context of the IBC, Deezer will be merged with and into I2PO pursuant to a merger agreement to be entered into following expiry of the redemption period and in accordance with Articles L. 236-1 *et seq.* of the French commercial code (the "**Merger Agreement**"). As a result of the IBC, Deezer will cease to exist and I2PO will continue as the surviving entity of the Merger and change its corporate name to be renamed Deezer as from the completion date of the IBC.

As consideration for the transfer of Deezer's assets to I2PO in the context of the Merger, I2PO will issue new ordinary shares to the benefit of Deezer's shareholders. The value of one I2PO new ordinary share for the purpose of determining the exchange ratio will amount to €10.00.

In accordance with French laws and regulations, Deezer and I2PO will file a joint request with the *président* of the commercial court of Paris to appoint two merger appraisers (*commissaires à la fusion*), who will be asked to assess the value of the contribution to be made as a result of the Merger and the modalities thereof the conditions of the remuneration of the contributions and the fairness of the exchange ratio.

Each of the Deezer's shares which will remain outstanding immediately prior to the completion of the Merger will be exchanged, on the completion date of the Merger, and in accordance with the Merger Agreement, for I2PO's new ordinary shares. Simultaneously, all the Class A1 preferred shares issued by I2PO and all the Class B preferred shares issued by I2PO (the "**Market Shares**") issued by I2PO (other than those for which I2PO will have received a request for redemption from holders of Market Shares ("**Dissenting Market Shareholders**")) will be automatically converted into ordinary shares of I2PO in accordance with the articles of association of I2PO (the "**I2PO Articles of Association**") and the IPO Prospectus.

It is specified that the outstanding Class A2 shares and Class A3 shares issued by I2PO will not be converted into ordinary shares upon completion of the Merger but shall be converted into ordinary shares of I2PO in accordance with and under the terms and conditions provided for in the I2PO Articles of Association. Each Class A2 share is convertible into one (1) ordinary share of I2PO if, as from the date of completion of the IBC and until the fifth anniversary of the completion date of the IBC, the closing price of the ordinary shares for any 10 trading days out of a 30 consecutive trading-day period (whereby such 10 trading days do not have to be consecutive) equals or exceeds €12.00. Each Class A3 share is convertible into one (1) ordinary share of I2PO if, as from the date of completion of the IBC and until the fifth anniversary of the completion date of the IBC, the closing price of the ordinary shares for any 10 trading days out of a 30 consecutive trading-day period (whereby such 10 trading days do not have to be consecutive) equals or exceeds €14.00. Until their conversion into ordinary shares, the Class A2 and Class A3 shares will not be listed.

Moreover, as from the completion of the IBC and until the fifth anniversary of the completion date of the IBC, the Class A2 and Class A3 shares shall be automatically converted into Ordinary Shares, at a one Ordinary Share for one Class A2 or, as the case may be, one Class A3 share ratio, in the event of (i) a merger, (ii) a public tender offer or public exchange offer as defined in Title III of Book II of the General Regulations of the AMF, on the opening date (and subject to the completion) of such public tender offer or public exchange offer, or (ii) a squeeze-out or the delisting of the I2PO's shares, on the date of implementation of the said squeeze-out or delisting procedure, if the price per Ordinary Share for such operation equals to €12.00 (for the conversion of the Class A2 shares) or, as the case may be, to €14.00 (for the conversion of the Class A3 share).

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It is furthermore contemplated to propose to I2PO shareholders to amend I2PO Articles of Association in order, in accordance with the provisions of article L. 225-123 of the French Commercial Code, to grant double voting rights to fully paid-up shares that have been registered in the name of the same shareholder for two (2) years as from the completion date of the IBC.

In addition to the €275 million held by I2PO in a dedicated deposit account (as may be reduced by redemption from Dissenting Market Shareholders), the combined entity is expected to be financed through the PIPE.

In that respect, I2PO and Deezer have collected PIPE subscription undertakings from most of the existing shareholders of Deezer including Access Industries, UMG, Warner Music, Orange, Kingdom Holdings, Eurazeo and Xavier Niel as well as a select group of long-term French and international investors including Groupe Artémis, Bpifrance and Media Participations.

The main shareholders of Deezer participating the PIPE, including Access Industries investment vehicle, have entered into lock-up undertakings pursuant to which they have agreed to be bound by a lock-up undertaking with respect to the PIPE Shares during a 6-month period as from the completion date of the IBC. In addition, Groupe Artémis has agreed to be bound by a lock-up undertaking (i) with respect to all of its Market Shares during a 9-month period as from the completion date of the IBC and (ii) with respect to the Ordinary Shares it may, as the case may be, subscribe in the PIPE during a 6-month period as from the completion date of the IBC. Moreover, each of the I2PO's founders are bound by a one (1) year lock-up with respect to their (a) Class A preferred shares, (b) ordinary shares resulting from the conversion of his/her/its Class A preferred shares and (c) ordinary shares received upon exercise of his/her/its market warrants. Each of the I2PO's founder have also agreed to extend to nine (9) month (instead of one hundred and eighty (180) days) the early releasing of such lock-up undertaking if and when, the daily average price of the ordinary shares for any 20 trading days out of a 30 consecutive trading day period equals or exceeds € 12.00.

Accordingly, I2PO will have, following the completion of the Merger, a shareholder base comprising (i) the current shareholders of Deezer, (ii) the current shareholders of I2PO and (iii) the investors in the PIPE. In the absence of redemption request from I2PO's shareholders holding Market Shares during the 30-day redemption period and in case of full subscription of the PIPE, the current shareholders of Deezer would hold 70.1% of I2PO's share capital, the current shareholders of I2PO would hold 19.9% of I2PO's share capital and (iii) the PIPE investors would hold 10.0% of I2PO's share capital (each time on a fully diluted basis).

The implementation of the IBC will require to convene a shareholders meeting of both I2PO and Deezer to approve, in particular, the Merger and the PIPE. In the event that the Merger or the PIPE are not adopted either by I2PO shareholders or Deezer shareholders, the IBC will not be implemented.



(5) Board of Directors' approval of the IBC

In accordance with the provisions of the IPO Prospectus and the I2PO Articles of Association, during its meeting held on November 10, 2021, the board of directors of I2PO (the "**Board of Directors**") appointed the firm BM&A, represented by Pierre Béal, as the financial expert (the "**Financial Expert**") in charge of issuing a report certifying that I2PO has sufficient financial means in the form of equity capital and authorization of credit lines to carry out the contemplated IBC with Deezer and confirming that I2PO has sufficient resources to pay (i) the consideration for the IBC and (ii) the redemption price of the Market Shares held by Dissenting Market Shareholders to be redeemed by I2PO in accordance with I2PO Articles of Association.

The strategic committee met on April 11 and 18, 2022 and, after reviewing the contemplated IBC, it unanimously decided to recommend to the Board of Directors to vote in favor of the IBC. The members of the strategic committee are Patricia Fili-Krushel, Mercedes Erra, Fleur Pellerin and Carlo d'Asaro-Biondo. All the members of the strategic committee were present or represented.

As proposed by the strategic committee, the members of the Board of Directors met on April 11 and April 18, 2022, upon invitation of Ms. Iris Knobloch, Chairwoman of the Board of Directors, in order to (i) examine the report of the Financial Expert and (ii) vote for or against the proposed IBC with Deezer at the majority of the members of the Board of Directors including the two-third majority of the independent members of the Board of Directors (i.e. three out of four of the independent members of the Board of Directors) (the "**Required Majority**") in accordance with the I2PO Articles of Association and the IPO Prospectus.

Moreover, the members of the Board of Directors had the opportunity to meet and hear the main members of Deezer's management during the meeting of the Board of Directors held on March 22, 2022.

All members of the Board of Directors were present or represented.

The Board of Directors thus rendered a decision, unanimously approved by its members, including the independent members, an extract of which is reproduced below:

"It is reminded that on the basis of the information and conditions provided and in accordance with the provisions of the IPO Prospectus, the Board of Directors must vote for or against the proposed IBC with Deezer at the Required Majority.

*After having reviewed the recommendation of the Strategic Committee and after having deliberated, the Board of Directors, knowledge made of (i) the terms of the proposed IBC, (ii) the draft business combination agreement to be entered into by I2PO and Deezer and detailing the terms and conditions of the IBC (the "**Business Combination Agreement**") (iii) the summary of the main agreements in relation to the proposed IBC and, more generally, the information, as set out in the draft merger prospectus prepared by I2PO and to be filed with the AMF (the "**Draft Merger Prospectus**"), (iv) the conclusions of the Financial Expert and the fairness opinion from Lazard Frères and (v) the opinion of the strategic committee,*

acknowledges that:

- *the proposed IBC meets the criteria defined in the IPO Prospectus for the completion of a Business Combination and in particular the 75% Minimum Threshold (as this term is defined in the IPO Prospectus) and other criteria and guidelines identified by I2PO in the IPO Prospectus;*

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- *the proposed IBC will be completed by way of a merger of Deezer with and into I2PO in accordance with the terms and conditions of a merger agreement as well as with Articles L. 236-1 et seq. of the French Commercial Code;*
- *as a result of the proposed IBC, Deezer will cease to exist and I2PO will be the surviving entity of the merger;*
- *the terms and conditions of the merger will be prepared on the basis of the financial statements of both Deezer and I2PO for the fiscal year ending on December 31, 2021 (i.e., the closing date of the last fiscal year of each of the Parties);*
- *the proposed IBC will be based on a pre-money equity value of Deezer of €1,050 million (on a fully diluted basis);*
- *such valuation has been confirmed by a fairness opinion from Lazard Frères prepared on April 11, 2022;*
- *in consideration for the transfer of Deezer's assets to I2PO in the context of the proposed IBC, I2PO will issue new ordinary shares to the benefit of the Deezer's shareholders;*
- *a certain percentage of Deezer's shareholders have agreed to be bound by a lock-up undertaking with respect to the I2PO ordinary shares to be issued in the context of the Merger, during a 9-month period as from the completion date of the IBC;*
- *the value of one new ordinary share of I2PO for the purpose of determining the exchange ratio will amount to €10.00;*
- *in order to fund the cash requirements of I2PO following the Merger, the new entity is expected to be financed in part through an estimated of up to €150 million share capital increase (issuance premium included) reserved to certain identified investors and potentially to certain categories of investors by way of issuance of up to 15 million new ordinary shares (the "PIPE") expected to be issued at a subscription price of €10.00 per new ordinary share;*
- *on the date hereof, PIPE subscription undertakings have been collected from most of the existing shareholders of Deezer including Access Industries, UMG, Warner Music, Orange, Kingdom Holdings, Eurazeo and Xavier Niel, as well as a select group of long-term French and international investors including Groupe Artémis, Bpifrance and Media Participations;*
- *the main shareholders of Deezer participating the PIPE, including Access Industries investment vehicle, have entered into lock-up undertakings pursuant to which they have agreed to be bound by a lock-up undertaking with respect to the PIPE Shares during a 6-month period as from the completion date of the IBC. In addition, Groupe Artémis has agreed to be bound by a lock-up undertaking (i) with respect to all of its Market Shares during a 9-month period as from the completion date of the IBC and (ii) with respect to the Ordinary Shares it may, as the case may be, subscribe in the PIPE during a 6-month period as from the completion date of the IBC. Moreover, each of the I2PO's founders are bound by a one (1) year lock-up with respect to their (a) Class A preferred shares, (b) ordinary shares resulting from the conversion of his/her/its Class A preferred shares and (c) ordinary shares received upon exercise of his/her/its market warrants. Each of the*

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I2PO's founder have also agreed to extend to nine (9) month (instead of one hundred and eighty (180) days) the early releasing of such lock-up undertaking if and when, the daily average price of the ordinary shares for any 20 trading days out of a 30 consecutive trading day period equals or exceeds € 12.00;

- the proposed IBC is subject in particular to the following condition precedents: (i) the obtaining, as the case may be, by AI European Holdings Sàrl of a waiver from the AMF to the obligation to file a public buy-out offer pursuant the AMF's General regulation (Règlement général de l'AMF) and (ii) completion of the PIPE;
- the composition of I2PO's corporate bodies and management will be amended to reflect its new shareholder base, in accordance with the principles set out in the draft merger agreement;
- the social and economic committee (CSE) of Deezer has issued a favorable opinion on the proposed IBC on December 15, 2021 in the context of an information/consultation process and has thereafter been informed on a regular basis of the progress of the transaction.

It is recalled that during its meeting of November 10, 2021, in accordance with the IPO Prospectus and I2PO Articles of Association, the Board of Directors decided to appoint the firm BM&A, represented by Pierre Béal, as the financial expert (the "**Financial Expert**") in charge of issuing a report certifying that I2PO has sufficient financial means in the form of equity capital and authorization of credit lines to carry out the proposed IBC with Deezer. The Financial Expert confirmed that it was independent within the meaning of Article 261-4 of the AMF's General regulation and that it had the human and material resources necessary to carry out its mission within the envisaged timetable. The details of the interactions between I2PO and the Financial Expert are set out in full in the report of the Financial Expert. The Board of Directors made sure that the Financial Expert had in his possession all the useful information for the execution of his mission and that he was in a position to carry out his work under satisfactory conditions. It indicates that it has not identified any elements likely to call into question the proper performance of the work of the Financial Expert. The conclusions of the Financial Expert in its report are the following:

"As of the date of this report, we can certify that I2PO has an amount in escrow in a total amount of €275 million and that no cash will be needed for completion of the Merger.

In addition, Groupe Artémis has undertaken not to redeem its Market Shares. Concurrently, PIPE investors have been contacted with 18 subscription agreements having been signed (for a total amount of up to €119 million) and 1 subscription undertaking (for a total amount of up to €1 million confirmed by an email). Therefore, the banks have expressed their confidence that the minimum cash threshold of €135 million will be reached.

As a result, as the PIPE subscriptions are very likely to amount €120 million (a total amount of €119 million subscription agreements already signed plus €1 million of subscription undertaking confirmed by an email) and considering the €15 million non-redemption undertaking of Groupe Artemis, it is highly likely that the €135 million minimum cash threshold will be reached"

It is also recalled that in accordance with the IPO Prospectus and the I2PO Articles of Association, the Strategic Committee of I2PO was convened prior to this meeting. The Chairwoman provided the members of the Board of Directors with the conclusions of the meeting of the Strategic Committee, resulting in a favorable recommendation from the Strategic Committee in favor of the IBC.

It is furthermore recalled that both the members of the Strategic Committee and the members of the Board of Directors have been provided prior to their decisions and have had the opportunity to review and

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analyze the fairness opinion from Lazard Frères prepared on April 11, 2022 confirming the valuation of Deezer.

It is finally recalled that the members of the Board of Directors have had the opportunity to meet and hear the main members of Deezer's management during the meeting of the Board of Directors held on March 22, 2022.

Consequently, the Board of Directors, unanimously:

- decides that the IBC is fair to and in the best interests of I2PO and its shareholders;
- decides to recommend that the shareholders of I2PO approve and adopt the Merger, the PIPE and the ancillary documents;
- decides that the IBC be submitted to a vote of the shareholders of I2PO at a shareholders' meeting to be convened;
- decides to approve the terms and conditions of the Business Combination Agreement and to grant all powers to Ms. Iris Knobloch, as Chief Executive Officer, to (i) finalize the Business Combination Agreement, sign the Business Combination Agreement and more generally (ii) take any measures and steps necessary or useful for the finalization and execution of the Business Combination Agreement;
- grants all powers to Ms. Iris Knobloch, as Chief Executive Officer, to (i) finalize the merger agreement, the prospectus to be filed with the AMF in relation to the Merger, as well as any other document that may be necessary in the context of the IBC, and in particular the listing prospectus in relation to the new ordinary shares of I2PO to be issued in the context of the PIPE, (ii) sign and file with the AMF all the documentation required in the framework of the IBC, (iii) sign all certificates required in connection with the IBC and (iv) more generally, take all measures and steps necessary or useful for the completion of the IBC, including entering into and signing, in the name and on behalf of I2PO, all transactions and documents necessary and related to the completion of the IBC, including any press release and any certificate."

(6) Terms and conditions of the IBC

Main terms and conditions of the Merger

As described above, the IBC will occur through the Merger of Deezer into I2PO.

The purpose of the Merger between I2PO and Deezer is to create a listed company acting as a leading player in the field of music streaming. As a result of the Merger, I2PO will change its corporate name to be renamed Deezer, and its corporate purpose in order to carry out a music streaming activity and will hold all the tangible and intangible assets, including the subsidiaries and shareholdings, currently held by Deezer.

The Merger will also have the effect of conferring a significant shareholder base to I2PO. In addition, I2PO will be able to call upon the market to raise further funds and finance its development.

Main terms and conditions of the PIPE

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The amount of the PIPE will be a maximum of €150 million.

To date, I2PO and Deezer have received subscription commitments from the persons identified hereabove representing €120 million.

The use of the PIPE funds will allow I2PO to ensure the financing of the future development of the combined entity. The amount of cash available to the combined entity to ensure its future development will depend both on the actual amount which will be raised through the PIPE as well as on the number of the Market Shares which shall actually be redeemed by I2PO from its Dissenting Market Shareholders.

Conditions precedent to the Merger

The completion of the Merger is subject to the satisfaction of the following conditions precedent:

- the approval by the shareholders' meeting of I2PO of (i) the Merger, (ii) the capital increase as consideration for the contributions pursuant to the Merger and the (iii) the PIPE;
- the approval by the shareholders' meeting of Deezer of (i) the Merger and (ii) the dissolution of Deezer;
- the approval by the special meetings of the holders of the preferred shares issued by Deezer of the Merger and, in particular, of the fact that the contribution of the preferred shares of Deezer will be exclusively remunerated with ordinary shares of I2PO;
- the approval by the special meetings of the holders of the Class A2 and Class A3 preferred shares issued by I2PO of the modifications of their respective rights in accordance with I2PO Articles of Association;
- the absence, within a period of thirty (30) days following the publication of the notice inserted, by each of the companies participating in the Merger, in the Official Bulletin of Civil and Commercial Announcements (BODACC) in accordance with Article R. 236-2 of the French commercial code, of (i) any objection to the reimbursement by Deezer of a debt in an amount exceeding €50 million or (ii) the constitution by Deezer of a guarantee in an amount exceeding €50 million;
- the completion of the PIPE;
- the obtaining from the major co-contractors of Deezer of the assignment of their contracts to I2PO in the context of the IBC;
- the approval of the Merger Prospectus and the Listing Prospectus by the AMF;
- the decisions of the AMF acknowledging that there is no need for AI European Holdings Sàrl to file a public offer pursuant to Article 234-2 and *seq.* of the AMF General regulation in the perspective of the possible crossing, directly or indirectly, of the 30% share capital and/or voting rights thresholds in the context of the PIPE and the Merger, cleared of any appeal; the issuance by the clerk of the Paris commercial court of a certificate of compliance (*attestation de conformité*);
- the holding by I2PO of an amount of Available Cash at least equal, on the date of completion of the Merger, to €135 million, the term "Available Cash" corresponding to (i) the amount in principal and interests of the funds immediately available on the term deposit account opened

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by I2PO with the Caisse d'Epargne Midi Pyrénées governed by the escrow agreement entered into on July 5, 2021 between I2PO and the Pascual, Bournazeau-Malavialle, Battut-Escarpit et Milhes SCP notary office after deduction of any redemption amount from shareholders of I2PO, as the case may be, plus (ii) the available funds held by I2PO, other than the term account referred to in (i), plus (iii) the proceeds of the PIPE; and

- the release of the pledge on the 1,596,933 class A18 preferred shares of Deezer held by Rotana Audio Holding, Ltd.

Expected timetable

The IBC is expected to be completed by the end of June 2022, subject in particular to the approval of the shareholders' meeting of I2PO and the shareholders' meeting of Deezer.

In accordance with the option provided for under Article L. 236-4 of the French commercial code, the Merger will have a retroactive effect to January 1, 2022, from an accounting and tax point of view.

The expected timetable for the completion of the IBC is the following:

Dates	Main steps
20 April 2022	Beginning of the redemption period
19 May 2022	End of the redemption period
20 May 2022	Press release regarding the redemption of shares
w/o 23 May 2022	Execution of the Merger Agreement
w/o 23 May 2022	Press release on the main terms and conditions of the Merger
w/o 23 May 2022	Publication of the convening notice in the BALO for I2PO shareholders' meetings
End of May 2022	Approval of the Merger Prospectus by the AMF
w/o 27 June 2022	Shareholders' meeting of I2PO
	Shareholders' meeting of Deezer
w/o 4 July 2022	Settlement and delivery of the shares to be issued in the context of the PIPE – Completion of the PIPE
	Settlement and delivery of the shares to be issued in the context of the Merger – Completion of the Merger
Early August at the latest	Cancellation of the Market Shares redeemed and payment by I2PO of the redemption consideration to the Dissenting Market Shareholders

Compensation of I2PO management in connection with the completion of the Initial Business Combination

Pursuant to the provisions of Article L. 22-10-14 of the French commercial code, the shareholders' meeting of I2PO may allocate to the Board of Directors a fixed annual amount to be allocated by the Board of Directors between its members as it sees fit, for their office and duties as members of the Board of Directors.

Furthermore, pursuant to the provisions of Article L. 22-10-16 of the French commercial code the Chairwoman of the Board of Directors may receive compensation, the amount of which is set by the Board of Directors, and such compensation is subject to the legal and statutory provisions applying to related party transactions.

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The combined shareholders' meeting of I2PO held on July 5, 2021 decided that the members of the Board of Directors will not receive any attendance fees for their office and duties in such capacity until a new decision of the shareholders' meeting deciding otherwise.

Pursuant to the internal regulations of the Board of Directors, the appointments and compensation committee submits recommendations to the Board of Directors with respect to the compensation packages for the members of the Board of Directors.

On June 22, 2021, the Board of Directors decided that Ms. Iris Knobloch would not be compensated for her duties as Chief Executive Officer. Nevertheless, Ms. Iris Knobloch, upon presentation of supporting documents, shall be entitled to the reimbursement of reasonable expenses incurred in performing her duties as Chief Executive Officer.

On June 22, 2021, the Board of Directors decided to grant Ms. Iris Knobloch an exceptional compensation in connection with the completion of the IBC, as follows:

- a fixed gross amount of €37,500 multiplied by the number of months between the July 20, 2021 (the "**Listing Date**") and the date of completion of the IBC (the "**IBC Date**");
- an additional fixed gross amount of €37,500 multiplied by the number of months between the Listing Date and the IBC Date if the weighted average price of the ordinary shares of I2PO for any 20 trading days out of a 30 consecutive trading day period equals or exceeds € 11 at any time during the four months' period following the IBC Date;
- a maximum additional gross amount of €37,500 multiplied by the number of months between the Listing Date and the IBC Date if the number of Market Shares redeemed by the Dissenting Market Shareholders does not represent more than 10% of total of Market Shares. In the event that the number of Market Shares redeemed by the Dissenting Market Shareholders exceeds 10% (but is lower than 30%) of the total number of Market Shares, such additional gross amount shall be calculated by linear interpolation between the two figures of redeemed Market Shares as follows: (i) 10% shall entitle Ms. Iris Knobloch to 100% of €37,500 and (ii) 30% shall entitle Ms. Iris Knobloch to 0% of €37,500.

The exceptional remuneration of Ms. Iris Knobloch as calculated above will only be paid to her after a favorable vote of the shareholders of I2PO convened in an ordinary general meeting in accordance with the provisions of Article L. 22-10-8, III of the French commercial code (*ex post* vote).

Should all the above conditions be met, the exceptional remuneration of Ms. Iris Knobloch could amount to a maximum fixed gross amount of €2,700,000.

Long term equity incentive plan

In the context of the IBC, an authorization to be granted to I2PO's Board of Directors to issue up to 2,500,000 free shares and stock options will be submitted to the approval of I2PO's shareholders, of which 1,254,520 free shares would be granted in favor of Deezer's management by I2PO's Board of Directors concomitantly or immediately after the completion date of the IBC and an additional 505,000 free shares would be granted to all employees of Deezer before December 31, 2022.

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(7) Redemption of shares

In accordance with the provisions of the I2PO Articles of Association and consistent with paragraph III of Article L. 228-12 of the French commercial code, following the approval of the IBC by the Board of Directors at the Required Majority, the redemption of the Market Shares shall be implemented at the joint initiative of I2PO (by publishing this IBC Notice) and the Dissenting Market Shareholders (by notifying I2PO with a request for redemption) under the following terms:

1. As from the date of this IBC Notice, I2PO provides the holders of Market Shares (the "**Market Shareholders**") with the opportunity to redeem all of their Market Shares. Each Market Shareholder has a thirty (30) calendar day period as from April 20, 2022 (the "**Redemption Notice Deadline**") until, and including, May 19, 2022 to notify I2PO that he/she/it wishes to have all (and not less than all) his/her/its Market Shares redeemed by I2PO.
2. To benefit from the redemption of Market Shares to be initiated by I2PO, each such Dissenting Market Shareholder must:
 - notify I2PO, by registered letter with return receipt requested sent to the registered office (12, rue François 1er, 75008 Paris) to the attention of the Chief Executive Officer or by electronic telecommunication to the following address ir@i2po.com, no later than the thirtieth (30th) calendar day following the IBC Notice (i.e. on May 19, 2022 at the latest), his/her/its intention to have his/her/its Markets Shares redeemed;
 - have full and entire ownership, on the thirtieth (30th) calendar day following this IBC Notice, of his/her/its Market Shares held in pure or administrative registered form;
 - have put his/her/its Market Shares exclusively into pure registered form (*forme nominative pure*) no later than two business days before the completion date of the IBC, and keep such Market Shares under such form until the date of redemption of the Market Shares by I2PO;
 - each Dissenting Market Shareholder shall communicate to I2PO all the KYC documentation necessary for the proper registration of shares in pure registered form in I2PO register maintain by Société Générale Securites Services (the details of the necessary KYC documentation will be communicated by I2PO or Société Générale Securites Services to the concerned Dissenting Market Shareholder upon receipt of the notification of his/her/its intention to have his/her/its Markets Shares redeemed);
 - not have transferred, on the redemption date of the Market Shares by I2PO, the full ownership of his/her/its Market Shares;
 - not have informed I2PO of his/her/its irrevocable undertaking not to request the redemption of his/her/its Market Shares by I2PO prior to the meeting of the Board of Directors having approved the IBC in accordance with the provisions of the I2PO Articles of Association;

it being specified that only the Market Shares held by a Dissenting Market Shareholder having strictly complied with the conditions described above will be redeemed and only up to the limit of the number of Market Shares of such Dissenting Market Shareholder.
3. The proposed IBC, as approved by the Board of Directors, must have been completed at the Initial Business Combination Deadline (i.e. July 20, 2023) at the latest.

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Market Shares held by the Market Shareholders who abstained from notifying I2PO, either directly, by correspondence or through a proxy, during the thirty-(30)-calendar day period following the IBC Notice will not be redeemed by I2PO.

Groupe Artémis irrevocably undertook not to request the redemption of any of its Market Shares.

The redemption price of a Market Share is equal to €10.00.

The redemption of the Market Shares shall be completed by I2PO no later than on the thirtieth (30th) calendar day following the completion date of the IBC, or on the following business day if such date is not a business day. The Board of Directors shall take the decision to proceed with the redemption of the Market Shares, set the precise date for such redemption and complete such redemption within the abovementioned deadline, with the option of sub delegating the same under the conditions set by applicable French laws and regulations, after having acknowledged that all the above-described conditions for such redemption have been met.

All Market Shares redeemed by I2PO as described above will be cancelled immediately after their redemption through a decrease of I2PO's share capital under the terms and conditions set by the applicable French laws and regulations, including in particular the provisions of Article L. 228-12-1 of the French commercial code. The Board of Directors shall then acknowledge the number of Market Shares effectively redeemed and cancelled and shall amend the I2PO Articles of Association accordingly.

The amount, corresponding to the total redemption price of Market Shares so redeemed by I2PO, shall be charged first on the share capital up to the amount of the share capital decrease referred to in the previous paragraph and then, for the balance, on distributable amounts (within the meaning of Article L. 232-11 of the French commercial code), in accordance with applicable French laws and regulations.

The number of Market Shares which shall be redeemed by I2PO will be communicated to the public by I2PO after expiry of the Redemption Notice Deadline by way of a press release published by I2PO.

(8) Report of the Financial Expert

The Financial Expert appointed by I2PO in order to confirm that I2PO has sufficient resources to pay (i) the consideration for the IBC and (ii) the redemption price of the Market Shares held by Dissenting Market Shareholders to be redeemed by I2PO in accordance with the I2PO Articles of Association has issued its report on April 15, 2022 (the "**Financial Expert Report**").

The conclusions of the Financial Expert Report are as follows:

"As of the date of this report, we can certify that I2PO has an amount in escrow in a total amount of €275 million and that no cash will be needed for completion of the Merger.

In addition, Groupe Artémis has undertaken not to redeem its Market Shares. Concurrently, PIPE investors have been contacted with 18 subscription agreements having been signed (for a total amount of up to €119 million) and 1 subscription undertaking (for a total amount of up to €1 million confirmed by an email). Therefore, the banks have expressed their confidence that the minimum cash threshold of €135 million will be reached.

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As a result, as the PIPE subscriptions are very likely to amount €120 million (a total amount of €119 million subscription agreements already signed plus €1 million of subscription undertaking confirmed by an email) and considering the €15 million non-redemption undertaking of Groupe Artemis, it is highly likely that the €135 million minimum cash threshold will be reached.”

The Financial Expert Report is attached as **Schedule 4** to this IBC Notice.

*

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Advisors and Placement Agents

For this transaction Centerview Partners and Société Générale are acting as financial advisors to I2PO. Racine is acting as legal counsel to I2PO.

J.P. Morgan, Société Générale, Deutsche Bank AG and HSBC are acting as placement agents. Allen & Overy LLP is acting as legal counsel to the placement agents.

Evercore is acting as financial advisor to Deezer. Jones Day is acting as legal counsel to Deezer.

Important notice

The distribution of this document may be restricted by law in certain jurisdictions. Persons into whose possession this document comes are required to inform themselves about and to observe any such restrictions.

This press release is provided for information purposes only. It does not constitute and should not be deemed to constitute an offer to the public of securities, nor a solicitation of the public relating to an offer of any kind whatsoever in any country, including France.

European Economic Area – France

This press release is not a prospectus but an advertisement provided for information purposes only. It does not constitute and should not be deemed to constitute an offer to the public of securities by I2PO, nor a solicitation of the public relating to an offer of any kind whatsoever in any country, including France.

*A prospectus (the "**Merger Prospectus**") will be submitted to the approval of the Autorité des marchés financiers solely for the purpose of the merger between I2PO and Deezer and a separate prospectus (the "**Listing Prospectus**") will be submitted to the approval of the Autorité des marchés financiers solely for the purpose of the admission for trading on the professional segment (compartiment professionnel) of the regulated market of Euronext Paris of the securities to be issued by I2PO through a placement to the benefit of certain investors and a categories of investors, as the case may be. A copy of the Merger Prospectus and the Listing Prospectus will be available on the AMF's website (www.amf-france.org) and on I2PO's website (www.i2po.com) and will be obtainable free of charge from I2PO. The Merger Prospectus and the Listing Prospectus will include a detailed description of I2PO, including a section describing certain risk factors relating to I2PO and the Merger and the PIPE.*

Investors should not subscribe for or purchase any securities referred to in this press release except on the basis of the information contained in the Merger Prospectus and the Listing Prospectus, as applicable.

The distribution of this press release may be subject to legal or regulatory restrictions in certain jurisdictions. Any person who comes into possession of this press release must inform him or herself of and comply with any such restrictions.

The securities of I2PO admitting for trading on the professional segment (compartiment professionnel) of the regulated market of Euronext Paris are addressed solely to Qualified Investors, as defined in the regulation (EU) 2017/1129 of 14 June 2017 and in accordance with the provisions of Article L. 411-2, 1° of the French Code monétaire et financier.

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United Kingdom

This press release does not constitute an offer of securities to the public in the United Kingdom. In the United Kingdom, this press release is for distribution only to and is directed only at (a) "qualified investors" within the meaning of Article 2(e) of the Prospectus Regulation as it forms part of U.K. domestic law by virtue of the EUWA which are (b) (i) persons who have professional experience in matters relating to investments falling within the provisions of Article 19(5) of The Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (ii) "high net worth entities", "unincorporated associations" and other persons to whom it may otherwise lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "Relevant Persons"). This press release must not be acted on or relied on, in the United Kingdom, by persons who are not Relevant Persons. Any investment or investment activity to which this communication relates is only available to Relevant Persons and will be engaged in only with Relevant Persons. Persons distributing this press release must satisfy themselves that it is lawful to do so.

United States of America

This press release and the information it contains does not, and will not, constitute an offer to the public to subscribe for or sell, nor the solicitation of an offer to subscribe for or buy, I2PO securities in the United States or any other jurisdiction where restrictions may apply. Securities may not be offered or sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended (the "Securities Act"), it being specified that the I2PO securities have not been and will not be registered under the Securities Act and I2PO does not intend to register securities or conduct an offer to the public in the United States.

Canada

This press release and the information it contains do not, and will not, constitute an offer to the public to subscribe for or sell, nor the solicitation of an offer to subscribe for or buy, I2PO securities in any province or territory of Canada. Securities may not be offered or sold in Canada except in a transaction exempt from the prospectus requirements of applicable Canadian securities laws or pursuant to a prospectus that qualifies those securities in the relevant provinces and territories of Canada, it being specified that the I2PO securities have not been and will not be qualified by way of prospectus under the securities laws of any province or territory of Canada and I2PO does not intend to qualify any such securities or conduct an offering to the public in Canada.

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Public information

Potential investors should review the risk factors described in I2PO's prospectus that has been approved by the AMF on July 13, 2021 solely for the purpose of listing of I2PO securities on the professional segment (compartment professionnel) of the regulated market of Euronext Paris. A copy of the prospectus is available on the AMF's website at www.amf-france.org and on I2PO's website at www.i2po.com and may be obtained free of charge from I2PO.

The information relating to Deezer contained in this press release has been extracted from the information made publicly available by Deezer. I2PO, J.P. Morgan, Société Générale, Deutsche Bank, HSBC or any of their respective affiliates, shareholders, directors, officers, advisors, employees and representatives have not independently verified the accuracy of any such information. No representation,

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warranty or undertaking, express or implied, is made by any of them as to the accuracy or completeness of the information relating to Deezer contained in this press release and no liability whatsoever (in negligence or otherwise) is accepted for any loss howsoever arising, directly or indirectly, from any use of such information or otherwise arising in connection therewith.

Forward looking statements

*This press release contains forward looking statements, estimates, opinions and projections with respect to anticipated future performance of the combined entity ("**forward-looking statements**"). These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes," "estimates," "anticipates," "expects," "intends," "may," "will" or "should" or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts, including, without limitation, statements regarding the consummation of the contemplated business combination, statements regarding market opportunities and forecasts regarding market trends, and statements regarding the anticipated performance of the combined entity. Forward-looking statements are based on the current views, expectations and assumptions regarding the potential business combination, the business, the economy and other future conditions of the combined entity and involve significant known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Factors that may cause actual results to differ materially from those contemplated by forward-looking statements, include, without limitation, the inability of the parties to successfully or timely consummate the contemplated business combination, including the risk that any required regulatory approvals are not obtained, are delayed or are subject to unanticipated conditions that could adversely affect the combined entity; changes in domestic and foreign business, market, financial, political and legal conditions; failure to realize the anticipated benefits of the contemplated business combination; risks relating to the uncertainty of projected market opportunities and market trend forecasts; risks related to the growth of the combined entity's business and product offerings; the effects of competition on the combined entity's future business; the amount of redemption requests made by I2PO's shareholders; and the ability of I2PO to issue equity securities in connection with the contemplated business combination or in the future.*

Forward-looking statements should not be read as guarantees of future performance or results and will not necessarily be accurate indications of whether or not such results will be achieved. Any forward-looking statements included herein only speak as at the date of this press release. I2PO and Deezer undertake no obligation, and do not expect to publicly update, or publicly revise, any of the information, forward-looking statements or the conclusions contained herein or to reflect new events or circumstances or to correct any inaccuracies which may become apparent subsequent to the date hereof, whether as a result of new information, future events or otherwise. I2PO and Deezer accept no liability whatsoever in respect of the achievement of such forward-looking statements and assumptions.



Schedule 1

Key Performance Indicators

Deezer uses Subscribers, Direct – B2C Average Revenue per User (“ARPU”), Revenue by segment (Total, Direct – B2C and Indirect – B2B), Revenue by geography (Total, France and RoW), Adjusted Gross Profit and Adjusted EBITDA as its main performance indicators. These performance indicators are monitored regularly by Deezer’s management to analyze and, assess its businesses and their trends, measure performance, prepare earnings forecasts and make strategic decisions.

Subscribers

Deezer has historically tracked its subscriber count based on billing accounts. Such methodology gives the number of subscriber accounts that are billed directly by Deezer or indirectly as reported by its partners. Deezer’s reporting on subscriber count has been adjusted in this document to align with market practice. The number of subscribers (including the number of indirect subscribers) described herein now count every family account user and trial offer user as a subscriber based on Deezer’s own databases. Consequently, indirect subscriber count described herein might differ from the reporting of Deezer’s partners.

Deezer’s subscriber base is broken down into two categories:

- Direct – B2C: Users that subscribed directly through Deezer’s websites or mobile applications, which pay the subscription price directly to Deezer or through a third-party app store or carrier billing partner. Direct subscribers include all users that have completed registration and have activated a payment method, therefore including free trialists during their trial period. Direct subscribers include all registered accounts in a family plan. A family plan consists of one primary subscriber and up to five additional sub-accounts, allowing up to six subscribers per family plan. Direct subscribers also include subscribers in a grace period of up to 31 days after failing to pay their subscription fee.
- Indirect– B2B: Users that have access to Deezer’s service through a distribution partner. It includes users in Standalone and Bundle offers. Standalone subscribers are recorded based on the number of provisioned accounts, namely the accounts on which a revenue is paid by the distribution partner. Bundle subscribers are recorded on a deal by deal basis depending on the contracts’ arrangements, which can be based on either provisioned accounts, linked accounts or monthly active users. Indirect subscribers include free trialists during their trial period. Indirect subscribers also include all registered accounts in a family plan. A family plan consists of one primary subscriber and up to five additional sub-accounts, allowing up to six subscribers per family plan.

The table below provides the split of Subscribers at December 31, 2021, 2020 and 2019:

	December 31,		
	2021	2020	2019
	<i>(in millions)</i>		
Direct – B2C	5.6	5.5	4.6
Indirect – B2B	3.9	3.9	4.2
Total Subscribers	9.6	9.4	8.8

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Direct – B2C Average Revenue per User (“ARPU”)

Direct – B2C ARPU is a monthly measure defined as Direct revenue recognized in the fiscal year indicated divided by the average of end of month direct subscribers from December 31 of the previous year to December 31 of the relevant year.

The table below provides the average measure of Direct – B2C on a monthly basis for the years ended December 31, 2021, 2020 and 2019:

	Year Ended December 31,		
	2021	2020	2019
	(in €)		
Direct – B2C ARPU	4.2	4.3	5.0

Revenue Split

Revenue Split by Segment

Deezer has identified three operating segments based on internal reporting (or “management accounts”) used by Deezer’s Board of Directors to make decisions about resources to be allocated to the segments and assess their performances:

- Direct Revenue – B2C: Subscriptions to the Deezer service are taken out directly by users
- Indirect Revenue – B2B: Subscriptions to the Deezer service are taken out through a distribution partner or are included in the service or product sold by a distribution partner (as a bundle)
- Other: This segment includes Advertising and Ancillary revenue

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The table below sets forth the split of Total Revenue by segment for the years ended December 31, 2021, 2020 and 2019:

	Year Ended December 31,		
	2021	2020	2019
	<i>(in € thousands)</i>		
Direct – B2C	282 719	261 579	247 583
Indirect – B2B	107 393	109 146	121 751
Other	9 907	8 466	11 676
Total Revenue	400 019	379 191	381 010

Revenue Split by Geography

Revenue by geographical area breakdowns as follows:

	Year Ended December 31,		
	2021	2020	2019
	<i>(in € thousands)</i>		
France	242 646	225 494	208 733
Rest of World	157 373	153 697	172 277
Total Revenue	400 019	379 191	381 010

Adjusted Gross Profit

Deezer management follows Adjusted Gross Profit which corresponds to Gross Profit (Revenue less Cost of Revenue) adjusted to exclude non-recurring expenses, mostly related to license agreements, which includes unused minimum guarantees, and onerous contracts depreciation. Deezer excludes these expenses from its Adjusted Gross Profit because it enables management to more accurately evaluate the gross profit period after period, and to identify trends that could otherwise be masked by these non-recurring items. These adjusted expenses include for example onerous contract depreciation and non-recurring expenses related to license agreements.

Adjusted Gross Profit is not a standardized accounting measure with a single definition generally accepted by IFRS. It must not be regarded as a substitute for Gross Profit, which is an IFRS-defined measure. Other issuers may calculate Adjusted Gross Profit differently from the definition used by Deezer.

The table below illustrates the reconciliation between Gross Profit and Adjusted Gross Profit:

	Year Ended December 31,		
	2021	2020	2019
	<i>(in € thousands)</i>		
Gross Profit	48 529	61 660	69 797
Onerous contract depreciation	7 573	5 704	1 799
License agreements non-recurring expenses	27 989	6 900	-
Adjusted Gross Profit	84 090	74 264	71 596

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Adjusted EBITDA

In addition to Adjusted Gross Profit, Deezer management follows Adjusted EBITDA which corresponds to the Operating Income / (Loss) adjusted by the non-recurring expenses excluded and presented above to define the Adjusted Gross Profit and, by certain non-cash items such as depreciation and amortization, share-based expenses and other non-recurring provisions. Deezer management excludes such non-cash items since it considers that they do not reflect Deezer's current operating performance.

Adjusted EBITDA is not a standardized accounting measure with a single definition generally accepted by IFRS. It must not be regarded as a substitute for operating result, net result or cash flows from operating activities, which are IFRS-defined measures, or as a measure of liquidity. Other issuers may calculate Adjusted EBITDA differently from the definition used by Deezer.

The table below illustrates the reconciliation between Operating loss and Adjusted EBITDA:

	Year Ended December 31,		
	2021	2020	2019
	<i>(in € thousands)</i>		
Operating loss	(120 554)	(88 279)	(82 697)
Gross profit adjustments	35 562	12 604	1 799
Depreciation and amortization	11 854	9 909	6 624
Share-based expenses	10 160	7 553	4 788
Other non-recurring provisions	(1 648)	-	-
Adjusted EBITDA	(64 626)	(58 213)	(69 486)

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Schedule 2

Extracts of consolidated audited financial statements for the years ended December 31, 2021, 2020 and 2019

CONSOLIDATED INCOME STATEMENTS (IN THOUSANDS OF EUROS)

	For the year ended December 31,		
	2021	2020*	2019*
Revenue	400 019	379 191	381 010
Cost of Revenue	(351 490)	(317 531)	(311 213)
Gross Profit	48 529	61 660	69 797
Product and Development	(25 620)	(22 511)	(21 380)
Sales and Marketing	(94 702)	(84 860)	(94 288)
General and Administrative	(48 761)	(42 568)	(36 826)
Operating loss	(120 554)	(88 279)	(82 697)
Finance income	1 526	1 024	1 054
Finance costs	(2 304)	(7 962)	(1 330)
Finance costs - net	(778)	(6 938)	(276)
Loss before income tax	(121 332)	(95 217)	(82 973)
Income tax expense	(72)	(144)	(130)
Share of loss of equity affiliates	(1 854)	-	-
Net loss for the year	(123 258)	(95 361)	(83 103)
Of which attributable to owners of the parent	(123 258)	(95 361)	(83 103)
Net loss per share attributable to owners of the parent			
Basic	(4,33)	(3,44)	(3,33)
Diluted	(4,33)	(3,44)	(3,33)
Weighted-average ordinary shares			
Basic	28 497 083	27 749 979	24 979 248
Diluted	28 497 083	27 749 979	24 979 248

* 2020 and 2019 historical consolidated financial statements have been restated to take into account restatements and reclassifications (as described in note (a) (iv) and note 4 to the financial statements available on I2PO website www.i2po.com on the specific page dedicated to the IBC).

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CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (IN THOUSANDS OF EUROS)

	As of December 31,		
	2021	2020*	2019*
Assets			
Non-current assets			
Goodwill	7 487	7 487	7 487
Intangible assets	1 427	6 090	1 710
Property and equipment	5 838	6 573	3 536
Right-of-use assets	24 663	26 597	33 764
Investments in equity affiliates	5 500	-	-
Non-current financial assets	5 321	5 034	8 746
Other non-current assets	2 284	7 437	16 528
Total non-current assets	52 520	59 218	71 771
Current assets			
Trade and other receivables	33 986	29 842	50 253
Other current assets	12 877	11 465	12 659
Cash and cash equivalents	35 097	52 440	73 843
Total current assets	81 960	93 747	136 755
Total assets	134 480	152 965	208 526
Equity and liabilities			
Equity			
Share capital	290	283	276
Share premium	369 125	364 007	359 299
Consolidated reserves	(463 490)	(400 133)	(336 136)
Net loss	(123 258)	(95 361)	(83 103)
Equity attributable to owners of the parent	(217 333)	(131 204)	(59 664)
Non-current liabilities			
Provisions for risks	-	-	-
Provision for employee benefits	1 043	852	654
Lease liabilities	21 454	23 617	28 950
Financial liabilities	25 000	-	5 316
Total non-current liabilities	47 497	24 469	34 920
Current liabilities			
Provisions for risks	11 585	4 850	6 210
Lease liabilities	5 001	4 632	4 632
Financial liabilities	112	-	245
Trade payables and related accrued expenses	235 551	195 356	173 995
Tax and employee-related liabilities	32 870	36 752	30 079
Deferred income	16 960	15 761	15 962
Other liabilities	2 236	2 349	2 147
Total current liabilities	304 316	259 700	233 270
Total liabilities	351 813	284 169	268 190
Total equity and liabilities	134 480	152 965	208 526

* 2020 and 2019 historical consolidated financial statements have been restated to take into account restatements and reclassifications (as described in note (a) (iv) and note 4 to the financial statements available on I2PO website www.i2po.com on the specific page dedicated to the IBC).

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**CONSOLIDATED STATEMENTS OF CASH FLOWS
(IN THOUSANDS OF EUROS)**

	For the year ended December 31,		
	2021	2020*	2019*
Operating activities			
Net loss	(123 258)	(95 361)	(83 103)
Adjustments for:			
- Depreciation and amortization (excluding those related to current assets)	11 854	9 909	6 624
- Provisions	6 933	(1 145)	1 432
- Unrealized gains and losses on fair value operations	-	-	(274)
- Share-based payments	32 165	8 785	4 008
- Gains and losses on disposals	1 493	3 175	1 554
- Share of Loss of Equity Affiliates (net of dividends distributed)	1 854	-	-
- Discounting profits and losses	7	-	-
- Net debt costs (including interest on lease liabilities)	631	694	246
- Income tax	72	144	130
Changes in working capital:			
- (Increase) / decrease in trade receivables and other assets	(263)	27 905	7 493
- Increase / (decrease) in trade and other liabilities	36 925	37 114	20 519
Income tax paid	(52)	(154)	12
Net cash flows used in operating activities	(31 639)	(8 934)	(41 359)
Investing activities			
Purchases of property and equipment and intangible assets	(2 054)	(6 744)	(2 379)
Purchases of non-current financial assets	(543)	(78)	(5 768)
Proceeds from the disposal of intangible and tangible assets	28	-	-
Proceeds from the disposal of non-current financial assets	240	3 943	663
Impact of changes in the scope of consolidation	(7 297)	-	-
Net cash flows used in investing activities	(9 626)	(2 879)	(7 484)
Financing activities			
Increase in share capital and share premium (net of costs)	5 125	(238)	13 434
Proceeds from issuance of long-term debt	25 000	-	-
Repayment of lease liabilities	(5 773)	(7 165)	(5 311)
Net interest paid (including finance leases)	(519)	(694)	(246)
Net cash flows (used in)/from financing activities	23 833	(8 097)	7 877
Effect of foreign exchange rate changes on cash and cash equivalents	89	(1 493)	(68)
Change in net cash position	(17 343)	(21 403)	(41 034)
Cash and cash equivalents at the beginning of the year	52 440	73 843	114 877
Cash and cash equivalents at the end of the year	35 097	52 440	73 843
Change in net cash position	(17 343)	(21 403)	(41 034)

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- * *2020 and 2019 historical consolidated financial statements have been restated to take into account restatements and reclassifications (as described in note (a) (iv) and note 4 to the financial statements available on I2PO website www.i2po.com on the specific page dedicated to the IBC).*

On March 23, 2022, the Board of Directors authorized for issue the consolidated financial statements for the years ended December 31, 2021, 2020 and 2019. This unique set of consolidated financial statements covering three fiscal years does not replace the historical consolidated financial statements for the year ended December 31, 2020 with 2019 comparatives approved by the combined shareholders' general meeting held on June 30, 2021.

Events that occurred subsequent to those dates of approval are not reflected in these consolidated financial statements, in accordance with the decision of the IASB Interpretation Committee (IFRS IC Rejection - IAS 10 Events After the Reporting Period: Reissuing Previously Issued Financial Statements of May 2013). Therefore, the consolidated financial statements for the year ended December 31, 2020 with 2019 comparatives do not reflect events occurring after June 30, 2021 (date of approval of the historical IFRS financial statements by the combined general meeting).

These extracts of the audited consolidated financial statements for the years ended December 31, 2021, 2020 and 2019 include the following changes as compared to the consolidated financial statements originally published by the Group:

- For fiscal years 2019 and 2020: restatements to reflect adjustments on tax related provisions, as detailed in Note 4 to the financial statements;
- For fiscal years 2019 and 2020: changes in presentation improving the readers' understanding of the consolidated income statements, consolidated statements of financial position and consolidated statements of cash flows, as explained in Note 4 to the financial statements.

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Schedule 3

Allocation of Deezer's share capital as of April 18th, 2022

Shareholder	on a non diluted basis		on a fully diluted basis*	
	Shares	% of share capital	Shares	% of share capital
AI European Holdings Sàrl	12,589,067	43.3%	12,589,067	38.2%
Orange Participations S.A.	3,026,875	10.4%	3,026,875	9.2%
Kingdom 5-KR-272, Ltd	1,596,933	5.5%	1,596,933	4.8%
Rotana Audio Holding, Ltd	1,596,933	5.5%	1,596,933	4.8%
Idinvest Growth Secondary S.L.P.**	1,576,121	5.4%	1,576,121	4.8%
DC Music Sàrl	1,574,816	5.4%	1,574,816	4.8%
Other shareholders (not holding more than 5.0% individually on a non-diluted basis)	7,107,485	24.5%	10,971,498	33.3%
Total	29,068,230	100.0%	32,932,243	100.0%

* including 3,864,013 shares that may be issued upon exercise or final acquisition of warrants, stock options and free shares.

** represented by its management company Eurazeo Investment Manager S.A.

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Schedule 4

Financial Expert Report

BMA

I2PO



Financial expert report verifying if the company has sufficient financial means to carry out the Initial Business Combination

April 2022

SUMMARY

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1 | CONTEXT OF THE OPERATION

I2PO (“**I2PO**” or the “**Company**”) is a special purpose acquisition company (SPAC) incorporated on May 4, 2021. I2PO is a public limited company (in French, *société anonyme*) with a share capital of €343,749.98, whose registered office is located at 12, rue François 1er, 75008 Paris. It is registered in the Trade and Companies Register under number 898 969 852 R.C.S. Paris and is represented by Iris Knobloch in her capacity as Chairman-Director General.

The Company was formed by Groupe Artémis (Mr. François-Henri Pinault), SaCh27 SAS (Ms. Iris Knobloch), and Combat Holding SAS (Mr. Matthieu Pigasse) (together the “**Founders**”).

The Company focuses on the completion of an Initial Business Combination (**ICB**) with one or several target businesses or companies with principal operations in the entertainment and leisure industry in Europe, with a dedicated focus on digital. To this end, I2PO raised funds during its IPO on July 20, 2021, on the professional segment of the regulated market of Euronext Paris.

Currently, the share capital of I2PO is €343,749.98. It is divided into 34,374,998 shares with a nominal value of €0.01 each, of which:

- 2,291,664 category A1 preference shares;
- 2,291,667 category A2 preference shares;
- 2,291,667 Class A3 preference shares;
- 27,500,000 Class B preference shares (the “**Market Shares**”).

The Company’s initial public offering (the “**IPO**” or the “**Offering**”) has raised €275 million through the issuance of 27,500,000 units, each consisting of one Class B preferred share and one Class B warrant.

Groupe Artémis has participated in the Offering for a total amount of €15 million. Ms. Iris Knobloch and Mr. Matthieu Pigasse have not participated in the Offering and have advised the Company that they will not purchase Market Shares and/or Market Warrants, whether on- or off-market, following the Offering until the Initial Business Combination.

To the knowledge of the Company, the shareholders holding more than 5% of the share capital or voting rights of I2PO (on an undiluted basis) as at December 31, 2021, are J.P. Morgan Chase International, Linden Advisors, Citadel Advisors LLC, and Barclay Capital Securities Ltd. (together the “**Main Shareholders**”).

The Company intends to consummate its initial business combination through a strategic transaction (the “**Transaction**”) involving the French digital music distributor Deezer (the “**Target**”). The Transaction will require an affirmative vote of the majority of the members composing the Board of Directors of the Company, including approval by a two-thirds majority of its independent members, following which the Company will publish a notice relating to the Transaction in accordance with the IPO Prospectus (the “**IBC Notice**”).

In accordance with the provisions of the articles of association of the Company dated July 20, 2021, each shareholder may redeem its Market Shares before the completion of the business combination. They will have thirty (30) calendar days following the IBC Notice to notify the Company that they wish to have all (and not less than all) their Market Shares redeemed by the Company.

The following table summarizes I2PO emissions and funding:

	Founders	Shareholders	Any additional investment
SPAC creation date May 4, 2021	Ordinary shares: <u>€56.5 thousand</u> <u>5,649,999 shares</u> <ul style="list-style-type: none"> 1,883,333 ordinary shares for €0.01; 1,883,333 ordinary shares for €0.01; 1,883,333 ordinary shares for €0.01. 		
SPAC IPO: July 20, 2021	Founders' units: <u>€6.8 million</u> <u>6,874,998 shares</u> <ul style="list-style-type: none"> 2,291,664 shares + category A1 option for €0.01; 2,291.667 shares + category A2 option for €0.01; 2,291.667 shares + Class A3 option for €0.01. 	Market units: IPO <u>€275 million</u> <u>27,500,000 shares</u> <ul style="list-style-type: none"> 27,500,000 Class B preferred shares + warrant for €10.00 	
Intended operation			
Merger with the target company (Deezer)		IBC Notice: Each Market Share holder will have thirty (30) calendar days following the IBC Notice to notify the Company that they wish to have all their Market Shares repurchased by the Company.	PIPE <u>Target: €150 million for 15,000,000 new ordinary shares</u>

Sources: I2PO Prospectus, Draft merger agreement, Deezer acquisition presentation

1.1 Merger agreement

The Initial Business Combination of I2PO will take the form of a reverse merger by absorption with one of the leaders in the field of entertainment, the music streaming service Deezer (the “**Merger**”). I2PO shall be the surviving entity as a result of the Merger.

Deezer is a public limited company whose registered office is 24, rue de Calais, 75009 Paris. It is registered in the Trade and Companies Register under number 511 716 573 R.C.S. Paris and is represented by Mr. Jeronimo Folgueira in his capacity as Chief Executive Officer.

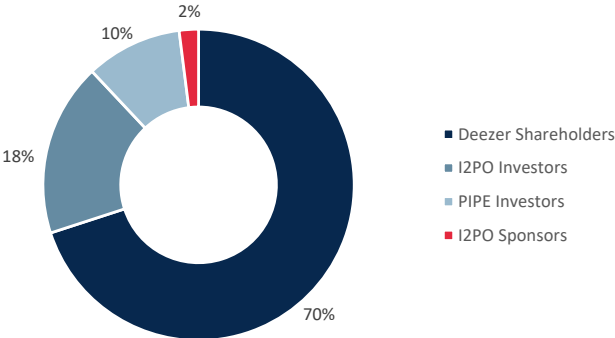
Deezer’s goal is to combine the experience and expertise of I2PO’s founding shareholders with that of Deezer, as it pursues its development, and to access the stock market to finance its activity in the medium and long term.

The aim of the transaction is to provide up to €425 million of total primary proceeds, consisting of:

- €275 million from I2PO (point 1.2).
- €150 million in target PIPE (point 1.3) proceeds expected to be raised at €10.00 / share

Deezer is expected to have up to €419million¹ of cash pro forma at the transaction’s closing. In this context, Deezer’s shareholders are expected to own 70% of the pro forma company.

Post-transaction expected ownership:



Source: “Decibel” financial presentation for the PIPE investors

1.2 I2PO Cash

The Company has raised €275 million in its initial public offering through the issuance of 27,500,000 units, each consisting of one Class B preferred share and one Class B warrant. These funds have been put in a deposit account opened with the bank “Caisse d’Épargne Midi-Pyrénées”, as described in the prospectus issued by I2PO for its initial public offering.

1.3 PIPE

In the context of the cash requirements associated with the Transaction, the Company will proceed with a share capital increase reserved for certain investors (the “PIPE”), by way of issuing new ordinary shares in the Company (the “PIPE Shares”).

The PIPE Shares, once issued by the Company, will be listed and traded on the professional segment of the regulated market of Euronext Paris on the settlement and delivery date of the PIPE. A prospectus will be prepared and submitted for AMF approval.

Proceeds from the PIPE will be used by the Company to satisfy the cash requirements associated with the Business Combination, including *inter alia* paying related expenses and retaining specified amounts to be used by the Company after the Business Combination to support its growth strategy, its working capital, or other business or corporate purposes.

The target amount for the PIPE is €150 million, the proceeds expected to be raised at €10.00 / share.

¹ Estimated as pre-transaction net cash of €10m, plus cash proceeds from transaction of €390m, plus €19m from exercising warrants.

2 | DESCRIPTION AND SCOPE OF THE MISSION

This mission was carried out by Pierre Béal, Partner, and Stéphane Marande, Executive Director specialized in financial evaluation, assisted by Amaël Nabet, junior analyst.

2.1 Missions of the financial expert

The IBC will require an affirmative vote from the Board of Directors at the required majority. This vote will be made on the basis of a Financial Expert's report certifying that the Company has sufficient financial means in the form of equity capital and authorization of credit lines to carry out the Initial Business Combination.

In this context, BM&A Advisory & Support was appointed on November 30, 2021, by the Company's Board of Directors as a financial expert to prepare a report certifying that the Company has sufficient resources to finance the IBC's consideration and the repayment of shares held by shareholders not wishing to participate in the transaction.

The goal of our intervention is to certify the following three points:

- The amount of cash currently held by the Company.
- The form of the Business Combination and its impact on the level of cash required for the acquisition.
- A minimum available cash position of € 135 million post redemption period, by confirming the irrevocable commitments of the current investors not to request the redemption of their Market Shares and by adding the amount of the new investors' subscription commitments (PIPE).

2.2 Limits

This document was created by BM&A Advisory & Support at the request of and upon appointment by I2PO's Board of directors, and for them alone, as per the assignment detailed in the previous paragraph.

We have based our work chiefly on the information supplied by I2PO's counsels, which we assume to be correct, comprehensive, and given in good faith. We have not subjected the information to any audit, limited review, or independent verification. As a result, BM&A cannot guarantee the accuracy or completeness of the supplied information and thus may not be held responsible for any decisions made based on this information should it prove incorrect or incomplete.

2.3 Documents provided

We have used the documents and information provided to us by the Company and its advice to accomplish our assignment. These include mainly:

- The IPO prospectus of I2PO ("SPAC I2PO").
- The "Decibel" financial presentation for the new investors, as of March 18, 2022 ("PIPE IP").
- The draft of the merger agreement, unsigned, as of March 24, 2022 ("Projet de Traité de fusion").
- A template of non-redemption agreement, as of March 14, 2022.
- A bank statement of the deposit account opened by I2PO with the "Caisse d'Épargne Midi-Pyrénées", as of March 24, 2022.
- Summary report of follow-up of PIPE subscriptions, 18 signed PIPE subscriptions and a confirmation by email.

3 | CONCLUSIONS OF THE FINANCIAL EXPERT

3.1 Cash in bank

As per the bank statement of the deposit account opened by I2PO with the “Caisse d’Épargne Midi-Pyrénées”, the cash in escrow, as of March 24, 2022, is €275 million (see Annexes). As a result, we can confirm that the Company has the financial means to repurchase any Market Shares as may be requested by I2PO’s shareholders who hold Market Shares.

3.2 Form of the Business Combination

After an analysis of the unsigned draft Merger Agreement, we observe that the transaction will result in new ordinary shares being issued by the Company to the shareholders of the Target (the “**Merger Shares**”) as consideration for the transfer of all assets and liabilities of the Target to the benefit of the Company. Therefore, no cash transfer is needed for completion of the IBC and we can confirm that the Company has the financial means to proceed with the IBC. However, the final percentage of the Deezer’s shareholders into the share capital of I2PO will depend on the amount of I2PO’s cash available on the completion date of the Merger.

3.3 Minimum cash post redemption period

The conditions precedent of the draft merger agreement provide, among other things, that I2PO must hold at the date of completion of the merger an amount of available cash at least equal to €135 million.

The amount of cash available at the time of the completion of the merger will consist of:

- the amount of the initial subscriptions (€275 m).
- less (-) requests for redemption of the Market Shares.
- plus (+) the amount of PIPE subscriptions.

We remind you that (i) each shareholder has thirty (30) calendar days following the IBC Notice to notify the Company that they wish to have all (and not less than all) their Market Shares repurchased by the Company, and that (ii) the investors can confirm their contribution to the PIPE until convening of the Company’s shareholders’ meeting who will be invited to resolve upon the share capital increase relating to such PIPE.

In this context, as our report is due to be issued prior to the Board of Directors’ meeting which shall be held to approve the IBC, and hence before the expiry of the period when investors can confirm their contribution to the PIPE, it is very likely that the Company receive additional confirmations from investors who shall decide to contribute to the PIPE. Indeed, from an economically rational point of view, some investors may wait until the last moment of the investment period offered to them. Thus, it is not surprising that we only obtained a limited number of non-redemption undertakings and PIPE subscription undertakings.

Nevertheless, we have obtained some information from the banks regarding investor intentions, which is summarized below.

First, it results from the Company’s 2021 financial report that as of 31 December 2021, the Market Shares ownership pre-IBC could be summarized as follows:

I2PO : Capitalization table : post IPO Shareholder	Market Shares		
	#	Nom. Value	Total (€m)
Founders :			
Iris Knobloch			
Groupe Artémis	1 500 000	10.00 €	15.0
Matthieu Pigasse			
Founders	1 500 000		15.0
Main Shareholders (>5%) :			
J.P. Morgan Chase & Co(2)	4 195 945	10.00 €	42.0
Goldman Sachs International	3 039 191	10.00 €	30.4
Linden Advisors	2 149 998	10.00 €	21.5
Citadel Advisors LLC	1 739 192	10.00 €	17.4
Barclays Capital Securities Ltd	2 015 736	10.00 €	20.2
Main shareholders	13 140 062		131.4
Free float	12 859 938	10.00 €	128.6
Total	27 500 000		275.0

As of the date of this report, we have not received any signed “Non-Redemption Agreement”. In this context, we can only certify that an amount of €15 million (Groupe Artémis Market Shares) will not be subject to any redemption request upon expiry of the 30-day redemption period.

Then, as of the date of this report, investors have signed with the Company firm subscription commitments, in a total amount of €119 million. In addition, another positive contact (confirmed by an email) has been made for an amount of €1 million which would be invested in order to reach the minimum cash threshold.

Therefore, it is considered that an amount of €120 million is secured under the PIPE, making a total of €135 million including the signed non-redemption undertaking of €15 million from Groupe Artemis.

In this context, the cash available to I2PO at the end the thirty-day redemption period, according to the percentage of redeem requested, can be estimated as follows,

Net cash available (€m)		I2PO Shareholders Redeem %				
		10%	30%	50%	70%	90%
PIPE amount (€m)	119,0	368	316	264	212	160
	119,5	369	317	265	213	161
	120,0	369	317	265	213	161
	135,0	384	332	280	228	176
	150,0	399	347	295	243	191

4 | CONCLUSION

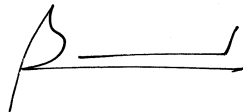
As of the date of this report, we can certify that I2PO has an amount in escrow in a total amount of €275 million and that no cash will be needed for completion of the Merger.

In addition, Groupe Artémis has undertaken not to redeem its Market Shares for an amount of €15 million. Concurrently, PIPE investors have been contacted with 18 subscription agreements having been signed (for a total amount of up to €119 million) and 1 subscription undertaking (for a total amount of up to €1 million confirmed by an email). Therefore, the banks have expressed their confidence that the minimum cash threshold of €135 million will be reached.

As a result, as the PIPE subscriptions are very likely to amount €120 million (a total amount of €119 million subscription agreements already signed plus €1 million of subscription undertaking confirmed by an email) and considering the €15 million non-redemption undertaking of Groupe Artemis, it is highly likely that the €135 million minimum cash threshold will be reached.

Paris, April 18th, 2022

BM&A Advisory & Support




Pierre Béal
Partner



Stéphane Marande
Executive Director

5 | ANNEXES

Bank statement of the Company, as of March 24, 2022:

 CAISSE D'ÉPARGNE MIDI-PYRENEES	Agence : BANQUE PRIVEE (3017001) ☎0562259125	Page 1/1 Le 24/03/2022 17:25:23
	Document non contractuel (Sous réserve d'opérations en cours)	

SYNTHESE CLIENT

(document non contractuel – sous réserve d'opérations en cours)

TITULAIRE I2PO ■ Date de création : 29-04-2021 ■ Adresse : 12 RUE FRANCOIS 1ER 75008 PARIS 8 ■ Identifiant client [REDACTED] ☎ 0172251065

Ref. client [REDACTED]
Bureau de domiciliation [REDACTED]
Suivi par [REDACTED]

Vos comptes titulaires

	Solde	Conversion
COMPTE COURANT		
OFFRE CCE COMPTE COURANT EURO [REDACTED]	13 743,02 €	90 148,30 FRF
	13 743,02 €	90 148,30 FRF
PLAN ET CONTRAT D'EPARGNE		
CAT PROGRESSIF [REDACTED]	275 000 000,00 €	1 803 881 750,00 FRF
	275 000 000,00 €	1 803 881 750,00 FRF
Total de vos comptes	275 013 743,02 €	1 803 971 898,30 FRF



Audit



***Conseil et support
opérationnels***



Conseil financier



***Conseil et support opérationnels
aux établissements financiers***

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