Non-GAAP Financial Measures

This presentation contains certain non-GAAP financial measures. We provide reconciliations to these non-GAAP financial measures to the most directly comparable GAAP financial measures in our earnings press release and in our Form 10-Q announcing our earnings results, which can be found on the SEC's website at www.sec.gov and our website at investors.wmg.com.

This presentation is a supplement to, and should be read in conjunction with, Warner Music Group's earnings release for the quarter ended March 31, 2021.
WMG Delivers Strong Growth Across Key Metrics

Total Revenue: +13%
- FQ2'20: $1,088
- FQ2'21: $1,250

Digital Revenue: +20%
- FQ2'20: $718
- FQ2'21: $860

Cash Flow from Operations: +74%
- FQ2'20: $86
- FQ2'21: $150

Net Income: +25%
- FQ2'20: $24
- FQ2'21: $268

Adj. EBITDA Margin: +140bps
- FQ2'20: 20%
- FQ2'21: 21.4%

WMG Expands its Global Platform
Presence in 70+ Countries and Growing

WMG Delivers Strong Growth Across Key Metrics

FQ2’20 FQ2’21

- +20% Digital Revenue
- +13% Total Revenue
- +74% Cash Flow from Operations
- +25% Adj. EBITDA

Active Capital Structure Management
Including April 2021 refinancing

Since 12/31/19:

- Reduced avg. weighted cost of debt from 4.2% to 3.4%
- Extended avg. debt maturity from ~5 years to ~8 years

Maturity by Year

Peru
Opened April 2019

Russia
Expanded #1 market share through recent acquisition of Zhara, which was re-branded Atlantic Records Russia

Vietnam
Recently signed multi-year licensing agreement & forming label JV with TME

Middle East
Opened April 2020

China
Opened January 2020

Since 12/31/19:

- Reduced avg. weighted cost of debt from 4.2% to 3.4%
- Extended avg. debt maturity from ~5 years to ~8 years

Maturity by Year

All metrics are presented on a year-over-year and as-reported basis, except for revenue which is presented on a constant-currency basis.

($ in MM)
Chart-Topping New Releases Drive Strong Growth

+13% Revenue

+20% Streaming Revenue

+183% OIBDA

+27% Adj. OIBDA

• Accelerated Growth in Emerging Streaming Platforms Revenue
• YoY Physical Revenue Growth: +19%
• YoY EMP Revenue Growth: +44%
• Collaborated on Immersive Experiences with Roblox
• Expanded Digital Presence through Alliances with Wave, Genies and Dapper Labs

Double-Digit Revenue Growth Driven by Digital and Sync

+12% Revenue

+33% Digital Revenue

-16% OIBDA

-6% Adj. OIBDA

Highlights

• Share in 23 No. 1’s across radio, streaming and Billboard U.S. charts
• New songwriting deals: Anderson .Paak, CJ, Tyler Childers, Jorge Drexler, Aya Nakamura
• Extended agreements: Saweetie, Summer Walker, Little Big Town
• YoY Synchronization Revenue Growth: +12%

No. 1 on Billboard Hot 100
No. 1 on Billboard Hot 100
Over 300MM streams, No. 1 in eight countries

#1 Publisher in Germany
New partnership with Love Renaissance

ASCAP Pop Awards
Publisher of the Year

New partnership