

ONE MEDIA^{iP} *a digital music rights acquirer, publisher and distributor*

FY20 Results Presentation

LON:OMIP

HITTING THE RIGHT NOTES

EBITDA +38%, Dividend Declaration, Strong Cash Position

Industry Experts



Founder & Chief Executive Officer: Michael Infante

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



Chairman: Claire Blunt

- CEO International at Guardian Media Group
- COO & CFO of Hearst UK
- Leading financial roles at BrightHouse, Selecta Group, Hobbycraft and Staples



Chief Operating Officer : Alice Dyson

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



Finance Director: Steve Gunning

- +20 years' finance industry experience
- FD and Company Secretary of One Media Ltd. since 2016
- CIMA trained and member of the Association of Accounting Technicians



Non-Executive Director: Brian Berg

- Chairman of Eclipse Global Entertainment
- Senior advisory consultant in the media and music industry
- Executive Producer on hit musical 'Dreamboats and Petticoats'
- Former President of Universal Music Enterprises and Director of Universal Music

Company Overview

- Dividend paying stock of 0.055p (subject to approval at AGM) and cash in bank of £6.8m
- AIM-listed digital music rights acquirer, publisher and distributor, specialising in purchasing and monetising intellectual property rights with proven, recurring income streams
- Profitable business led by a management team with significant industry experience
- Board ownership – 11.8%
- Expansive catalogue of over 200,000 tracks covering multiple genres, from pop to rock, country to classics
- Enhancing royalty revenues by improving the availability of OMiP's content in over 600 digital stores globally, including Apple Music, YouTube, Amazon and Spotify
- Alongside core business, the Group has two service offerings:



TCAT – a software as a service (SaaS) platform which detects piracy and, in turn, boosts revenue for record labels



Harmony IP – an initiative which allows composers/master rights owners to participate in an 'IP equity release programme' of their music, whilst retaining a majority interest

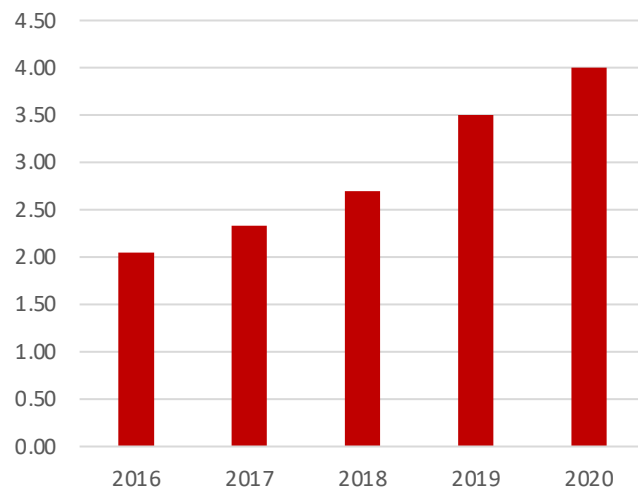
2020 Financial Highlights

REVENUE

+14%

Revenue increased 14% to **£4.0 million**
(2019: £3.5 million)

Revenue

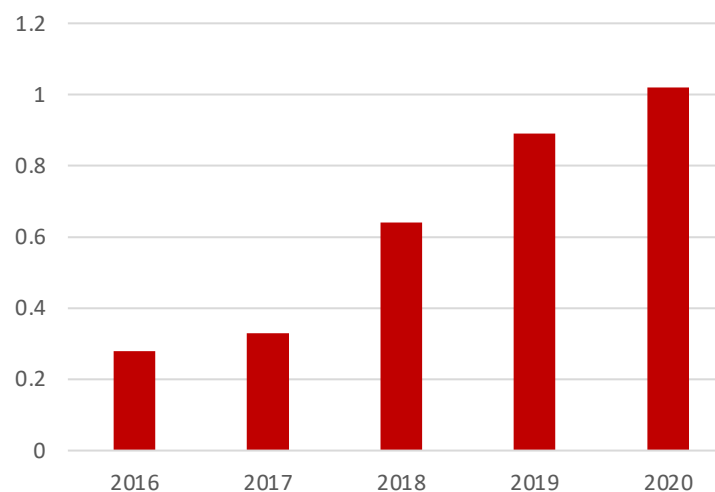


OPERATING PROFIT

+16%

Operating profit increased 16% to **£1.02 million**
(2019: £0.88 million)

Operating profit £m

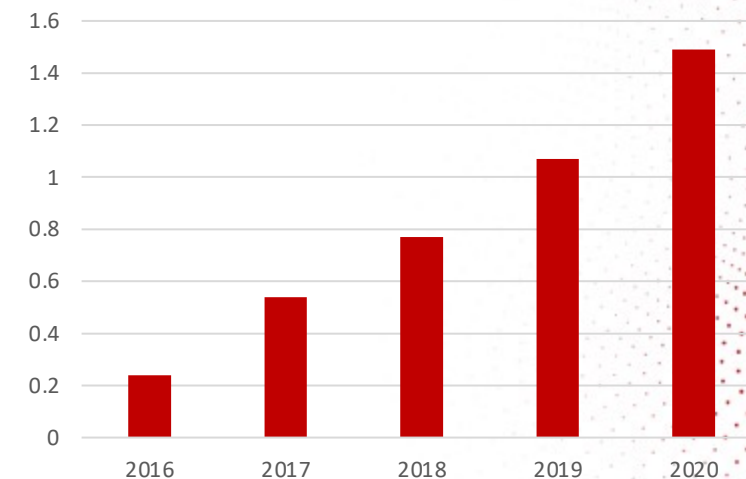


EBITDA

+38%

EBITDA increased 38% to **£1.49 million**
(2019: £1.07 million)

EBITDA £m



"I am pleased to report another successful year of growth for the Company. The year under review could have been a most unpredictable and turbulent time for any small business operating under COVID-19 but, even in the midst of challenges, our music business model saw its EBITDA grow by 38%."

Michael Infante – Founder & CEO

"The habits we've formed during lockdown, such as relying on social media and rediscovering old tracks, are set to accelerate the online shift and propel global music revenues to new highs."

Report "MUSIC IN THE AIR - THE SHOW MUST GO ON"- Goldman Sachs

2020 & Post-Period Operational Highlights

- Formation of TCAT Limited subsidiary and recruitment of the team; part of TCAT's next phase of development to become a leading anti-piracy service
- Acquisition of Take That producer royalties including 'A Million Love Songs', 'Could It Be Magic' and 'I Found Heaven'
- Launch of new Men & Motors TV channel, hosted by Boyzone's Shane Lynch and One Second in F1 Racing's Torie Campbell
- Acquisition of the licensor's share of the royalties to the 21 Vision catalogue of rights, which contains over 2,000 recordings including Glenn Millar, The Andrews Sisters, The Ink Spots, Vera Lynn, Count Basie, Flanagan & Allen and Cole Porter

The Market

- Global recorded music revenues totalled **US\$21.6 billion in 2020**, a **7.4% increase** on 2019 and the **sixth consecutive year of growth**
- Growth was predominantly driven by a **18.5% rise in paid streaming**
- Global music revenue forecast from Goldman Sachs more than doubling by 2030 – Going from \$21.6bn in 2020 to \$45bn by 2030

GLOBAL REVENUE GROWTH

+7.4%

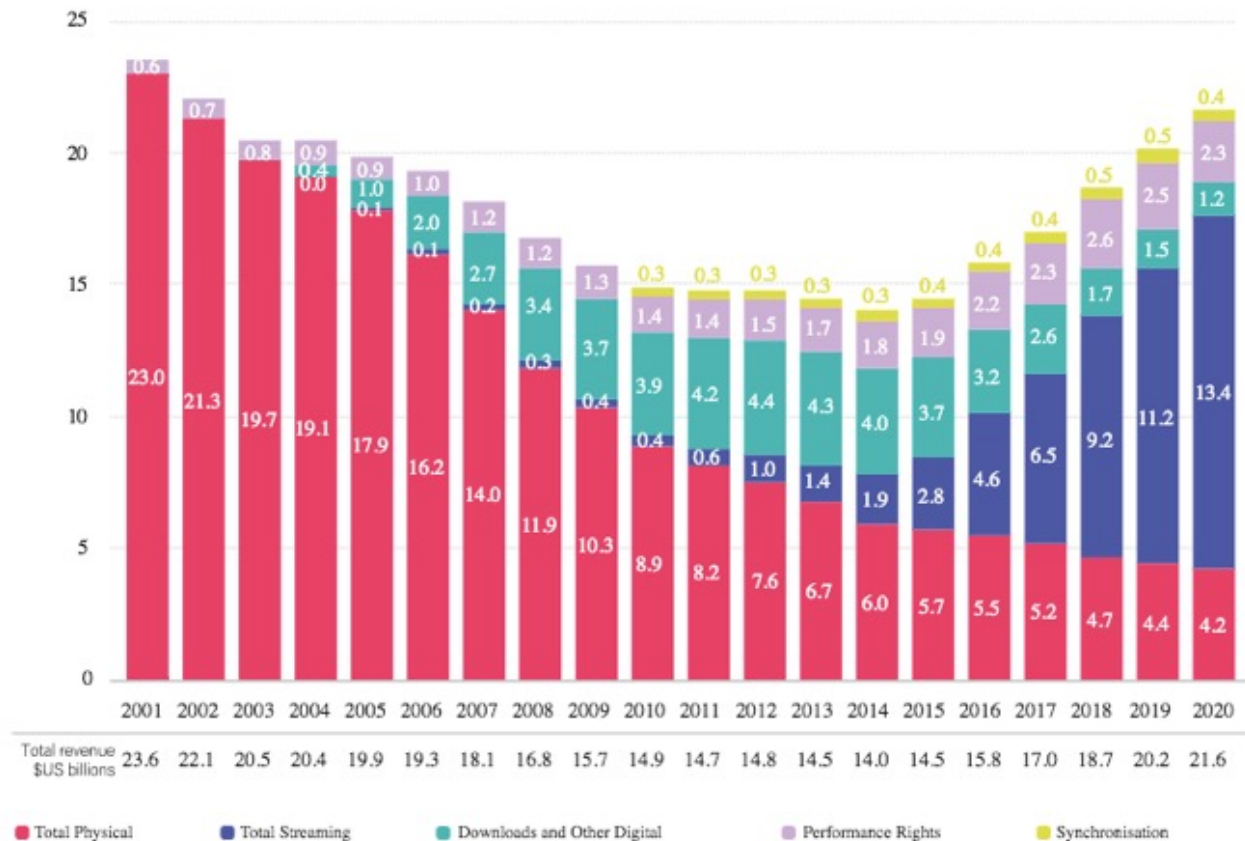
STREAMING SHARE OF GLOBAL REVENUE

62.1%

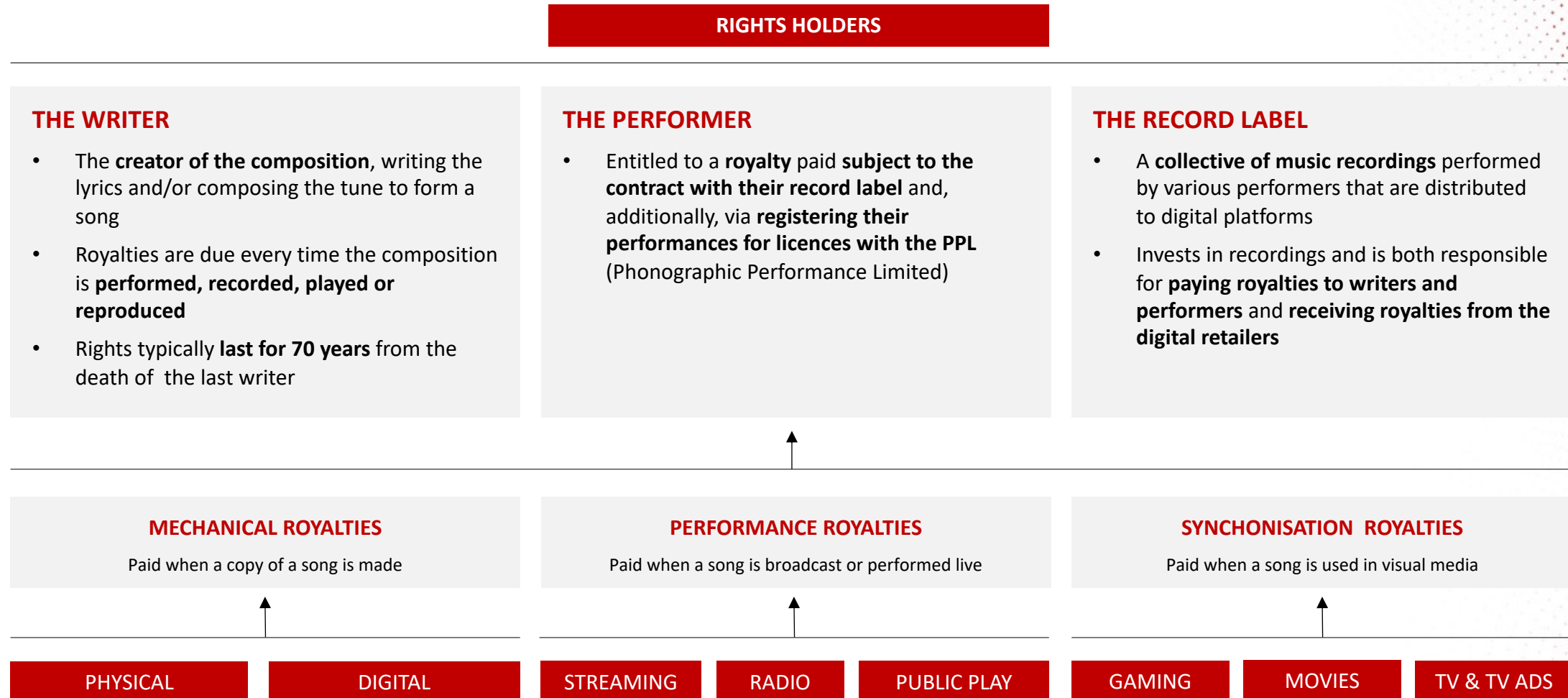
GROWTH IN PAID STREAMING REVENUE

18.5%

GLOBAL RECORDED MUSIC INDUSTRY REVENUES 2001-2020 (US\$ BILLIONS)



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**.

OMiP Core Business

- 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
- Use of music for synchronisation in film, TV and digital gaming
- Expansive content library including the Point Classic catalogue, containing a selection of the world's best classical recordings, and Men & Motors, a YouTube channel featuring over 6,500 motoring videos



Competitive Landscape

Small Record Labels

- Approx. 50-60k small record labels
- Own single tracks and/or a small collection of tracks - smaller scale than One Media
- Reliance 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

Funds

- Streaming revolution leading to growing number of private funds
- Revenue yielding content
- Hipgnosis Fund – LSE listed with £0.6 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

Digital Retailers

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

TCAT: tackling music piracy

- Piracy costs the UK economy c.£9bn per year
- The Technical Copyright Analysis Tool (“TCAT”) polices the Company’s own music catalogue of tracks
- 38% of global music listeners acquire music through illegal means¹
- 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 c.\$300m per annum
 - Instant access to catalogue and retail data and market insights



<https://vimeo.com/199301744>

¹: The International Federation of the Phonographic Industry (IFPI)

Harmony IP: unlocking future earnings today

- IP equity release programme
- Harmony IP would 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 offering c.25% only against earnings
- Work underway to build initial IP portfolio
- Using TCAT to analyse the past performance and future trends of the identified content to predict and maximise future earnings for both parties
- Significant early interest from artists



<https://vimeo.com/330972430>

Key News

- **March 2021:** EBITDA +38% and dividend declaration (subject to shareholder approval)
- **February 2021:** acquisition of 21 Vision catalogue royalties of over 2,000 recordings from some of the all-time greats of the last 7 decades including: Glenn Millar, Vera Lyn and Cole Porter
- **January 2021:** launch of new Men & Motors TV channel, hosted by Shane Lynch (Boyzone) and Torie Campbell (One Second in F1 Racing)
- **January 2021:** acquisition of producer royalties of a selection of tracks from Ian Levine, British Songwriter, producer and DJ, by Take That including: 'A Million Love Songs' and 'Could it be Magic'
- **November 2020:** formation of TCAT Limited Subsidiary to fight music piracy
- **August 2020:** successful placing raises £6m

A MILLION LOVE SONGS
Words and Music by Gary Barlow

© 1992 EMI Virgin Music Ltd

Financial Performance

	FY 2020 £	% change	FY 2019 £
Revenue	4,005,385	+14%	3,508,891
Gross profit	1,936,182	+10%	1,752,427
Gross margin	48%	- 2%	50%
Administration costs	(916,298)	+5%	(873,513)
Operating profit	1,019,884	+16%	878,914
EBITDA	1,485,645	+38%	1,076,724
Finance costs	223,384	+18%	189,322
Profit before tax	734,043	+34%	547,221
Basic earnings per share	0.42p	+24%	0.34p

Balance Sheet

	FY 2020 £	% change	FY 2019 £
Intangible assets	8,884,158	-0.18%	8,900,408
Fixed assets	91,260	+1,093%	7,648
Trade and other receivables	1,141,555	+16%	987,054
Cash and cash equivalents	6,766,424	686%	860,611
Total assets	16,883,397	+57%	10,755,721
Trade and other payables	823,151	-19%	1,011,131
Deferred tax	117,356	+37%	85,573
Borrowings	1,697,241	+5%	1,622,268

Cashflow Statement

	Year ended 31 October 2020 Group £	Year ended 31 October 2019 Group £	Year ended 31 October 2020 Company £	Year ended 31 October 2019 Company £
Cash flows from operating activities				
Operating profit before tax	734,043	547,222	(57,627)	(70,475)
Amortisation	523,170	332,423	-	-
Depreciation	18,504	7,885	-	-
Share based payments	62,465	142,497	(38,560)	142,497
Finance income	(8)	(127)	(3)	(115)
Finance costs	223,384	189,322	-	189,322
(Increase) in receivables	(162,150)	(306,094)	275,472	(4,453,635)
Increase/(decrease) in payables	(238,909)	333,210	178,193	(75,903)
Corporation tax	(127,735)	-	-	-
Net cash inflow (outflow) from operating activities	1,032,764	1,246,338	357,475	(4,268,309)
Cash flows from investing activities				
Investment in intellectual property rights and TCAT	(506,919)	(5,881,529)	-	-
Investment in property, plant and equipment	(102,117)	(3,310)	-	-
Finance income	8	127	3	115
Net cash used in investing activities	(609,028)	(5,884,712)	3	115

Cashflow Statement Ctd.

	Year ended 31 October 2020 Group £	Year ended 31 October 2019 Group £	Year ended 31 October 2020 Company £	Year ended 31 October 2019 Company £
Cash flows from financing activities				
Net proceeds from the issue of new shares	5,590,820	-	£5,590,820	-
Finance cost paid	(109,136)	(99,404)	(109,136)	(99,404)
Loan notes	74,975	22,010	74,975	22,010
Dividend paid	(74,582)	-	(74,582)	-
Net cash inflow (outflow) from financing activities	5,482,077	(77,394)	5,482,077	(77,394)
Net change in cash and cash equivalents	5,905,813	(4,715,768)	5,839,555	(4,345,588)
Cash at the beginning of the year	860,611	5,576,379	548,492	4,894,080
Cash at the end of the year	6,766,424	860,611	6,388,047	548,492

Robust Strategy

Identifying and capitalising on opportunities to grow shareholder value



**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

Strategy to create a £100m+ market cap business

“We remain encouraged to observe that the sector continues to attract significant investment from outside of the industry, which we believe will help to build further interest in our business and strategy.”

Claire Blunt – Chairman

Encouraging Outlook

- Industry yielding \$20.5bn with forecasted growth to 2023 of c\$40bn (IFPI source)
- Consumer appetite for streaming robust
- Strong market fundamentals
- Entered H1 with a strong cash balance positioned to capitalise
- 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 global uncertainties, the Group has delivered for shareholders from its robust recurring income model that lends itself well to remote working
- Stay tuned – AGM 13 May 2021



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