



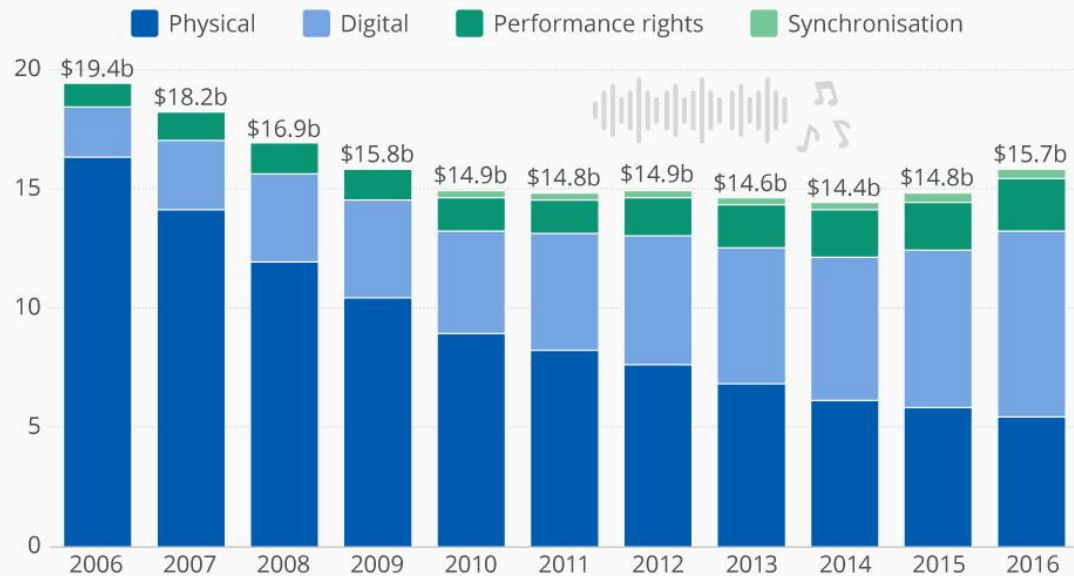
# Crescendo Royalty Corporation

INVESTOR PRESENTATION

# History of Music Royalties

## Rise of Digital Formats Stops the Music Industry's Decline

Global recorded music industry revenues (in billion U.S. dollars)



@StatistaCharts Source: IFPI

statista

- ▶ Music royalties are gaining attention as a new income-oriented alternative investment. After a brutal 15 year bear market, the music industry has turned the corner. The digital age of streaming music is now.
- ▶ After bottoming in 2014 the music industry has turned the market increasing slightly in 2015 global recorded music revenues increased another 6% in 2016 to 15.7 Billion world wide.

# Why Invest In Music Royalties

- Crescendo believe this is the start of a digital streaming bull market due to services like Youtube and Spotify.
- Royalties can be a great source of cash flow and add an alternative investment to a diversified portfolio.
- Music Royalties are typically not correlated to bonds or stocks which can increase a portfolio's risk adjusted returns.
- The copyright Royalty Board of the U.S. Library of Congress decided to increase the royalty payments for music streaming companies. The new written decision will require streaming companies to give 15.1% of their revenue to songwriters and music publishers. The previous rate was 10.5%.

# Goldman Sachs Analysis

- ▶ In December 2016, Goldman's Lisa Yang projected \$14 billion global streaming revenue in 2030. The updated projection released August 2017 calls for streaming income to flow into the music industry at a rate of \$34 billion, indicating a dramatic increase in bullishness by the investment giant.
- ▶ Streaming Revenue from 2017 was \$3.1 billion which was up from \$1 billion in 2016.
- ▶ This is the start of a decade long bull market in the music industry primarily related to streaming.

# Why Invest in Crescendo

- ▶ Generate passive income in a diversified asset class.
- ▶ Low Cost investment as minimum investment is \$100 with a maximum of \$1,500.
- ▶ Current library consist of 29 titles which are already generating royalties.
- ▶ Royalty revenue is for the lifetime of the artist plus 70+ years.
- ▶ Crescendo believes it has the network to further promote artists and songs that the Company invests into via social media platforms.
- ▶ The company intends to reinvest the royalty revenue in order to further increase future revenues.

# Information on Music Catalogues

- Catalogues can range from 1 song to 100's of songs made up of multiple genre's and artists.
- Catalogues trade between 5x and 10x earnings depending on age, earnings and artist makeup.
- Length of catalogue ownership is lifetime. (lifetime of the artist + 75 years)
- Royalties are paid monthly or quarterly depending on which services are collecting the royalties for our catalogue.
- Crescendo will compile playlists that are exclusively made up of the music, in which the company invested. Our investor base and followers can stream the music to further increase revenues.

# Thank you

## **Management Team**

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