

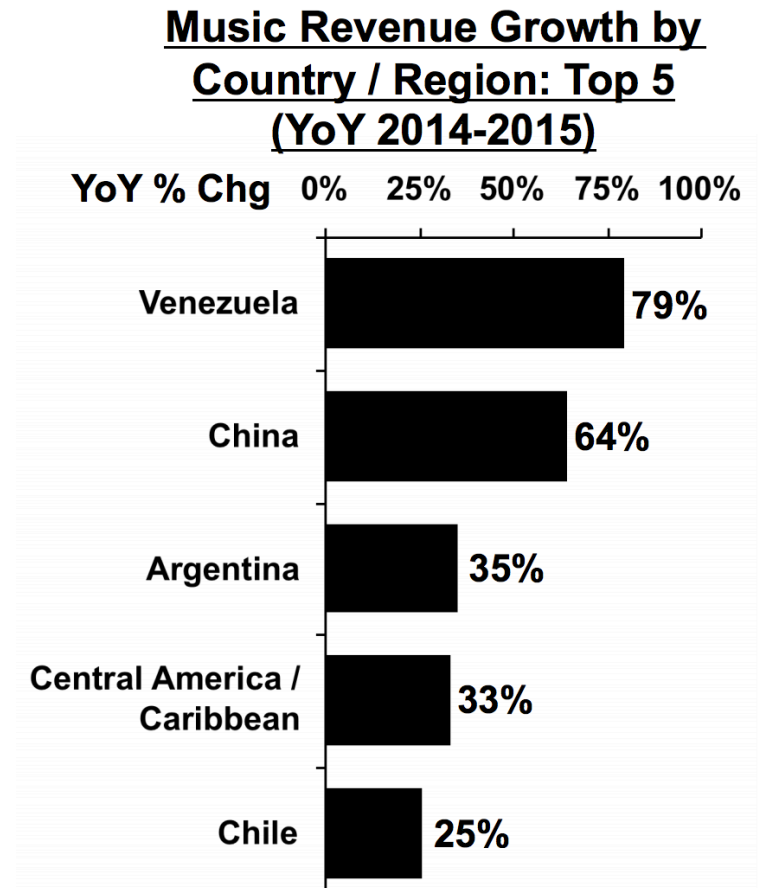
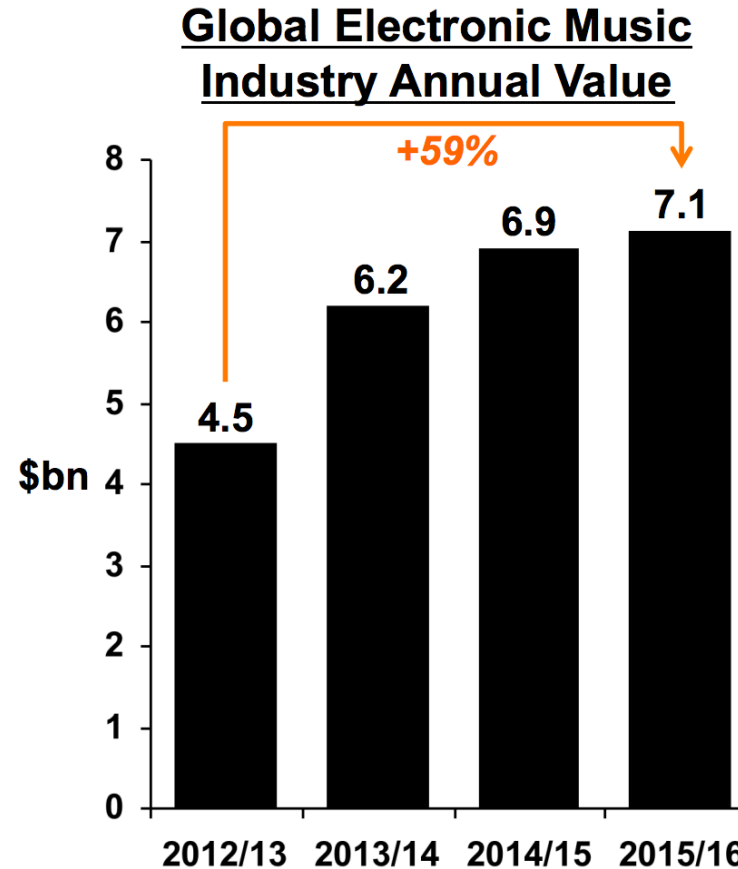
Chinese EDM Industry Report

BY 蔡逸朕 2017.4



GLOBAL EDM INDUSTRY OVERVIEW

- Global Electronic Music industry now worth \$7.1 billion – 59% more than three years ago
- Industry growth slowed significantly in the past year, from 3.5%
- Outlook is still positive, driven by several key factors, including:
 - Streaming growth – fastest growing music ‘format’ globally; Electronic Music well positioned due to demographic bias
 - New regions / markets – Electronic Music festivals and clubs launching in many high-growth developing markets, such as South America and China
 - USA market maturity – evidence that recent explosive growth is translating into sustainable wide-scale appeal





CHINESE EDM MARKET

- Comparing to the western EDM markets, the Chinese market is still in its very early stage. In 2016, only 27 outdoor EDM festivals were held in mainland China. The largest among them is the Storm Budweiser with only 25,000 participants per day.
- In China, the electronic music scene has grown rapidly in the past years. Attendance of events is rising online with the rise of the Chinese middle class. The interest for people to go to night clubs, live music events, and festivals increased significantly.
- IN 2016, 9 of the 20 new DJ Mag Top 100 clubs are from Asia. China added four new clubs, including Myst Shanghai (#44), Elements in Beijing (#65) and Club Cubic in Macau (#81)
- From A2LiVE prospective, from 2014-2015, attendants rate for festival grew 243%. From 2015-2016, we are looking another 278% growth in attendants. Total project for A2LiVE between 2014 and 2015 is a 500% growth. And from 2015-2016, is 240% growth.



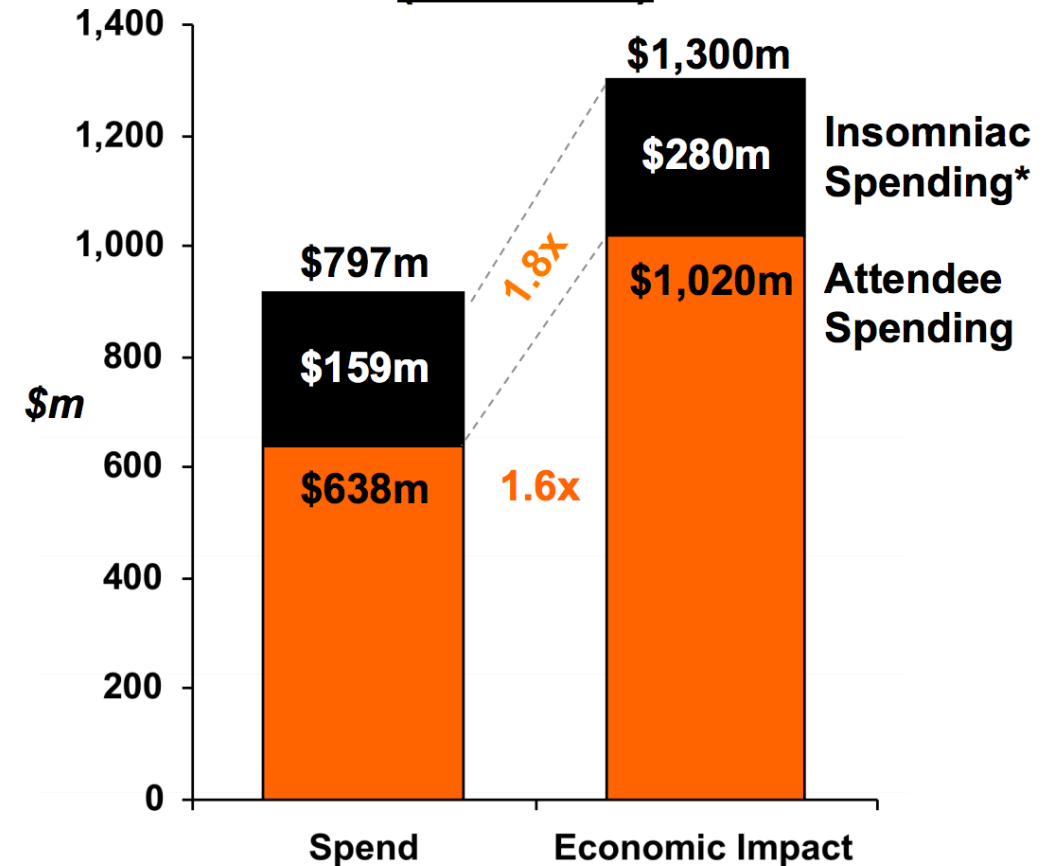


Example : Electric Daisy Carnival

- **The Benefit to Local Economy**

- Electric Daisy Carnival, commonly known as EDC, is one of the biggest electronic dance music festivals in the, with its flagship held annually in Las Vegas, Nevada. In 2015 it drew more than 400,000 over three days (134,000 per day).
- EDC Vegas is estimated to have contributed \$1.3bn to the economy over the past five years
- The 1.7m attendees spent c. \$640m over that time on various things, including transport (\$94m) and food and beverage (\$189m)Insomniac
- Insomniac spent c.\$160m, generating impact of \$280m •
- Spending has also generated an estimated \$81m in state and local taxes

**EDC Vegas Spending & Economic Impact
(2011-2015)**





Example: Tomorrowland

- Tomorrowland is an electronic music festival held in Boom, a small village in Belgium. Tomorrowland was first held in 2005, and has since become one of the world's largest and most notable music festivals.
- In March 20, 2013, ID&T Belgium and SFX Entertainment announced that it would begin organizing an American spin-off of Tomorrowland, known as TomorrowWorld. The festival is held at the Bouckaert Farm in Chattahoochee Hills, Georgia. However, due to operation failure of the festival in 2015, the official TomorrowWorld Facebook page announced that the festival will not be held in 2016.





Example: Budweiser Storm MUSIC Festival

- STORM Festival is the first Large Scale electronic music festival in China. In 2016, STORM increased to 5 festivals in mainland China. The tickets were sold out in less than one day.
- STORM - "First Contact" lured in Arctaurian and earth bound creatures alike and together the 25,000 festival attendees continued into the night with 15 Official STORM after parties at Shanghai's top nightclubs including M1NT, Mook, Unico, Arkham and many more.
- Single Day 380RMB Weekend 680RMB
- VIP Single 680RMB VIP Weekend 1180RMB
- 40,000 x Average Price ¥500 = 20,000,000
- Budweiser Beer ¥80 Water ¥20
- Average Spending on Food and Drinks ¥100 x 40,000 = 4,000,000
- Sponsorship: ¥16 Million
- As a result, approximately Tomorrow land has 10 times more revenue than STORM does

