

# INVESTOR FACT SHEET

NASDAQ: RSVR | Q1'FY24



First female-founded and led publicly traded independent music company in the U.S

Since its founding in 2007, Reservoir has grown to represent over 150,000 copyrights and 36,000 master recordings with titles dating as far back as 1900, and hundreds of #1 releases worldwide.

## RESERVOIR SNAPSHOT

**New York, NY**  
Headquarters

**~\$350M**  
Market Capitalization

**65M**  
Shares Outstanding

**March 31<sup>st</sup>**  
Fiscal Year End

### Q1 Financial Performance

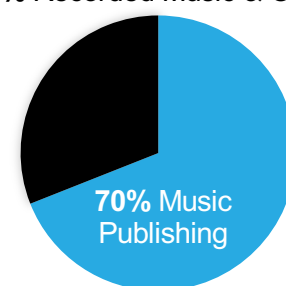
	Q1'FY24	Q1'FY23
Revenue	\$31.8M	\$24.3M
Operating Income	\$3.1M	\$1.3M
Adj. EBITDA	\$10.1M	\$7.4M

### Overview

- Leading, diversified music publishing and recorded music business
- Highly accomplished, respected and award-winning platform
- Led by an experienced mgmt. team of music professionals with decades of experience at major music companies

### TTM Revenue Breakout\*

30% Recorded Music & Other



\*For the period ended 6.30.23

## INVESTMENT HIGHLIGHTS

- Leading independent music company with proven platform
- Competitive advantages & value enhancement capabilities
- Proven M&A platform
- Evergreen catalog & contemporary hits
- Growing industry, supported by powerful secular tailwinds
- Strong growth & operating leverage model

## ORGANIC REVENUE GROWTH

Growing industry supported by powerful secular tailwinds

**7%** <sup>(1)</sup>

Industry Organic Revenue CAGR

Fiscal 2018 - 2023

(1) Wall Street Research

Consistently outperforms the industry

**13%**

Reservoir Organic Revenue CAGR

Fiscal 2018 - 2023

## FISCAL YEAR FINANCIAL SUMMARY

### Revenue (\$MM)

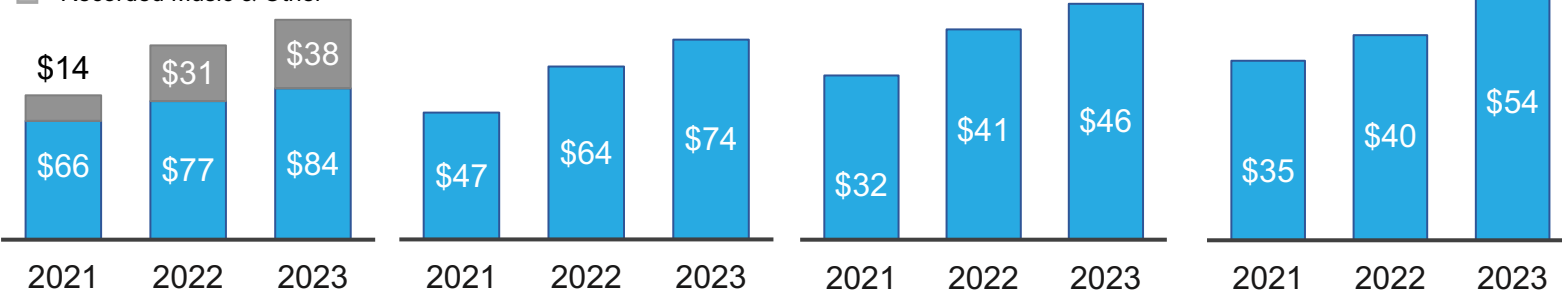
### Gross Profit (\$MM)

### Adj. EBITDA (\$MM)

### Free Cash Flow (\$MM)

■ - Publishing

■ - Recorded Music & Other



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## SECULAR GROWTH DRIVERS

- 1** Rise of digital & access to streaming
  - Digital CAGR: 13% (2010-20) vs. 12% (2020-30)
- 2** Growth of paid streaming subscribers
  - Paid subs CAGR: 49% (2010-20) vs. 11% (2020-30)
- 3** Growth of streaming in emerging markets
  - EM to contribute 43% of streaming revenue by 2030 vs. mid-double digits today
- 4** Expansion of emerging music monetization platforms
  - TikTok, Triller, Supernatural, Roblox
- 5** Increased government intervention
  - Curb piracy and improved monetization rates for content owners
- 6** Recovery in process across impacted royalty streams
  - Gym/bars/restaurants, synch, music releases, live music

## MUSIC PUBLISHING

- **150K+** copyrights
- **97%** catalog retention for over **10** years
- No musical composition accounts for more than **3%** of revenue

## RECORDED MUSIC

- **36K+** sound recording copyrights
- **100%** ownership of each master recording typically
- No master recording accounts for more than **6%** of Net Label Share<sup>1</sup>

<sup>1</sup> Based on 80% of LTM Net Label Share (NLS) as of 12-31-22 excluding "Gangsta's Paradise"

## PIPELINE & DEAL FLOW



**250+** M&A targets in current pipeline as of 6/30/23 totaling **\$2.0B+**

**\$742M** Capital deployed since inception<sup>2</sup>

**91%** of gross profit and cost synergies should fall to Adj. EBITDA<sup>3</sup>

**12%** Unlevered IRR since 2007<sup>4</sup>

## RECENT NOTABLE DEALS

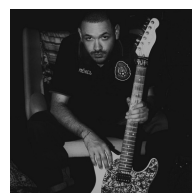
The Spinners



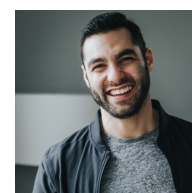
Greg Kihn



Willy Will Yanez



Rob Ragosta



<sup>1</sup> Based on total offers made, deals into exclusivity, and deals closed as a percentage of new deals considered in FY2022, respectively

<sup>2</sup> As of 6-30-23

<sup>3</sup> For the period FY18-FY23

<sup>4</sup> IRR represents a net return on invested capital since inception (2007) by the majority shareholder marking the investment to market upon close of SPAC merger