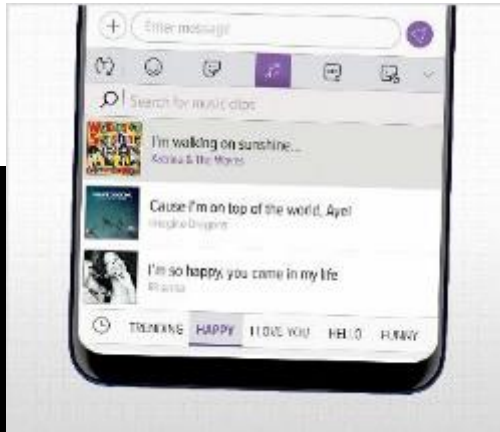


Songclip powers the new \$5B+ social music market with a patented, revenue-generating enterprise SaaS solution.



The music industry wants to monetize licensed song clips across social and digital apps.



KEYBOARDS



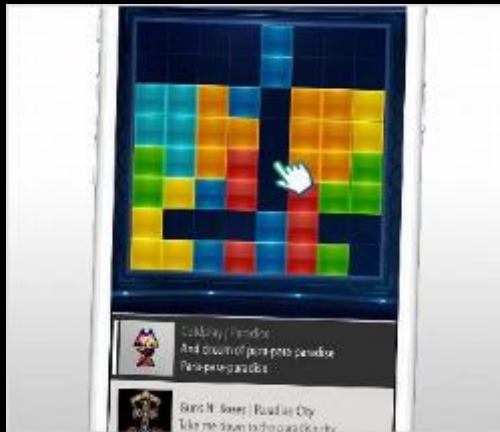
SOCIAL NETWORKS



STREAMING SERVICES



STICKER MARKETS



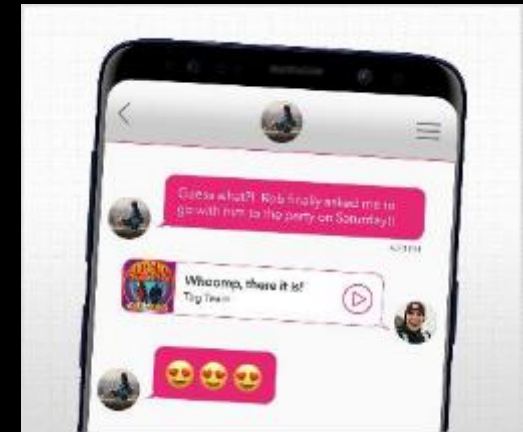
GAMES



PHOTO / VIDEO APPS



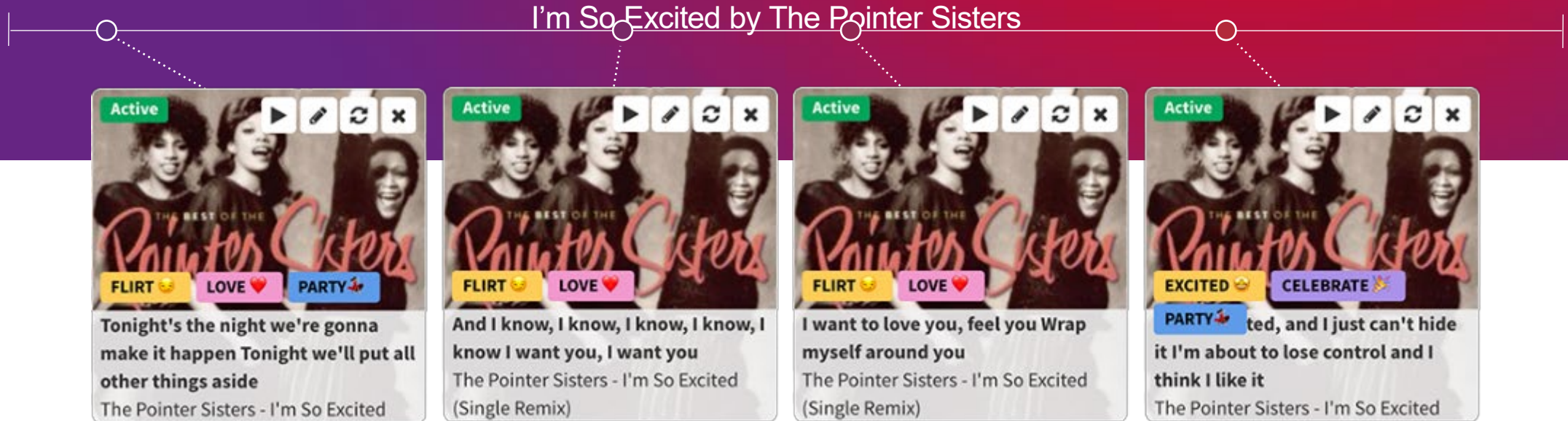
DATING APPS



MESSAGING APPS

Social and digital apps want to drive additional revenue and engagement by integrating licensed song clips.

Songclips: A new music format to get excited about.



A single song produces multiple Songclips: 5-30 second contextual pieces of that song, each of which can be integrated, measured, and monetized.

Songclips are much more than mere previews.

They are curated, meta tagged, contextual clips, built for quick communication and social media.

Songclip solves the complex challenges of social music.

It takes years to navigate the massive fragmentation and complexity of licensed music to build a licensing compliant in-house solution. Songclip is the only company that makes it easy for platforms to integrate licensed music clips via a quick-to-implement API solution.



License Agreements
Negotiate and sign thousands of music licensing agreements for sound recordings, compositions, and sync licenses

Music Labels



3000+ Music Publishers



Ingestion and Processing
Condense the world of music down to digital "kernels" that best represent expression



Clipping



Time-Stamping



Meta-tagging



Lyric identification and sync



Content Management
Make the world's largest database and search engine of Songclips easily accessible to API customers and consumers



Patented search & matching process



Curation and Campaign Tools



Partner-Specific Rights Management



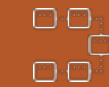
Geo-filtering and localization



Learning
Build a dynamically adapting system that learns from and responds to user behavior to improve results



Effectiveness Index



Adaptive Rules & Algorithms



Universal and Partner-specific



Human Assisted



Reporting and Payments
Manage licensed music usage reporting and payments to music labels and publishers



Payment Reporting



Usage Reporting

hfa digital

LYRICFIND

Songclip Technology



The Songclip Technology Platform

SONGCLIP API
v2.4.4



DATABASE



TOOLS



DISCOVERY



CUSTOMIZATION



MEASUREMENT

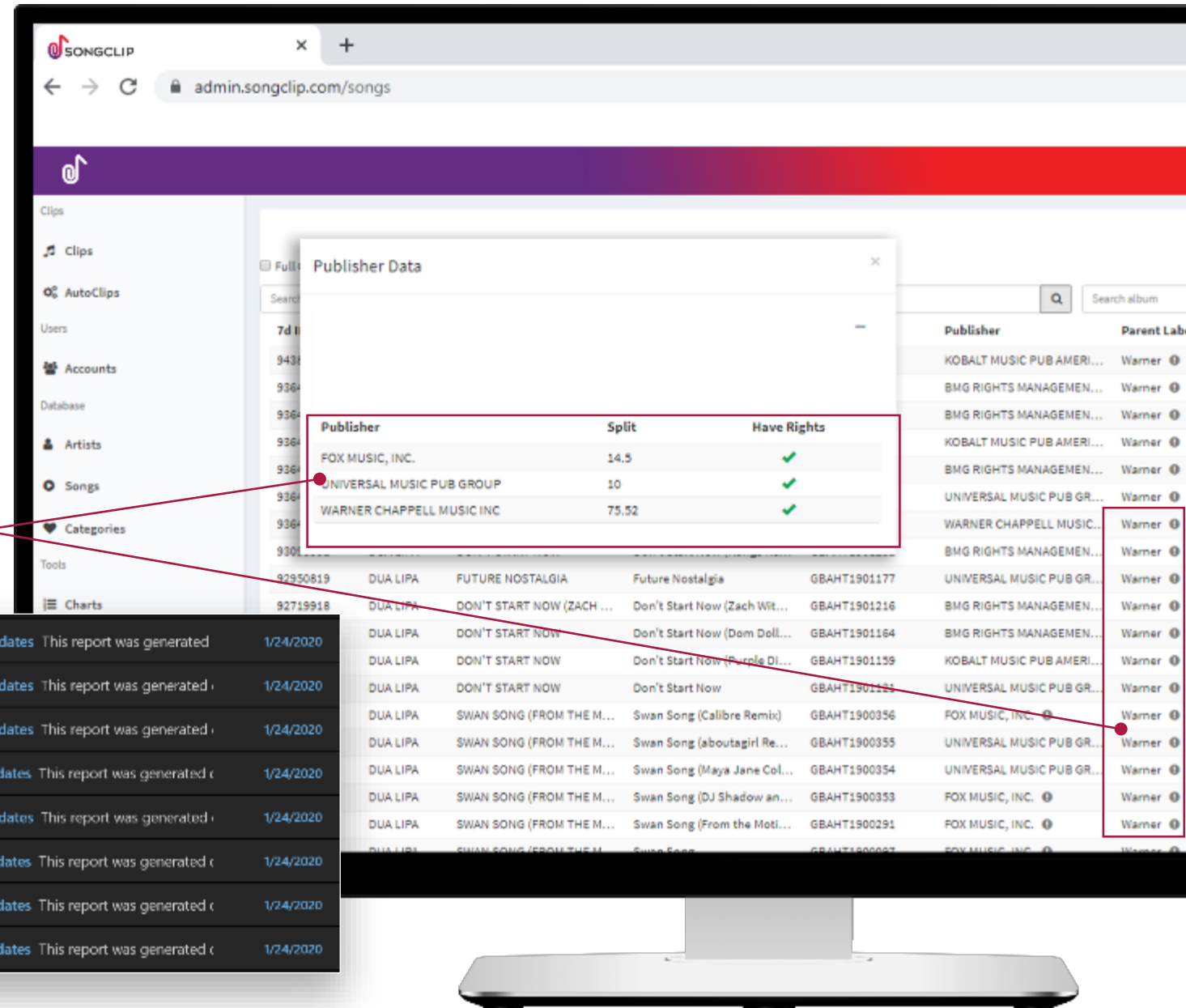
Music License Management

Songclip amassed and maintains a database of curated music clips, and the Songclip API performs automatic updates to ensure it's always delivering current, fully compliant music content.

Full music industry rights licenses
(labels and publishers)

Active
database
updates

> Songclip info	Daily 7D feed - 2020-01-24 updates	This report was generated	1/24/2020
Songclip info	Daily 7D feed - 2020-01-23 updates	This report was generated	1/24/2020
Songclip info	Daily 7D feed - 2020-01-22 updates	This report was generated	1/24/2020
Songclip info	Daily 7D feed - 2020-01-21 updates	This report was generated	1/24/2020
Songclip info	Daily 7D feed - 2020-01-20 updates	This report was generated	1/24/2020
Songclip info	Daily 7D feed - 2020-01-19 updates	This report was generated	1/24/2020
Songclip info	Daily 7D feed - 2020-01-18 updates	This report was generated	1/24/2020
Songclip info	Daily 7D feed - 2020-01-17 updates	This report was generated	1/24/2020



The screenshot shows the Songclip admin interface. A modal window titled 'Publisher Data' is open, displaying a table with the following data:

Publisher	Split	Have Rights
FOX MUSIC, INC.	14.5	✓
UNIVERSAL MUSIC PUB GROUP	10	✓
WARNER CHAPPELL MUSIC INC	75.52	✓

Below the modal, a table of songs is visible, including entries for DUA LIPA's 'FUTURE NOSTALGIA' and 'DON'T START NOW'. The interface also shows a sidebar with navigation options like Clips, AutoClips, Users, Accounts, Database, Artists, Songs, Categories, Tools, and Charts.



Meta-tagging for intelligent search

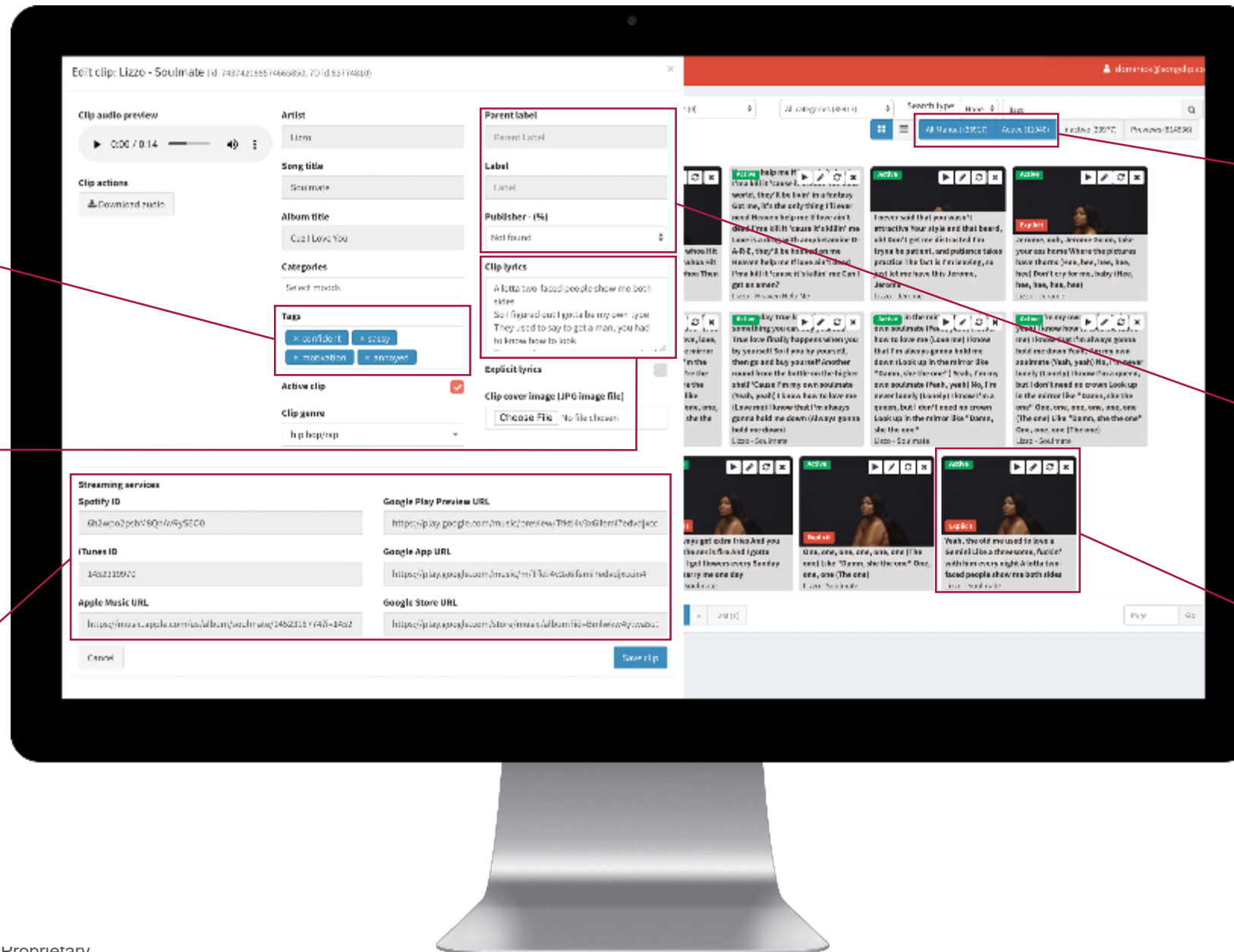
Lyric identification and sync

Deep links to streaming services

Geo-filtering and Localization

Music Label and Publisher Information

Curation and Campaign Tools




Proprietary Song Clipping Technology

Manual

Time Stamping

Automatic

Combine clips from the song Rihanna - Pour It Up



Timestamp	Lyrics
00:10.7 - 00:12.2	Pour it up, pour it up (pour up)
00:12.2 - 00:14.0	That's how we ball out
00:14.0 - 00:15.4	Strip club and dollar bills

Playback position: 00:10.7
 Selected clip: 00:10.7 - 00:15.4
 Duration: 00:04.6

Admin Dashboard - Songclip

admin.com

SONGCLIP

AUTOCLIPS

Search for a song

High Hopes
Kodakline

But it's not that easy High hopes, when you let it go, go out an... And the world keeps spinning

00:55.660 - 01:02.070 (6.41s)
High hopes, when you let it go, go out and start again

Bloom
Troye Sivan

(I bloom) just for you Come on, baby, play me like a love song E... Just for you I bloom just for you

It's Over Now
112

Baby it's a shame we gotta go through thi...

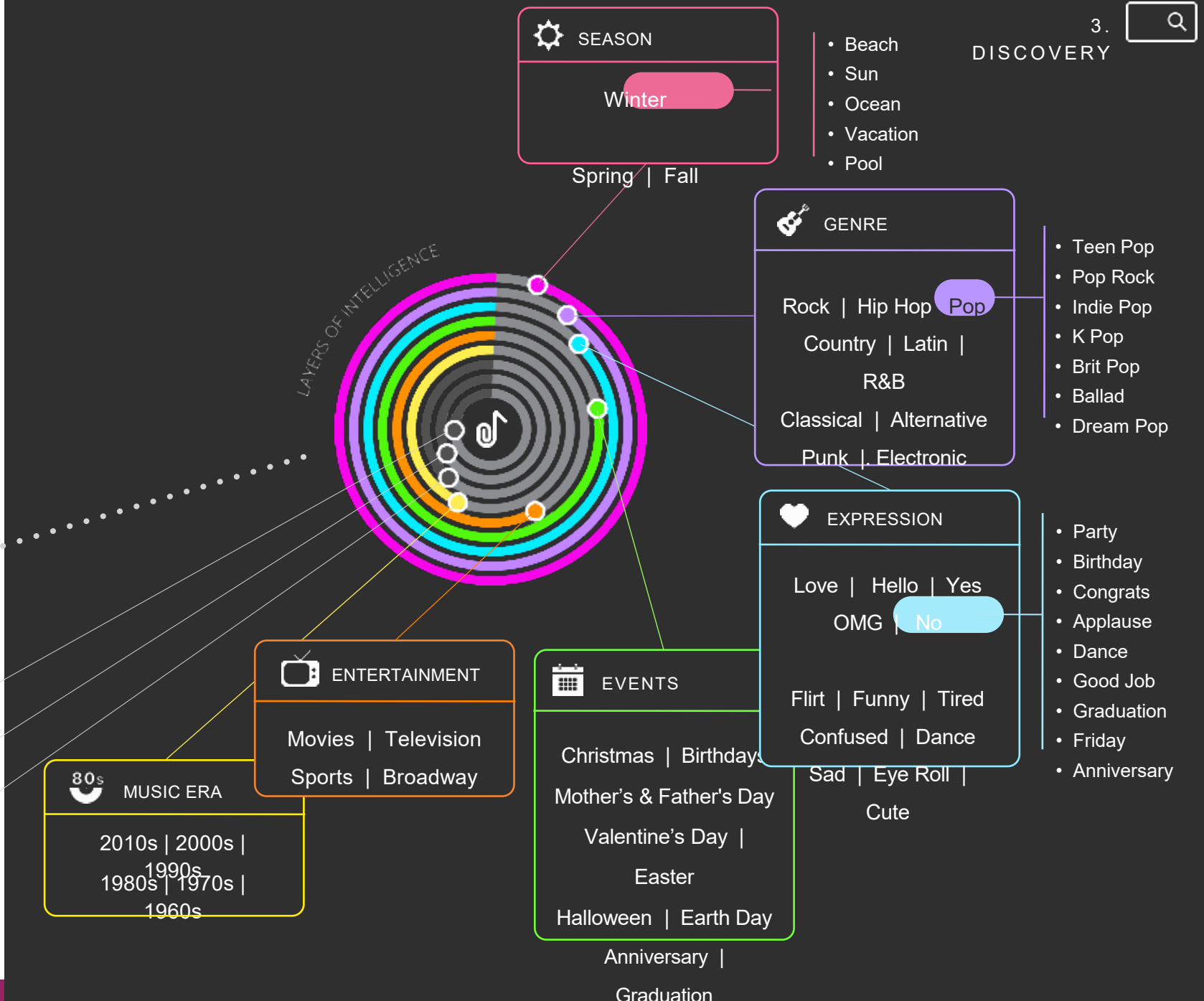
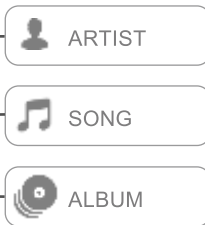
U Should've Known Better (Album Version)
Monica

Advanced Meta Tagging

Each Songclip is wrapped in a layer of technology, with meta tags applied to optimize it for enhanced search.



Ariana Grande
Thinking Bout You
Dangerous Woman





Basic Search

Shown are the actual results when a contextual search is performed by Spotify and TikTok.

flirt

X

Non contextual

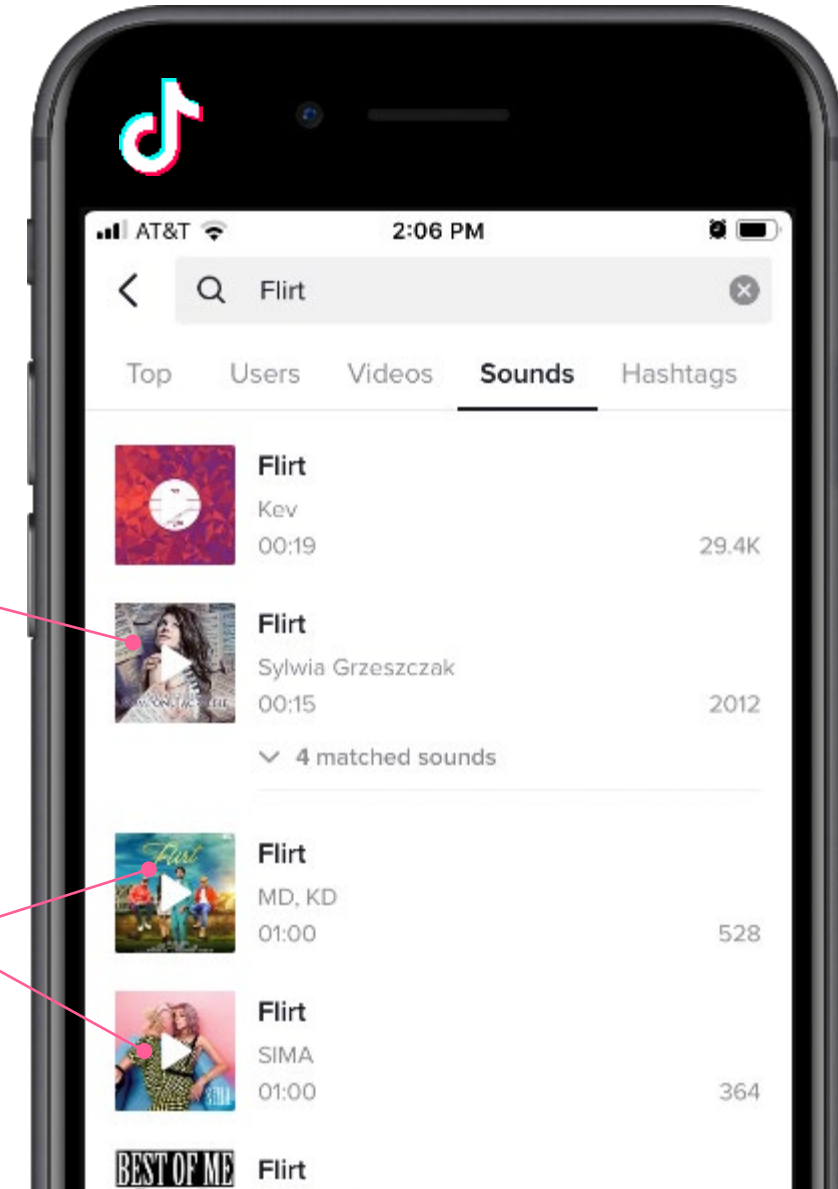
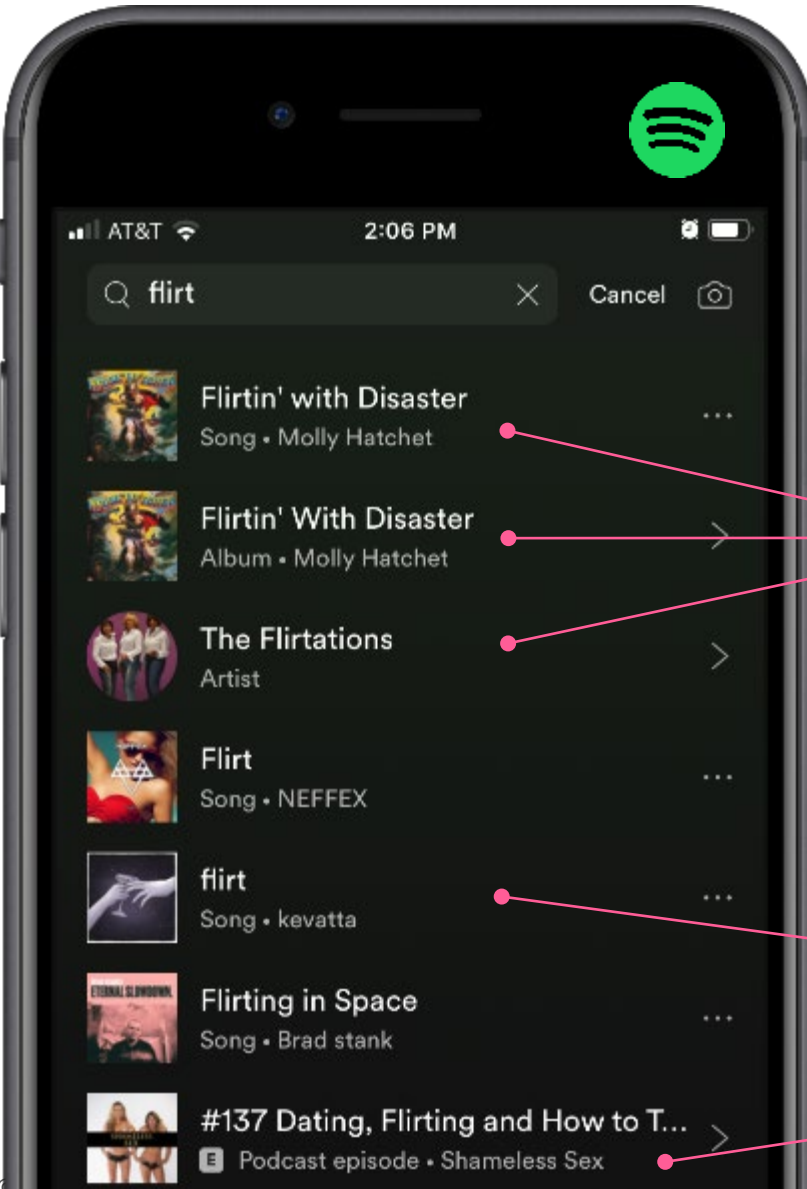
Non English

Artist and title based
search results

Instrumental

Foreign language
audio previews

Podcast episode

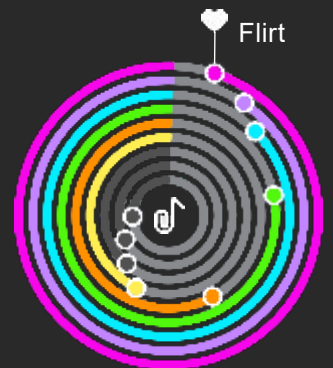




Intelligent Search

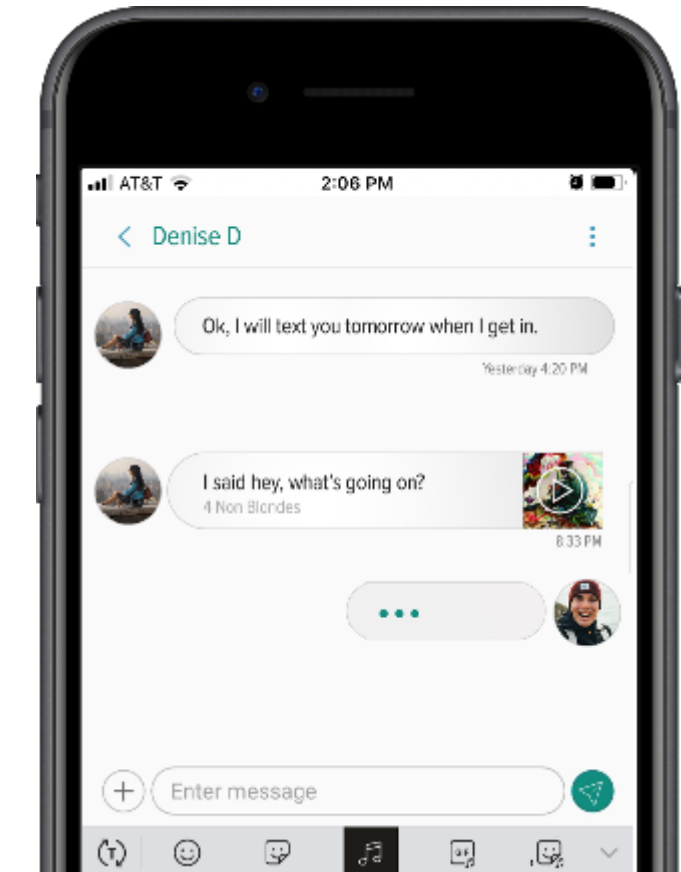
By comparison, Songclip's search engine is capable of returning the perfect clips for a desired mood, occasion or expression.

- Contextual results, based on expression
- Current, popular songs
- Curated clips, not previews

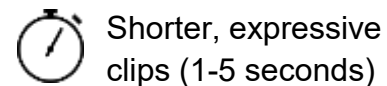


Category Customization

The Songclip API can customize a music experience for specific use cases, allowing Songclip API customers to select filtered categories and clips that best apply to their consumer services.



MESSAGING APP



Shorter, expressive clips (1-5 seconds)

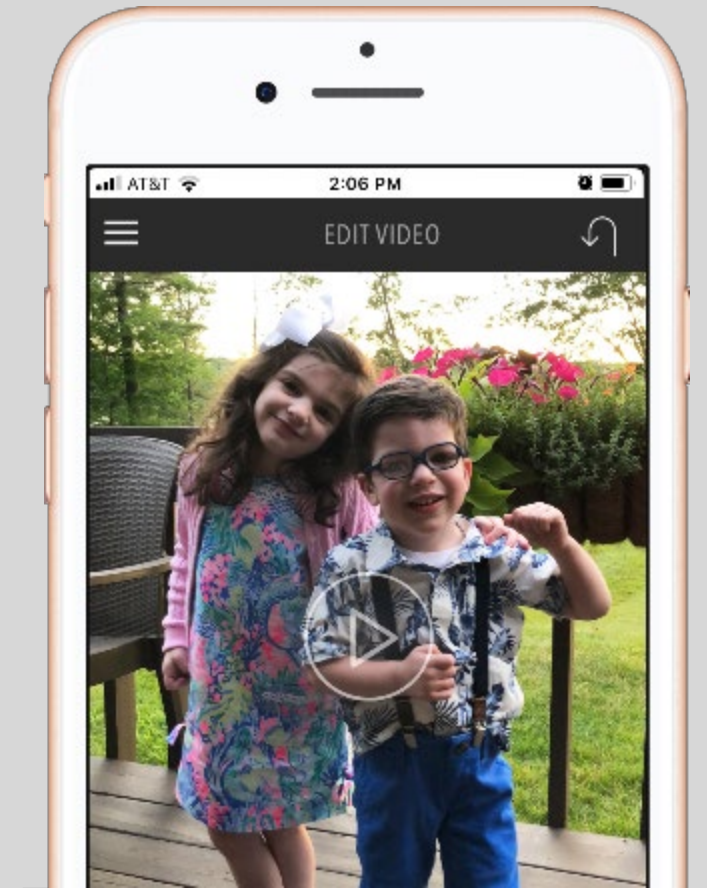
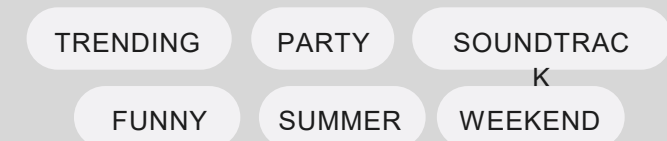


PHOTO / VIDEO APP



Longer clips (20-30 seconds)

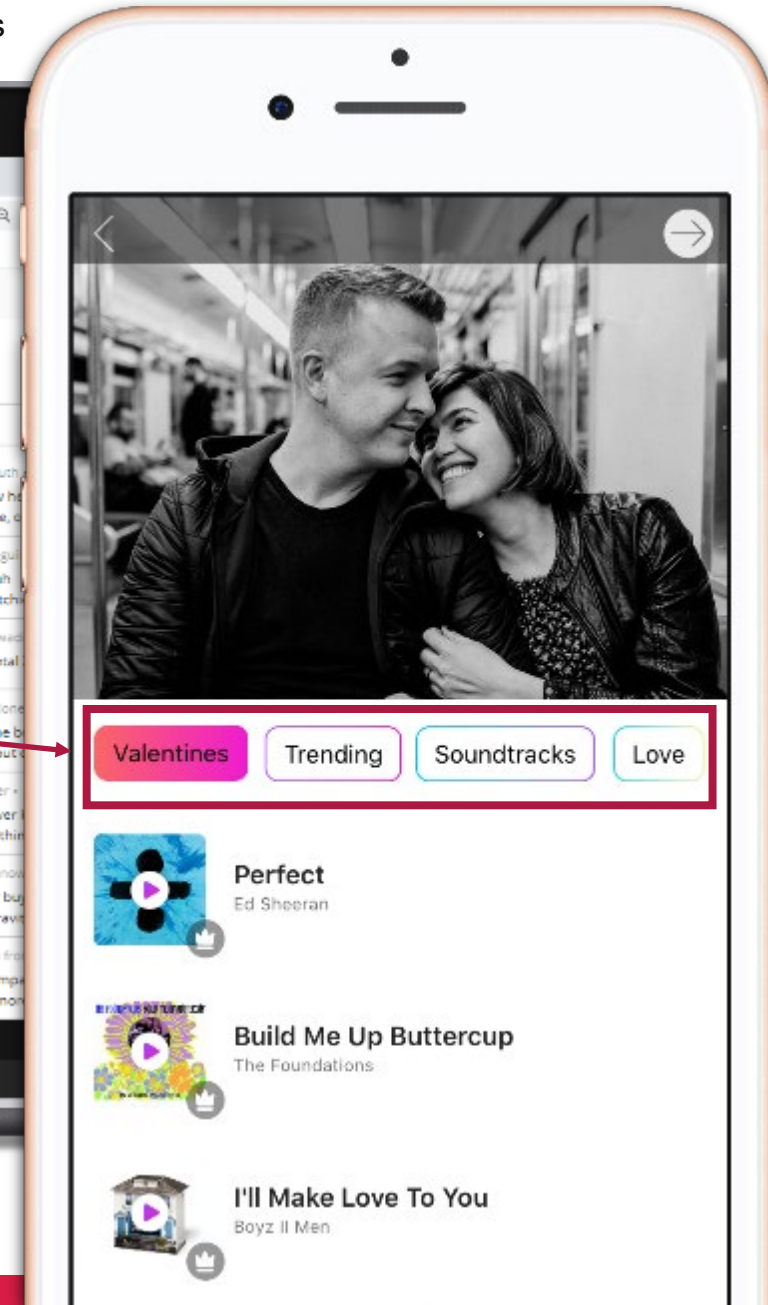
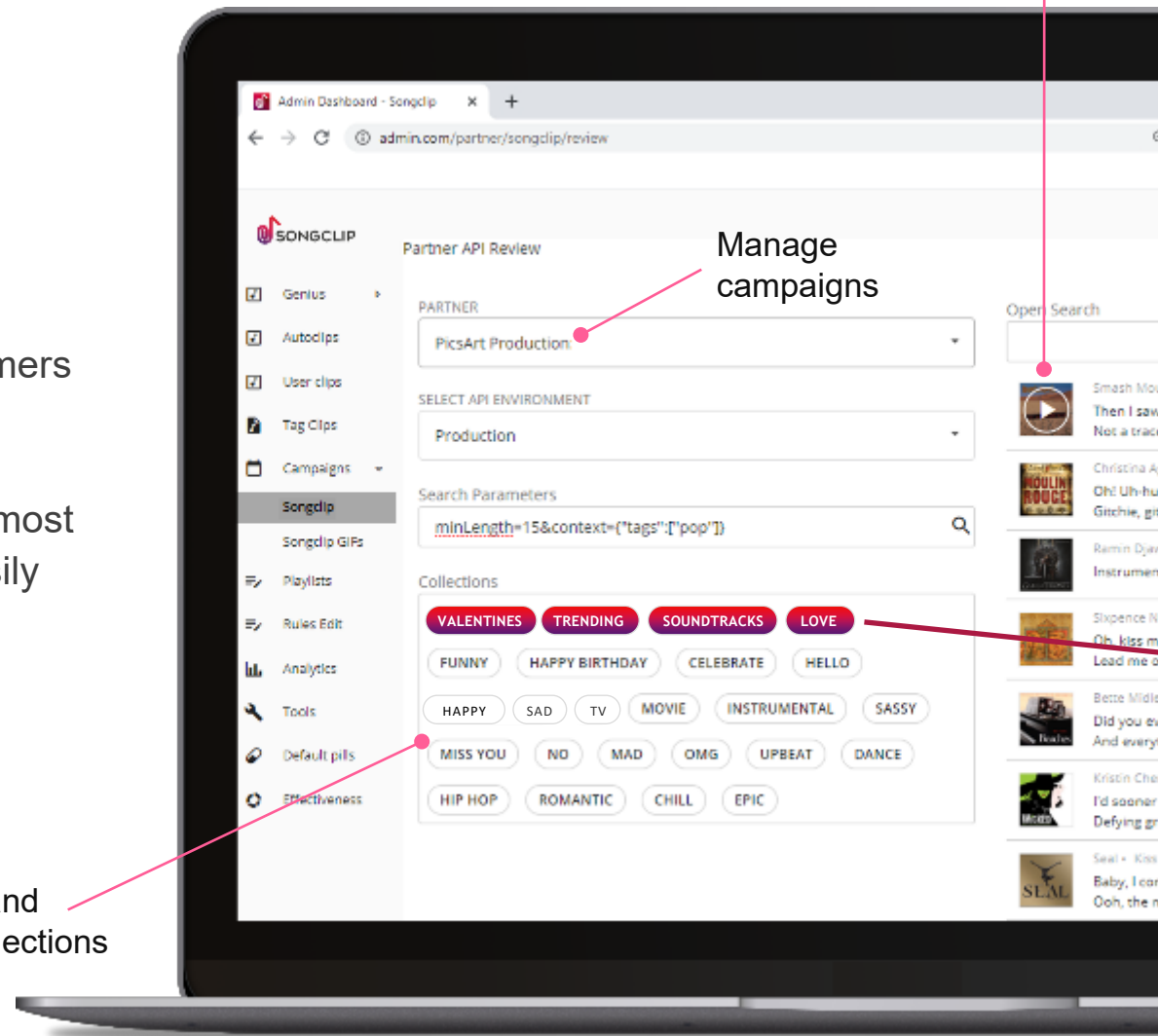
Campaign Customization

Songclip offers API customers the tools to launch and manage campaigns and promotions, ensuring the most relevant music can be easily discovered.

Customize and prioritize results

Manage campaigns

Customize and prioritize collections





User Customization

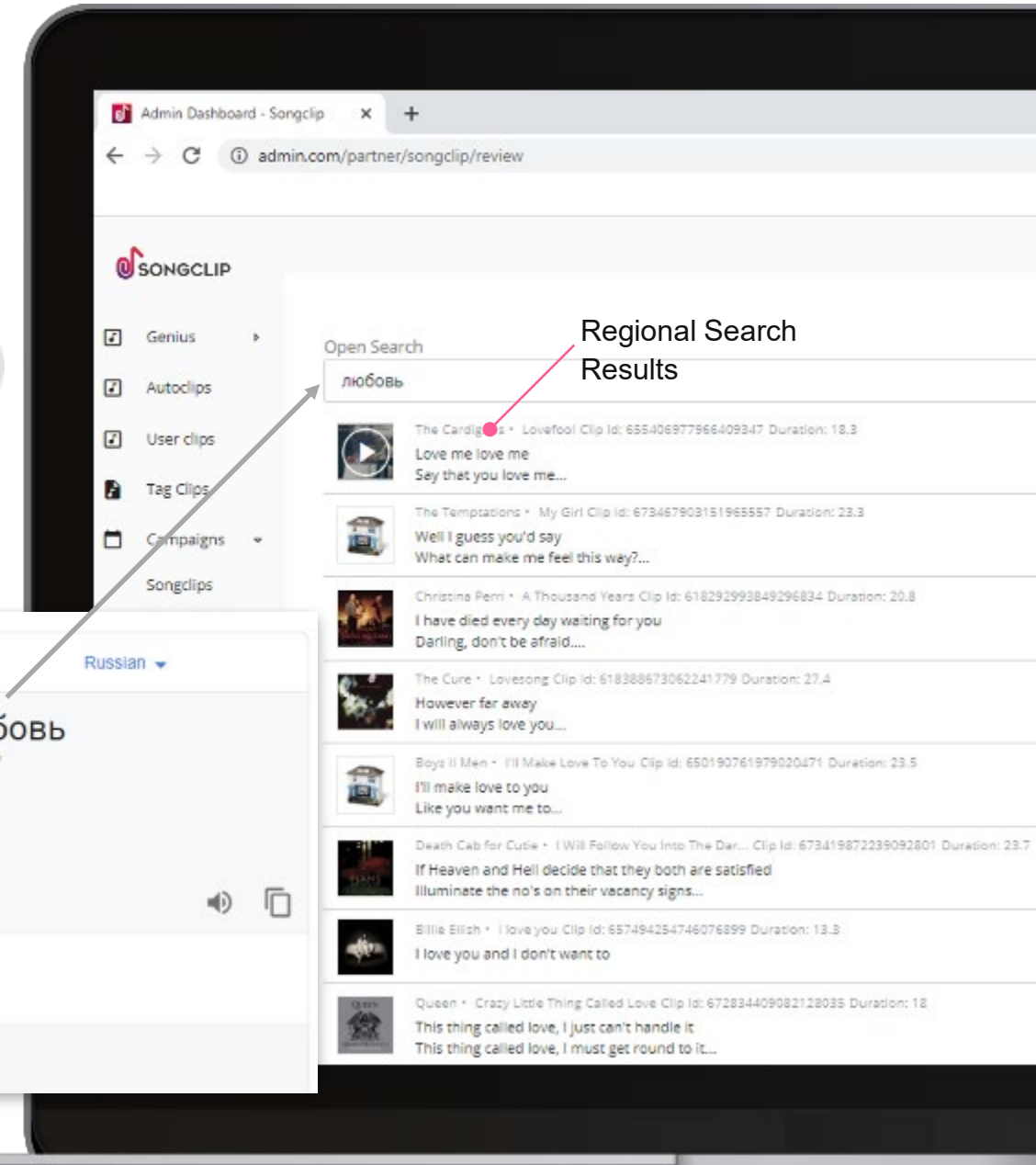
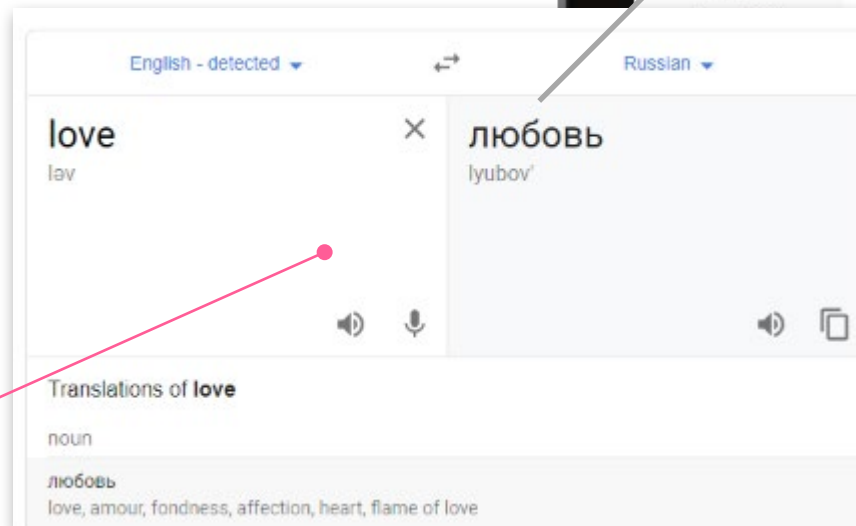
The Songclip API is optimized at the user level, matching and curating clips based on user behavior and metrics.

The Songclip API is capable of refining, filtering, and translating search results based on geolocation and language.

Geo-fencing



Language
Translation



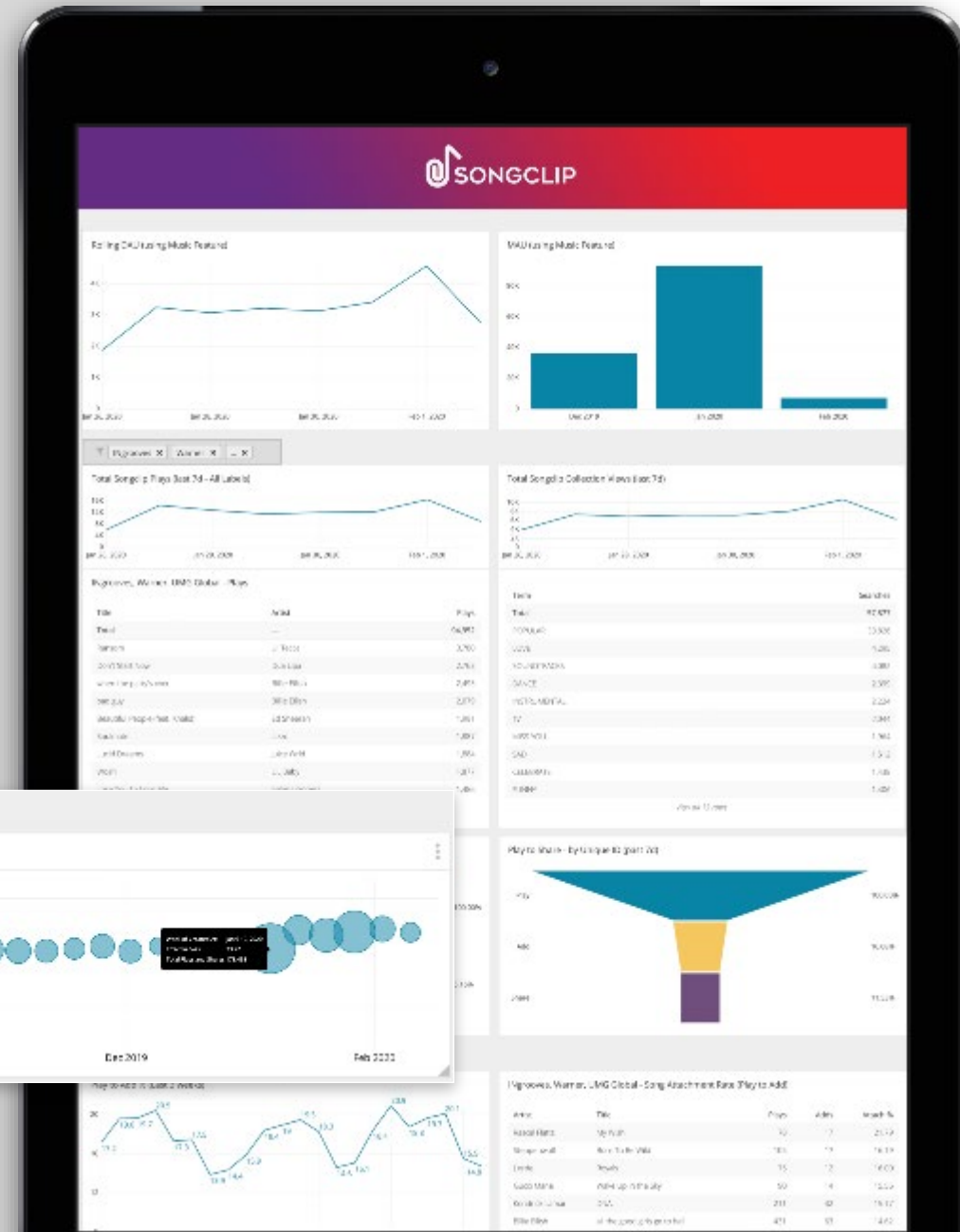
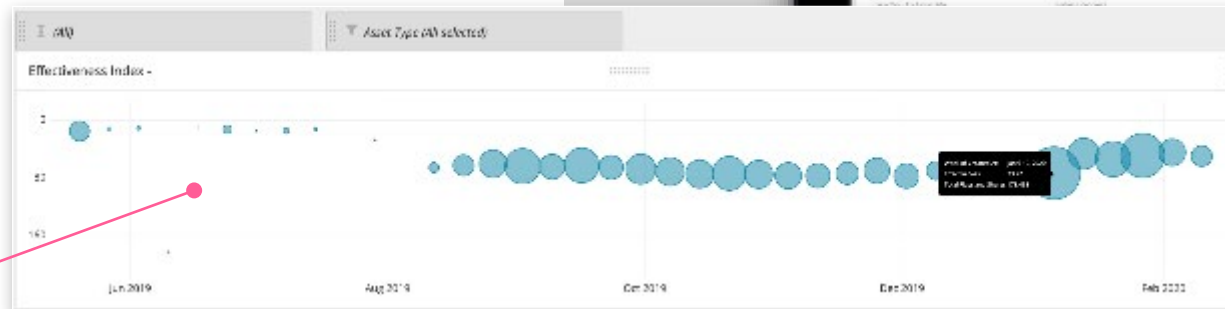
Regional Search
Results

Intelligence and Analytics

The Songclip Platform allows a comprehensive view of activity by partner, category (e.g. Photo/Video) and across the full suite of users.

This allows analysis at an intra-song level, including our unique Effectiveness Index to analyze clip performance by expression and term.

Effectiveness
Index



Sounds easy but very difficult to code, track correct usage, and pass industry audits

Reporting and Payments


Songclip's sophisticated backend technology platform automatically and correctly accounts for and makes all payments to the music labels and publishers.

Songclip API SaaS
Revenue Share Example

\$1.00



Lizzo
Good As Hell



Songclip Revenue
30% = \$0.30



WARNER MUSIC
Label Revenue
35% = \$0.35

Music Publisher Revenue



15% = \$0.15



12% = \$0.12

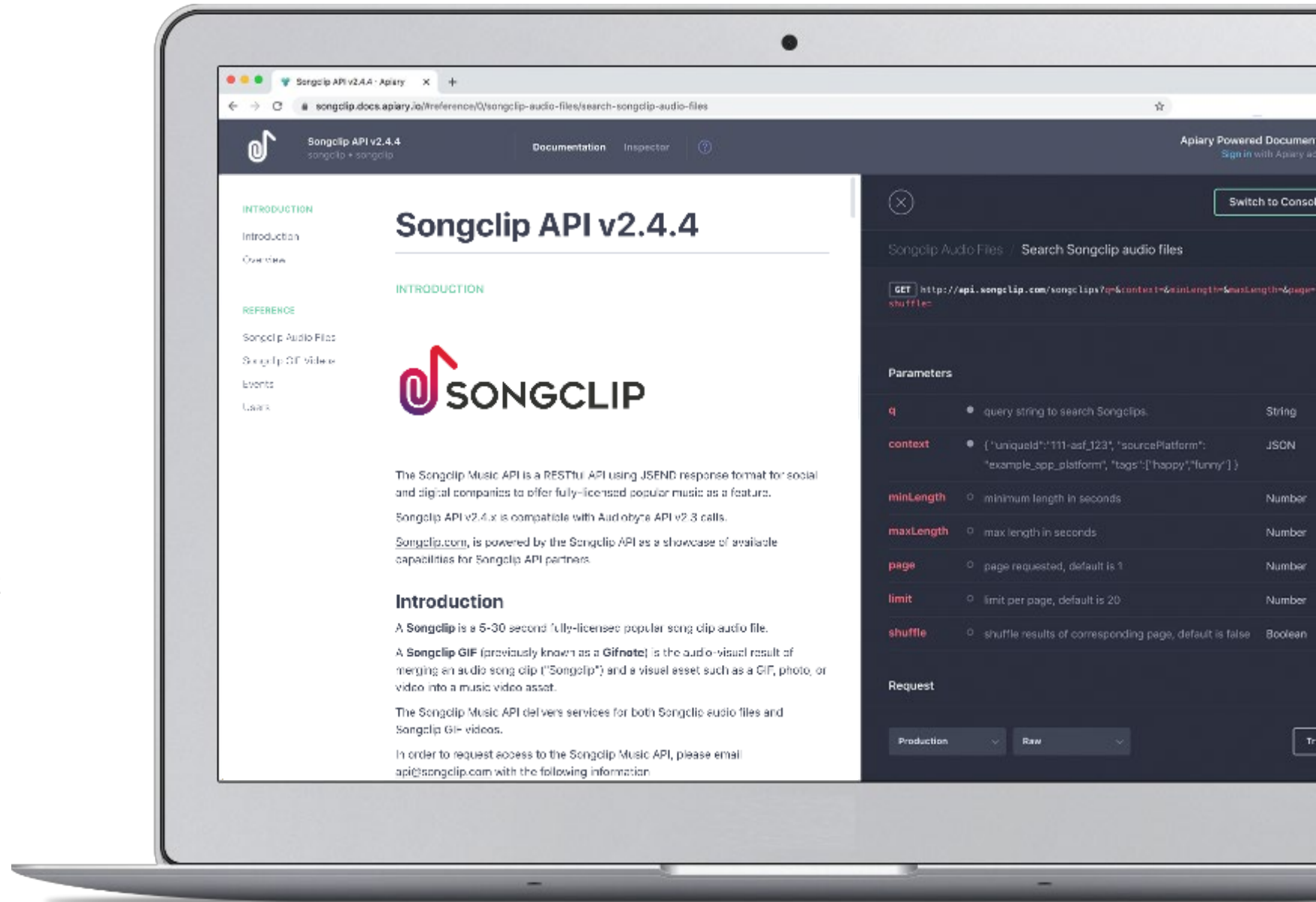


8% = \$0.08

Easy to Integrate

By adding a few lines of code, API customers can easily integrate the Songclip API, allowing access to a database of licensed music to power filters and features, including search.

Songclip also provides full service client management and tech support to our API customers.



Six Granted Patents & One Filed Patent

- Communicating a Personalized Message including an Audio Clip Extracted from a Pre-Existing Recording
- One continuation patent filed Dec 2019
- Six granted patents 2016-2019, the first with a filing date of 2012

Three Patents in Process

- Audio-Visual Matching Patent filed Dec 2018
 - One continuation patent filed August 2019; filing response October 2020
- Ad Platform and Auction for Song Clips Provisional Patent filed Jan 2019 and non-provisional patent filed Jan 2020

Songclip has multi-year defensible lead with high barriers to entry and no direct competitor

- ✓ Multi-year lead that is time-consuming and expensive to replicate
- ✓ Protected by granted patent portfolio
- ✓ Strong music industry partnerships that want a single B2B solution leading to natural monopoly
- ✓ Dealing with DMCA takedown notices and lawsuits is way more expensive than Songclip solution
- ✓ APP Partners who start with wanting to deal with Labels directly often come back to Songclip
- ✓ High switching barriers for Songclip API customers
- ✓ Experienced and well-connected management team with deep domain expertise

Songclip TAM, Revenues, and Sales Funnel

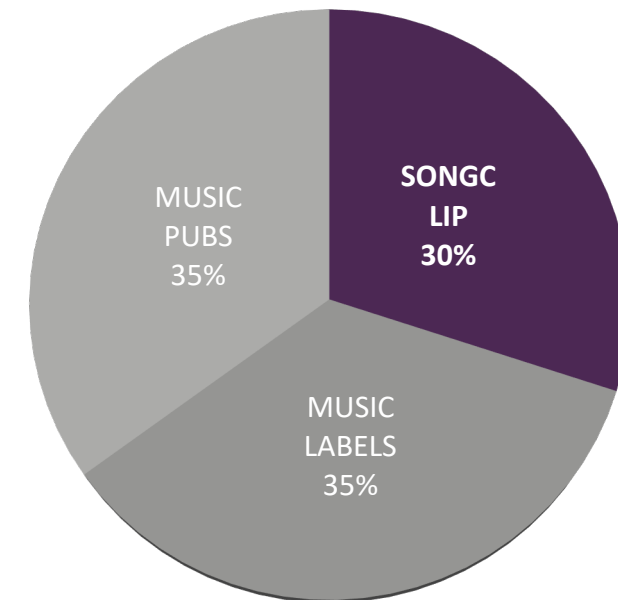


Songclip can help unlock \$billions in locked audio bytes

~\$5B opportunity w/Music Industry with sizable revenue potential

		10%	30%	70%	
<u>Conservative Scenario</u>		Songclip share of TAM	<Rev Split share>		
Category	TAM	Songclip Platform GMV	Songclip Revenue	Music Industry Revenue	Joint Value Creation
PhotoVideo	\$440 M	\$44 M	\$13 M	\$31 M	\$44 M
Dating	\$552 M	\$55 M	\$17 M	\$39 M	\$55 M
Social Media	\$983 M	\$98 M	\$29 M	\$69 M	\$98 M
Messaging	\$1.1 B	\$107 M	\$32 M	\$75 M	\$107 M
Gaming	\$1.7 B	\$168 M	\$50 M	\$118 M	\$168 M
Total	\$4.7 B	\$472 M	\$142 M	\$331 M	\$472 M

		50%	30%	70%	
<u>Aggressive Scenario</u>		Songclip share of TAM	<Rev Split share>		
Category	TAM	Songclip Platform GMV	Songclip Revenue	Music Industry Revenue	Joint Value Creation
PhotoVideo	\$440 M	\$220 M	\$66 M	\$154 M	\$220 M
Dating	\$552 M	\$276 M	\$83 M	\$193 M	\$276 M
Social Media	\$983 M	\$492 M	\$147 M	\$344 M	\$492 M
Messaging	\$1.1 B	\$534 M	\$160 M	\$373 M	\$534 M
Gaming	\$1.7 B	\$841 M	\$252 M	\$589 M	\$841 M
Total	\$4.7 B	\$2.4 B	\$709 M	\$1.7 B	\$2.4 B



Songclip API

Music as a feature

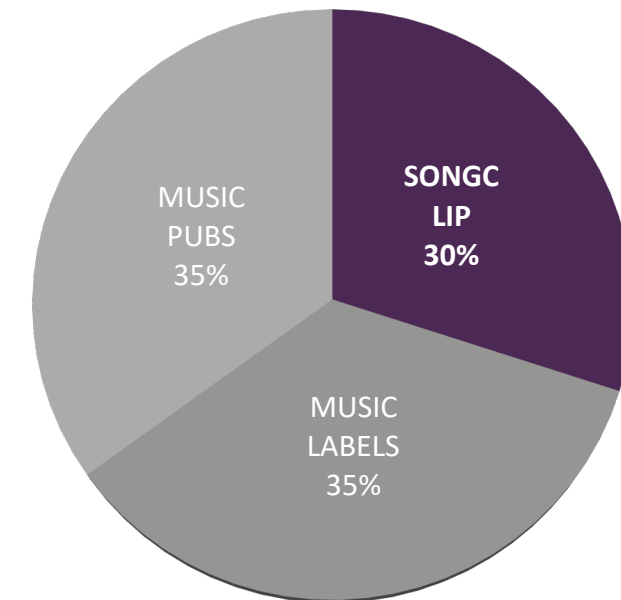
Revenue Splits w/Industry

Business 'toll-booth' model built for pennies @ scale;
Tech platform designed for Scale, Growth, AND Profit

Songclip Revenue per share of TAM ----->

	3.0%	7%	10%	25%	50%
Base \$ / MAU rate					
\$0.010	\$32 M	\$75 M	\$107 M	\$268 M	\$537 M
\$0.015	\$37 M	\$87 M	\$125 M	\$311 M	\$623 M
\$0.020	\$43 M	\$99 M	\$142 M	\$354 M	\$709 M
\$0.025	\$48 M	\$111 M	\$159 M	\$397 M	\$795 M
\$0.030	\$53 M	\$123 M	\$176 M	\$440 M	\$881 M

As Apps migrate free users to paid, Songclip passively benefits



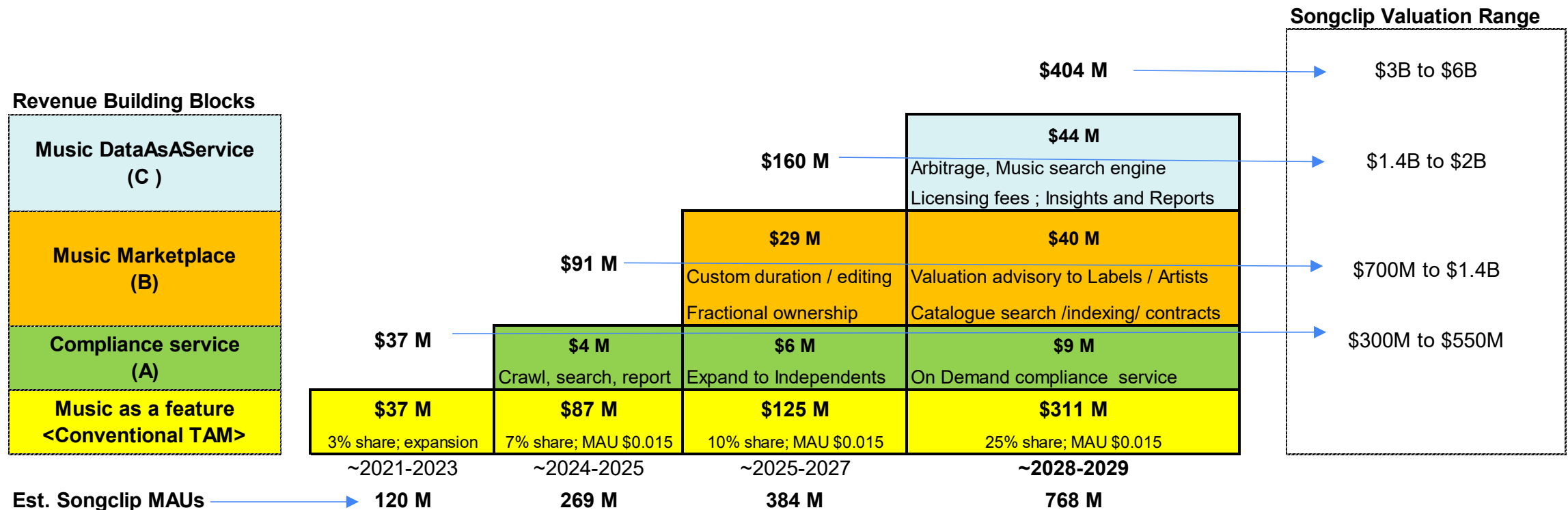
Songclip API

Music as a feature

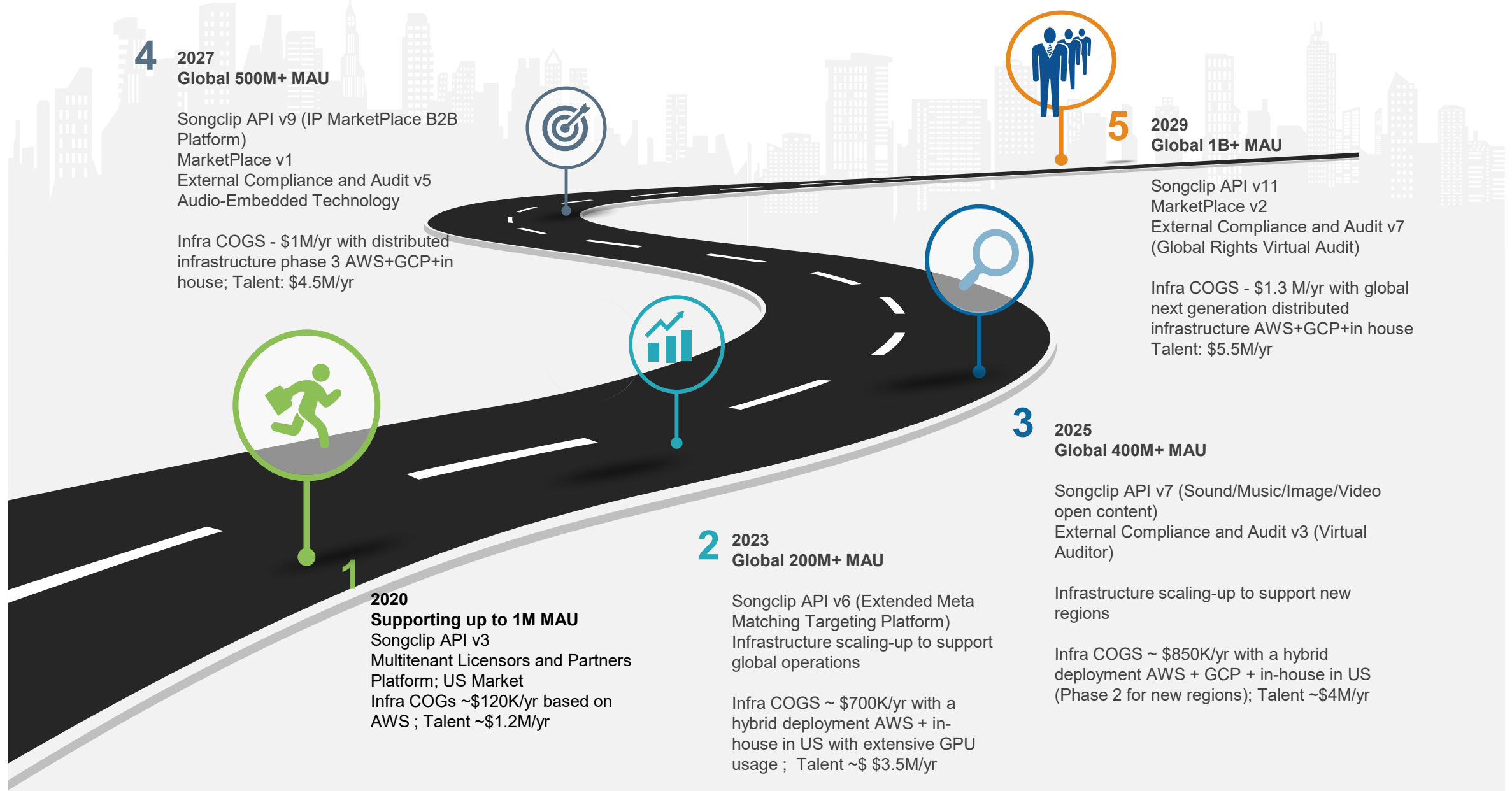
Revenue Splits w/Industry

Songclip can become a Market Maker in Music Industry

Marketplace, DataAsAService, and Valuation Advisory Services



Tech roadmap supporting monetization plan ; Heavy investment phase is over



Sales funnel remains strong; inbound referrals lead ; Label bulk deal negotiations

Financial Model

Signed / Live

PicsArt

- Launched December 2019
- Drafting long-term agreement

DanceFight

- Launched April 2020
- In long-term negotiations

CardSnacks

- Launched July 2020
- In long-term negotiations

Videoshop

- Launched August 2020

Big Run Studios: Game Face

- Target launch Q4 2021
- Approved by UMG, Warner Chappell and BMG

Stacks

- Launched July 2020

Trash App

- Launched September 2020

Byte

- Contract started Nov 1, 2020
- Under active product development

LOI/Agreed Terms

- Byte
- Zoomerang
- Hypr
- Rizzle
- Lyritext
- Funimate
- Splice

Active Discussion

- Lightricks
- Triller
- Dubsmash
- Funny
- DARE
- Instasize
- Videostar
- Spark
- Lomotif
- LoveGrams

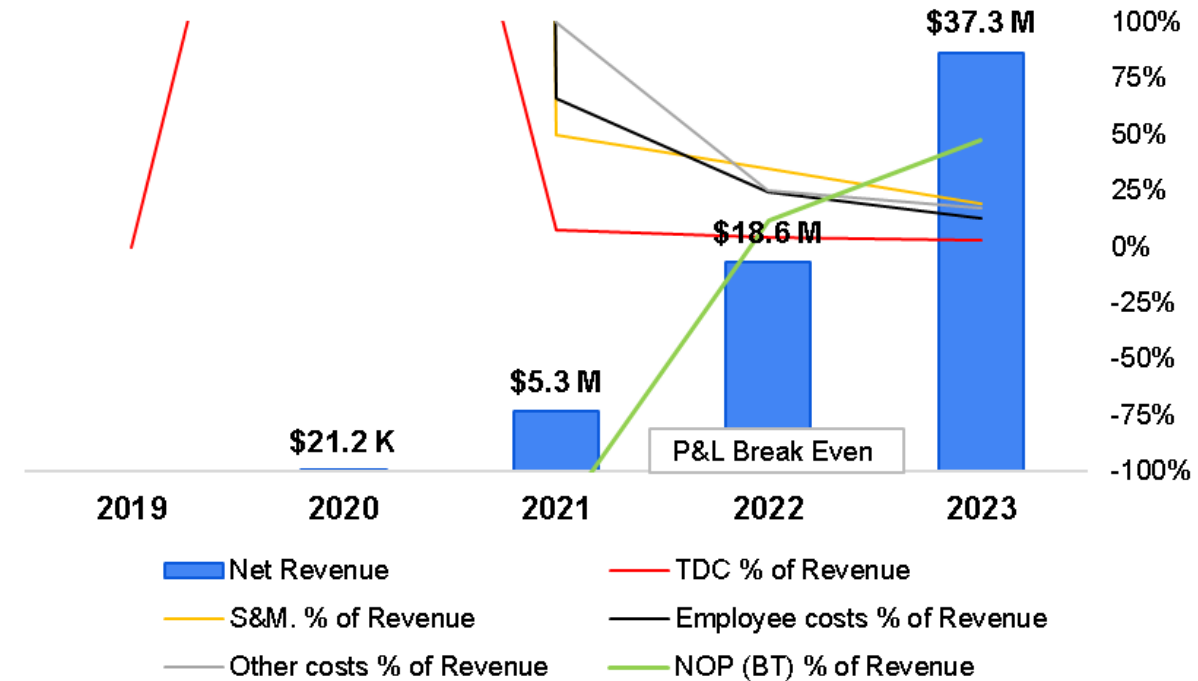
Heavy Tech-investment phase is over; P&L break-even in line of sight

Financial Model

Financial Projections (\$ millions)

Year	2019	2020	252 x 2021	3 x 2022	2 x 2023
~MAU		1 M	27 M	69 M	115 M
Total Partners		7	88	236	414
Total HC (inc. sales)		15	48	68	66
Total HC (Sales)		0	13	21	20
Net Revenue		\$21.2 K	\$5.3 M	\$18.6 M	\$37.3 M
YOY Growth			25092%	250%	100%
Total Del. Cost	\$5.1 K	\$0.1 M	\$0.4 M	\$0.8 M	\$1.2 M
TDC % of Revenue		378%	7%	4%	3%
Sales and Marketing	\$1.2 M	\$1.5 M	\$2.6 M	\$6.5 M	\$7.3 M
S&M. % of Revenue		7180%	50%	35%	19%
Employee Payroll+Benefits	\$1.6 M	\$1.8 M	\$3.5 M	\$4.5 M	\$4.8 M
Employee costs % of Revenue		8323%	66%	24%	13%
All Other costs	\$2.8 M	\$1.7 M	\$5.3 M	\$4.7 M	\$6.4 M
Other costs % of Revenue		7873%	100%	25%	17%
NOP (BT)	(\$5.6 M)	(\$5.0 M)	(\$6.5 M)	\$2.1 M	\$17.7 M
NOP (BT) % of Revenue		-23653%	-123%	11%	48%
Adj. NI (BT) excl. non cash expenses	(\$4.7 M)	(\$3.5 M)	(\$4.0 M)	\$2.2 M	\$17.8 M

Scale, Growth, Profit - Lean Operations and Expense Leverage



Inside every song there is a never before leveraged asset that when unlocked
can power a new global market of monetized social music.

Songclip is the only company that powers the \$5B+ social music market
with an easy-to-use API SaaS solution.

T H A N K Y O U



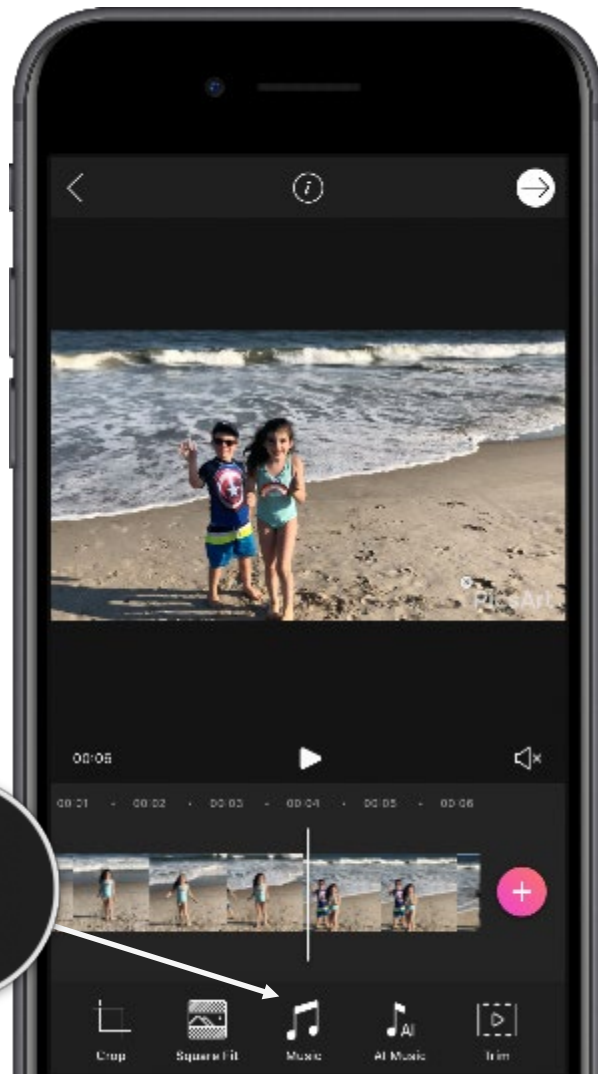
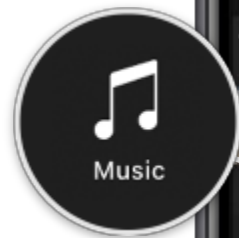
Appendix





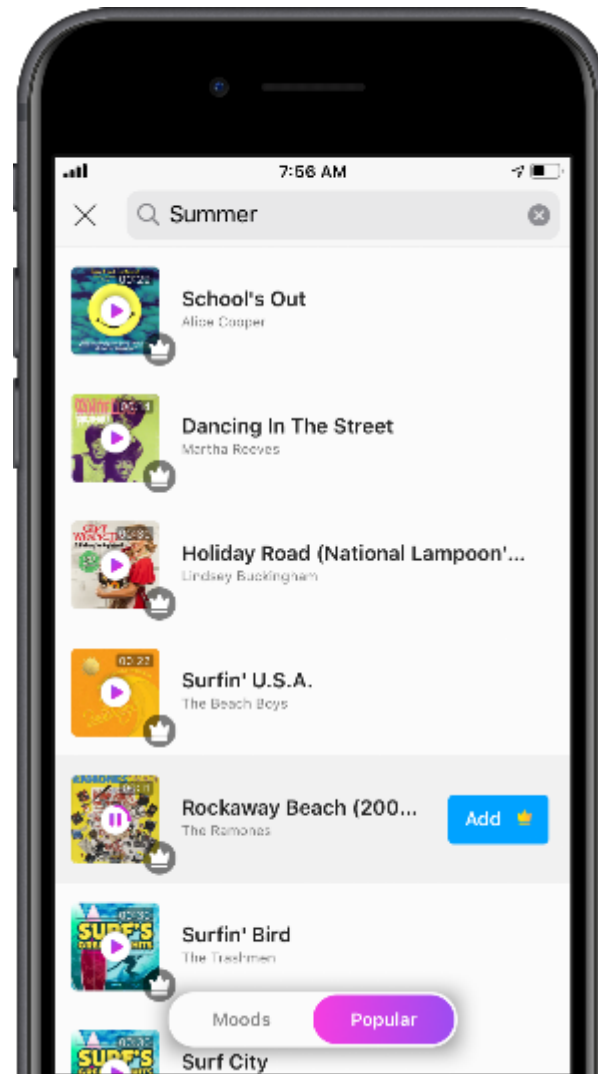
Photo & Video

USE CASES



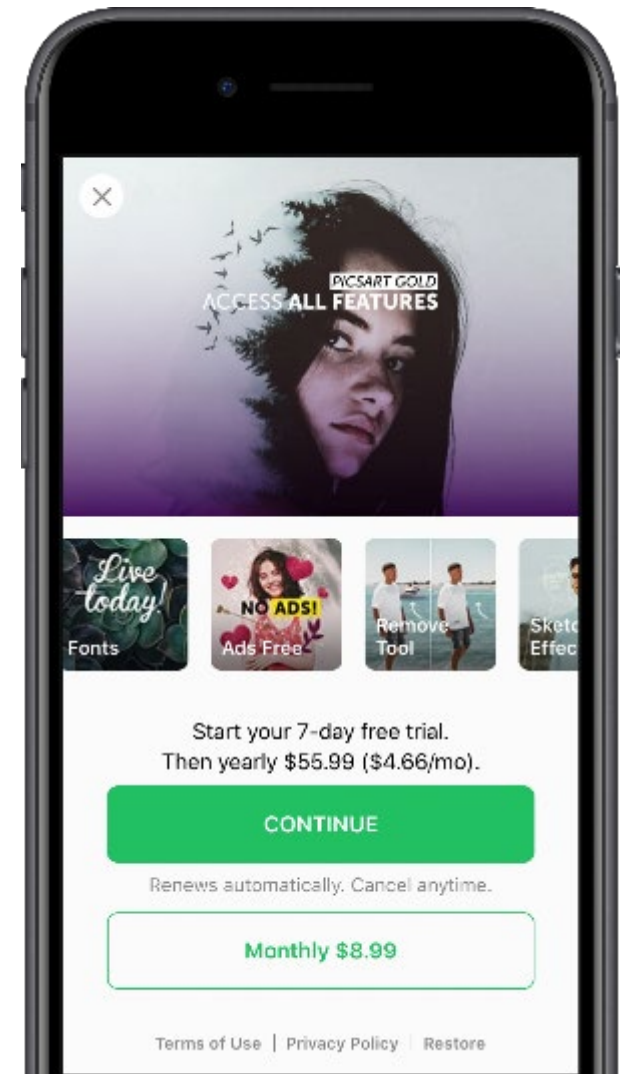
Music as a Filter

Add popular music clips to videos, photos, albums and more.



Search by Expression

Find the perfect music by searching by expression, mood or occasion.



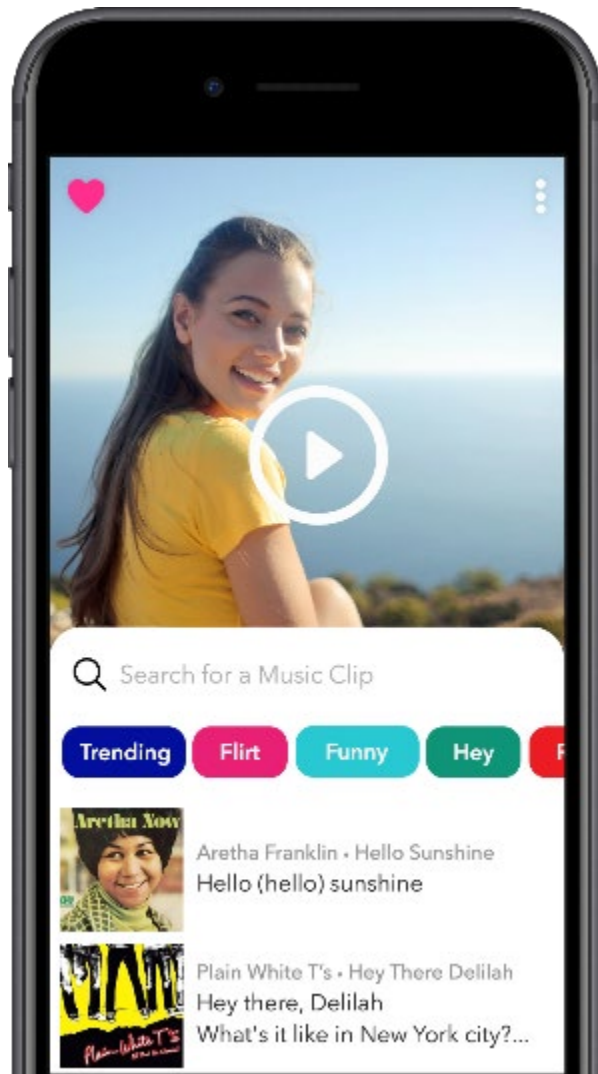
Monetize Music Features

Subscription services can put music features behind their pay wall.



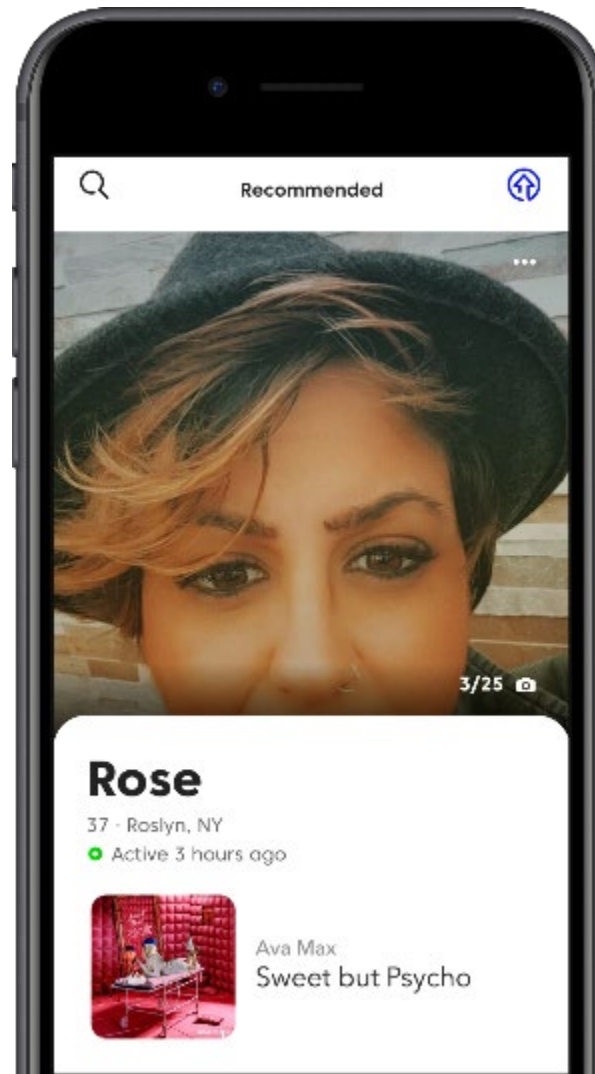
Dating

USE CASES



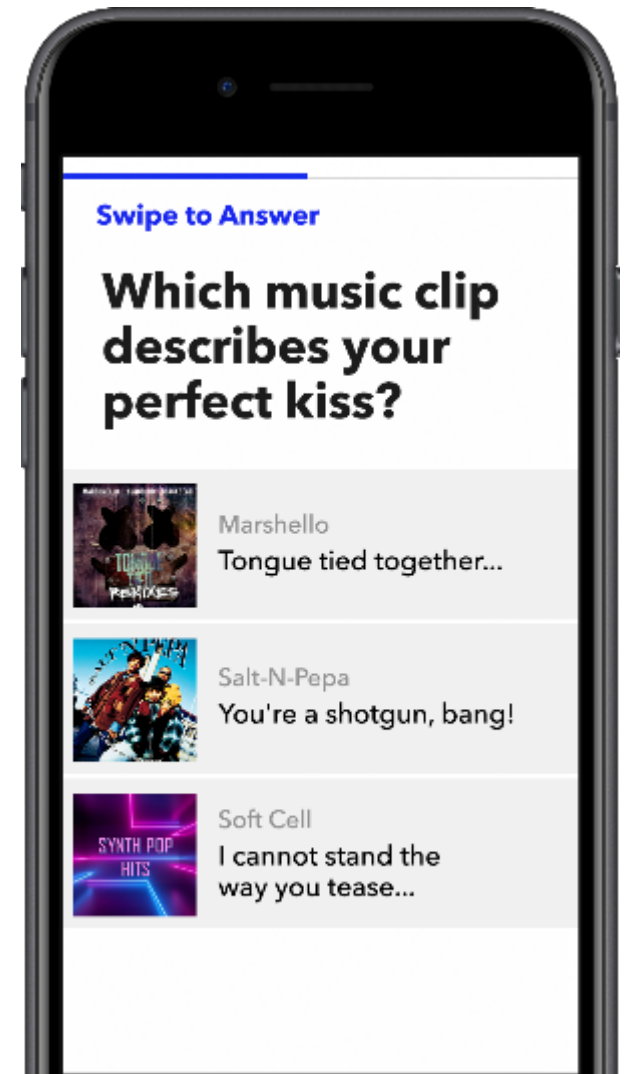
Music for Videos

Users can select music clips to add to any supported video features.



Profile Integration

Music allows for online daters to reveal more about their personality.



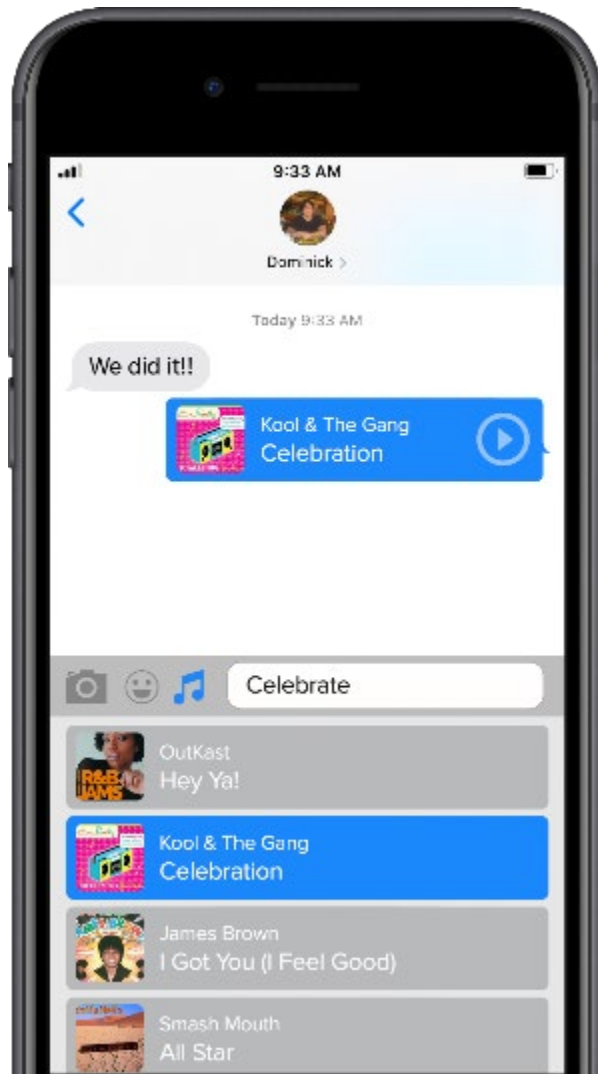
Matching with Music

Use music to create engaging games, quizzes, and ice breakers.



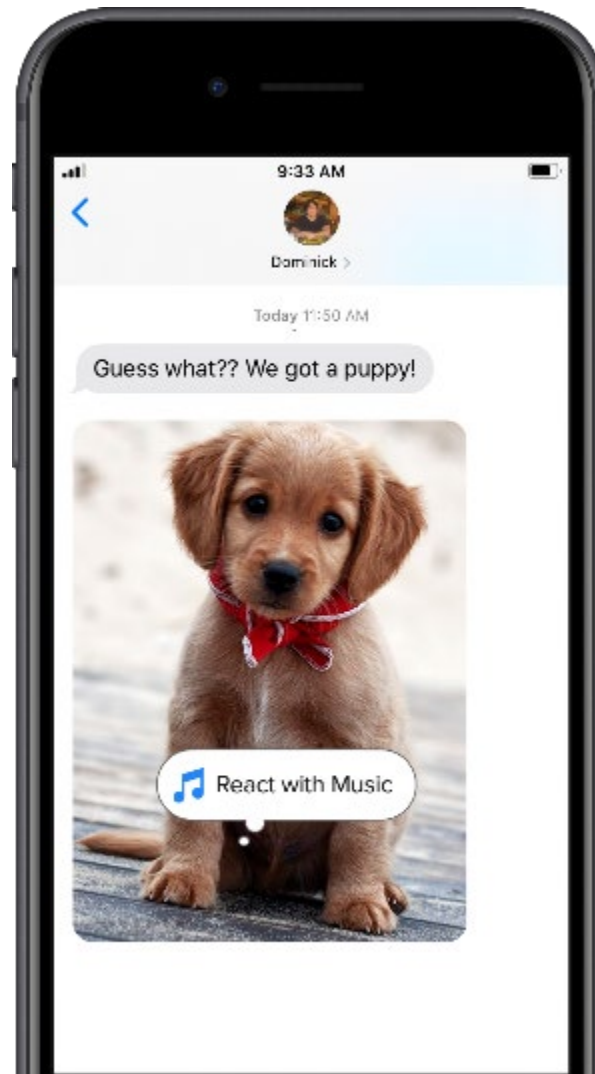
Messaging

USE CASES



Keyboard Integration

Expressive popular music clips can be accessed from message tray.



React with Music

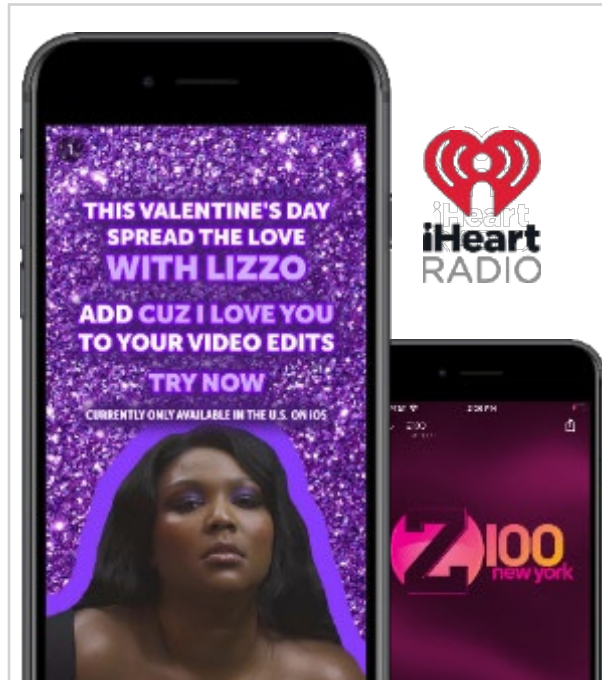
Create by attaching music to messages, photos, and more.



Music Stickers and Packs

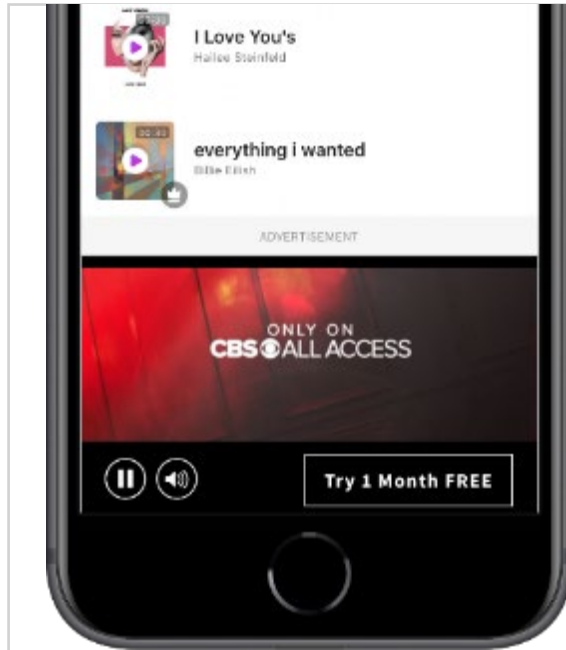
Music can add another dimension to stickers, GIFs and emojis.

How Songclip drives monetization at low cost for our API customers



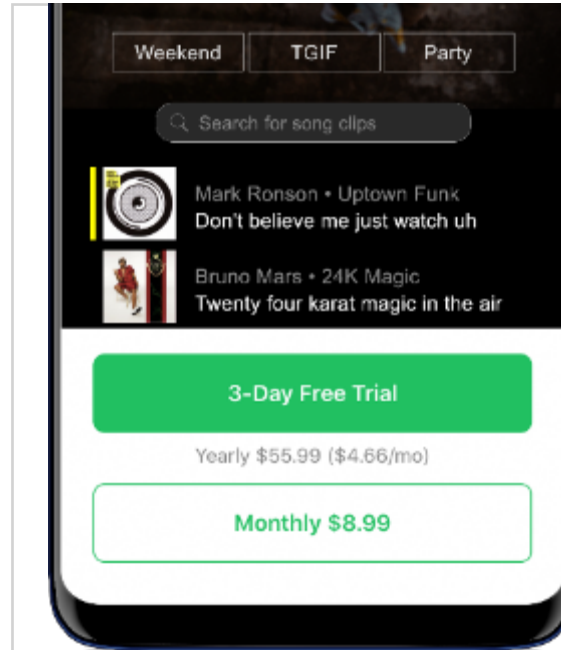
\$0 CAC iHeart co-promotions
\$0 CAC User-generated content

Attract New Consumers
Adding music as a feature, combined with co-marketing partnerships with music artists and iHeartRadio drives new end users for our B2B API customers at a lower cost of acquisition.



< # of sessions per MAU
< # of searches per session
< # of ad impressions per session

Increase Engagement
Offering Songclips in our API customer's user experiences makes it more fun for their consumers to create, send, and receive musical messages and posts, resulting in longer and more frequent sessions.



#% increase in conversions
Low cost of conversion

Convert to Subscribers
By placing premium Songclips behind a subscription paywall, Songclip's API customers can help convert their free end-users to paying subscribers.

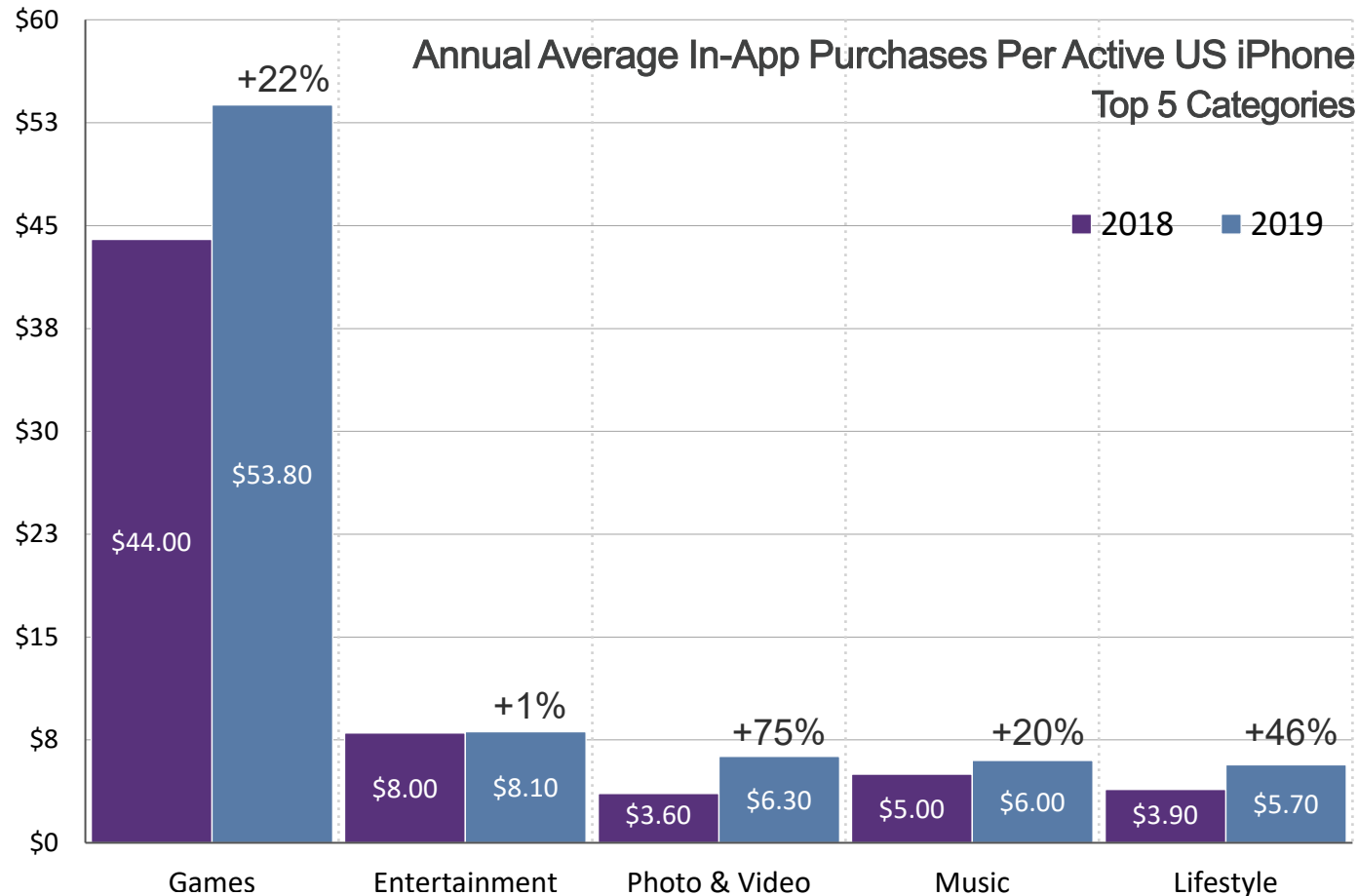


Increase Lifetime Value (LTV)
#% decrease in churn

Reduce Churn
With a music feature, Songclip API customers will experience high customer satisfaction and as a result lower churn, more revenue, and reduced costs.

Music as a Feature: \$1.00+ ARPU

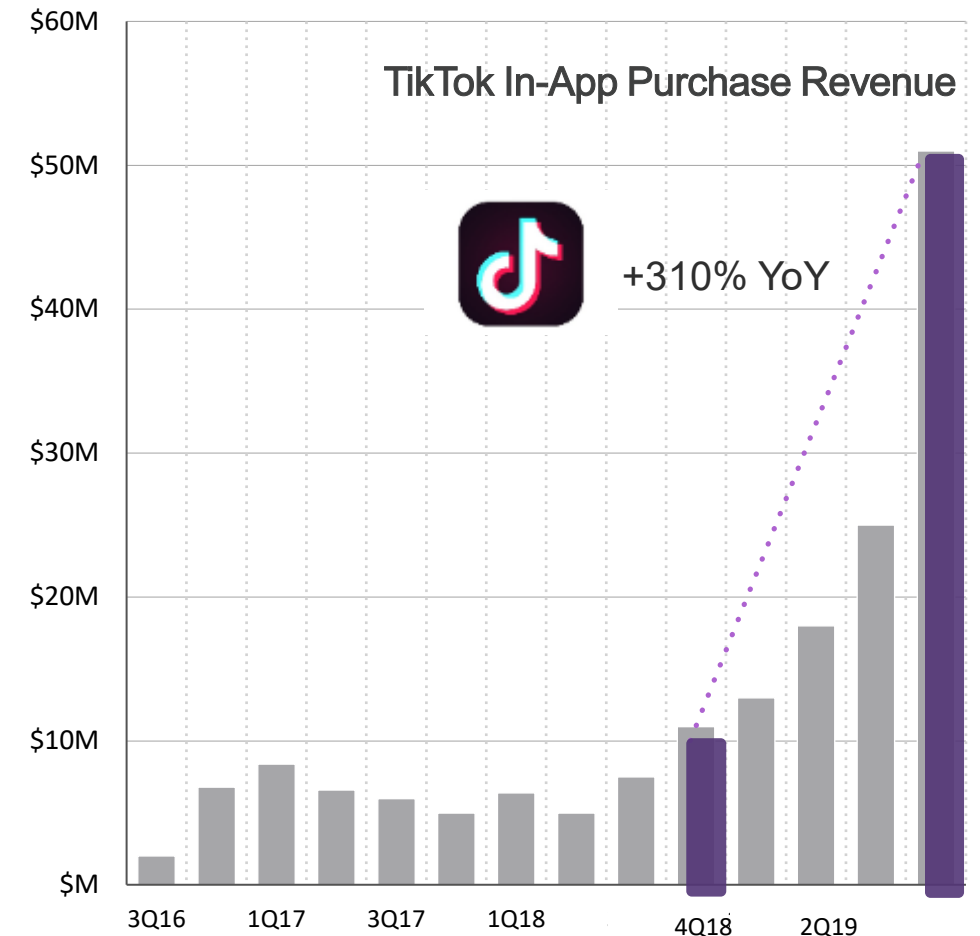
Social and digital apps want to add licensed music as a feature to grow revenue and users. If these apps can add \$1 of annual revenue per user via music, they would increase their 2019 revenues by up to 15%+. The explosive growth of TikTok—the 1B user music video app that grew revenues 310% YoY—demonstrates the power of incorporating music as a feature.



* Figures based on U.S. consumer spending in iPhone apps for Jan 1, 2018 through Dec 31, 2019.

* Includes premium apps and in-app purchase revenue (IAP).

Source: Sensor Tower Store Intelligence



Source: Apptopia

SONGCLIP EXECUTIVE
TEAM**Andy Blacker** Board MemberCo-Founder & Chief Executive Officer
Bandsintown, AOL, Infoseek**John vanSuchtelen** Board MemberCo-Founder & Chief Operating Officer
Zynga, Nickelodeon, AOL**Manoj Parashar**VP, Finance and Operations
Walmart.com, P&G, Visa, a16z portfolio startups**Omar Aguirre**Head of Engineering
Pando, UtilityScore**Bill Campbell**Executive Advisor - Music
Universal Music Group, Sony Music

BOARD MEMBERS

Gregg Smith Board Member

- Founder & Chief Investment Officer at Evolution VC Partners (Carta, Beyond Meat, Juul)
- Sand Hill Angels and Gaingels

Joe Robinson Board Member

- President of iHeartMedia Ventures
- iWin, IGN, Interworld

Andrew McKee Board Member

- Co-Founder of Hear Music
- Webster Capital

NOTABLE PARTNERS

Greenberg Traurig, LLP

- Bobby Rosenblum, Vice Chair of firm's Global Entertainment & Media Practice
- Leading global music licensing law firm
- Represents major digital media companies, recording artists, film and record companies

iHeartMedia

- Leading global media company (radio, digital, mobile, social, live events, on-demand)
- Partner to co-promote Songclip API customers on iHeartMedia radio and digital

Raised in Space

- Investment partnership between Ripple's Xpring, music manager Scooter Braun, and BMG Music vet Zach Katz.
- A music tech investment group focused on funding solutions for the music value chain