



One Media Investor Presentation

September 2020

OM^{iP}
DIAL

The Board



CEO and Founder: Michael Infante

- +30 years in the music industry
- Executive Producer for Royal Philharmonic Orchestra's largest recording project for over 140 classical albums
- Co-founded Air Music & Media Group Plc (now MBL Plc) in 1995
- Founded One Media iP Group Plc in 2005



Executive Director: Alice Dyson-Jones

- 20 years' music industry experience
- 4 years as Managing Director of One Media iP Ltd.
- Director of the British Phonographic Industry ("BPI")



Finance Director: Steve Gunning

- Accountant with over 20 years' experience in the finance industry
- Finance Director and Company Secretary of One Media iP Ltd. since 2016
- CIMA trained in Management Accounting and a member of the Association of Accounting Technicians



Non-Executive Chair: Claire Blunt

- Currently the Chief Operating Officer and Chief Financial Officer of Hearst UK
- Has served in lead financial and management roles at BrightHouse, Selecta Group, Hobbycraft and Staples



Non-Executive Director: Brian Berg

- Chairman of Eclipse Global Entertainment
- Holds senior media and music consultancy roles for various major companies
- Executive Producer on the hit musical Dreamboats and Petticoats
- Previously President of Universal Music Enterprises and a director of Universal Music

Company Overview



+£10m

Invested in catalogue
acquisitions to date

+200k

Music tracks in its library

167

Global territories

+200

Catalogues and labels,
owned and/or represented



- One Media iP is the Group's core business and specialises in purchasing and monetising intellectual property rights with proven, recurring income streams
- Expansive catalogue of over 200,000 tracks covering multiple genres, from pop to rock, country to classics
- Enhances royalty revenues by improving the availability of content in over 600 digital stores globally, including Spotify, YouTube, Amazon and Apple Music



- The Technical Copyright Analysis Tool (TCAT) is a software as a service (SaaS) platform developed in-house by the Group in 2015 to detect and combat piracy



- Harmony IP is the Group's latest initiative which allows composers/master rights owners to participate in an 'IP equity release programme' of their music, whilst retaining a majority interest

H1 2020 Financial Highlights

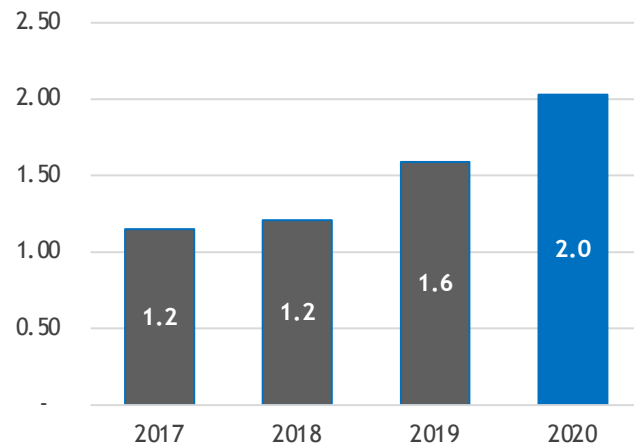


REVENUE

+28%

Revenue increased by 28% to
£2,032,598 (H1 2019: £1,585,687)

H1 Revenue £m

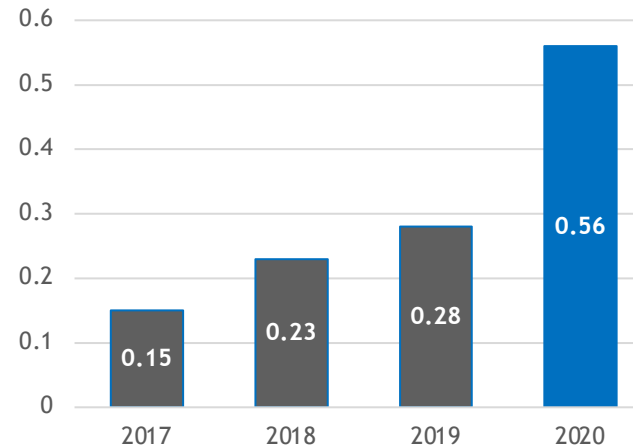


OPERATING PROFIT

+98%

Operating profit increased 98% to
£563,257 (H1 2019: £284,360)

H1 Operating Profit £m

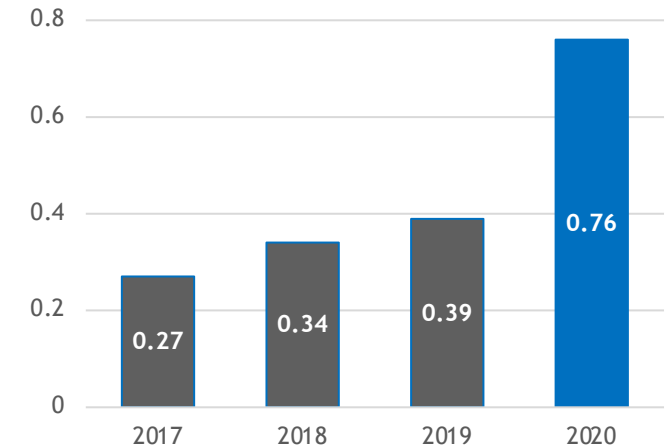


EBITDA

+93%

EBITDA increased 93% to
£757,678 (H1 2019: £392,192)

H1 EBITDA £m

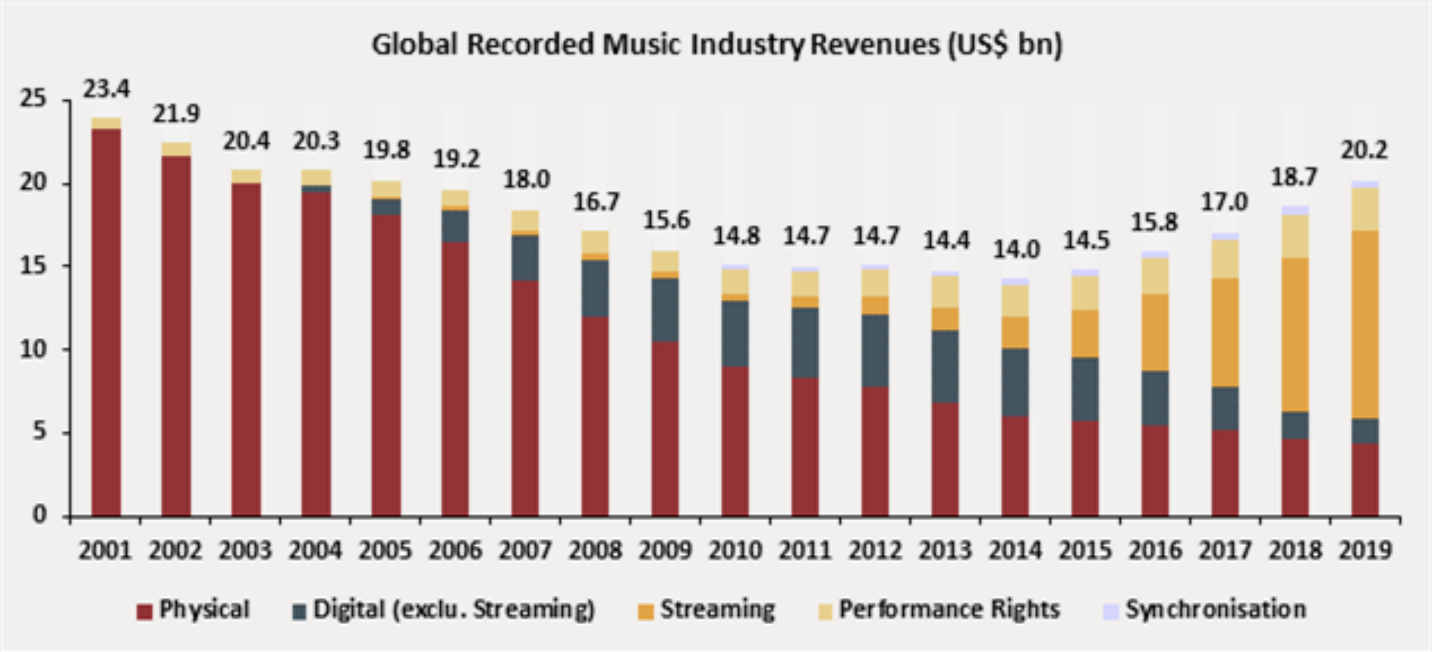


- Interim dividend declaration of 0.055p per ordinary share
- Cash balances of £1,076,134 at 30 April 2020 (H1 2019: £5,184,301)
- Operating profit margin of 27.7%¹
- FCF yield of 11.2%²

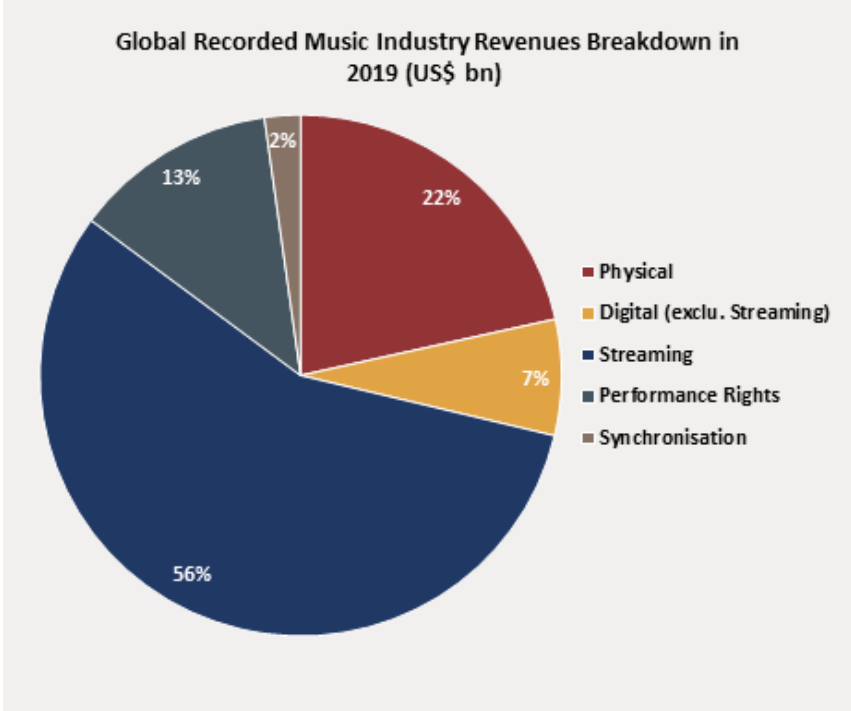
The Market



Global recorded music industry revenues 2001-2019 (US\$ Billions)



Global recorded music revenues by segment 2019





Grow catalogue

Targeted acquisitions of intellectual copyright businesses and/or catalogues with proven, recurring income streams



Leverage existing content

Maximise the value of OMiP's current portfolio by optimising its availability across global stores including Apple Music, YouTube, Amazon, Spotify as well as Findaway, Audible, PPL, PRS, ASCAP and BMI



Capitalise on global growth

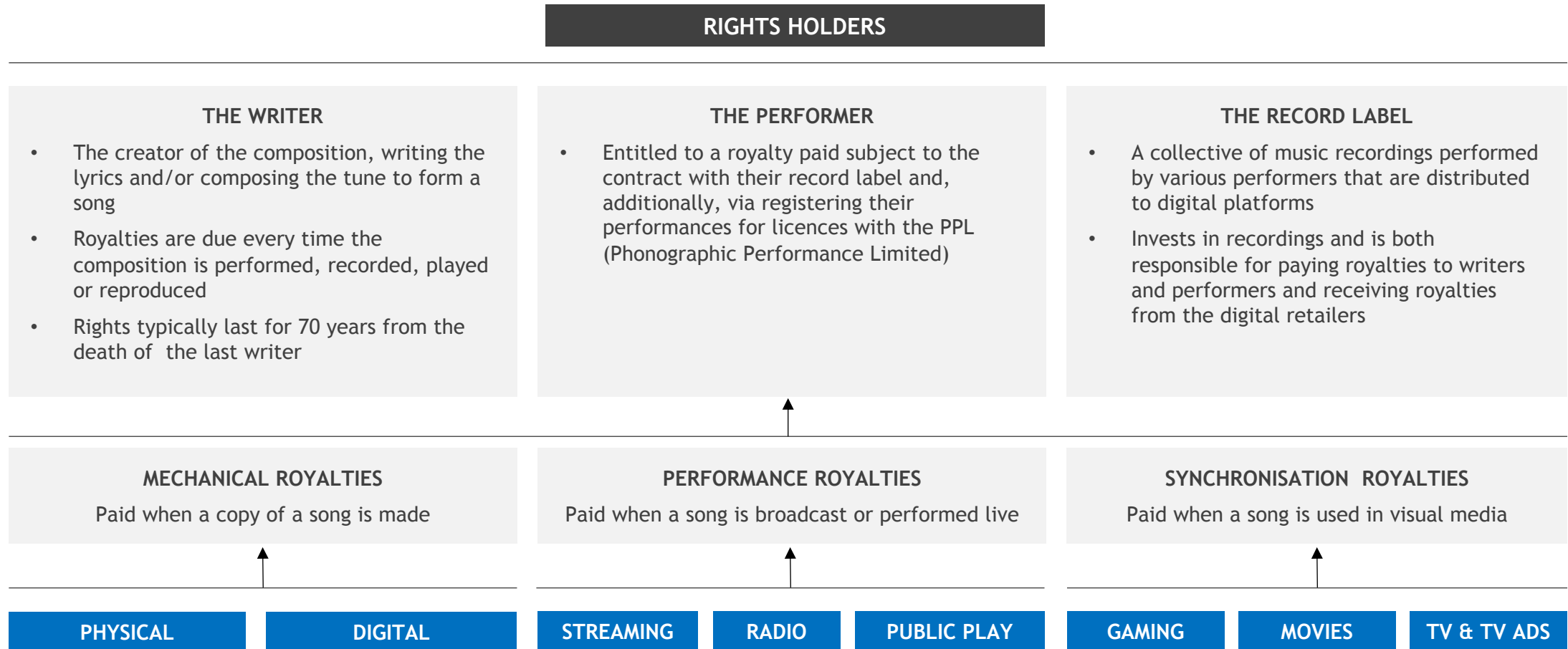
Capitalise on the predicted global music growth by expanding OMiP's catalogues into new and emerging territories



Consolidate and strengthen

Consolidate OMiP's position in a growing and highly fragmented sector by offering TCAT's technology service to major record labels and utilising Harmony IP's asset release service to grow content

Music Monetisation



One Media aims to acquire the master rights (rights of the owner of the original sound recording), the publishing rights (rights belong to the owner of the actual musical composition) and the writer's share of income.

One Media iP - Core Business



ONE MEDIA^{iP}

- Acquisition and full monetisation of music intellectual property (IP) rights
- Acquisition of the master rights, publishing rights and the writer's share of income of evergreen content with recurring income streams and strong growth potential
- Optimisation of content (addition of high-quality metadata e.g. music genre, artist) to improve consumer experience and ensure full monetisation in over 600 digital stores globally, including Spotify, YouTube, Amazon and Apple Music
- Use of music for synchronisation in film, TV and digital gaming
- Expansive content library including the Point Classics catalogue, containing a selection of the world's best classical recordings



Harmony IP - Unlocking future earnings today



- IP equity release programme
- Harmony IP would typically acquire 10-30% of the equity on agreed multiples, leaving the rights owner with a majority ownership whilst sharing in any future uplift
- Targeting composer's rights which typically extend to 70 years after death
- Will enable Group to diversify its portfolio and acquire music rights with recurring income streams at favourable multiples
- Attractive offering with no other known players operating in this space
- Banks typically offering c.25% only against earnings
- Work underway to build initial IP portfolio in 2020
- Using TCAT to analyse the past performance and future trends of the identified content to predict and maximise future earnings for both parties
- Early interest from artists, which the directors believe is significant
- <https://www.youtube.com/watch?v=zoHN083zoAQ>



Harmony iP

Unlocking Future Earnings to Enrich today.



MARKET OVERVIEW

Royalties are generated from music sales and monetised in several ways:

- Income from composition and performance rights
- A typical track enjoys initial success and 5 to 7 years after its peak falls into 'regular income model'
- After 10 years this income is usually robust and perhaps only +/-10% of its original income stream, making legacy content a target

A successful composer leverages a multi-track catalogue in several forms:

- An Advance from a publisher for a fixed term of exploitation which is fully recoupable against earnings - composer receives lump sum and then nothing until advance is recouped
- Complete sale of catalogue of rights and/or a part of them is writer's share/performer's share
- Bank Loan (such as Coutts) - typically 25% of annual income for max. 5 years
- Music Bond - asset-backed security which used as collateral the royalty streams from album sales and live performances

RECENT MARKET TRENDS

- Goldman Sachs forecasts a 75% plunge in live music revenue in 2020 as a result of COVID-19, but streaming revenue is predicted to rise 18%
- The fall in live music and touring income is expected to affect older artists who are more susceptible to the adverse effects of COVID-19 and who may not wish to tour even after lockdown is over
- One Media's recurring income model is linked to a number of recording artists in the 60+ age bracket who the directors believe are likely to look at alternative income opportunities in the wake of the pandemic



Opportunity

- Initially 10 artist deals will be sought
- Deal size will vary between £180,000 (low end) to £400,000 (medium) and £1m (high end)
- Currently in discussions with c.15 targets

EXAMPLE TRANSACTION

- Artist (A) has an annual income of £150,000p.a.
- Harmony IP agrees to acquire 30% of the gross income on a multiple 6-9x
- Acquisition multiple depends on quality of earnings and time left on the revenue. Typically 70 years post death.
- Acquisitions assumptions:
 - 7.5x multiple (midrange) $£45,000 \times 7.5 = £337,500$
 - Expected industry growth at +/- 8% revenue
 - TCAT care should reduce payback to multiple equalling

Year	Annual Income	Industry Growth	Annual Growth	Total Annual Income	Acculated Income
1	£45,000	8.0%	£3,600	£48,600	£48,600
2	£48,600	8.0%	£3,888	£52,488	£101,088
3	£52,488	8.0%	£4,199	£56,687	£157,775
4	£56,687	8.0%	£4,535	£61,222	£218,997
5	£61,222	8.0%	£4,898	£66,120	£285,117
6	£66,120	8.0%	£5,290	£71,409	£356,526
7	£71,409	8.0%	£5,713	£77,122	£433,648

Investment payback

TCAT - Tackling Music Piracy



- The Technical Copyright Analysis Tool (“TCAT”), developed by OMiP in 2015, polices the Company’s own music catalogue of tracks
- 38% of global music listeners acquire music through illegal means - potentially a \$7bn issue
- Detects copyright infringement within legitimate stores (e.g. Spotify, Deezer, Apple Music)
- Alerts content IP owners to corrupted data on a global scale, allowing the removal of offending tracks
- Two major record labels and the world’s largest media distributor currently subscribe on retained basis
- Opportunity to improve and scale TCAT for wider use across the industry and other markets, offering services and features such as:
 - Detecting fake uploading - costs industry up to circ. \$300m per annum
 - Instant access to catalogue and retail data and market insights
- <https://www.youtube.com/watch?v=TyRUKoHvwbk>



Competitive Landscape



Small Record Labels

- Approx. 1.75 million members of associations for songwriters, composers and music publishers
- Own single tracks and/or a small collection of tracks - smaller scale than One Media
- Rely on One Media to compile their tracks within playlists and get them discovered
- One Media acts as a sub aggregator for c.200 small record labels and leverages its relationship with The Orchard to promote the small labels content

Digital Retailers

- Spotify, Amazon, Apple Music, etc. may choose to sign direct deals with recording artists or recorded music companies

Funds

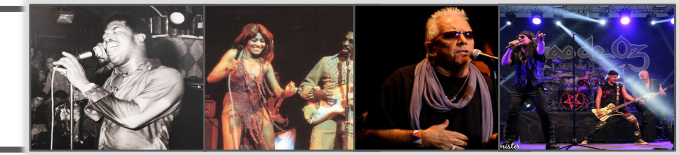
- Streaming revolution leading to growing number of private funds
- Revenue yielding content
- Hipgnosis Fund - LSE listed with £0.9 billion of investment - different strategy to One Media and focused on modern music

Recording Artists

- May choose to distribute their own works - now easier with digital format

Outlook

- Strong market fundamentals with streaming driving growth in the sector
- Expanded catalogue following recent acquisitions expected to drive growth of recurring income
- Scalable business model will enable the Group to expand its geographical footprint and exploit its product offerings (TCAT and Harmony IP)
- Despite the uncertainty caused by COVID-19, the business has a robust recurring income model that lends itself to remote working, much like its major partners, and all of the Group's business operations are continuing as normal
- Focus on music streaming leaves the Group well positioned in the COVID-19 world





Appendices

September 2020

Financial Performance



	H1 2020	H1 2019	FY 2019
Revenue	£2,032,598	£1,585,687	£3,508,891
Gross profit	£999,848	£742,510	£1,752,427
Gross margin	49%	47%	50%
Administration costs	£436,591	£458,150	£873,513
Operating profit	£563,257	£284,360	£878,914
EBITDA	£757,678	£392,192	£1,076,724
Finance costs	£90,459	£100,970	£189,322
Profit before tax	£399,236	£143,738	£547,222
Basic Earnings per share	0.24p	0.09p	0.34p

Balance Sheet



	H1 2020	H1 2019	FY 2019
Intangible assets	£8,788,257	£4,684,070	£8,900,413
Fixed assets	£4,166	£11,844	£7,647
Trade and other receivables	£1,095,899	£804,944	£1,000,595
Cash and cash equivalents	£1,076,134	£5,184,301	£860,611
Total assets	£10,964,856	£10,685,159	£10,769,266
Trade and other payables	£820,622	£1,431,255	£1,053,266
Deferred tax	£83,128	£58,133	£83,128
Borrowings	£1,637,848	£1,600,963	£1,613,342
Intangible assets	£8,788,257	£4,684,070	£8,900,413

Cash Flow Statement



	H1 2020	H1 2019	FY 2019
Net cash inflow (outflow) from operating activities	£324,163	£1,106,439	£1,146,934
Investment in intellectual property rights and TCAT	£133,154	£1,461,080	£5,881,529
Investment in property, plant and equipment	-	£3,201	£3,310
Finance income	£8	£76	£8
Net cash used in investing activities	£133,146	£1,464,205	£5,884,712
Net cash inflow (outflow) from financing activities	£24,506	£34,312	£22,010
Net change in cash and cash equivalents	£215,523	£392,078	£4,715,768
Cash at the beginning of the year	£860,611	£5,576,379	£5,576,379
Cash at the end of the year	£1,076,134	£5,184,301	£860,611

Disclaimer



These slides (the “Presentation”) have been prepared by One Media iP plc (the “Company”) for information purposes only in relation to the proposed placing (“Placing”) to be made by the Company of ordinary shares in the capital of the Company (the “Placing Shares”). By attending this Presentation (whether in person or by telephone), or by reading the presentation slides, you agree to be bound by the following conditions.

This Presentation is preliminary and does not, and is not intended to, constitute or form part of any offer or invitation to sell or issue, any offer or inducement or invitation or commitment to purchase or subscribe for, or any solicitation of any offer to purchase or subscribe for, any of the Placing Shares or securities in the Company or any other entity nor shall it, or any part of it, nor the fact of its distribution form the basis of, or be relied on in connection with or act as any inducement to enter into, any contract or investment decision in relation thereto.

The information contained in this Presentation is inside information (for the purposes of the Criminal Justice Act 1993 (“CJA”) and the Market Abuse Regulation (Regulation (EU) 596/2014) (“MAR”). Accordingly, behaviour by the recipient in relation to the information contained in this Presentation may constitute the offence of insider dealing within the meaning of the CJA or market abuse within the meaning of MAR. In particular, the recipient may not deal in the Company’s securities until such information ceases to be inside information. The information contained in this Presentation is subject to change and you may be provided with an amended and/or updated version of this Presentation at a later date.

Cenkos Securities PLC (“Cenkos”), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting solely for the Company in relation to the Placing and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Cenkos nor for providing advice in relation to the Placing or any other matter referred to in this Presentation. The contents of this Presentation have not been verified by Cenkos.

This Presentation is being delivered and is directed at persons located and resident in the United Kingdom who are: (a) “qualified investors” within the meaning of Article 2(1)(e) of the Prospectus Directive (Directive 2003/71/EC) as amended; and (b) persons as is described in Article 19(5) (Investment professionals) or Article 49(2) (High net worth companies, unincorporated associations etc.) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 or persons to whom this Presentation may otherwise lawfully be distributed. Persons who do not fall within such descriptions may not act upon the information contained in it. This Presentation is not to be disclosed to any other person or used for any other purpose. No other person may attend the Presentation or should act or rely on this document and persons distributing this document must satisfy themselves that it is lawful to do so.

This Presentation does not constitute an offer of Placing Shares for sale in the United States of America (the “United States”) or in any other jurisdiction where it is unlawful to do so. This Presentation is not for use in the United States other than pursuant to an exemption from registration under the U.S. Securities Act of 1933, as amended and neither this Presentation nor any copy of it may be (a) taken or transmitted into Australia, Canada, Japan the Republic of South Africa or the United States of America (each a “Restricted Territory”), their territories or possessions; or (b) distributed to any individual outside a Restricted Territory who is a resident thereof in any such case for the purpose of offer for sale or solicitation or invitation to buy or subscribe for, any Placing Shares or in the context where its distribution may be construed as such offer, solicitation or invitation, in any such case except in compliance with any applicable exemption. The distribution of this Presentation in or to persons subject to other jurisdictions may be restricted by law and persons into whose possession this Presentation comes should inform themselves about, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of the laws of the relevant jurisdiction.

This Presentation contains forward-looking statements and actual results and developments may differ materially from those expressed or implied by these statements. These forward-looking statements are statements regarding the Company’s intentions, beliefs or current expectations concerning, among other things, the Company’s results of operations, financial condition, prospects, growth, strategies and the industry in which the Company operates. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future and may be beyond the Company’s ability to control or predict. These forward-looking statements speak only as of the date of this Presentation and the Company does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of this Presentation.

This Presentation and its contents are confidential and may not be reproduced, redistributed, published or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose other than with the consent of the Company or Cenkos. Failure to comply with these restrictions may constitute a violation of applicable securities laws. Certain information contained in this document is non-public, proprietary and highly confidential. Accordingly, by accepting and using this document, you will be deemed to agree not to disclose any information contained herein except as may be required by law, applicable regulation or an order of a competent court or authority.

The information contained herein is for discussion purposes only and does not purport to contain all information that may be required to evaluate the Company and/or its financial position. This Presentation is not intended to provide, and should not be relied upon for, accounting, legal or tax advice nor does it constitute a recommendation regarding any transaction. Each person to whom this Presentation is made available must make its own independent assessment of the Company after making such investigations and taking such advice as may be deemed necessary. This Presentation is given in conjunction with an oral presentation and should not be taken out of context.

To the extent permitted by law or regulation, no representation, undertaking or warranty, or other assurance express or implied, is made or given by or on behalf of the Company or Cenkos or their respective parent or subsidiary undertakings, affiliates, respective agents or advisers or any of such persons’ affiliates, directors, officers or employees (together, “Affiliates”) as to the fairness, accuracy, completeness or verification of the information or the opinions contained in this Presentation and no liability is accepted for any such information or opinions. Save in the case of fraud, each of the Company and Cenkos and their respective Affiliates disclaim all and any responsibility and liability whatsoever, whether arising in tort, contract or otherwise, for any errors, omissions or inaccuracies in such information or opinions or for any loss, cost or damage suffered or incurred howsoever arising, directly or indirectly, from any use of this Presentation or its contents or otherwise in connection with this Presentation. In addition, no duty of care or otherwise is owed by any such person to recipients of the Presentation or any other person in relation to the Presentation. Persons receiving this document will make all subsequent trading and investment decisions in reliance on their own judgement and not in reliance on Cenkos. No statement in this Presentation is intended to be nor may be construed as a profit forecast. Cenkos is not providing any such persons with advice on the suitability of the matters set out in this Presentation or otherwise providing them with any investment advice or personal recommendations.

Neither the issue of this Presentation nor any part of its contents is to be taken as any form of commitment on the part of the Company to proceed with any transaction and the right is reserved to terminate any discussions or negotiations with any prospective investors. In no circumstances will the Company be responsible for any costs, losses or expenses incurred in connection with any appraisal or investigation of the Company. In furnishing this Presentation, the Company does not undertake or agree to any obligation to provide the recipient with access to any additional information or to update this Presentation or to correct any inaccuracies in, or omissions from, this Presentation which may become apparent.