

# Transparency Report for 2023

sabam



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**Sabam sc Belgian Society of Authors, Composers and Publishers**

Rue des Deux Églises, 41-43, 1000 Brussels

Tel: +32 2 286 84 84 - [member@sabam.be](mailto:member@sabam.be) - [sabam.be](http://sabam.be)

VAT BE 0402 989 270 - RPM Brussels

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\* Article 22 DIRECTIVE 2014/26/EU OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 26 February 2014 on collective management of copyright and related royalties and multi-territorial licensing of royalties in musical works for online use in the internal market

# 1. Overview of developments and results

## 1.1. Discussion of the balance sheet

### 1.1.1. Figures

	2023	2022	2023 vs 2022
SET-UP COSTS	0	0	0
FIXED ASSETS	18,463,612	19,175,601	-711,990
Intangible assets	3,264,951	4,740,876	-1,475,925
Tangible fixed assets	2,279,086	1,620,998	658,088
Fixed financial assets	12,919,574	12,813,727	105,848
CURRENT ASSETS	314,852,152	307,142,560	7,709,591
Trade receivables	221,574	24,633	196,941
Other receivables	2,418,442	2,072,651	345,791
Cash investments	253,520,492	231,476,930	22,043,562
Available securities	19,805,274	31,690,493	-11,885,219
Receivables on royalties	37,036,179	40,230,859	-3,194,680
Accruals and deferred revenue	1,850,190	1,646,994	203,196
<b>TOTAL ASSETS</b>	<b>333,315,764</b>	<b>326,318,162</b>	<b>6,997,602</b>

	2023	2022	2023 vs 2022
<b>EQUITY</b>	<b>19,395,225</b>	<b>12,494,084</b>	<b>6,901,141</b>
Contribution	1,787,424	1,728,150	59,273
Revaluation	0	0	0
Reserves	8,679,574	1,837,707	6,841,867
Reconstitution reserve	8,928,227	8,928,227	0
Retained earnings	0	0	0
<b>PROVISIONS AND DEFERRED TAXES</b>	<b>2,153,261</b>	<b>3,880,574</b>	<b>-1,727,313</b>
Provisions for liabilities and charges	2,153,261	3,880,574	-1,727,313
<b>DEBTS</b>	<b>311,767,278</b>	<b>309,943,504</b>	<b>1,823,773</b>
<b>Debts due within one year</b>	<b>12,094,894</b>	<b>14,295,438</b>	<b>-2,200,544</b>
Financial liabilities	0	0	0
Trade debts	6,071,177	6,985,865	-914,688
Debts relating to wages, salaries and social security	5,923,575	7,199,113	-1,275,538
Advances received/other liabilities	100,142	110,460	-10,318
<b>Debts on royalties</b>	<b>284,844,995</b>	<b>280,520,853</b>	<b>4,324,141</b>
Debts of more than one year (IX bis - long term)	68,763,320	66,403,586	2,359,734
Debts due within one year (IX bis - short term)	216,081,675	214,052,036	2,029,638
Balance of State compensation	0	65,231	-65,231
<b>Accruals and deferred revenue</b>	<b>14,827,389</b>	<b>15,127,213</b>	<b>-299,824</b>
<b>TOTAL LIABILITIES</b>	<b>333,315,764</b>	<b>326,318,162</b>	<b>6,997,601</b>

## 1.1.2. Explanation

### ASSETS

Assets comprise everything Sabam owns: buildings, sums in current and investment accounts, etc. Fixed assets remain with Sabam for more than one year. Current assets can in principle be sold or used for payment within one year.

#### A. Fixed assets

**Intangible assets** consist of software purchased and developed in-house. In 2023, €1.6 million was invested in the development of new software, including €0.9 million for BOOST, a new innovative modular platform that is expected to lead to the gradual replacement of the current SIS collection and distribution software. In addition to the investments in BOOST, an additional €0.5 million was invested in various other projects, such as data lake. In 2023, in addition to regular depreciation (€1.8 million), certain historical developments were also subject to accelerated depreciation (€0.7 million) due to technical obsolescence and/or insufficient economic contribution.

The **tangible fixed assets** increased by €0.7 million compared with last year, mainly due to new investments in installations (€0.6 million) in the new building and in IT equipment (€0.3 million), partially offset by regular depreciation during the year.

The **financial fixed assets** remained relatively stable compared with last year, and mainly comprise the shares in *Deux Églises* (€3.8 million) and a long-term receivable from this company (€9.1 million).

## **B. Current assets**

The **amounts receivable within one year include Sabam's trade receivables that are independent of the invoicing of royalties and other receivables**, they mainly comprise €1.9 million in recoverable VAT, in line with the previous year, and €0.3 million in recoverable corporation tax.

The **royalties receivable** resulting from the royalties management activity relate to open receivables arising from Sabam's normal activities (linked to licences). This item on the balance sheet shows a decrease of €3.2 million compared to the previous year, even though outgoing billing, including related rights under the Unique Music Platform, has increased from €194.3 million in 2022 to €207.3 million in 2023. The decrease in open royalty receivables is mainly due to the accelerated implementation of the invoicing schedule during the year and the ad hoc monitoring of regular dunning and collection procedures.

The **cash investments and cash equivalents** increased by €10.2 million compared to the previous year due to higher billing volumes and a collection rate higher than that of 2022. The company aims to optimise its cash investments and was once again able to make profitable short-term investments in 2023 (maturing in less than 1 year). As a result, cash investments (including short-term investments) increased by €22 million, while cash equivalents decreased by €11.9 million.

The **asset adjustment accounts** relate to €1.4 million of interest still to be received and €0.4 million of costs to be transferred which relate to next year.

## LIABILITIES

Liabilities consist of the sources of financing which the asset was financed. These are equity and debt capital, e.g. loans and debts.

### A. Equity

The rise in **equity** stems mainly from the profit for the financial year, which amounts to €6.8 million.

### B. Provisions and deferred taxes

The **provisions and deferred tax** decreased by €1.7 million compared with the previous year. This was mainly due to the payment of a provision for reorganisation costs at Executive Committee level in 2018 (€1.2 million) and a reduction in provisions for various legal proceedings (€0.3 million).

In 2018, the company ended the cooperation with several members of management, including its former CEO. In February 2023, the dispute over severance pay was settled before the Brussels Labour Court at the company's expense. As a provision has already been made in the past, there is no financial impact on the result for the year.

### C. Debts

The **debts due within one year** consist of trade payables and debts relating to taxes, salaries and social charges.

Trade debts amounted to €6.0 million, and decreased by €0.9 million compared to the previous year, due to the payment of major invoices relating to the fitting out of the new building in early 2023.

Remuneration and social security charges mainly include the provision for holiday pay (€3.5 million), withholding tax payable (€0.5 million) and bonuses payable (€0.8 million). The decrease compared to last year is mainly due to sufficient advance payments for corporation tax in 2023 (€1.6 million payable in 2022).

The **debts on royalties resulting from the royalties management activity due in more than one year** (IX bis long-term) consist mainly of Sabam's social and cultural fund. For further details, please refer to the chapter on the Social and Cultural Fund in part 15 of this report.

**Debts on royalties arising from the management of royalties within one year** (IX bis short-term) relate to royalties that have not yet been distributed or that may already have been allocated to a specific beneficiary, but which have not yet been paid out. This position is posted without future commissions.



This account can be detailed as follows:

	2023	2022	2023 vs 2022
<b>A Debts on royalties pending collection</b>	<b>34,726,175</b>	<b>36,229,290</b>	<b>-1,503,115</b>
<b>B Royalties collected to be distributed</b>	<b>150,495,098</b>	<b>148,765,009</b>	<b>1,730,089</b>
1. Royalties collected to be distributed not reserved	112,374,283	110,590,339	1,783,944
2. Royalties collected to be allocated reserved	34,405,799	32,323,453	2,082,346
3. Royalties collected to be distributed that are subject to dispute	3,715,016	5,851,217	-2,136,201
<b>C Royalties collected and distributed pending payment</b>	<b>30,860,402</b>	<b>29,057,737</b>	<b>1,802,665</b>
1. Royalties collected distributed and not contested	10,832,973	7,030,649	3,802,324
2. Royalties collected and distributed and contested	20,027,429	22,027,088	-1,999,659
3. Non-distributable royalties collected	0	0	0
<b>D The financial returns arising from managing the royalties collected</b>	<b>0</b>	<b>0</b>	
<b>Total</b>	<b>216,081,675</b>	<b>214,052,036</b>	

### A. Debts on royalties pending collection

These are royalties that have been invoiced up to 31 December 2023, but which have not yet been received. Even though invoices have increased by €13.0 million compared with last year, the royalties to be collected nevertheless decreased by €1.5 million. This positive decrease is explained by the fact that the billing schedule in 2023 was almost always ahead of schedule. Regular collection procedures were therefore able to be commenced and completed on time.

#### B1. Royalties collected to be distributed not reserved

These are royalties that have already been paid by the user to Sabam, but which have not yet been allocated on an individual basis to a rights holder. These royalties consist of amounts to be distributed that are not reserved by Sabam and are not contested. The majority of these are musical performance fees which can only be distributed in the year following collection, after receipt of the lists of works played.

B1's increase of €1.8 million is mainly due to a sharp rise in invoicing (and actual collections) and to the agreement on concert and festival rates, partly offset by a particularly high distribution volume in 2023.



## B2. Royalties collected to be allocated reserved

These are royalties already collected that Sabam has not yet distributed as a precautionary measure. This can be explained by the fact that we are still waiting for information about the works used or by the fact that we want to deal with the claims of non-affiliates in the case of legally binding collective management. The €2.1 million increase compared with last year is mainly due to the increase of invoicing of royalties for which there are more documentation requirements.

## B3. Royalties collected to be distributed, contested

These are royalties already collected that Sabam cannot yet distribute, according to the principle of equitable and prudent management, following a dispute concerning the validity of the collection by the user who paid the royalties.

The substantial drop of €2.1 million in B3 compared with last year is mainly due to an agreement on the rate for concerts and festivals, which enables these blocked royalties to be included in the distribution (included under B1).

## C1. Royalties collected distributed and not contested

These are royalties that have been allocated but cannot be paid out to the rights holders or to foreign management companies. There may be different reasons for this. For example, not having the correct account number for the beneficiary. Or the absence of documents/invoices from foreign management organisations.

C1's increase of €3.8 million is mainly due to the particularly high distribution volume in 2023, for which the actual payment to members and sister organisations will only partially take place at a later date.

## C2. Royalties collected, contested

These are royalties that have been allocated but cannot yet be paid out due to a dispute. The reasons for this are diverse: for example, disputes between rights holders or problems related to the documentation of works.

The €2.0 million reduction in C2 compared with last year is mainly due to the allocation of reserves online.

## C3. Non-distributable royalties collected

The balance of the definitively non-distributable royalties is zero at the end of 2023. We also refer to the auditor's report attached to this report.

The **accruals and deferred revenue** mainly comprises costs to be charged relating to distributions still to be made in the coming year in order to avoid double charging to members.

## 1.2. Profit and loss account

### 1.2.1. Figures

	2023	2022	2023 vs 2022
COMMISSIONS	35,169,281	30,104,361	5,064,920
Services and sundry goods	-11,594,440	-10,240,685	-1,353,754
Personnel costs	-19,761,534	-19,554,673	-206,860
Capitalised production	419,865	764,258	-344,393
Depreciation, write-down & provisions for liabilities and charges	-2,299,476	-2,528,642	229,166
Other operating expenses	-2,290,081	-2,377,264	87,184
Other operating revenue	3,893,340	4,006,818	-113,478
<b>Non-recurring income</b>	<b>-2,589,574</b>	<b>22,188,911</b>	<b>-24,778,485</b>
Exceptional expenses	-2,590,506	-2,322,486	-268,020
Exceptional revenue	932	24,511,397	-24,510,465
OPERATING PROFIT	947,382	22,363,084	-21,415,702
Fin. income/Fin. expenses	5,921,165	-2,400,319	8,321,484
Tax	-26,680	-4,607,872	4,581,192
NET INCOME	6,841,867	15,354,893	-8,513,026

## 1.2.2. Explanation

### A. Operating revenues

#### Commissions (turnover)

The Code of Economic Law and the Royal Decree of 25 April 2014, amended by the Royal Decree of 22 December 2017, relating to the administrative and accounting organisation, internal control, accounting and annual accounts of royalties and related royalties management companies and the information they must provide, stipulates that turnover consists exclusively of commissions and not of invoiced royalties, as was the case up to and including 2014.

Since the introduction of the Royal Decree of 25 April 2014, an attempt has been made to bring commissions to a level that covers Sabam's full costs for the financial year. During the COVID-19 years (2020 and 2021 financial years), this was not possible. During the 2022 and 2023 financial years, efforts to reduce operating costs and increase billings have been rewarded with lower cost levels and higher commission income.

In 2023, commission income increased, with rounding, by €5.1 million to €35.2 million. This increase is due to:

- I. the increase in billing €194.4 million in 2022 to €207.4 million in 2023;
- II. a higher recovery rate for unpaid debts;
- III. and the agreement on rates for concerts and festivals, which enabled these commissions to be recognised.

This increase concerns copyright in music (+€6.1 million), in images & texts (+€4.2 million) and related rights (+€2.7 million).

## B. Operating expenses

### Services and sundry goods

Charges for services and sundry goods relate to charges for utilities, maintenance, fees, etc. The €1.4 million increase in these costs is mainly due to an increase in the costs of external consultants for various projects (€0.9 million), rental costs for the building (€0.5 million), training costs (€0.2 million) and commission costs related to online collections via ICE (€0.1 million), partially offset by a decrease in charges for utilities in the building (€0.3 million). The increase in consultants' costs arises from the company's strategy to continue to make its cost structure more flexible.

### Personnel costs

Costs relating to remuneration, social security charges and pensions rose by only €0.2 million despite the 11.08% indexation which was normally applied. This very limited increase is mainly due to:

- I. wage restraint measures for 2023 agreed with the social partners in 2022 (including a limit on indexation);
- II. and a further reduction in permanent staff (-14 FTEs compared with 2022).

### Depreciation, write-downs and provisions

The costs for depreciation, write-downs and provisions are at the same level as last year.

### Other expenses

Other expenses mainly comprise expenses for socio-cultural purposes (€2 million in 2023; €2.2 million in 2022) such as cash prizes, bursaries and other allowances, as well as expenses relating to other taxes or duties (€0.6 million in 2023; €0.5 million in 2022). Grants for socio-cultural purposes decreased by €0.4 million compared with last year as more initiatives could be actively supported in 2022 and the company aimed to make effective use of unused budgets from the COVID-19 years.

### Non-recurring expenses

Non-recurring expenses mainly comprise:

- I. end-of-contract indemnities linked to the long-term implementation of the strategic vision (€1.9 million in 2023; €1.4 million in 2022);
- II. and an additional depreciation on historical software developments (€0.7 million in 2023) due to economic and/or technical obsolescence.

In 2022, non-recurring expenses also include one-off costs relating to the sale of the building and land on rue d'Arlon and the purchase of *Deux Églises*.

### C. Financial revenue

Sabam uses the legal possibility, provided for in article XI.251 of the Code of Economic Law, to use the net financial income from copyright investments (IXBis short-term) to cover its operating costs. The financial markets' climate with regard to inflation and interest was so negative in 2022 that even the valuation of a defensive investment portfolio came under unprecedented pressure, resulting in a net book loss of €2.4 million. These book losses are therefore not caused by sale/purchase transactions in the investment portfolio, but simply by the extremely negative influence of the financial markets on investments and which have resulted in an accounting write-down of €7.1 million.

By 2023, the financial market climate for interest and investment has changed so that:

- I. almost 60% of the depreciations in book value on the 2022 investment portfolio were able to be reversed (€4.1 million);
- II. and short-term investments with attractive returns have once again been possible (€0.7 million in 2023).

This made the net financial result positive again at €5.9 million.

For the sake of completeness, it should be added that the net financial results of investments from the social fund, which are not used to cover the company's operating costs, were also positive in 2023 at €2.4 million (compared with €2.9 million in 2022).

We refer to the explanations in the annual financial statements for the specific valuation rules relating to the investment portfolio and the application of the fair view principle as the most important principle.

### D. Tax

Corporation tax charges were significantly higher in 2022 due to the one-off capital gain realised on the sale of the building.

### 1.3. Cash flow

Cash Flow Statement, "TFT"	fiscal year	previous year
<b>I. Cash flow from operating activities</b>		
A. Royalties collected	205,166,373	189,251,444
B. V.A.T. on A	11,128,913	10,303,412
C. Gross royalties collected	216,295,286	199,554,856
D. Financial income received from the investment of royalties	2,411,307	-1,375,245
E. Amounts received from the investment of sums on own account	0	0
F. 1. Remuneration paid to rights holders in its capacity as management company	41,090,446	27,704,043
F. 2. Other amounts received	1,568,736	11,380,460
G. Royalties Paid	154,239,772	138,874,705
G. 1. Royalties received under a representation agreement paid within 6 months of receipt	50,675,015	42,566,019
G. 2. Royalties received under a representation agreement paid more than 6 months after receipt	3,454,184	1,651,650
G. 3. Royalties not received under a representation agreement paid within the first 9 months of the fiscal year following collection	84,333,413	78,135,865
G. 4. Royalties that have not been received under a representation agreement paid beyond the first 9 months of the fiscal year following collection	15,777,161	16,521,170
H. Amounts paid resulting from the investment of royalties	0	0
I. Amounts paid to staff and on their behalf	19,148,878	19,437,538
J. Amounts paid for social, cultural or educational purposes	7,792,394	9,125,277
K. Contribution paid to the organic fund	258,078	241,207
L. V.A.T. paid on royalties and remuneration (commissions)	0	0
M. Property tax paid on behalf of the rights holders (copyrights)	7,836,979	7,160,619
N. Other amounts paid	16,966,588	30,064,904
O. Net cash flow from operating activities before tax and finance costs	14,032,639	4,655,822
P. Interest and Expenses Paid	10,996	13,875
Q. Income taxes paid	1,468,359	3,100,000
R. Net cash flow from operating activities	12,553,284	1,541,946

Cash Flow Statement, "TFT"	fiscal year	previous year
<b>II. Flows from investment activities</b>		
A. Acquisition of tangible and intangible fixed assets	2,348,368	3,523,782
B. Sale of tangible and intangible fixed assets	0	21,153,498
C. Acquisition of financial fixed assets	105,848	12,695,089
D. Sale of financial fixed assets	0	0
E. Dividends received from financial fixed assets	0	0
F. Net cash flow from investment activities	-2,454,215	4,934,626
<b>III. Cash flows from financing activities</b>		
A. Amounts received following a capital increase	59,273	-79,929
B. Amounts received from the issuance of loans	0	0
C. Repayment of loans	0	0
D. Dividends paid	0	0
E. Net cash flows from financing activities	59,273	-79,929
<b>IV. Net change in cash</b>	10,158,342	6,396,643
<b>V. Cash at the beginning of the year</b>	263,167,423	267,264,391
<b>VI. Cash at year-end</b>	273,325,766	273,661,034

## Notes:

- 1) To comply with the Law of 2009 - R.D. of 25/4/2014, we have used the direct method to prepare this cash flow statement.
- 2) Unlike last year, we have included in our cash flow statement includes all movements on class 5 accounts. This amount includes EUR 3,409,351 for actuarial write-downs on bonds.
- 3) The amount shown under "F.1. Remuneration charged to rights holders as management company" consists of our commission and net financial income (including non-cash items).
- 4) Under "N. Other amounts paid" mainly includes amounts paid to the VAT authorities and to our suppliers.
- 5) The major differences between F2 and N compared with last year are due to the sale of the rue d'Arlon building and the purchase of Deux Eglises in 2022.



## 2. Refusal to grant a licence based on article XI.262, § 2

In 2023, Sabam did not refuse any licences to users of its repertoire.

## 3. Legal and administrative structure in 2023

Sabam is a cooperative corporation of shareholders: authors, composers and publishers who have subscribed to a share and signed an affiliation and fiduciary assignment contract. They are represented in the statutory bodies such as the general assembly and the administrative body.

Sabam manages the rights of more than 48,000 shareholders active in music and images & texts (i.e. film and television, theatre and dance, visual arts and literature). The composition and powers of the company's various statutory bodies are set out in the Corporate Governance Charter, the text of which can be found on our website.

### 3.1. Governing body

**President:**

Jan Hautekiet

**Vice-president:**

Team For Action sc - represented by *Claude Martin*

**Secretary:**

Pat More Productions srl - represented by *Patrick Mortier*

**Directors:**

Laurence Bibot

Benoît Dobbelsstein

Eva Cools

Pierre Dumoulin

Hans Helewaut

Manu Hermia

Rudy Léonet

Yves Ringers

Serge Ramaekers

Bram Renders

Sabine Tielens

CTM Entertainment srl - represented by *Stefaan Moriau*

Het Gerucht srl - represented by *Herman van Laar*

**Managing director:**

Karste Services srl - represented by *Steven De Keyser*

## 3.2. Liaison committee

### **Delegation of the administrative body:**

Pierre Dumoulin

Hans Helewaut Bram Renders

Het Gerucht srl - *represented by* Herman van Laar

### **Delegation of the management committee:**

Karste Services srl - *represented by* Steven De Keyser

### **External expert – by invitation:**

Bernard Richelle

## 3.3. Management committee

The management committee implements the decisions of the Board of Directors.

The Managing Director, Karste Services srl, represented by Steven De Keyser, was assisted in 2023 by:

- **Prosit srl - represented by Steven Desloovere:** Operations
- **Inge Vanderveken:** Human Resources, Legal & International Affairs, Facilities
- **Maud Van de Velde:** Images & Texts
- **Stijn Van Reusel:** Finance & Business Controlling
- **Serge Vloeberghs:** Music

## 4. Entities owned directly or indirectly by Sabam or under its full or partial control

Entity	Number of shares	Capital / contribution (EUR)
Deux Églises srl Rue des Deux Églises 41-43 1000 Brussels	200 shares	20,000
Auvibel srl Avenue du Port 86c/201a 1000 Brussels	1 share	2,479
Reprobel srl Place De Brouckère 12 1000 Brussels	7 shares	1,750
OnlineArt srl Rue du Prince Royal 87 1050 Brussels	5 shares	2,500
Company of Audiovisual Authors Rue du Prince Royal 87 1050 Brussels	2,5 shares	1,239
FT The Digital Copyright Network SAS 130 Rue Cardinet 75017 Paris, France	1,110 shares	1,110

## 5. Amount of remuneration and other services for persons managing Sabam's activities

We refer to VOL 6.16 of the notes to the annual accounts regarding the remuneration of the Board of Directors and the Board of Directors and former directors, for a total amount of €238,810. This information is also the subject of a separate report by the Statutory Auditor to the Board of Directors in accordance with art. XI. 268 of the CEL.

Total remuneration for the Management Committee was €1,197,489.

## 6. Expenditure for social, cultural and educational purposes

Sabam has been supporting its shareholders financially for years, beyond legal or public support measures. Sabam provides social support for its authors through its Pension Plan and cultural support for the promotion of its repertoire.

These social, cultural and educational expenses are financed by deductions of up to 10% from net royalties, i.e. after deduction of the commission (article 48 of the statutes). This deduction amounts in 2023 to € 8,289,755 against € 8,127,814 in 2022.

The financial situation of the social and cultural fund (in €) can be summarised as follows:

	2023	2022
<b>Initial balance</b>	<b>66,389,799</b>	<b>70,069,014</b>
<b>Receipts</b>	<b>10,701,602</b>	<b>5,212,271</b>
Deductions (art. 48 of the statutes)	8,289,755	8,127,814
Net financial result	2,411,307	-2,915,543
<b>Expenses</b>	<b>-8,341,328</b>	<b>-8,891,486</b>
RD payments	-1,555,995	-1,732,932
NR payments	-3,397,929	-3,674,263
NR Payments - COVID-19/energy crisis	-972,959	-674,000
Social fund expenses: cultural and educational expenses	-2,325,905	-2,570,742
Social fund charges: social expenditure	-88,540	-239,549
<b>Final balance</b>	<b>68,749,533</b>	<b>66,389,799</b>

### 6.1. Social activities (Social Fund)

Sabam has two social support systems: the first based on the old CES (Caisse d'Entraide et de Solidarité) regulations and the second based on the Pension Plan (new regulations), which has been in force since 2007. The old regulation is a collective system in phase of extinction while the new regulation is an individualised capitalisation system.

In 2023, €1,732,932 was paid to beneficiaries still subject to the old rules, whose number continued to fall, from 495 in 2022 to 470 in 2023 (258 ordinary shareholders and 212 surviving spouses).

In 2023, an amount of €3,397,929 was paid to the beneficiaries of the new settlement, including beneficiary participations and compensation. Also included in this amount are beneficiaries who in 2023 opted for early payment and/or withdrawal, for an amount of € 418,538 (in 2022: €431,603).

To be able to help our beneficiaries with the greatest financial needs due to the energy crisis and the resulting inflation, the relaxed conditions created following COVID-19 early withdrawal of the new regulation have been extended to 2023. A total amount of €972,959 was paid to them.

## 6.2. Cultural activities (Sabam for Culture)

Sabam for Culture, Sabam's cultural fund, plays a crucial role in supporting and developing members' artistic careers.

In 2023, Sabam for Culture adopted a more rigorous approach to the selection of partnership applications, aimed at giving the term "partnership" its full meaning. The Commission has carefully examined the files that propose initiatives to support and assist the creation and management of our members' works, as well as those that promote their professionalisation. Our authors and composers have been more than ever at the heart of our partnerships.

The committee responsible for making decisions about partnerships has also been renewed: it now includes representatives from all the disciplines, as well as French and Dutch speakers. In 2023 it was made up of 4 internal members (Steven De Keyser, Olivier Maeterlinck, Maud Van de Velde, Serge Vloeberghs) and 4 external members (Loïc Bodson, Bénédicte Bourgois, Ans De Bremme, Dirk De Clippeleir) and met four times.

2023 was also marked by the creation of the "Training & Advice" pillar, due to which the range of training courses for the development of our members' artistic projects has been strengthened. Consequently, we have increased the number of training and advice activities for our members, both in our offices and elsewhere.

In addition, an exceptional increase of €150,000 in the Sabam for Culture budget was approved by the Board of Directors. Also, a transfer of €50,000 from the "Training" budget to the "Grants" budget was approved. A total of €200,000 of the additional funds transferred have been allocated:

- Half (€100,000) to support the professionalisation of professional federations;
- and the other half (€100,000) to grants for the Music (70%) and Images & Texts (30%) disciplines, according to the split already approved for 2023.

### Important points concerning grants

2023 saw the creation of a grant in partnership with PlayRight, enabling us to increase the amount of the grant from €1,000 to €1,500 while widening our scope of action.

In 2023, Sabam for Culture supported more than **900 cultural initiatives** with a budget of **€1.7 million**.

- 699 grants supporting members
- 18 partnerships with federations
- 101 partnerships with project sponsors and event organisers
- 82 donations to charitable events

### Grants for creations, their distribution and promotion

Sabam for Culture offers a wide range of grants to authors in different artistic disciplines. By doing so, it provides direct support to its members in the creation, promotion and internationalisation of their works.

### Major points for 2023:

- Award of 89 video clip grants in collaboration with PlayRight+, enabling us to increase the amount of the grant from €1,000 to €1,500 while widening our scope of action.
- Revision of the criteria for self-production, residency and third-character grants.
- All Music grants are now processed via a new form system.
- Members' experience of browsing the awards catalogue has been improved with the addition of sub-categories in each discipline.

In 2023, Sabam for Culture once again invested heavily in this grants scheme, and 699 were awarded.

**MUSIC**

Type of grant	Number	Total
Producing a video clip or live session	139	€160,934
International tour	53	€117,136
Promotion for self-productions	55	€80,121
Development assistance for publishers	16	€57,414
Film music	15	€59,618
Commission for contemporary classical music composition	20	€44,475
Residence for the creation of a concert	39	€37,778
Organisation of a presentation concert / launch party / international label or agency party	17	€21,056
Participation in a showcase festival abroad	61	€32,587
Professional activities abroad	52	€28,614
Participation in a writing session	28	€20,395
Organisation of a writing and composition camp	5	€18,769
Stage music	6	€10,427
Training	22	€7,140
<b>Total</b>	<b>528</b>	<b>€696,464</b>

**AUDIOVISUAL**

Type of grant	Number	Total
Development of a short film	41	€48,500
Research and script for a feature film or series	25	€42,000
Participation in international film festivals	26	€8,378
Training	14	€6,983
Web series	2	€4,000
Subtitling	3	€1,635
<b>Total</b>	<b>111</b>	<b>€111,496</b>

**THEATRE & DANCE**

Type of grant	Number	Total
Creation	15	€30,000
Residence	11	€21,988
Support for the development of the work of young creators (coaching)	2	€8,000
<b>Total</b>	<b>28</b>	<b>€59,988</b>

## LITERATURE

Type of grant	Number	Total
Creation of podcasts and audio stories	8	€8,000
Support for literary publishing	6	€6,000
Creation	2	€3,000
Fragment translation	2	€1,500
Export	1	€750
<b>Total</b>	<b>19</b>	<b>€19,250</b>

## VISUAL ARTS

Type of grant	Number	Total
Promotion	5	€11,882
Residence	6	€11,534
Creation of a new work	2	€3,943
<b>Total</b>	<b>13</b>	<b>€27,359</b>

## Partnerships

Cultural organisations can apply for support for an event or project that stimulates the creation, exploitation and export of works from the Belgian repertoire, or that directly professionalises Sabam members.

All requests are made via an online form. Each application is analysed and submitted to the Commission for expert appraisal, which approves support where appropriate, as well as the amount to be granted.

The Commission's decision is based on the actions proposed by the applicant event, which meet the above-mentioned criteria, and on a series of criteria (fair remuneration for authors/composers, inclusiveness, sustainability, etc.). As the budget envelope for support is closed, the Committee must give priority to events where the proposed project will be of most benefit to our members.

Below is a list of the projects and events supported in 2023:

In 2023, Sabam for Culture supported 101 events or projects for a total amount of €602,900.

67 events or projects were supported by the Music Department totalling €407,900, reflecting the diversity of music in our country:



- Absolutely Free Festival
- All Areas Access
- Amor
- AIR Aki en Honey
- Aperohit Talks Academy
- Belgium Booms
- Belgian World Music Network
- Boomtown
- Boterhammen in het Park - Bar Chaud - Feeërieën
- Brand! Jazz Festival
- Brosella festival
- Brussel Jazz Weekend & Jazz Alerts
- Brussels International Film Festival
- Bru.x.elles Festival
- Competition-Circuit (incl. Sabam Prize awarded to Floème)
- Music Council (incl. Prix Du F in the text awarded to Leila Lachterman)
- De Jamies
- Durbuy Rock Festival
- EMERGE!
- Esperanzah!
- Europees Muziekfestival voor de Jeugd
- Amour Mons Festival
- Art of Huy Festival
- Ronquières Festival
- Fifty Lab
- Flanders Folk Network (including the award for last year's Best Record Houdekiet (Trad Records) by MANDolinMAN feat Ansatz Der Machine)
- Folk magazine
- Forest Sounds Festival
- Francofauna
- Francofolies de Spa
- Gaume Jazz Festival
- Global Music Showcase
- Hide&Seek Festival
- IAD Music
- Imagine Belgium (incl. Sabam-award for Brakwater)
- Jazz in Liège
- Jazz Brugge
- Jong Jazztalent Gent (Won by AKI)
- Kidzik
- Klankdomein
- The Nature Festival
- Les Ardentes
- Les Nuits Botanique
- Youth Music Tours
- Listen Festival
- LOOF!
- Matrix
- MNM Rising Star
- Nekka-Nacht
- Next Opera Days
- Osmose Festival
- ProPulse
- Week of Sound
- The Creators Conference
- The Times Academy
- Tremplin Durbuy Rock
- UrbanRecCity Live
- Urban32
- Urban360
- Utopies - Festivals of Wallonia
- VI.BE
- VKRS Festival
- VRT
- Vuurdoop
- Wallifornia
- Workshop vrouwelijke DJ's en Producers
- World Soundtrack Awards Filmfest Gent (incl. Sabam Award for Best Original Composition by a Young Composer: Alec Severn)

For Images & Texts, which covers audiovisual disciplines, literature, the performing arts and the plastic and visual arts, 34 projects or events were supported for an amount of €195,000:

- Anima (incl. Prize for Best Belgian Short Film awarded to Noémie Marsily for "Ce qui bouge est vivant")
- Competition-Circuit (incl. Sabam Prize awarded to Jimena Chávez Delion)
- BIF Market (incl. Pitch Box Prize awarded to Sébastien Petit for "Seed")
- Brussels International Film Festival
- Brussels International Fantastic Film Festival
- Brussels Short Film Festival (incl. 2 Prix Musical Date for "Touch Me" by Tom Dupont and "Backstage" by Inès Eshun + 2 Prix du Public National awarded to Solenn Crozon for "Maman fait dodo" and to Sophie Maréchal for "Motherless Child")
- Ciné-Club (Short film agency)
- Short but trash Incl. Audience Prize - National Competition awarded to Julien Henry for "La pote d'un pote")
- De Ensors
- De Jamies
- Docville (incl. the Jury Prize for Best Belgian Documentary for Day Ma by director duo Marie De Hert and Ellen Pollard)
- International Francophone Film Festival of Namur
- Festival International du Rire de Liège (incl. Sabam Prize awarded to Sarah Grosjean)
- Festival Le Court en dit long (incl. Director's Prize awarded to Mélanie Laleu for "BINAUD ET CLAUDE")
- Millennium Festival
- Filmfest Gent
- Filmfestival Oostende
- Het Betere Boek brengt De Bronzen Uil
- Black Iris
- KABAAL
- KIEM
- Klankverbond
- Kortfilmfestival Leuven
- Kunstenfestival Watou
- Magritte
- Podcastfestival De Standaard
- Sabam meetings in Avignon
- Royal Theatre Festival de Spa
- TAZ, Theater Aan Zee
- Toneelschrijfprijs
- Youngfilmmakers Festival
- ZuiderZinnen
- 50 x ANIMATED

## Partnerships with professional federations

Professional federations can apply for structural support from Sabam for Culture. For these applications, the Commission analyses the extent to which the federation submitting the application defends the interests of authors, is committed to further professionalisation of the Belgian cultural sector, and the activities it puts in place for its members.

In 2023, an appeal has been made to the federations already receiving structural support for exceptional additional support. This support consisted of financing personalised support for federations seeking to professionalise their own structures.

A total of 6 federations (3 NL and 3 FR) have benefited from this support, the results of which will be presented in 2024.

In 2023, Sabam for Culture is supporting **18 professional federations** for an amount of **€108,705**.

- Belgian Association of Creative Animation Writers
- Belgian short film agency
- Association of French-speaking Directors
- Association of audiovisual scriptwriters
- Association of Belgian writers
- Belgian Music Publishers Association
- Belgian Screen Composers Guild
- Componisten Archipel Vlaanderen
- Belgian Federation of Humor Professionals
- Federation of Authors, Composers and Performers
- Musical Creation Forum
- Freelancers
- Klankverbond
- Les Lundis d'Hortense
- Scenaristengilde
- Unie van regisseurs
- Vlaamse Auteursvereniging
- Vlaamse Podiumartiesten

## Training & Advice

In 2023, one of the objectives of the cultural action programme was to develop the Training & Advice section.

In the context of its cultural activities, Sabam also invests in setting up its own activities. These activities focus on talent development, networking and professionalisation. They are often organised within the framework of existing partnerships, with professional federations and other cultural partners, or in collaboration with educational institutions.

Cultural action also deals with issues not directly related to copyright, with the aim of supporting members in the development of their artistic projects. For example, we co-organised a week of screenwriting workshops with ASA, to learn how to pitch as a director/screenwriter. In collaboration with the Images & Texts department, we have set up a masterclass on the possible bridges between humour and audiovisual productions. Sarah Grosjean, Vincent Counard (for FBPH), Chloé Devicq (for ASA) and Fred De Loof did us the honour of taking part.

In addition, Sabam is heavily involved in pitching and networking events where talented writers present their work to producers, other writers, international agents and other industry professionals. In 2023, this was done in collaboration with, among others, the Kortfilmfestival Leuven, Filmfestival Oostende, Film Fest Gent, Young filmmakers festival, BIF Market...

Sabam has set up a multi-disciplinary support programme with Cultuurloket for 10 members on the Dutch-speaking side, and information sessions have been organised with Amplo and MediarTE on both the French- and Dutch-speaking sides.

In collaboration with the Legal Department, Sabam for Culture organised legal consultations for members.

A web page listing training opportunities at Sabam and our partners has also been created.

## Supported projects

A total amount of **€32,848** was invested in Training & Advice.

1. Songwriting Training & Writing Camp by Studio des Variétés
2. Running a scriptwriting workshop with ASA
3. Pilot project: 10 support routes, in partnership with Cultuurloket
4. Amplo partnership:
  - > 2 information sessions 'How to get paid and organise yourself on the music market' at Sabam (FR)
  - > 1 information session 'How to get paid and organise yourself on the music market' in Antwerp
  - > 1 information session 'How to get paid and organise yourself on audiovisual market' during the Kortfilmfestival Leuven

## Donations to charitable works

Through the social and cultural fund, a number of charities have also benefited from support at specially designed cultural events.

In 2023, Sabam for Culture supported **82 charitable works** with a total donation of **€34,750**.

## 7. Details of amounts collected in 2023

Breakdown of net royalties collected by collection category, by year of operation and by geographical origin

Works								Services			
								Performance		Fixation	
	Indefinite	Archi & AA	Literary	Sound	Audiovisual	Graphic/plastic	Arts & performing arts	Audio	Audiovisual	Audio	Audiovisual
Net royalties collected by collection category with geographical breakdown											
Net royalties collected by collection category Belgium											
A Reproduction	5,438		146,153	1,926,328	4,425	852,815				1,551,192	
B Adaptation/ translation											
C Com publ	90,750,107			22,808,354						255,124	
D Deployment				63,830		57,892					
E Rental											
F Educational Loan											
G Distribution	14,629,770										
H Resale royalty						1,406,550					
I Cable retransmission											
J Satellite											
K representation							4,852,345				
L publication			40,301								
M Supplementary annual remuneration											
N Direct injection											
O Databases											
P Reproduction by publishers	7,450		10,297	49,625							
Q Reprographics			186,120	128,238		303,463					
R Equitable remuneration								15,701,113		15,701,113	
S Loan fees for educational/ cultural purposes	56,780		292,647	41,394		32,432					
T Private copying			153,926	3,716,251	1,979,717	189,480					
U Private copying by publishers			5,189	88,067							
V Teaching & research Sc.	4,669		149,146	40,836		201,398					





## 8. Details of amounts distributed in 2023

Note: We have included the royalties distributed here because, for technical reasons, we are unable to provide the amounts paid by type of royalty and type of work.

### Breakdown of royalties paid

[illegible]



### Breakdown of royalties paid

[illegible]

### Breakdown of royalties paid

[illegible]

## Breakdown of royalties paid

							Services			
							Performance		Fixation	
	Archi & AA	Literary	Sound	Audiovisual	Graphic/plastic	Arts & performing arts	Audio	Audiovisual	Audio	Audiovisual
B. Royalties paid by collection category in 2023 using royalties collected in 2022										
B.1. Royalties paid by collection category to the Belgium										
A Reproduction		6,596	661,533	56	97,622	0			261,548	
B Adaptation/translation										
C Com publ		529,588	26,678,206	4,134,078	119,738	50,823				
D Deployment		0	4,280,542	0	3,285	0				
E Rental										
F Educational Loan										
G Distribution										
H Resale royalty		0	0	0	109,022	0				
I Cable retransmission		19,218	3,673,157	1,928,151	107,331	21,355				
J Satellite										
K representation		0	0	0	0	290,550				
L publication		2	0	0	0	0				
M Supplementary annual remuneration										
N Direct injection										
O Databases										
P Reproduction by publishers		4,828	26,334	0	0	0				
Q Reprographics		167,779	29,563	0	263,810	0				
R Equitable remuneration										
S Loan fees for educational/ cultural purposes		133,809	47,457	2,375	32,607	0				
T Private copying		93,014	935,204	130,283	256,112	537				
U Private copying by publishers		1,886	32,334	0	0					
V Teaching & research Sc.		7,064	2,164	0	36,151					

## Breakdown of royalties paid

							Services			
							Performance		Fixation	
	Archi & AA	Literary	Sound	Audiovisual	Graphic/plastic	Arts & performing arts	Audio	Audiovisual	Audio	Audiovisual
B.2. Royalties paid by collection category to Europe										
A Reproduction		2,351	235,788	20	34,795	0			10,452	
B Adaptation/translation										
C Com publ		188,759	9,508,823	1,473,496	42,678	18,115				
D Deployment		0	1,525,699	0	1,171	0				
E Rental										
F Educational Loan										
G Distribution										
H Resale royalty		0	0	0	38,858	0				
I Cable retransmission		6,850	1,309,211	687,245	38,256	7,611				
J Satellite										
K representation		0	0	0	0	103,560				
L publication		1	0	0	0	0				
M Supplementary annual remuneration										
N Direct injection										
O Databases										
P Reproduction by publishers		1,721	9,386	0	0	0				
Q Reprographics		59,801	10,537	0	94,029	0				
R Equitable remuneration										
S Loan fees for educational/cultural purposes		47,693	16,915	846	11,622	0				
T Private copying		33,153	333,331	46,436	91,285	191				
U Private copying by publishers		672	11,525	0	0	0				
V Teaching & research Sc.		2,518	771	0	12,885	0				

## Breakdown of royalties paid

							Services			
							Performance		Fixation	
	Archi & AA	Literary	Sound	Audiovisual	Graphic/plastic	Arts & performing arts	Audio	Audiovisual	Audio	Audiovisual
<b>B.3. Royalties paid by collection category to the Rest of the world</b>										
A Reproduction		2,467	247,419	21	36,511	0				
B Adaptation/translation										
C Com publ		198,071	9,977,888	1,546,182	44,783	19,008				
D Deployment		0	1,600,961	0	1,228	0				
E Rental										
F Educational Loan										
G Distribution										
H Resale royalty		0	0	0	40,775	0				
I Cable retransmission		7,188	1,373,793	721,146	40,143	7,987				
J Satellite										
K representation		0	0	0	0	108,668				
L publication		1	0	0	0	0				
M Supplementary annual remuneration										
N Direct injection										
O Databases										
P Reproduction by publishers		1,806	9,849	0	0	0				
Q Reprographics		62,751	11,057	0	98,667	0				
R Equitable remuneration										
S Loan fees for educational/cultural purposes		50,046	17,749	888	12,195	0				
T Private copying		34,788	349,775	48,727	95,788	201				
U Private copying by publishers		705	12,093	0	0	0				
V Teaching & research Sc.		2,642	809	0	13,521	0				

## Breakdown of royalties paid

							Services			
							Performance		Fixation	
	Archi & AA	Literary	Sound	Audiovisual	Graphic/plastic	Arts & performing arts	Audio	Audiovisual	Audio	Audiovisual
C. Royalties paid by collection category in 2023 using royalties collected before 2022										
C.1. Royalties paid by collection category to the Belgium										
A Reproduction		29.535	358.270	0	26.766	0			6.788	
B Adaptation/translation										
C Com publ		27.368	5.943.215	1.135.545	0	41.153				
D Deployment		0	124.376	0	99	0				
E Rental										
F Educational Loan										
G Distribution										
H Resale royalty		0	0	0	27.597	0				
I Cable retransmission		2.186	542.741	173.060	3.051	771				
J Satellite										
K representation		0	0	0	0	3.288				
L publication										
M Supplementary annual remuneration										
N Direct injection										
O Databases										
P Reproduction by publishers		2.400	20.717	0	0	0				
Q Reprographics		95.097	26.292	0	73.593	0				
R Equitable remuneration										
S Loan fees for educational/ cultural purposes		7.918	2.011	0	1.093	0				
T Private copying		2.694	275.569	289.249	1	1.048				
U Private copying by publishers										
V Teaching & research Sc.		29.171	20.466	0	22.154	0				

## Breakdown of royalties paid

							Services			
							Performance		Fixation	
	Archi & AA	Literary	Sound	Audiovisual	Graphic/plastic	Arts & performing arts	Audio	Audiovisual	Audio	Audiovisual
C.2. Royalties paid by collection category to Europe										
A Reproduction		10,527	127,697	0	9,540	0				
B Adaptation/translation										
C Com publ		9,755	2,118,320	404,739	0	14,668				
D Deployment		0	44,331	0	35	0				
E Rental										
F Educational Loan										
G Distribution										
H Resale royalty		0	0	0	9,836	0				
I Cable retransmission		779	193,447	61,683	1,087	275				
J Satellite										
K representation		0	0	0	0	1,172				
L publication										
M Supplementary annual remuneration										
N Direct injection										
O Databases										
P Reproduction by publishers		856	7,384	0	0	0				
Q Reprographics		33,895	9,371	0	26,231	0				
R Equitable remuneration										
S Loan fees for educational/cultural purposes		2,822	717	0	390	0				
T Private copying		960	98,220	103,096	0	373				
U Private copying by publishers										
V Teaching & research Sc.		10,397	7,295	0	7,896	0				



## Breakdown of royalties paid

							Services			
							Performance		Fixation	
	Archi & AA	Literary	Sound	Audiovisual	Graphic/plastic	Arts & performing arts	Audio	Audiovisual	Audio	Audiovisual
C.3. Royalties paid by collection category to the Rest of the world										
A Reproduction		11,046	133,996	0	10,011	0				
B Adaptation/translation										
C Com publ		10,236	2,222,816	424,704	0	15,391				
D Deployment		0	46,518	0	37	0				
E Rental										
F Educational Loan										
G Distribution										
H Resale royalty		0	0	0	10,322	0				
I Cable retransmission		817	202,990	64,726	1,141	289				
J Satellite										
K representation		0	0	0	0	1,230				
L publication										
M Supplementary annual remuneration										
N Direct injection										
O Databases										
P Reproduction by publishers		898	7,748	0	0	0				
Q Reprographics		35,567	9,834	0	27,524	0				
R Equitable remuneration										
S Loan fees for educational/ cultural purposes		2,961	752	0	409	0				
T Private copying		1,007	103,065	108,182	0	392				
U Private copying by publishers										
V Teaching & research Sc.		10,910	7,654	0	8,286	0				

## 9. Timetable of the distribution of fees

Collection year	% distributed				
	2019	2020	2021	2022	2023
2019	24.95%	<b>80.48%</b>	86.51%	90.33%	96.83%
2020		27.62%	<b>82.16%</b>	87.24%	91.55%
2021			21.80%	<b>81.43%</b>	88.39%
2022				22.24%	<b>83.22%</b>
2023					<b>26.67%</b>

The table above shows that by the end of 2023, approximately 26.7% of the royalties collected in 2023 had already been distributed to the rights holders. For collections in 2022, 88.4% had actually been distributed to rights holders. These figures have improved compared to last year and are in line with the period prior to the COVID-19 crisis.

16.8% of the royalties for 2022 have therefore not yet been distributed and allocated to individual rights holders. But 100% have indeed been already distributed for the first time. In other words, Sabam has already attempted to distribute the royalties it has received to individual rights holders, but has not yet been able to complete the process for the following reasons:

- For 14.8% of the royalties, we do not have enough information for distribution to individual rights holders because of late or incomplete playlists. These royalties therefore remain "reserved royalties collected to be allocated (B1/B2)";
- 2.0% of royalties have been distributed but are being contested by the person who received them because of a dispute between rights holders or incomplete documentation of the works. These royalties therefore remain under the heading "Royalties collected distributed, contested (C2)".

We note that the above timetable only concerns the copyright, and therefore not the amounts distributed to Simim and PlayRight in the context of the Unique Music Platform. These royalties will be paid to both parties in the week following collection. The above table also does not take into account the distribution of government compensation as it was made in both 2021 and 2022.



## 10. Relations with other management companies or collective management organisations

Our shareholders' royalties are managed abroad by the local authors' societies with which Sabam has concluded reciprocal contracts. In practical terms, this means that foreign authors' societies do everything possible to ensure that these fees are invoiced when the works are used on their territory. These fees are then paid back to Sabam in order to pay its shareholders.

Please note: all foreign authors' societies act autonomously on the basis of their own national legislation, statutes and regulations. This may mean that certain modes of exploitation and certain categories of authors and works are not managed by a society abroad, whereas in Belgium Sabam does intervene in these cases.

Foreign authors' societies determine their rates independently. This shows that the amount of foreign royalties will not necessarily be identical to the amount received for use in Belgium. The economic situation of the country in question also plays a role. A summary of the countries where Sabam is represented can be found on the website.

**Provisions of the Royal Decree of 25 April 2014 on the administrative and accounting organisation, internal control, accounting and annual accounts of copyright and neighbouring rights management companies, as well as the information that they must provide**

**A. Reproduction****1<sup>st</sup> type of use: Mechanical reproduction royalties**

Royalties collected	7,989,178
Deductions made from royalties collected to finance management costs	523,681
Financial revenue received from the management of royalties collected	0
Royalties pending collection	2,068,191
Royalties collected and distributed	6,009,311
Royalties paid	5,611,232

**2<sup>nd</sup> type of use: Printing and digital reuse**

Royalties collected	447,118
Deductions made from royalties collected to finance management costs	33,006
Financial revenue received from the management of royalties collected	0
Royalties pending collection	0
Royalties collected and distributed	0
Royalties paid	0

**3<sup>rd</sup> type of use: Visual arts**

Royalties collected	803,760
Deductions made from royalties collected to finance management costs	62,822
Financial revenue received from the management of royalties collected	0
Royalties pending collection	192,431
Royalties collected and distributed	603,935
Royalties paid	563,928

**Total royalties collected but not yet distributed**

Total royalties collected but not yet distributed:

Collection year	Undistributed royalties reserved	Undistributed royalties not reserved
2018	0	1,462,665
2019	13,549	164,414
2020	94,504	51,653
2021	401,265	494,275
2022	727,646	991,786
2023	601,474	1,459,667

**Royalties collected and distributed pending payment**

Royalties collected and distributed pending payment:

2018	150,334
2019	18,291
2020	15,022
2021	92,044
2022	176,725
2023	211,846

**Total non-distributable amounts**

Total non-distributable amounts:	0
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## C. Public Communication

1<sup>st</sup> type of use: Film music

Royalties collected	2,019,828
Deductions made from royalties collected to finance management costs	405,399
Financial revenue received from the management of royalties collected	0
Royalties pending collection	330,690
Royalties collected and distributed	1,085,889
Royalties paid	1,013,955

2<sup>nd</sup> type of use: Live public performance

Royalties collected	22,585,505
Deductions made from royalties collected to finance management costs	5,040,180
Financial revenue received from the management of royalties collected	0
Royalties pending collection	6,196,400
Royalties collected and distributed	15,544,453
Royalties paid	14,514,732

3<sup>rd</sup> type of use: Public use royalties

Royalties collected	60,852,763
Deductions made from royalties collected to finance management costs	12,919,897
Financial revenue received from the management of royalties collected	0
Royalties pending collection	12,301,643
Royalties collected and distributed	40,599,410
Royalties paid	37,909,959

4<sup>th</sup> type of use: TV and radio broadcasters

Royalties collected	24,018,213
Deductions made from royalties collected to finance management costs	3,806,863
Financial revenue received from the management of royalties collected	0
Royalties pending collection	3,856,504
Royalties collected and distributed	25,480,672
Royalties paid	23,792,740

5<sup>th</sup> type of use: Video on demand

Royalties collected	14,153,904
Deductions made from royalties collected to finance management costs	1,691,155
Financial revenue received from the management of royalties collected	0
Royalties pending collection	1,609,794
Royalties collected and distributed	3,374,697
Royalties paid	3,151,145

## Total royalties collected but not yet distributed

Total royalties collected but not yet distributed:

Collection year	Undistributed royalties reserved	Undistributed royalties not reserved
2018	0	1,199,025
2019	0	2,202,322
2020	3,898,401	147,124
2021	6,344,214	377,696
2022	9,810,753	3,182,889
2023	2,729,607	76,369,281

**Royalties collected and distributed pending payment**

Royalties collected and distributed pending	
2018	79,411
2019	145,860
2020	267,935
2021	445,193
2022	860,570
2023	5,238,724

**Total non-distributable amounts**

Total non-distributable amounts:	0
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**D. Deployment****1<sup>st</sup> type of use: Online**

Royalties collected	9,364,015
Deductions made from royalties collected to finance management costs	2,803,347
Financial revenue received from the management of royalties collected	0
Royalties pending collection	740,798
Royalties collected and distributed	12,664,542
Royalties paid	11,825,597

**Total royalties collected but not yet distributed**

Total royalties collected but not yet distributed:

Collection year	Undistributed royalties reserved	Undistributed royalties not reserved
2018	285,411	0
2019	109,968	0
2020	111,691	0
2021	80,783	1,196,027
2022	63,464	2,679,012
2023	15,440	2,056,028

**Royalties collected and distributed pending payment**

Royalties collected and distributed pending payment:

2018	45,224
2019	17,425
2020	17,698
2021	202,314
2022	434,552
2023	328,229

**Total non-distributable amounts**

Total non-distributable amounts:	0
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## H. Resale royalty

### 1<sup>st</sup> type of use: Resale royalty

Royalties collected	1,796,147
Deductions made from royalties collected to finance management costs	205,572
Financial revenue received from the management of royalties collected	0
Royalties pending collection	358,550
Royalties collected and distributed	1,431,957
Royalties paid	1,337,099

### Total royalties collected but not yet distributed

Total royalties collected but not yet distributed:

Collection year	Undistributed royalties reserved	Undistributed royalties not reserved
2018	582,809	0
2019	131,340	0
2020	102,805	0
2021	152,307	0
2022	144,897	83,348
2023	129,061	140,742

### Royalties collected and distributed pending payment

Royalties collected and distributed pending payment:

2018	46,951
2019	10,581
2020	8,282
2021	12,270
2022	18,387
2023	21,735

### Total non-distributable amounts

Total non-distributable amounts:	0
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### I. Cable retransmission

#### 1<sup>st</sup> type of use: Cable

Royalties collected	16,478,910
Deductions made from royalties collected to finance management costs	2,260,984
Financial revenue received from the management of royalties collected	0
Royalties pending collection	2,132,702
Royalties collected and distributed	12,083,557
Royalties paid	11,283,099

#### Total royalties collected but not yet distributed

Total royalties collected but not yet distributed:

Collection year	Undistributed royalties reserved	Undistributed royalties not reserved
2018	664,822	0
2019	294,549	0
2020	1,806,657	0
2021	1,546,189	1,122,437
2022	1,776,805	129,332
2023	54,014	10,959,296

#### Royalties collected and distributed pending payment

Royalties collected and distributed pending payment:

2018	39,376
2019	17,446
2020	107,005
2021	158,058
2022	112,897
2023	652,300

#### Total non-distributable amounts

Total non-distributable amounts:	0
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## K. Representation

### 1<sup>st</sup> type of use: Theatre

Royalties collected	5,193,220
Deductions made from royalties collected to finance management costs	713,516
Financial revenue received from the management of royalties collected	0
Royalties pending collection	552,315
Royalties collected and distributed	3,719,607
Royalties paid	3,473,206

### Total royalties collected but not yet distributed

Total royalties collected but not yet distributed:

Collection year	Undistributed royalties reserved	Undistributed royalties not reserved
2018	2,096	0
2019	3,252	0
2020	2,031	0
2021	0	2,487
2022	0	6,860
2023	362	879,635

### Royalties collected and distributed pending payment

Royalties collected and distributed pending payment:

2018	718
2019	1,113
2020	696
2021	851
2022	2,349
2023	301,321

### Total non-distributable amounts

Total non-distributable amounts	0
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## L. Publication

### 1<sup>st</sup> type of use: Literature

Royalties collected	81,565
Deductions made from royalties collected to finance management costs	4,054
Financial revenue received from the management of royalties collected	0
Royalties pending collection	15,602
Royalties collected and distributed	73,390
Royalties paid	68,528

### Total royalties collected but not yet distributed

Total royalties collected but not yet distributed:

Collection year	Undistributed royalties reserved	Undistributed royalties not reserved
2018	0	23
2019	0	60
2020	0	0
2021	0	60
2022	0	112
2023	0	0

### Royalties collected and distributed pending payment

Royalties collected and distributed pending payment:

2018	552
2019	1,421
2020	0
2021	1,421
2022	2,664
2023	0

### Total non-distributable amounts

Total non-distributable amounts:	0
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### P. Reproduction by publishers

#### 1<sup>st</sup> type of use: Reprographics

Royalties collected	67,371
Deductions made from royalties collected to finance management costs	18,675
Financial revenue received from the management of royalties collected	0
Royalties pending collection	0
Royalties collected and distributed	108,632
Royalties paid	101,435

#### Total royalties collected but not yet distributed

Total royalties collected but not yet distributed:

Collection year	Undistributed royalties reserved	Undistributed royalties not reserved
2018	reserved	0
2019	0	0
2020	1,081	2,652
2021	9,702	2,525
2022	2,189	51,640
2023	0	74,178

#### Royalties collected and distributed pending payment

Royalties collected and distributed pending payment:

2018	0
2019	0
2020	202
2021	661
2022	2,909
2023	4,009

#### Total non-distributable amounts

Total non-distributable amounts:	0
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### Q. Reprographics

#### 1<sup>st</sup> type of use: Reprographics

Royalties collected	617,821
Deductions made from royalties collected to finance management costs	168,986
Financial revenue received from the management of royalties collected	0
Royalties pending collection	0
Royalties collected and distributed	1,304,314
Royalties paid	1,217,911

#### 2<sup>nd</sup> type of use: Visual arts

Royalties collected	78,975
Deductions made from royalties collected to finance management costs	594
Financial revenue received from the management of royalties collected	0
Royalties pending collection	-1
Royalties collected and distributed	16,375
Royalties paid	15,290

#### Total royalties collected but not yet distributed

Total royalties collected but not yet distributed:

Collection year	Undistributed royalties reserved	Undistributed royalties not reserved
2018	406	57,919
2019	10,611	44,013
2020	41,044	146,307
2021	112,093	157,841
2022	37,315	578,621
2023	9	682,188

#### Royalties collected and distributed pending payment

Royalties collected and distributed pending payment:

2018	2,959
2019	2,771
2020	9,503
2021	13,692
2022	31,243
2023	34,604

#### Total non-distributable amounts

Total non-distributable amounts:	0
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**R. Equitable remuneration****1<sup>st</sup> type of use: Public use royalties**

Royalties collected	31,417,110
Deductions made from royalties collected to finance management costs	3,387,842
Financial revenue received from the management of royalties collected	0
Royalties pending collection	4,346,814
Royalties collected and distributed	32,919,329
Royalties paid	33,104,209

**Total royalties collected but not yet distributed**

Total royalties collected but not yet distributed:

<b>Collection year</b>	<b>Undistributed royalties reserved</b>	<b>Undistributed royalties not reserved</b>
2018	0	0
2019	0	0
2020	0	0
2021	0	0
2022	0	0
2023	0	0

**Royalties collected and distributed pending payment**

Royalties collected and distributed pending payment:

2018	0
2019	0
2020	0
2021	0
2022	0
2023	0

**Total non-distributable amounts**

Total non-distributable amounts:	0
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### S. Educational/cultural loan fee

#### 1<sup>st</sup> type of use: Reprographics

Royalties collected	326,949
Deductions made from royalties collected to finance management costs	32,219
Financial revenue received from the management of royalties collected	0
Royalties pending collection	0
Royalties collected and distributed	326,797
Royalties paid	305,149

#### 2<sup>nd</sup> type of use: Private copying

Royalties collected	96,304
Deductions made from royalties collected to finance management costs	17,108
Financial revenue received from the management of royalties collected	0
Royalties pending collection	0
Royalties collected and distributed	167,111
Royalties paid	156,041

#### 3<sup>rd</sup> type of use: Visual arts

Royalties collected	40,535
Deductions made from royalties collected to finance management costs	231
Financial revenue received from the management of royalties collected	0
Royalties pending collection	45
Royalties collected and distributed	6,363
Royalties paid	5,941

#### Total royalties collected but not yet distributed

Total royalties collected but not yet distributed:

Collection year	Undistributed royalties reserved	Undistributed royalties not reserved
2018	70	5,732
2019	5,476	116
2020	20,778	115,029
2021	20,946	1,459
2022	20,247	53,852
2023	7,628	260,861

#### Royalties collected and distributed pending payment

Royalties collected and distributed pending payment:

2018	468
2019	451
2020	10,950
2021	1,806
2022	5,974
2023	21,647

#### Total non-distributable amounts

Total non-distributable amounts:	0
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**T. Private copying****1<sup>st</sup> type of use: Private copying**

Royalties collected	6,039,374
Deductions made from royalties collected to finance management costs	1,024,105
Financial revenue received from the management of royalties collected	0
Royalties pending collection	0
Royalties collected and distributed	4,757,425
Royalties paid	4,442,276

**2<sup>nd</sup> type of use: Visual arts**

Royalties collected	208,503
Deductions made from royalties collected to finance management costs	7,427
Financial revenue received from the management of royalties collected	0
Royalties pending collection	1,301
Royalties collected and distributed	108,895
Royalties paid	101,682

**Total royalties collected but not yet distributed**

Total royalties collected but not yet distributed:

Collection year	Undistributed royalties reserved	Undistributed royalties not reserved
2018	0	0
2019	0	0
2020	118,758	0
2021	389,084	0
2022	117,188	535,461
2023	749,627	1,606,838

**Royalties collected and distributed pending payment**

Royalties collected and distributed pending payment:

2018	0
2019	0
2020	13,565
2021	44,441
2022	74,546
2023	269,156

**Total non-distributable amounts**

Total non-distributable amounts: 0



### U. Private copying by publishers

#### 1<sup>st</sup> type of use: Private copying

Royalties collected	93,256
Deductions made from royalties collected to finance management costs	9,363
Financial revenue received from the management of royalties collected	0
Royalties pending collection	0
Royalties collected and distributed	59,216
Royalties paid	55,293

#### Total royalties collected but not yet distributed

Total royalties collected but not yet distributed:

Collection year	Undistributed royalties reserved	Undistributed royalties not reserved
2018	0	not reserved
2019	0	0
2020	573	0
2021	1,551	0
2022	673	43,315
2023	0	79,268

#### Royalties collected and distributed pending payment

Royalties collected and distributed pending payment:

2018	0
2019	0
2020	22
2021	60
2022	1,715
2023	3,090

#### Total non-distributable amounts

Total non-distributable amounts:	0
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## V. Teaching &amp; Scientific research

1<sup>st</sup> type of use: Reprographics

Royalties collected	396,049
Deductions made from royalties collected to finance management costs	32,256
Financial revenue received from the management of royalties collected	0
Royalties pending collection	0
Royalties collected and distributed	202,755
Royalties paid	189,324

## Total royalties collected but not yet distributed

Total royalties collected but not yet distributed:

Collection year	Undistributed royalties reserved	Undistributed royalties not reserved
2018	0	0
2019	4,040	15,997
2020	8,559	6,676
2021	38,958	28,400
2022	5,027	123,784
2023	0	341,357

## Royalties collected and distributed pending payment

Royalties collected and distributed pending payment

2018	0
2019	585
2020	445
2021	1,968
2022	3,764
2023	9,974

## Total non-distributable amounts

Total non-distributable amounts: 0

- (1) As a reminder, financial revenue from the authors' pillar is used to cover gross operating expenses (cf. art. 251 F.C.C.)
- (2) Royalties paid are distributed on a pro rata basis to royalties collected, given that detailed information by type of operation and use type is no longer available at this level. The royalties paid are after deduction of the withholding tax due.
- (3) Royalties collected and distributed pending payment are distributed on a pro rata basis to the total royalties collected and not yet distributed by collection year as this information is no longer available after individual distribution to the rights holders.
- (4) Video on demand is a new type of use that was previously included under TV and radio broadcasters.
- (5) Online's historical reserves were distributed in 2023 with the help of a third party to process the large volume of data (see explanation IXbis short-term in the annual report).
- (6) International performing royalties will be included in Public Communication from 2023.
- (7) Equitable remuneration is part of the collaboration with Simim-PlayRight (Unique Music Platform) and is distributed and paid on a weekly basis.

## Company expenses

### A. Reproduction

Total expenses (including financial costs)	2,001,507
Expenses related to the management of royalties (including financial costs)	1,981,473
Ratio = costs related to the management of royalties (including financial costs)/royalties collected during the financial year	21%

### C. Public communication

Total expenses (including financial costs)	21,424,574
Expenses related to the management of royalties (including financial costs)	21,210,133
Ratio = costs related to the management of royalties (including financial costs)/royalties collected during the financial year	19%

### D. Deployment

Total expenses (including financial costs)	1,543,334
Expenses related to the management of royalties (including financial costs)	1,527,887
Ratio = costs related to the management of royalties (including financial costs)/royalties collected during the financial year	16%

### H. Resale royalty

Total expenses (including financial costs)	548,605
Expenses related to the management of royalties (including financial costs)	543,114
Ratio = costs related to the management of royalties (including financial costs)/royalties collected during the financial year	30%

### I. Cable retransmission

Total expenses (including financial costs)	786,488
Expenses related to the management of royalties (including financial costs)	778,616
Ratio = costs related to the management of royalties (including financial costs)/royalties collected during the financial year	5%

### K. Representation

Total expenses (including financial costs)	1,989,602
Expenses related to the management of royalties (including financial costs)	1,969,688
Ratio = costs related to the management of royalties (including financial costs)/royalties collected during the financial year	38%

### L. Publication

Total expenses (including financial costs)	54,477
Expenses related to the management of royalties (including financial costs)	53,931
Ratio = costs related to the management of royalties (including financial costs)/royalties collected during the financial year	67%

**P. Reproduction by publishers**

Total expenses (including financial costs)	1,706
Expenses related to the management of royalties (including financial costs)	1,689
Ratio = costs related to the management of royalties (including financial costs)/royalties collected during the financial year	3%

**Q. Reprographics**

Total expenses (including financial costs)	214,879
Expenses related to the management of royalties (including financial costs)	212,728
Ratio = costs related to the management of royalties (including financial costs)/royalties collected during the financial year	31%

**R. Equitable remuneration**

Total expenses (including financial costs)	4,602,607
Expenses related to the management of royalties (including financial costs)	4,556,539
Ratio = costs related to the management of royalties (including financial costs)/royalties collected during the financial year	15%

**S. Educational/cultural loan fee**

Total expenses (including financial costs)	173,707
Expenses related to the management of royalties (including financial costs)	171,968
Ratio = costs related to the management of royalties (including financial costs)/royalties collected during the financial year	41%

**T. Private copying**

Total expenses (including financial costs)	803,595
Expenses related to the management of royalties (including financial costs)	795,552
Ratio = costs related to the management of royalties (including financial costs)/royalties collected during the financial year	13%

**U. Private copying by publishers**

Total expenses (including financial costs)	10,251
Expenses related to the management of royalties (including financial costs)	10,148
Ratio = costs related to the management of royalties (including financial costs)/royalties collected during the financial year	11%

**V. Teaching & Scientific research**

Total expenses (including financial costs)	79,101
Expenses related to the management of royalties (including financial costs)	78,309
Ratio = costs related to the management of royalties (including financial costs)/royalties collected during the financial year	20%

(1) Total expenses (including financial expenses) = Gross operating expenses (excluding Sabam pillar expenses e.g. 67/77).

(2) In 2022, there were considerable write-downs on the investment portfolio (charged to the Sabam pillar). In 2023, there will be a substantial reversal of these write-downs. Financial income/expenses from investments are not included above.

(3) Indirect costs are allocated to the different types of operation in proportion to the rights received.

## Explanations on a voluntary basis

Although Sabam and Deux Églises, Sabam's 100% owned subsidiary, do not yet exceed the legal consolidation criteria set out in article 1:26 of the Companies and Associations Code, we have nevertheless included the consolidated figures for 2023 below for information purposes. In fact, the two companies are intertwined, in particular because Deux Églises owns the buildings and land located at 41-43 rue des Deux Églises and leased by Sabam.

The consolidated balance sheet and income statement below show the financial position of the two companies together. These figures obviously take into account the elimination of reciprocal transactions between the two companies and the usual treatment inherent in consolidation.

	2023 Sabam & Deux Eglises	2022 Sabam & Deux Eglises
GOODWILL	533,972	552,385
FIXED ASSETS	17,524,606	18,736,129
Intangible fixed assets	3,264,951	4,740,876
Tangible fixed assets	14,244,341	13,885,786
Financial assets	15,314	109,466
CURRENT ASSETS	314,924,030	307,170,754
Trade receivables	221,574	24,633
Other receivables	2,418,689	2,074,901
Cash investments	253,520,492	231,476,930
Available securities	19,861,066	31,716,274
Receivables on royalties	37,036,179	40,230.859
Accruals and deferred revenue	1,866,031	1,647,157
<b>TOTAL ASSETS</b>	<b>332,982,609</b>	<b>326,459,268</b>

	2023 Sabam & Deux Eglises	2022 Sabam & Deux Eglises
<b>EQUITY</b>	<b>18,857,475</b>	<b>12,358,431</b>
Contribution	1,787,424	1,728,150
Reserves	8,141,824	1,702,054
Reconstitution reserve	8,928,227	8,928,227
Retained earnings	0	0
<b>PROVISIONS AND DEFERRED TAXES</b>	<b>2,213,261</b>	<b>3,880,574</b>
Provisions for liabilities and charges	2,213,261	3,880,574
<b>DEBTS</b>	<b>311,911,973</b>	<b>310,220,262</b>
<b>Debts due within one year</b>	<b>12,239,489</b>	<b>14,572,197</b>
Financial liabilities	0	0
Trade debts	6,215,772	7,249,439
Debts relating to wages, salaries and social security	5,923,575	7,212,298
Advances received/other liabilities	100,142	110,460
<b>Debts on royalties</b>	<b>284,844,995</b>	<b>280,520,853</b>
Debts of more than one year (IX bis - long term)	68,763,320	66,403,586
Debts due within one year (IX bis - short term)	216,081,675	214,052,036
Balance of State compensation	0	65,231
<b>Accruals and deferred revenue</b>	<b>14,827,389</b>	<b>15,127,212</b>
<b>TOTAL LIABILITIES</b>	<b>332,982,608</b>	<b>326,459,268</b>

	2023 Sabam & Deux Eglises	2022 Sabam & Deux Eglises
<b>Sales figures</b>	<b>35,169,281</b>	<b>30,104,361</b>
Services and sundry goods	-11,124,121	-10,190,703
Personnel costs	-19,761,534	-19,554,673
Capitalised production	419,865	764,258
<b>Depreciation, write-down &amp; provisions for liabilities and charges</b>	<b>-2,592,141</b>	<b>-2,528,642</b>
Depreciation	-2,807,521	-3,044,003
Write-down on receivables	-105,824	381,488
Provisions	321,204	133,872
<b>Other operating expenses</b>	<b>-2,290,081</b>	<b>-2,419,675</b>
<b>Other operating revenue</b>	<b>3,893,340</b>	<b>3,969,033</b>
<b>Non-recurring income</b>	<b>-2,649,574</b>	<b>22,188,911</b>
Exceptional expenses	-2,650,506	-2,322,486
Exceptional revenue	932	24,511,397
<b>OPERATING PROFIT</b>	<b>1,065,037</b>	<b>22,332,486</b>
<b>Fin. income/Fin. expenses</b>	<b>5,401,413</b>	<b>-2,668,873</b>
<b>Tax</b>	<b>-26,680</b>	<b>-4,607,872</b>
<b>NET INCOME</b>	<b>6,439,770</b>	<b>15,056,125</b>

If the figures for Sabam and Deux Églises are considered on a consolidated basis for the cost recovery ratio, this would give the following situation for 2023 compared to Sabam on an individual basis:

	2023 Consolidated	2023 Sabam
Sabam collections	172,093,008	172,093,008
UPM collections (Simim-Playright)	33,073,364	33,073,364
<b>RECEIPTS FOR THE YEAR</b>	<b>205,166,373</b>	<b>205,166,373</b>
<b>Average over the last 3 years</b>	<b>183,106,765</b>	<b>183,106,765</b>
Personnel - classic load	19,761,534	19,761,534
Personnel - severance pay	1,939,158	1,939,158
Capitalised production	-419,865	-419,865
<b>TOTAL PERSONNEL</b>	<b>21,280,826</b>	<b>21,280,826</b>
Services and sundry goods	11,124,121	11,594,440
Depreciation	2,592,141	2,299,476
Exceptional depreciation & provisions	711,348	651,348
Other operating expenses	2,290,081	2,290,081
Other operating revenue	-3,893,340	-3,893,340
Financial expenses	11,536	11,536
<b>TOTAL OPERATING EXPENSES GROSS</b>	<b>34,116,712</b>	<b>34,234,366</b>
<b>Percentage of costs/collections averages</b>	<b>18.6%</b>	<b>18.7%</b>
<b>Percentage of costs/collections for the year</b>	<b>16.6%</b>	<b>16.7%</b>



## Audit Opinion



Manhattan Office Tower  
Avenue du Boulevard 21 bte 8  
1210 Bruxelles  
Belgique  
Tél: +32 (0)2 779 02 02  
[www.mazars.be](http://www.mazars.be)

**SABAM CV**

## **Statutory Auditor's Report**

Exercice 31.12.2023



SABAM CV  
BE 0400.459.154

## Statutory Auditor's Report to the general shareholders' meeting of the company SABAM CV for the year ended 31 December 2023

### (Statutory Accounts)

(FREE TRANSLATION)

We present to you our statutory auditor's report in the context of our statutory audit of the annual accounts of CV SABAM (the "Company"). This report includes our report on the annual accounts, as well as other legal and regulatory requirements. The whole is integrated and is indivisible.

We have been appointed as statutory auditor by the general meeting of 17 May 2021, following the proposal formulated by the board of directors the board of directors issued upon presentation by the workers' council. Our mandate will expire on the date of the general meeting which will deliberate on the annual accounts for the year ended 31 December 2023. We have carried out the statutory audit of the Company's financial statements for six consecutive financial years.

#### Report on the annual accounts

##### Unqualified opinion

We have performed the statutory audit of the annual accounts of the Company, which comprise the balance sheet as at 31 December 2023, and the profit and loss account for the year then ended, and the notes to the annual accounts, and which show a balance sheet total of € 333.315.764 and a profit and loss account with a profit for the year of € 6.841.867.

In our opinion, the annual accounts give a true and fair view of the Company's net equity and financial position as at 31 December 2023, and of its results for the year then ended, in accordance with the financial-reporting framework applicable in Belgium.

##### Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Belgium. Our responsibilities under those standards are further described in the "*Statutory auditor's responsibilities for the audit of the annual accounts*" section of our report. We have fulfilled our ethical responsibilities in accordance with the ethical requirements that are relevant to our audit of the annual accounts in Belgium, including the requirements related to independence.

We have obtained from the board of directors and Company officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Responsibilities of the board of directors for the preparation of annual accounts

The board of directors is responsible for the preparation of annual accounts that give a true and fair view in accordance with the financial-reporting framework applicable in Belgium, and for such internal control as the board of directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.



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In preparing the annual accounts, the board of directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

## Statutory auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

During the execution of our control, we respect the legal, regulatory and normative framework applicable to the audit of annuals accounts in Belgium. The scope of the statutory audit does not include an assurance on the future viability of the Company or on the efficiency and effectiveness with which the Board of Directors has conducted or will conduct the Company's operations. Our responsibilities regarding the board of directors' use of the going concern basis of accounting are described below.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors.
- Conclude on the appropriateness of the board of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



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## Other legal and regulatory requirements

### Responsibilities of the board of directors

The board of directors is responsible for the preparation and the content of the directors' report, as well as for the compliance with the legal and regulatory requirements regarding bookkeeping, with the companies' and associations' Code, the Code of Economic Law, Book XI, Title 5, Chapter 9, and with the Company's articles of association.

### Statutory auditor's responsibilities

In the context of our mandate and in accordance with the Belgian standard (revised version 2020) which is complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, our responsibility is to verify, in all material respects, the directors' report, as well as compliance with the articles of association and certain requirements of the companies' and associations' Code and to report on these matters.

### Aspects related to the directors' report

In our opinion, after having performed specific procedures in relation to the directors' report, this report is consistent with the annual accounts for the year under audit and is prepared in accordance with the articles XI 248/6 of the Code of the Economic Law and the articles 3:5 and 3:6 of the companies' and associations' Code.

In the context of our audit of the annual accounts, we are also responsible for considering, in particular based on the knowledge acquired resulting from the audit, whether the directors' report is materially misstated or contains information which is inadequately disclosed or otherwise misleading. In light of the procedures we have performed, there are no material misstatements we have to report to you. We do not express any form of assurance whatsoever on the management report.

### Statement related to the social balance sheet

The social balance sheet, to be deposited in accordance with article 3:12, § 1, 8° of the companies' and associations' Code, includes, both in terms of form and content, the information required by virtue of the companies' and associations' Code and does not present any material inconsistencies with the information that we have at our disposition during the performance of our mandate. However, we emphasize the following:

- Training effort data is partly based on management estimates.
- Certain data included in the social balance sheet are exclusively derived from information provided by the social office.
- Certain personnel costs were allocated on a flat-rate basis due to the lack of detailed information.

### Statement related to independence

Our audit firm and our network did not perform any assignments that are incompatible with the legal audit of the financial statements, and our audit firm remained independent of the company during the course of our mandate.



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### Other statements

- The financial statements, subject to reclassifications, result from the balance sheet and the income statement. With regard to completeness and the assessment of off-balance sheet liabilities, confirmation from management and third parties is relied upon. Furthermore, without prejudice to formal aspects of minor importance, the accounting records were maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- The appropriation of results proposed to the general meeting complies with the legal provisions and the provisions of the articles of association.
- We understand that the methodology for organizing the general meeting, convening it and recording the attendance and votes will comply with the regulatory provisions. There are no transactions undertaken or decisions taken in breach of the companies' and associations' Code, that we have to report to you.

Brussel, 18 April 2024

MAZARS RÉVISEURS D'ENTREPRISES SRL  
Statutory auditor  
represented by

Dirk Stragier  
Auditor