



Transparency Report for 2022

sabam

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Sabam sc Belgian Society of Authors, Composers and Publishers

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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

ASSETS		Codes	Year	Previous year
SET-UP COSTS	6.1.	20	0	0
FIXED ASSETS		21/28	19,175,601	18,329,384
Intangible assets	6.2.	21	4,740,876	5,103,984
Tangible fixed assets	6.3.	22/27	1,620,998	13,106,897
Financial assets	6.4./6.5.1.	28	12,813,727	118,503
CURRENT ASSETS		29/58	307,142,560	307,516,116
Receivables due within one year		40/41 (1/2)	2,097,284	2,736,303
Cash investments	6.5.1./6.6.	50/53	231,476,930	240,182,970
Available securities		54/58	31,690,493	24,706,647
Receivables on royalties resulting from the activity of royalties management			40,230,859	38,767,131
Accruals and deferred revenue	6.6.	490/1	1,646,994	1,123,065
TOTAL ASSETS		20/58	326,318,161	325,845,500

LIABILITIES		Codes	Year	Previous year
EQUITY		10/15	12,494,084	6,908,685
Contribution	6.7.1.	10/11	1,728,150	1,808,080
Revaluation gains		12	0	9,689,565
Reserves		13	10,765,934	151,891
Profit (Loss) carried forward (+)/(-)		14	0	-4,740,851
PROVISIONS AND DEFERRED TAXES		16	3,880,574	3,812,181
Provisions for liabilities and charges		160/5	3,880,574	3,812,181
DEBTS		17/49	309,943,504	315,124,633
Debts due within one year	6.9	42/48 (1/2)	14,360,669	24,478,855
Debts on royalties resulting from the activity of royalties management	6.9 bis		280,455,622	281,322,448
Debts of more than one year		17 (2/2)	66,403,586	70,098,402
Debts due within one year		42/48 (2/2)	214,052,036	211,224,047
Accruals and deferred revenue	6.9	492/3	15,127,213	9,323,330
TOTAL LIABILITIES		10/49	326,318,162	325,845,500

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 2022, €2.1 million was invested in the development of new software, including €1.5 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 €0.6 million was invested in various new digitisation and other projects.

The **tangible fixed assets** decreased by €11.5 million compared with last year, due to the sale of the land and buildings on rue d'Arlon (-€12.7 million). This decrease has been partially offset by new investments, mainly in equipment and furniture for the new building. These represent an amount of €1.1 million.

The **financial fixed assets** increased by €12.7 million due to the acquisition of Deux Églises. This company, 100% owned by Sabam, owns the new building and related land of Sabam's headquarters. Financial assets include both shares in Deux Églises and a long-term receivable from this company.

B. Current assets

The **amounts receivable within one year** relate mainly to €1.9 million in recoverable VAT, in line with the previous year.

The **royalties receivable** resulting from the rights management activity relate to open receivables arising from Sabam's normal activities (linked to licences). This item of the balance sheet shows an increase of €1.5 million compared to the previous year, with outgoing invoicing, including related royalties within the framework of the Unique Music Platform, having increased from €158.8 million in 2021 to €194.3 million in 2022. The limited increase in open royalty receivables is due to the fact that regular recovery procedures could be carried out for a full year in 2022.

The **investments of cash and cash equivalents** can be broken down as follows compared with last year:

INVESTMENTS (in €)	2022	2021	2022 vs 2021	
Copyright investments	167,056,854	172,986,775	-5,929,921	-3%
Social Fund Investments	64,420,076	67,196,195	-2,776,119	-4%
Total	231,476,930	240,182,970	-8,706,040	-4%
CASH (in €)				
Copyrights	21,874,907	17,329,737	4,545,170	26%
Social funds	3,347,442	3,257,158	90,285	3%
Sabam	6,468,144	4,119,753	2,348,391	57%
Total	31,690,493	24,706,647	6,983,846	28%
Total	263,167,423	250,342,646	12,824,777	-1%

Investments of cash and liquidities fell by €1.7 million compared to the previous year. Cash investments decreased by €8.7 million while liquidities increased by €7.0 million. The company aims to optimise its cash investments. However, the aim is to maintain sufficient liquidity to meet all short-term obligations.

The **asset adjustment accounts** relate to €0.9 million of interest still to be received and €0.8 million of costs to be transferred which relate to next year.

LIABILITIES

Liabilities consist of the sources of funds through 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 €15.4 million. This was partly offset by the disappearance of the capital gain from the revaluation of land on rue d'Arlon of €9.7 million, following the sale of the former head office.

B. Provisions and deferred taxes

The **provisions and deferred taxes** can be broken down as follows:

Provisions for liabilities and charges	2022	2021	Difference
Pensions and similar commitments	532,378	789,750	-257,372
Other risks and expenses - litigation	879,500	756,000	123,500
Other risks and expenses - reorganisation	2,468,696	2,266,431	202,265
	3,880,574	3,812,181	68,393

Provisions and deferred taxes remain broadly in line with last year. Provisions for reorganisation costs include, in addition to the 2022 reorganisation costs - which will be paid in instalments in 2023, 2024 and 2025 (€1.2 million) - also a provision arising from the 2018 reorganisation at Executive Committee level (€1.2 million). For this latter item, please refer to point 2 of this report: Events after the end of the financial year.

C. Debts

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

Trade payables increased by €2.7 million compared to last year due to the fitting out of the new building, as well as investments in the BOOST platform.

Remuneration and social charges mainly comprise the provision for holiday pay (€3.2 million), corporation tax payable on profits for the year (€1.6 million), withholding tax payable (€1.2 million) and bonuses payable (€0.8 million).

Other debts in 2021 include, on the one hand, the part of the government compensation of €16.1 million that could not be redistributed due to various legal restrictions (€7.4 million) and, on the other hand, an advance received for the sale of the land and building on rue d'Arlon (€5.6 million). The €12.8 million reduction in this item compared with last year is mainly due to the repayment to the government of the unused part of the government compensation (€7.4 million), and to the effective sale of the land and building on rue d'Arlon in December 2022, which enabled the advance to be included in the result.

In October 2022, part of the unused government compensation was reallocated to the company (€3.3 million). This amount was redistributed among the rights holders before the end of the year.

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 rights holder, but which have not yet been paid out. This position is posted without future commissions.

This account can be detailed as follows:

	2022	2021	Difference
A Debts on royalties pending collection	36,229,290	35,224,655	1,004,635
B Royalties collected to be distributed	148,765,009	138,481,069	10,283,940
1. Royalties collected to be distributed not reserved	110,590,339	86,936,023	23,654,316
2. Royalties collected to be allocated reserved	32,323,453	32,185,129	138,324
3. Royalties collected to be distributed that are subject to dispute	5,851,217	19,359,917	-13,508,700
C Royalties collected distributed pending payment	29,057,737	33,662,866	-4,605,129
1. Royalties collected distributed and not contested	7,030,649	10,251,982	-3,221,333
2. Royalties collected and distributed and contested	22,027,088	22,901,625	-874,537
3. Non-distributable royalties collected	0	509,259	-509,259
D Financial income from the management of royalties collected	0	3,855,457	-3,855,457
Total	214,052,036	211,224,047	2,827,989

A. Debts on royalties pending collection

These are royalties that have been invoiced up to 31 December 2022, but which have not yet been received. The €1.0 million increase on the previous year is the result of higher invoicing of royalties. However, since regular recovery procedures could be carried out uninterrupted in 2022, the increase remained limited.

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. Most of these are music performance rights, which can only be distributed in the year following collection, once the lists of works performed have been received.

The €23.7 million increase in B1 compared to last year is mainly due to a resumption of billing for performance rights. Public performance rights - live music (read: billing for concerts and festivals) were again able to increase in 2022, reaching their pre-COVID-19 level (+€14.6 million). Public performance rights - mechanical music (read: invoicing to horeca shops and catering establishments) (+€10.2 million) were again negatively impacted last year by the €6.5 million in reductions due to COVID-19 granted to the sectors affected and a lower collection rate.

B2. Royalties collected to be allocated reserved

These are royalties already collected that Sabam has not yet distributed as a precautionary measure. This may be because we are still waiting for information about the works used, or because we want to deal with claims from non-affiliates in the case of legally binding collective management. The overall B2 balance remained in line with last year.

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 rights.

The substantial drop of €13.5 million in B3 compared with last year is mainly due to the distribution of the cable operators' blocked royalties (€14.0 million).

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 a correct beneficiary account number. Or the absence of documents/invoices from foreign management organisations.

The decrease of C1 of €3.2 million is mainly due to a more rapid completion of allocation procedures in December. As a result, some royalties could be paid faster.

C2. Royalties collected, contested

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

The €0.9 million reduction in C2 compared to last year is due to the efforts made in 2022 to distribute blocked online royalties to rights holders, following further matching.

C3. Non-distributable royalties collected

The balance of the definitively non-distributable royalties is zero at the end of 2022. We also refer to the auditor's report attached to this report.

D. Financial income arising from the management of royalties collected

This is deferred financial revenue that can be used to cover expenses, as required by law. The €3.9 million decrease in this account is due to the very unfavourable climate on the financial markets in terms of inflation and interest rates. As a result, the investment portfolio suffered an accounting loss.

The **liabilities adjustment account** mainly comprises costs to be charged relating to distributions still to be made in the coming year.

1.2. Profit and loss account

1.2.1. Figures

PROFIT AND LOSS ACCOUNT		Codes	Year	Previous year
Operating revenues		70/76A	59,385,547	26,447,937
Sales figures	6.10	70	30,104,361	22,608,361
Capitalised production		72	764,258	760,118
Other operating revenue	6.10	74	4,006,818	3,079,459
Non-recurring operating revenue	6.12	76A	24,510,109	0
Operating expenses		60/66A	37,023,751	34,152,524
Services and sundry goods		61	10,240,685	7,872,941
Remuneration, social charges and pensions	6.10	62	19,554,673	19,755,803
Depreciation and write-offs on costs formation costs, intangible and tangible assets		630	3,044,003	2,923,029
Write-downs on stocks, on orders in progress and on trade receivables: (additions +, reversals -)		631/4	-381,488	207,661
Provisions for liabilities and charges: (allocations, uses and reversals) (+)/(-)	6.10	635/7	-133,872	-831,875
Other operating expenses	6.10	640/8	2,377,264	1,883,826
Non-recurring operating expenses	6.12	66A	2,322,486	2,341,140
Operating profit (+)		9901	22,361,796	0
Operating loss (-)		9901	0	-7,704,587
Financial revenue from own account investment		75/76B	6,646,263	4,610,229
Total financial revenue			6,646,263	4,610,229
Recurring financial revenue		75	6,644,975	4,610,229
Revenue from financial assets		750	0	0
Revenue from current assets		751	1,979,725	2,962,643
Other financial revenue	6.11	752/9	4,665,250	1,647,586
Non-recurring financial revenue		6.12	76B	1,288
Financial expenses from own-account activities		6.11	65/66B	9,045,293
Current profit before taxes (+)		9903	19,962,766	0
Current loss before taxes (-)		9903	0	-3,112,663
Revenue taxes (+)/(-)		6.13	67/77	4,607,872
Taxes		670/3	4,650,000	112,935
Tax adjustments and reversals of tax provisions		77	42,128	0
Profit for the year (+)		9904	15,354,894	0
Loss for the year (-)		9904	0	-3,225,598
Profit for the year to be allocated (+)		9905	6,426.667	0
Loss for the year to be allocated (-)		9905	0	-3,225,598
			2,528,643	2,298,814

1.2.2. Explanation

A. Operating income

Commissions (turnover)

The Code of Economic Law and the Royal Decree of 25 April 2014, amended by the Royal Decree of 22 December 2017, on 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. In 2022, commission income increased, with rounding, by €7.4 million to €30.1 million. This increase is due to the rise in invoicing from €158.8 million in 2021 to €194.4 million in 2022. After two years of negative impact due to COVID-19, 2022 saw a return to growth, although the ecosystem linked to royalties collection has not yet fully recovered.

B. Operating expenses

Services and sundry goods

Charges for services and miscellaneous goods relate to charges for public utilities, maintenance, fees, etc. The €2.4 million increase in these costs compared with last year is mainly due to higher costs for temporary staff (€0.5 million), external consultants for various projects (€0.5 million), bailiff fees (€0.4 million), commission costs relating to online collections via ICE (€0.3 million) and higher charges for utilities (€0.2 million). These increases reflect the fact that the company's regular business activities resumed in full in 2022. The aim is also to increase the flexibility of the cost structure.

Personnel costs

Expenses relating to remuneration, social charges and pensions were €0.2 million lower than the previous year. Despite the absence of any binding budget cuts in 2022 as a result of COVID-19, such as the temporary unemployment scheme or the significant reduction in variable allowances, staff numbers have still been significantly reduced by 6.1% (-14 FTEs compared with 2021).

Depreciation, write-downs and provisions

The cost of depreciation, write-downs and provisions increased by €0.8 million compared with the previous year, as there was no substantial reduction in provisions for liabilities and charges in 2022.

Other expenses

Other expenses mainly include expenses for socio-cultural purposes (€2.2 million) such as cash prizes, bursaries and other allowances, as well as expenses relating to other taxes (€0.5 million). Grants for socio-cultural purposes increased by €0.6 million on last year as more initiatives could be actively supported in 2022 and the company aimed to make effective use of unused budgets from previous years.

Non-recurring expenses

Non-recurring expenses mainly relate to termination payments linked to the long-term implementation of the strategic vision (€1.4 million in 2022; €2.3 million in 2021). There were also one-off costs associated with the sale of the building and land on rue d'Arlon and the purchase of the Deux Églises.

C. Financial income

While in 2021 €4.6 million in net financial income could still be booked in respect of royalty investments (IX bis short-term), which are used to cover operating costs (in accordance with Article 251 of the Code of Economic Law), the financial market climate in terms of inflation and interest was so negative in 2022 that even the valuation of a defensive investment portfolio came under unprecedented pressure. Result: a net book loss of €2.4 million.

These financial 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. As part of the fair presentation of our financial reports, the valuation rules have been adjusted. As a result, only temporary impairments on investment funds are still charged to income - and no longer temporary impairments on direct line investments - as these investments are now held to maturity. Without this change in valuation rules, the financial result in 2022 would temporarily have been €12.4 million more negative, as a result of which the financial situation could have been difficult to interpret in future years.

Financial results net of investments from the social fund, which are not used to cover the company's operating costs, were also negative in 2022 at €2.9 million, compared with a positive result of €0.6 million in 2021. Without the change in valuation rules explained above, the social fund's financial losses would have been €0.8 million higher in 2022.

D. Taxes

Corporation tax expenses were significantly higher than in previous years due to the capital gain realised on the sale of the building.

1.3. Cash Flow

Cash Flow Statement, "TFT"	fiscal year	previous year
I. Cash flow from operating activities		
A. Royalties collected	189,251,444	154,902,478
B. V.A.T. on A	10,303,412	8,363,982
C. Gross royalties collected	199,554,856	163,266,460
D. Financial income received from the investment of royalties	-1,375,245	2,789,487
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	27,704,043	27,218,590
F. 2. Other amounts received	11,380,460	19,661,394
G. Royalties Paid	138,874,705	116,046,627
G. 1. Royalties received under a representation agreement paid within 6 months of receipt	42,566,019	34,447,531
G. 2. Royalties received under a representation agreement paid more than 6 months after receipt	1,651,650	2,788,314
G. 3. Royalties not received under a representation agreement paid within the first 9 months of the fiscal year following collection	78,135,865	64,620,730
G. 4. Royalties that have not been received under a representation agreement paid beyond the first 9 months of the fiscal year following collection	16,521,170	14,190,051
H. Amounts paid resulting from the investment of royalties	0	0
I. Amounts paid to staff and on their behalf	19,437,538	19,269,837
J. Amounts paid for social, cultural or educational purposes	9,125,277	7,807,629
K. Contribution paid to the organic fund	241,207	308,603
L. V.A.T. paid on royalties and remuneration (commissions)	0	0
M. Property tax paid on behalf of the rights holders (copyrights)	7,160,619	5,709,071
N. Other amounts paid	30,064,904	24,464,712
O. Net cash flow from operating activities before tax and finance costs	4,655,822	12,110,86
P. Interest and Expenses Paid	13,875	17,167
Q. Income taxes paid	3,100,000	-135,774
R. Net cash flow from operating activities	1,541,946	12,229,469

Cash Flow Statement, "TFT"	fiscal year	previous year
II. Flows from investment activities		
A. Acquisition of tangible and intangible fixed assets	3,523,782	2,766,766
B. Sale of tangible and intangible fixed assets	21,153,498	5,551,200
C. Acquisition of financial fixed assets	12,695,089	250,000
D. Sale of financial fixed assets	0	0
E. Dividends received from financial fixed assets	0	0
F. Net cash flow from investment activities	4,934,626	2,534,434
III. Cash flows from financing activities		
A. Amounts received following a capital increase	-79,929	56,830
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	-79,929	56,830
IV. Net change in cash	6,396,643	14,820,732
V. Cash at the beginning of the year	267,264,391	252,443,658
VI. Cash at year-end	273,661,034	267,264,391

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) In order to make the link with available securities and cash investments shown as assets in the annual accounts, EUR 10,493,611 should be deducted from the above-mentioned financial resources. These amounts are actuarial reductions in the value of the bonds. These are not included in the table above.
- 3) The amount shown under "F.1. Remuneration charged to rights holders as management company" consists of our commission and net financial income, which is negative for 2022 due to market flows and is therefore charged to Sabam.
- 4) The amount shown under "F.2. Other amounts received" mainly comprises the 3,331,954 received as "Covid Compensation" from the government, as well as the commission received in connection with the one-stop music shop and reminder fees.
- 5) Under "N. Other amounts paid" is found the net payment of the support measure for beneficiaries (Covid compensation from the government) (2,722,969) + the repayment to the government of the balance of the Covid compensation for 2021 (7,326,344) as well as the amounts paid to the VAT authorities and to our suppliers.
- 6) Under "II. Cash flows from investing activities", "B.", we have included the amount received for the sale of our building and under "C." the amount paid for the acquisition of our new building.

2. Refusal to grant a licence

In 2022, Sabam did not refuse any licences to users of its repertoire.

3. Legal and administrative structure

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 royalties of more than 46,000 shareholders active in music, 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:

- PMP Music sprl - represented by **Patrick Mortier**

Directors:

- Laurence Bibot
- Ignace Cornelissen
- Pierre Dumoulin
- Hans Helewaut
- Manu Hermia
- Rudy Léonet
- Olivier Monssens
- CTM Entertainment sprl - represented by **Stefaan Moriau**
- Serge Ramaekers
- Bram Renders
- Anthony Sinatra
- Sabine Tielens
- Het Gerucht sprl - represented by **Herman van Laar**

Managing director:

- Karste Services sprl - represented by **Steven De Keyser**

3.2. Liaison committee

Delegation of the administrative body:

- **Ignace Cornelissen**
- **Pierre Dumoulin**
- **Hans Helewaut**
- Het Gerucht sprl - represented by **Herman van Laar**

Delegation of the management committee:

- Karste Services sprl - represented by **Steven De Keyser**

External expert – by invitation:

- **Bernard Richelle**

3.3. Management committee

The management committee implements the decisions of the administrative body. The Managing Director, Karste Services sprl, represented by Steven De Keyser, is assisted by:

- **Prosit sprl - 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 scrl Avenue du Port 86c/201a 1000 Brussels	1 share	2,479
Reprobel scrl Place De Brouckère 12 1000 Brussels	7 shares	1,750
OnlineArt scrl 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

The SOLEM company was liquidated and dissolved in 2022. Deux Églises was acquired as part of the purchase of the new building on Rue des Deux Églises, where the company's head office is located.

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

Please refer to VOL 6.16 of the notes to the financial statements for information on the remuneration of the administrative body and former directors totalling €270,015. 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 €1,282,125.

6. Expenditures 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 2022 to € 8,127,814 against € 6,216,550 in 2021.

	2022	2021
Initial balance	70,069,014	70,830,387
Receipts	5,212,271	6,784,598
Withholding (art. 48 of the statutes)	8,127,814	6,216,550
Net financial result	-2,915,543	568,048
Expenses	-8,891,486	-7,545,971
RD payments	-1,732,932	-1,789,656
NR payments	-3,674,263	-3,105,660
NR Payments - COVID-19	-674,000	-551,447
Social fund expenses: cultural and educational expenses	-2,570,742	-1,998,854
Social fund charges: social expenditure	-239,549	-100,353
Final balance	66,389,799	70,069,014

6.1. Social activities

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.

The number of beneficiaries still covered by the old rules continues to fall, from 527 in 2021 to 495 in 2022 (277 ordinary shareholders and 218 surviving spouses).

In order to help our rights holders with the greatest financial needs following COVID-19, the conditions for early withdrawal under the new regulations were made more flexible in 2020, and the same flexibility was maintained in 2021 and 2022. 266 rights holders made a claim in 2022 and €674,000 was paid out to them.

In 2022, an amount of €3,674,263 was paid to the beneficiaries of the new regulations, including profit-sharing and compensation. This amount includes the 64 beneficiaries who opted in 2022 for an early payment and/or withdrawal, for an amount of € 431,603 (in 2021: 52 beneficiaries for a total of €425,119).

6.2. Cultural and educational activities (Sabam for Culture)

Sabam for Culture focuses its action on a strategy geared towards creators from all the artistic disciplines represented by Sabam. In 2022, Sabam for Culture supported cultural events and artistic projects, awarded grants and prizes, and organised information sessions with a view to:

- support artistic creation in all its forms;
- stimulate the exploitation and distribution of artistic works;
- encourage the professionalisation of authors;
- develop in authors a sense of entrepreneurship and cultural economy.

In 2022, Sabam for Culture supported more than **1,323 initiatives** culture with a budget of **€2,028,691**.

- 1,111 grants
- 17 awards
- 18 support for federations
- 142 projects and events
- 35 donations

In 2022, Sabam for Culture revised its strategy to better align it with the objectives of the Music and Images & Texts departments.

Support to cultural events and artistic projects

To benefit from possible support from SFC for an artistic project or cultural event, organisers should submit an application - via a practical and easy-to-use online module - four months before the date of the cultural event. If the applications come from organisations that encourage creation, stimulate the exploitation of works or the professionalisation of authors, they will be assessed by a committee on the basis of objective criteria and with particular attention paid to the practice of correct remuneration for artists, diversity and inclusiveness.

Below is an overview of all projects and events that have been approved by the committees.

MUSIC COMMITTEE

In 2022, the Music Committee met four times. It decided to support **95 musical events or projects** for a total amount of **€519,750**.

- 70ste Europees Muziekfestival voor de Jeugd
- AFF - Absolutely Free Festival
- André Charlier – Concours de composition
- Aperotalks Academy
- Aralunaires
- Ars Musica
- Atomium Electronic Free Festival
- Belgian Jazz Meeting
- Belgian Music Days
- Belgian Music Week
- Belgium Booms – VI.BE / WBM
- BOEM - Belgische Ontmoeting Elektroakoestische Muziek
- Boomtown
- Boterhammen in de Stad / Feeërieën
- Brand!
- BRIFF - Brussels international film festival
- Brussels Jazz Weekend
- Brux-Elles Festival
- Concours F dans le texte
- Conseil de la musique
- Court-Circuit + concours Circuit + Music Progress
- Dans! Dichter! Dans!
- De Eregalerij - VRT
- De Mia's - VRT
- De Synthetisten Revisited
- Deep in the woods
- Dour Festival
- Durbuy Festival
- Eden - Les femmes s'en mêlent
- Esperanzah
- Festival d'Art de Huy
- Festival Francofaune
- FIFF - Troisième personnage
- Fifty Lab
- Film Fest Gent
- Flanders Folk Awards Event
- Folies - Festivals de Wallonie
- Folkmagazine
- Francofolies de Spa
- Gaume Jazz Festival
- Global Music Sessions
- Ham sessions
- IAD Music
- Images Sonores
- Jazz Lines
- JYVA ZIK
- Kargo Studio begeleiding schrijven en componeren
- Kidzik Festival
- Klankdomein
- Klinken Percussie Festival - The Bracket Percussion
- Les Ardentes
- Les Nuits Botanique
- Les Solidarités
- LIFF - Festival de Film d'Amour Mons
- Listen Festival
- Marni Jazz Festival
- Matrix
- Mithra Jazz
- MNM Rising Star - VRT
- My Garden Festival
- Namur is a Joke Festival
- Nature Festival
- Nieuwe Liching - VRT
- Osmose Festival
- Play Festival
- Project 360 - Steunsysteem voor stedelijke kunstenaars
- Radio Rectangle
- River Jazz Festival
- Rochefort Sérénade
- Rockoco schrijfsessie
- Ronquières Festival
- Roomies Soundtrack – various composers
- Ruiskamer
- Semaine du son
- Sentiers de Sart-Risbart
- Sofa Babbelconcerten Ohlalala
- Sound Track - VI.BE
- Soundroutes
- Speak Easy sessions
- STROOM - een nieuw muziekfestival in de Scheldevallei met een hart voor duurzame natuur
- Studio des variétés - Pôle création
- TAZ - Theater Aan Zee
- Tien om te Zien
- Toots 100
- Toots sessies - VRT
- Trix - We are open
- Twintigers Klara - VRT
- Une chanson peut en cacher une autre
- Urban32
- VKRS - Festival gewijd aan clip art in Brussel
- Volta Zomerconcerten
- Vonkfestival
- Vuurdoop
- Ways Around
- Zwart Goud

IMAGES & TEXTS COMMITTEE

In 2022, the Images & Texts committee met four times. It decided to support **46 events or projects** in the disciplines of audiovisual works, theatre & dance, literature and visual arts for a total amount of **€230,710**.

- Anima
- Are You Serie (The windows)
- Art Contest
- BIFFF - Brussels International Fantastic Film Festival
- BRIFF - Brussels International Film Festival
- BSFF - Brussels Short Film Festival
- Caravane du court
- Ciné Club - Agentschap voor Korte Films
- Comédie Liège
- Court mais Trash 17e editie
- Cut to: Gent 2022
- Dans! Dichter! Dans!
- De Aftocht / Der Rückzug
- De Bronzen Uil
- De Ensors
- Docville Festival
- Fais-moi un conte
- FIFF - Festival International du Film Francophone
- Film'On - International Film Festival for Young Audiences
- Film Fest Gent
- Filmfestival Oostende
- Genrelab - coachingtraject schrijvers
- Grand Prix Roi Albert
- Groen Gebladerte - Podcastreeks
- Il est temps d'en rire
- Illustration fair
- Internationaal Kortfilmfestival Leuven
- Iris Noir
- JEF - Make It Short
- Joséphine B - Musical
- Kiem Festival
- Kunstenfestival Watou
- Le court en dit long (Parijs)
- Les Magritte
- LIFF - Festival de Film d'Amour Mons
- Miramiro - Ontwikkelingsmomenten circus
- My Garden Festival
- Namur is a Joke Festival
- Noël au Théâtre
- Point of U Festival
- Royal Festival Spa
- Shakespeare is dead
- TAZ - Theater Aan Zee
- VOO Rire Festival
- Wajow Talent Factory
- Young Filmmakers Festival

Grants to support the creation, dissemination and promotion of works and the professionalisation of the artistic profession.

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

In 2022, Sabam for Culture is once again investing heavily in these grants and a record number are being awarded.

- 911 music grants for a total amount of €787,995
- 126 audiovisual grants for a total amount of €137,473
- 37 grants for theatre and dance for a total amount of €75,245
- 21 grants for the visual arts for a total amount of €49,278
- 18 grants for literature for a total amount of €21,633

In detail:

MUSIC

- Grant for the promotion of a self-produced album
 - >> 73 grants for a total of €93,649
- Boost your artistic budget for a concert
 - >> 362 grants for a total of €115,907
- Support grant within the framework of an order for composition of contemporary classical music
 - >> 14 grants for a total of €26,655
- Training grant
 - >> 10 grants for a total of €4,918
- Grants for the organisation of a writing camp
 - >> 14 grants for a total of €44,975
- Film music grant
 - >> 15 grants for a total of €38,362
- Grant for Horeca establishments and youth hostels organising a concert
 - >> 37 grants for a total of €25,323
- Support grant for participation in a session of international writing
 - >> 27 grants for a total of €13,569
- Live Europe grant
 - >> 2 grants for a total of €900
- Development aid grant for a publisher
 - >> 20 grants for a total of €61,031
- Grant for a professional activity abroad
 - >> 28 grants for a total of €18,617
- Residence grant
 - >> 60 grants for a total of €57,414
- Grant for participation in a tour abroad
 - >> 50 grants for a total of €106,649
- Export grant for showcase festivals
 - >> 55 grants for a total of €29,100
- Support grant for the production of a video clip
 - >> 128 grants for a total of €120,205
- Showcase grant for a release abroad
 - >> 16 grants for a total of €30,722

AUDIOVISUAL

- Grant for the creation of podcasts and audio stories
 - >> 3 grants for a total of €3,000
- Short film development grant
 - >> 46 grants for a total of €46,000
- Grant for light productions (feature film)
 - >> 1 grant for a total of €2,000
- Grant for pitching sessions
 - >> 10 grants for a total of €10,000
- Grant for research and script for a feature film or a series
 - >> 20 grants for a total of €51,000
- Grant for web series
 - >> 2 grants for a total of €3,000
- Grant for subtitling
 - >> 3 grants for a total of €1,400
- Training grant
 - >> 10 grants for a total of €6,938
- Author development grant: coaching
 - >> 1 grant for a total of €500
- Promotion grant for international festivals
 - >> 25 grants for a total of €9,543

THEATER AND DANCE

- Grant for creation
 - >> 17 grants for a total of €39,500
- Participation in festivals abroad
 - >> 2 grants for a total of €3,000
- Theatre residency grant
 - >> 16 grants for a total of €31,995
- Amateur theatre grant
 - >> 1 grant for a total of €750

LITERATURE

- Grant for the creation of a new work (all genres)
 - >> 11 grants for a total of €19,500
- Grant for the translation of a literary extract
 - >> 3 grants for a total of €975
- Support for live readings/presentation of literary texts
 - >> 1 grant for a total of €100
- Grant for export exchange - literature
 - >> 2 grants for a total of €1,058

VISUAL ARTS

- Grant for the creation of a new work
 - >> 1 grant for a total of €1,500
- Grant for the promotion of visual arts
 - >> 19 grants for a total of €46,980
- Residence grant
 - >> 1 grant for a total of €798

Information sessions, workshops & presentations

Some activities are recurrent from one year to the next because they are specific to the professionalisation and ongoing training of authors.

Most of the time, these professional activities are organised as part of the structural support that SFC provides to professional federations: information sessions, master classes or workshops, etc.

The year 2022 was marked - in the audiovisual sector - by the first Pitching session organised by Sabam and a partner event, the Young Filmmakers Festival (Louvain-la-Neuve). The aim of these Pitching sessions is to enable authors to develop sufficient self-confidence to present their project effectively and obtain as much support as possible. The winners of these Pitching sessions received a short film development grant (student).

In 2022, Sabam for Culture made a point of informing many students about royalty and collective management (for example in collaboration with PXL musique, RITCS, LUCA School of Arts, IAD, iNSAS and INRACI) and has taken part in coaching programmes for new talent (for example in collaboration with Sound Track, Nuff Said's Get Up Stand Up, Make It Short at the JEF Festival, The Times - Hermes Ensemble, WAJOW Talent Factory, PlayRight, Court-Circuit and Urban32).

The Rencontres de la Sabam in Avignon in 2022 led to concrete achievements and took on a resolutely Belgian dimension. This is how, for the first time, a Dutch-speaking author took part in the event. In collaboration with the "Literatuur Vlaanderen" fund, author Peter De Graef was chosen and his play, Mary, was a resounding success.

Support for professional federations

Interest groups and professional federations can apply for structural support from Sabam for Culture. In this context, the Music Commission and the Major Rights Commission are also examining the extent to which the federation is defending the interests of authors, working to professionalise the cultural sector in Belgium and setting up activities for its members.

In 2021, Sabam for Culture is supporting **18 professional federations** for a total amount of **€99,000**.

- AEB - Association des écrivains belges
- ARRF - L'Association des Réalisateurs et Réalisatrices Francophones
- ASA - Association des scénaristes de l'audiovisuel
- BSCG - Belgian Screen Composers Guild
- BWMN - Belgian World Music Network
- BMPA - Belgian Music Publishers Association
- ComAV - Componisten Archipel Vlaanderen
- FACIR - Fédération des auteurs, compositeurs interprètes réunis
- FBPH - Fédération belge des professionnels de l'humour
- FrancAuteurs - Association des membres francophones de la Sabam
- Klankverbond – Vakvereniging van Vlaamse Audiomakers
- Lundis d'Hortense - Association de musiciens belges de jazz
- Muziekgilde – Vlaamse vereniging van muziekauteurs en muzikanten
- Scenaristengilde
- Unie van regisseurs
- VAV – Vlaamse Auteursvereniging
- VLAPO – Vlaamse Podiumartiesten

Prizes

As well as providing practical support through grants, federations and projects, Sabam for Culture recognises and celebrates the work of established and emerging talent every year.

In 2022, Sabam for Culture awarded **17 prizes** for a total of **€27,500**.

- Art Contest: the Sabam Prize was awarded to Wim Depauw
- The Sabam for Culture Prize for the BRIFF, ASA and ARRF Pitch was awarded to Helter Skelter by Paul Vincent de Lestrade
- The Belgian Fantastic Pitchbox session Award at BIFFF went to Ivy by Nathalie Hill
- BSFF, the National Competition: the National Audience Award went to Ma Gueule by Grégory Carnoli and Thibaut Wohlfahrt
- BSFF, the Next Generation Competition: the National Audience Award went to Gastarbeiders by Issam Bougrine
- The prize of the Concours Du F dans le texte was awarded to Lazza Gio
- Film Fest Gent: the World Sound Track Award for Best Original Composition by a Young Composer went to Giacomo Rita for his composition on an extract from the film Nosferatu
- The Flanders Folk Award for Best Album went to Sara Salvérius with Equinox
- Internationaal Kortfilmfestival Leuven: the Jury Prize for Best First Film went to Merci pour votre patience! by Simon van der Zande
- The Loftrompetten, Beste Origineel Nummer prize was awarded to Alles by Stan Van Samang in David Poltrock
- Millenium Festival: the Best Author Prize was awarded to the film Détruire Rajeunit by Benjamin Hennot
- The Luca School of Arts 'Compositie Conservatoria' Prize was awarded to Indra Persoons
- The Second Prize in the Circuit Competition was awarded to Jazmyn
- Semaine du son: the Grand Prix Sabam for Culture was awarded to Jean Jadin
- The Toneelschrijfprijs was awarded to Het waarom beantwoord by Mathieu Wijdeven and Raoul de Jong
- VOO Rire: the Coup de Coeur prize was awarded to Elliot Jenicot
- The Willy Vandersteenprijs was awarded to Bleekwater by Joris Mertens

Fund Belgian Music

Along with PlayRight+, De Muziekgilde and Facir, Sabam is one of the founders of Fund Belgian Music, which operates under the aegis of the King Baudouin Foundation to acquire essential resources to support the recording of new music.

In 2022, Fund Belgian Music is launching a third call for projects due to the continuing difficulties in the music sector caused by the Covid crisis. A total of 90 applications for support for new music recordings were approved for a total of €141,500.

Donations to charities

Through its cultural and social activities, Sabam also supports a number of charitable works each year when they are associated with the creation of cultural events.

In 2022, Sabam for Culture supported **35 charitable works** with a total donation of **€30,107**.

Donations to charities involved in the conflict in Ukraine:

>> 12 donations for a total of **€11,936**

Donations to national charities:

>> Télévie - 2022 edition: **€5,000**

>> Viva for Life: **€3,670** including **€1,835** paid by Sabam employees

>> De Warmste Week: **€3,670** including **€1,835** paid by Sabam employees

7. Details of amounts collected in 2022

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

	Works							Services			
	Indefinite	Archi & AA	Literary	Sound	Audiovisual	Graphic/plastic	Arts & performing arts	Performance Audio	Audiovisual	Fixation Audio	Audiovisual
Net fees collected by collection category with geographical breakdown											
Net fees collected by collection category Belgium											
A Reproduction	3,141		107,158	2,295,983	29,980	681,270				1,102,519	
B Adaptation/ translation											
C Com publ	81,676,285			19,368,290						240,095	
D Deployment				196,133		66,381					
E Rental											
F Educational Loan											
G Distribution											
H Resale royalty						1,449,368					
I Cable retransmission	16,029,028			474,651							
J Satellite											
K representation							3,456,764				
L publication			51,611								
M Supplementary annual remuneration											
N Direct injection											
O Databases											
P Reproduction by publishers	15,082		19,534	91,971							
Q Reprographics			599,456	176,067		802,044					
R Equitable remuneration								14,550,492		14,561,195	
S Loan fees for educational/ cultural purposes	56,777		306,028	46,625		56,850					
T Private copying			93,240	2,485,053	288,088	241,827					
U Private copying by publishers			3,684	62,516							
V Teaching & research Sc.	3,410		86,543	40,139		122,553					

8. Details of amounts distributed in 2022

Breakdown of fees paid

	Archi & AA	Literary	Sound	Audiovisual	Graphic/plastic	Arts & performing arts	Services			
							Performance		Fixation	
							Audio	Audiovisual	Audio	Audiovisual
A. Royalties paid by collection category in 2022 using royalties collected in 2022										
A.1. Royalties paid by collection category to the Belgium										
A Reproduction		8	1,801,425	14,164	205,766	5			844,141	
B Adaptation/translation										
C Com publ		22,980	4,868,498	716,927	35,479	7,730			249,807	
D Deployment			1,681,495	495	24,764					
E Rental										
F Educational Loan										
G Distribution										
H Resale royalty					628,616					
I Cable retransmission		3,198	3,800,697	100,428	62,062	1,443				
J Satellite										
K representation			215			1,297,537				
L publication		39,368								
M Supplementary annual remuneration										
N Direct injection										
O Databases										
P Reproduction by publishers										
Q Reprographics					207					
R Equitable remuneration							14,557,916		14,558,971	
S Loan fees for educational/cultural purposes		16,547	80		-544					
T Private copying		5,133	290,135	30	7,727	62				
U Private copying by publishers										
V Teaching & research Sc.					5,172					

Breakdown of fees paid

	Archi & AA	Literary	Sound	Audiovisual	Graphic/plastic	Arts & performing arts	Services			
							Performance		Fixation	
							Audio	Audiovisual	Audio	Audiovisual
A.2. Duties paid by collection heading to Europe										
A Reproduction		3	728,874	5,731	83,255	2			54,863	
B Adaptation/translation										
C Com publ		9,298	1,969,843	290,076	14,355	3,128				
D Deployment			680,350	200	10,020					
E Rental										
F Educational Loan										
G Distribution										
H Resale royalty					254,344					
I Cable retransmission		1,294	1,537,800	40,634	25,111	584				
J Satellite										
K representation			87			524,996				
L publication		15,929								
M Supplementary annual remuneration										
N Direct injection										
O Databases										
P Reproduction by publishers										
Q Reprographics					84					
R Equitable remuneration										
S Loan fees for educational/cultural purposes		6,695	33		-220					
T Private copying		2,077	117,391	12	3,126	25				
U Private copying by publishers										
V Teaching & research Sc.					2,093					

Breakdown of fees paid

	Archi & AA	Literary	Sound	Audiovisual	Graphic/plastic	Arts & performing arts	Services			
							Performance		Fixation	
							Audio	Audiovisual	Audio	Audiovisual
A.3. Royalties paid by collection category to the Rest of the world										
A Reproduction		4	749,908	5,896	85,657	2				
B Adaptation/translation										
C Com publ		9,566	2,026,689	298,447	14,769	3,218				
D Deployment			699,983	206	10,309					
E Rental										
F Educational Loan										
G Distribution										
H Resale royalty					261,684					
I Cable retransmission		1,331	1,582,178	41,807	25,835	601				
J Satellite										
K representation			90			540,147				
L publication		16,388								
M Supplementary annual remuneration										
N Direct injection										
O Databases										
P Reproduction by publishers										
Q Reprographics					86					
R Equitable remuneration										
S Loan fees for educational/cultural purposes		6,888	33		-227					
T Private copying		2,137	120,779	13	3,217	26				
U Private copying by publishers										
V Teaching & research Sc.					2,153					

Breakdown of fees paid

	Archi & AA	Literary	Sound	Audiovisual	Graphic/plastic	Arts & performing arts	Services			
							Performance		Fixation	
							Audio	Audiovisual	Audio	Audiovisual
B. Royalties paid by collection category in 2022 using royalties collected in 2021										
B.1. Royalties paid by collection category to the Belgium										
A Reproduction		17	697,708	180	71,098	10			2,498	
B Adaptation/translation										
C Com publ		136,731	18,557 999	4,349,055	59,329	43,282				
D Deployment			1,835,027		5,510					
E Rental										
F Educational Loan										
G Distribution										
H Resale royalty					77,859					
I Cable retransmission		10,748	3,917,438	1,569,839	72,697	12,383				
J Satellite										
K representation			199			215,389				
L publication		236								
M Supplementary annual remuneration										
N Direct injection										
O Databases										
P Reproduction by publishers		1,206	6,631							
Q Reprographics		43,953	7,393		130 585					
R Equitable remuneration										
S Loan fees for educational/ cultural purposes		128,514	1,540		115,878					
T Private copying		55	21,277	54,205	7,943	32				
U Private copying by publishers										
V Teaching & research Sc.		28,575	6,621		34,646					

Breakdown of fees paid

	Archi & AA	Literary	Sound	Audiovisual	Graphic/plastic	Arts & performing arts	Services			
							Performance		Fixation	
							Audio	Audiovisual	Audio	Audiovisual
B.2. Duties paid by collection heading to Europe										
A Reproduction		7	282,300	73	28,767	4			12,605	
B Adaptation/translation										
C Com publ		55,323	7,508,752	1,759,671	24,005	17,512				
D Deployment			742,470		2,230					
E Rental										
F Educational Loan										
G Distribution										
H Resale royalty					31,503					
I Cable retransmission		4,349	1,585,034	635,173	29,414	5,010				
J Satellite										
K representation			81			87,149				
L publication		96								
M Supplementary annual remuneration										
N Direct injection										
O Databases										
P Reproduction by publishers		488	2,683							
Q Reprographics		17,784	2,991		52,836					
R Equitable remuneration										
S Loan fees for educational/cultural purposes		51,998	623		46,885					
T Private copying		22	8,609	21,932	3,214	13				
U Private copying by publishers										
V Teaching & research Sc.		11,562	2,679		14,018					

Breakdown of fees paid

	Archi & AA	Literary	Sound	Audiovisual	Graphic/plastic	Arts & performing arts	Services			
							Performance		Fixation	
							Audio	Audiovisual	Audio	Audiovisual
B.3. Royalties paid by collection category to the Rest of the world										
A Reproduction		7	290,446	75	29,597	4				
B Adaptation/translation										
C Com publ		56,919	7,725,439	1,810,452	24,698	18,018				
D Deployment			763,896		2,294					
E Rental										
F Educational Loan										
G Distribution										
H Resale royalty					32,412					
I Cable retransmission		4,474	1,630,775	653,502	30,263	5,155				
J Satellite										
K representation			83			89,663				
L publication		98								
M Supplementary annual remuneration										
N Direct injection										
O Databases										
P Reproduction by publishers		502	2,760							
Q Reprographics		18,297	3,078		54,361					
R Equitable remuneration										
S Loan fees for educational/cultural purposes		53,499	641		48,238					
T Private copying		23	8,857	22,565	3,307	13				
U Private copying by publishers										
V Teaching & research Sc.		11,896	2,756		14,423					

Breakdown of fees paid

	Archi & AA	Literary	Sound	Audiovisual	Graphic/plastic	Arts & performing arts	Services			
							Performance	Fixation	Performance	Fixation
							Audio	Audiovisual	Audio	Audiovisual
C. Royalties paid by collection category in 2022 using royalties collected before 2021										
C.1. Royalties paid by collection category to the Belgium										
A Reproduction		21	275,348	0	4,998	19				
B Adaptation/translation										
C Com publ		26,665	3,738,394	809,881	91	7,778				
D Deployment			149,066		2,203					
E Rental										
F Educational Loan										
G Distribution										
H Resale royalty					57,105					
I Cable retransmission		21,186	4,630,635	2,431,395	105,049	20,454				
J Satellite										
K representation			11			1,459				
L publication										
M Supplementary annual remuneration										
N Direct injection										
O Databases										
P Reproduction by publishers		3,629	20,087							
Q Reprographics		-15,067	14,469		230,825					
R Equitable remuneration										
S Loan fees for educational/cultural purposes			1,162		41,189					
T Private copying		174	82,125	290,406		22				
U Private copying by publishers										
V Teaching & research Sc.		29,326	19,082		18,583					

Breakdown of fees paid

	Archi & AA	Literary	Sound	Audiovisual	Graphic/plastic	Arts & performing arts	Services			
							Performance		Fixation	
							Audio	Audiovisual	Audio	Audiovisual
C.2. Duties paid by collection heading to Europe										
A Reproduction		9	111,409	0	2,022	8				
B Adaptation/translation										
C Com publ		10,789	1,512,592	327,686	37	3,147				
D Deployment			60,314		891					
E Rental										
F Educational Loan										
G Distribution										
H Resale royalty					23 105					
I Cable retransmission		8,572	1,873,601	983,767	42,504	8,276				
J Satellite										
K representation			4			590				
L publication										
M Supplementary annual remuneration										
N Direct injection										
O Databases										
P Reproduction by publishers		1,468	8,127							
Q Reprographics		-6,096	5,854		93,394					
R Equitable remuneration										
S Loan fees for educational/cultural purposes			470		16,665					
T Private copying		70	33,229	117,501		9				
U Private copying by publishers										
V Teaching & research Sc.		11,866	7,721		7,519					

Breakdown of fees paid

	Archi & AA	Literary	Sound	Audiovisual	Graphic/plastic	Arts & performing arts	Services			
							Performance		Fixation	
							Audio	Audiovisual	Audio	Audiovisual
C.3. Royalties paid by collection category to the Rest of the world										
A Reproduction		9	114,624	0	2,081	8				
B Adaptation/translation										
C Com publ		11,100	1,556,242	337,142	38	3,238				
D Deployment			62,054		917					
E Rental										
F Educational Loan										
G Distribution										
H Resale royalty					23,772					
I Cable retransmission		8,819	1,927,669	1,012,156	43,730	8,515				
J Satellite										
K representation			5			607				
L publication										
M Supplementary annual remuneration										
N Direct injection										
O Databases										
P Reproduction by publishers		1,511	8,362							
Q Reprographics		-6,272	6,023		96,089					
R Equitable remuneration										
S Loan fees for educational/cultural purposes			484		17,146					
T Private copying		72	34,188	120,892		9				
U Private copying by publishers										
V Teaching & research Sc.		12,208	7,943		7,736					

9. Timetable of the distribution of royalties

Budget year	% distributed				
	2018	2019	2020	2021	2022
2018	26.10%	83.66%	88.47%	91.06%	97.31%
2019		24.95%	80.48%	86.51%	90.33%
2020			27.62%	82.16%	87.24%
2021				21,80%	81,43%
2022					22,42%

The table above shows that by the end of 2022, approximately 22.4% of the royalties collected in 2022 had already been distributed to the rights holders. For collections in 2021, 81.4% had actually been distributed to rights holders. These figures are more or less stable compared with last year, as the distributions for 2021 and 2022 are affected by the drop in billings (and collections) in 2020 and 2021 due to COVID-19.

18.6% of the royalties for 2021 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 three reasons:

- For 16.2% 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)";
- Users contest 0.1% of royalties, which are therefore included in "royalties collected to be distributed, contested (B3)";
- 2.3% of royalties have been distributed but are being contested by the recipient 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 would point out that the above chronology only concerns royalties, and therefore not the amounts distributed to Simim and Playright as part 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

The royalties for our shareholders 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 their utmost to ensure that these royalties are invoiced when the works are exploited on their territory. These royalties are then paid back to Sabam 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.

Moreover, foreign authors' societies determine their tariffs independently. This shows that the amount of foreign royalties will not necessarily be identical to the amount received for exploitation 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

Article 23

A. Reproduction

1st use type: Mechanical reproduction royalties

Royalties collected	6,895,805
Deductions made from royalties collected to finance management costs	570,092
Financial revenue received from the management of royalties collected	0
Royalties pending collection	2,652,011
Royalties collected and distributed	5,992,416
Royalties paid	5,942,801

2nd use type: Printing and digital reuse

Royalties collected	371,723
Deductions made from royalties collected to finance management costs	11,274
Financial revenue received from the management of royalties collected	0
Royalties pending collection	0
Royalties collected and distributed	63,889
Royalties paid	61,737

3rd use type: Visual arts

Royalties collected	499,346
Deductions made from royalties collected to finance management costs	5,378
Financial revenue received from the management of royalties collected	0
Royalties pending collection	231,699
Royalties collected and distributed	449,352
Royalties paid	434,220

Total royalties collected but not yet distributed

Total royalties collected but not yet distributed:

Collection year	Unallocated royalties reserved	Unallocated unreserved royalties
2017	87,216	0
2018	0	0
2019	20,701	0
2020	240,684	0
2021	390,911	299,521
2022	806,833	1,875,421

Royalties collected and distributed pending payment

Royalties collected and distributed pending payment:

2017	9,570
2018	0
2019	2,271
2020	26,410
2021	75,759
2022	294,317

Total non-distributable amounts

Total non-distributable amounts: 0

C. Public Communication

1st use type: Film music

Royalties collected	1,505,706
Deductions made from royalties collected to finance management costs	283,110
Financial revenue received from the management of royalties collected	0
Royalties pending collection	357,211
Royalties collected and distributed	507,228
Royalties paid	490,147

2nd use type: Live public performance

Royalties collected	17,901,123
Deductions made from royalties collected to finance management costs	2,808,883
Financial revenue received from the management of royalties collected	0
Royalties pending collection	7,251,133
Royalties collected and distributed	6,587,630
Royalties paid	6,365,799

3rd use type: Public use royalties

Royalties collected	54,466,492
Deductions made from royalties collected to finance management costs	10,109,302
Financial revenue received from the management of royalties collected	0
Royalties pending collection	12,698,987
Royalties collected and distributed	28,151,818
Royalties paid	27,211,989

4th use type: TV and radio broadcasters

Royalties collected	33,937,273
Deductions made from royalties collected to finance management costs	4,616,596
Financial revenue received from the management of royalties collected	0
Royalties pending collection	3,855,846
Royalties collected and distributed	25,786,136
Royalties paid	24,917,819

Total royalties collected but not yet distributed

Total royalties collected but not yet distributed:

Collection year	Unallocated royalties reserved	Unallocated unreserved royalties
2017	1,277,471	0
2018	0	0
2019	4,968,899	0
2020	6,217,072	0
2021	7,880,631	0
2022	2,305,544	79,964,503

Royalties collected and distributed pending payment

Royalties collected and distributed pending payment:

2017	47,690
2018	0
2019	185,496
2020	232,092
2021	294,195
2022	3,071,255

Total non-distributable amounts

Total non-distributable amounts: 0

D. Deployment

1st use type: Online

Royalties collected	9,459,359
Deductions made from royalties collected to finance management costs	2,438,728
Financial revenue received from the management of royalties collected	0
Royalties pending collection	1,700,621
Royalties collected and distributed	6,734,694
Royalties paid	6,507,912

Total royalties collected but not yet distributed

Total royalties collected but not yet distributed:

Collection year	Unallocated royalties reserved	Unallocated unreserved royalties
2017	122,010	0
2018	112,979	0
2019	128,103	0
2020	131,846	0
2021	86,216	2,479,491
2022	35,925	4,901,096

Royalties collected and distributed pending payment

Royalties collected and distributed pending payment:

2017	6,449
2018	5,971
2019	6,771
2020	6,969
2021	135,606
2022	260,938

Total non-distributable amounts

Total non-distributable amounts: 0

H. Resale royalty

1st use type: Resale royalty

Royalties collected	1,565,872
Deductions made from royalties collected to finance management costs	222,650
Financial revenue received from the management of royalties collected	0
Royalties pending collection	279,902
Royalties collected and distributed	1,390,400
Royalties paid	1,343,580

Total royalties collected but not yet distributed

Total royalties collected but not yet distributed:

Collection year	Unallocated royalties reserved	Unallocated unreserved royalties
2017	391,614	22,943
2018	138,547	10,205
2019	160,506	17,799
2020	119,687	57,587
2021	177,305	27,300
2022	159,572	62,878

Royalties collected and distributed pending payment

Royalties collected and distributed pending payment:

2017	26,879
2018	9,645
2019	11,561
2020	11,494
2021	13,266
2022	14,423

Total non-distributable amounts

Total non-distributable amounts: 0

I. Cable retransmission

1st use type: Cable

Royalties collected	24,083,331
Deductions made from royalties collected to finance management costs	4,222,249
Financial revenue received from the management of royalties collected	0
Royalties pending collection	2,414,122
Royalties collected and distributed	30,517,583
Royalties paid	29,489,941

Total royalties collected but not yet distributed

Total royalties collected but not yet distributed:

Collection year	Unallocated royalties reserved	Unallocated unreserved royalties
2017	450,268	0
2018	291,337	0
2019	690,407	0
2020	2,116,157	0
2021	1,757,116	953,217
2022	168,352	12,111,057

Royalties collected and distributed pending payment

Royalties collected and distributed pending payment:

2017	46,524
2018	30,103
2019	71,337
2020	218,653
2021	280,046
2022	1,268,775

Total non-distributable amounts

Total non-distributable amounts: 0

K. Representation

1st use type: Theatre

Royalties collected	3,717,822
Deductions made from royalties collected to finance management costs	544,325
Financial revenue received from the management of royalties collected	0
Royalties pending collection	599,870
Royalties collected and distributed	2,758,312
Royalties paid	2,665,430

Total royalties collected but not yet distributed

Total royalties collected but not yet distributed:

Collection year	Unallocated royalties reserved	Unallocated unreserved royalties
2017	488	0
2018	0	0
2019	2,352	0
2020	5,454	0
2021	192	0
2022	158	545,382

Royalties collected and distributed pending payment

Royalties collected and distributed pending payment:

2017	152
2018	0
2019	735
2020	1,704
2021	60
2022	170,474

Total non-distributable amounts

Total non-distributable amounts: 0

L. Publication

1st use type: Literature

Royalties collected	78,592
Deductions made from royalties collected to finance management costs	3,903
Financial revenue received from the management of royalties collected	0
Royalties pending collection	14,772
Royalties collected and distributed	72,115
Royalties paid	69,687

Total royalties collected but not yet distributed

Total royalties collected but not yet distributed:

Collection year	Unallocated royalties reserved	Unallocated unreserved royalties
2017	0	0
2018	0	11
2019	0	63
2020	0	0
2021	0	63
2022	0	121

Royalties collected and distributed pending payment

Royalties collected and distributed pending payment:

2017	0
2018	192
2019	1,106
2020	0
2021	1,106
2022	2,123

Total non-distributable amounts

Total non-distributable amounts: 0

P. Reproduction by publishers

1st use type: Reprographics

Royalties collected	126,587
Deductions made from royalties collected to finance management costs	-13,240
Financial revenue received from the management of royalties collected	0
Royalties pending collection	0
Royalties collected and distributed	57,454
Royalties paid	55,519

Total royalties collected but not yet distributed

Total royalties collected but not yet distributed:

Collection year	Unallocated royalties reserved	Unallocated unreserved royalties
2017	70	0
2018	0	0
2019	0	0
2020	1,005	0
2021	174	52,116
2022	0	126,587

Royalties collected and distributed pending payment

Royalties collected and distributed pending payment:

2017	1
2018	0
2019	0
2020	20
2021	1,048
2022	2,537

Total non-distributable amounts

Total non-distributable amounts: 0

Q. Reprographics

1st use type: Reprographics

Royalties collected	1,577,567
Deductions made from royalties collected to finance management costs	-142,779
Financial revenue received from the management of royalties collected	0
Royalties pending collection	-1
Royalties collected and distributed	681,659
Royalties paid	658,705

2nd use type: Visual arts

Royalties collected	12,661
Deductions made from royalties collected to finance management costs	17,819
Financial revenue received from the management of royalties collected	0
Royalties pending collection	0
Royalties collected and distributed	69,216
Royalties paid	66,885

Total royalties collected but not yet distributed

Total royalties collected but not yet distributed:

Collection year	Unallocated royalties reserved	Unallocated unreserved royalties
2017	4,144	0
2018	0	0
2019	14,481	0
2020	45,774	111,472
2021	9,049	632,941
2022	20	1,589,817

Royalties collected and distributed pending payment

Royalties collected and distributed pending payment:

2017	81
2018	0
2019	283
2020	3,078
2021	12,566
2022	31,120

Total non-distributable amounts

Total non-distributable amounts: 0

R. Equitable remuneration

1st use type: Public use royalties

Royalties collected	29,126,541
Deductions made from royalties collected to finance management costs	3,402,297
Financial revenue received from the management of royalties collected	0
Royalties pending collection	4,168,030
Royalties collected and distributed	29,116,888
Royalties paid	29,180,621

Total royalties collected but not yet distributed

Total royalties collected but not yet distributed:

Collection year	Unallocated royalties reserved	Unallocated unreserved royalties
2017	0	0
2018	0	0
2019	0	0
2020	0	0
2021	0	0
2022	0	0

Royalties collected and distributed pending payment

Royalties collected and distributed pending payment:

2017	0
2018	0
2019	0
2020	0
2021	0
2022	0

Total non-distributable amounts

Total non-distributable amounts: 0

S. Educational/cultural loan fee

1st use type: Reprographics

Royalties collected	364,696
Deductions made from royalties collected to finance management costs	-24,740
Financial revenue received from the management of royalties collected	0
Royalties pending collection	0
Royalties collected and distributed	505,439
Royalties paid	488,419

2nd use type: Private copying

Royalties collected	101,585
Deductions made from royalties collected to finance management costs	32,962
Financial revenue received from the management of royalties collected	0
Royalties pending collection	0
Royalties collected and distributed	3,383
Royalties paid	3,269

3rd use type: Visual arts

Royalties collected	31,952
Deductions made from royalties collected to finance management costs	4,547
Financial revenue received from the management of royalties collected	0
Royalties pending collection	51
Royalties collected and distributed	45,398
Royalties paid	43,869

Total royalties collected but not yet distributed

Total royalties collected but not yet distributed:

Collection year	Unallocated royalties reserved	Unallocated unreserved royalties
2017	3,870	0
2018	0	0
2019	12,399	0
2020	26,889	58,824
2021	23,737	1,613
2022	1,713	463,979

Royalties collected and distributed pending payment

Royalties collected and distributed pending payment:

2017	227
2018	0
2019	727
2020	5,028
2021	1,487
2022	27,317

Total non-distributable amounts

Total non-distributable amounts: 0

T. Private copying

1st use type: Private copying

Royalties collected	3,108,208
Deductions made from royalties collected to finance management costs	417,432
Financial revenue received from the management of royalties collected	0
Royalties pending collection	5,035
Royalties collected and distributed	1,375,760
Royalties paid	2,619,825

2nd use type: Visual arts

Royalties collected	362
Deductions made from royalties collected to finance management costs	-2,195
Financial revenue received from the management of royalties collected	0
Royalties pending collection	0
Royalties collected and distributed	6,893
Royalties paid	6,661

Total royalties collected but not yet distributed

Total royalties collected but not yet distributed:

Collection year	Unallocated royalties reserved	Unallocated unreserved royalties
2017	40,496	0
2018	0	0
2019	0	0
2020	361,616	93,336
2021	287,227	1,172,673
2022	28,651	2,419,476

Royalties collected and distributed pending payment

Royalties collected and distributed pending payment:

2017	798
2018	0
2019	0
2020	8,966
2021	28,771
2022	48,247

Total non-distributable amounts

Total non-distributable amounts: 0

U. Private copying by publishers

1st use type: Private copying

Royalties collected	66,200
Deductions made from royalties collected to finance management costs	-8,634
Financial revenue received from the management of royalties collected	0
Royalties pending collection	0
Royalties collected and distributed	0
Royalties paid	0

Total royalties collected but not yet distributed

Total royalties collected but not yet distributed:

Collection year	Unallocated royalties reserve	Unallocated unreserved royalties
2017	0	0
2018	0	0
2019	0	0
2020	0	4,329
2021	0	34,669
2022	0	66,200

Royalties collected and distributed pending payment

Royalties collected and distributed pending payment:

2017	0
2018	0
2019	0
2020	0
2021	0
2022	0

Total non-distributable amounts

Total non-distributable amounts: 0

V. Teaching & Scientific research

1st use type: Reprographics

Royalties collected	252,645
Deductions made from royalties collected to finance management costs	584,400
Financial revenue received from the management of royalties collected	0
Royalties pending collection	0
Royalties collected and distributed	258,577
Royalties paid	249,869

Total royalties collected but not yet distributed

Total royalties collected but not yet distributed:

Collection year	Unallocated royalties reserved	Unallocated unreserved royalties
2017	1,105	0
2018	0	0
2019	3,862	0
2020	9,591	0
2021	5,003	192,110
2022	24	241,540

Royalties collected and distributed pending payment

Royalties collected and distributed pending payment:

2017	40
2018	0
2019	138
2020	343
2021	7,058
2022	8,650

Total non-distributable amounts

Total non-distributable amounts: 0

- (1) Pro-rata allocation of financial revenue by type of operation and by use type according to the allocation schedule. As a reminder, financial revenue is used to cover gross operating expenses. In 2022, the return on the investment portfolio was negative, so no income was affected.
- (2) Royalties paid are allocated on a pro rata basis to royalties collected, since detailed information by type of operation and use type is no longer available at this level.
- (3) Royalties collected and distributed pending payment are prorated based on the total royalties collected and not yet distributed by collection year as this information is no longer available at this level.

Company expenses

A. Reproduction

Total costs (including financial costs)	2,456,659
Costs related to the management of royalties (including financial costs)	2,431,933
Ratio = costs related to the management of royalties (including financial costs)/royalties collected during the year	31%

C. Public communication

Total costs (including financial costs)	18,014,935
Costs related to the management of royalties (including financial costs)	17,833,612
Ratio = costs related to the management of royalties (including financial costs)/royalties collected during the year	17%

D. Deployment

Total costs (including financial costs)	1,438,306
Costs related to the management of royalties (including financial costs)	1,423,829
Ratio = costs related to the management of royalties (including financial costs)/royalties collected during the year	15%

H. Resale royalty

Total costs (including financial costs)	554,497
Costs related to the management of royalties (including financial costs)	548,916
Ratio = costs related to the management of royalties (including financial costs)/royalties collected during the year	35%

I. Cable retransmission

Total costs (including financial costs)	1,488,890
Costs related to the management of royalties (including financial costs)	1,473,904
Ratio = costs related to the management of royalties (including financial costs)/royalties collected during the year	6%

K. Representation

Total costs (including financial costs)	1,587,768
Costs related to the management of royalties (including financial costs)	1,571,787
Ratio = costs related to the management of royalties (including financial costs)/royalties collected during the year	42%

L. Publication

Total costs (including financial costs)	93,384
Costs related to the management of royalties (including financial costs)	92,444
Ratio = costs related to the management of royalties (including financial costs)/royalties collected during the year	119%

P. Reproduction by publishers

Total costs (including financial costs)	4,396
Costs related to the management of royalties (including financial costs)	4,352
Ratio = costs related to the management of royalties (including financial costs)/royalties collected during the year	3%

Q. Reprographics

Total costs (including financial costs)	456,530
Costs related to the management of royalties (including financial costs)	451,935
Ratio = costs related to the management of royalties (including financial costs)/royalties collected during the year	28%

R. Equitable remuneration

Total costs (including financial costs)	4,509,506
Costs related to the management of royalties (including financial costs)	4,464,117
Ratio = costs related to the management of royalties (including financial costs)/royalties collected during the year	15%

S. Educational/cultural loan fee

Total costs (including financial costs)	192,291
Costs related to the management of royalties (including financial costs)	190,355
Ratio = costs related to the management of royalties (including financial costs)/royalties collected during the year	41%

T. Private copying

Total costs (including financial costs)	541,346
Costs related to the management of royalties (including financial costs)	535,898
Ratio = costs related to the management of royalties (including financial costs)/royalties collected during the year	17%

U. Private copying by publishers

Total costs (including financial costs)	5,213
Costs related to the management of royalties (including financial costs)	5,160
Ratio = costs related to the management of royalties (including financial costs)/royalties collected during the year	8%

V. Teaching & Scientific research

Total costs (including financial costs)	38,726
Costs related to the management of royalties (including financial costs)	38,336
Ratio = costs related to the management of royalties (including financial costs)/royalties collected during the year	15%

(1) Total expenses (including financial expenses) = Gross operating expenses (excluding Sabam pillar expenses).

(2) In 2022, there were one-off expenses and income relating to the purchase of the new building and the sale of the old one (expenses and income for the Sabam pillar).

(3) In 2022, there were also significant impairments on the investment portfolio (costs charged to the Sabam pillar).

Audit Opinion



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SABAM CV

Statutory Auditor's Report

Exercice 31.12.2022



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 2022

(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 five 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 2022, 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 € 326.318.162 and a profit and loss account with a profit for the year of € 15.354.894.

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 2022, 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.

Emphasis of matters

Without prejudice to the opinion expressed above, we draw attention to the change in valuation rules that occurred during the financial year. In accordance with Article 3:8 of the Royal Decree of April 29, 2019 executing the companies' and associations' Code, the justification and impact of this change on the Company's net equity, financial position and results have been disclosed in note VOL-AUT 6.20 to the financial statements. This note also includes the motivation - prepared in accordance with Article



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3:7 of the Royal Decree of April 29, 2019 executing the companies' and associations' Code - for the application of the new valuation rules in derogation of Article 3:52 of the aforementioned Royal Decree.

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.

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.



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- 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.

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 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.



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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.
- The fees for additional services which are compatible with the statutory audit of the annual accounts referred to in article 3:65 of the companies' and associations' Code are correctly disclosed and itemized in the notes to the annual accounts.

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, 25 April 2023

MAZARS RÉVISEURS D'ENTREPRISES SRL
Statutory auditor
represented by

Dirk Stragier
Auditor