

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): **December 1, 2022**

RESERVOIR MEDIA, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-39795
(Commission
File Number)

83-3584204
(I.R.S. Employer
Identification No.)

**200 Varick Street
Suite 801A
New York, New York**
(Address of principal executive offices)

10014
(Zip Code)

(212) 675-0541
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, \$0.0001 par value per share	RSVR	The Nasdaq Stock Market LLC
Warrants, each whole warrant exercisable for one share of common stock at an exercise price of \$11.50 per share	RSVRW	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☒ x

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 7.01 Regulation FD Disclosure.

On December 1, 2022, Reservoir Media, Inc., a Delaware corporation (the “*Company*”), made available an investor presentation on its website at <https://investors.reservoir-media.com/>. A copy of the investor presentation is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated by reference herein.

The information contained in this Current Report on Form 8-K, including Exhibit 99.1 attached hereto, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “*Exchange Act*”), or otherwise subject to the liabilities of Section 18 of the Exchange Act, nor shall it be deemed incorporated by reference in any filing by the Company with the U.S. Securities and Exchange Commission under the Securities Act of 1933, as amended, or the Exchange Act, unless the Company expressly sets forth by specific reference in such filing that such information is to be considered “filed” or incorporated by reference therein.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
<u>99.1</u> 104	<u>Investor Presentation, dated December 1, 2022.</u> The cover page from this Current Report on Form 8-K, formatted in Inline XBRL.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

RESERVOIR MEDIA, INC.

Date: December 2, 2022

By: /s/ Golnar Khosrowshahi
Name: Golnar Khosrowshahi
Title: Chief Executive Officer



RESERVOIR

INVESTOR PRESENTATION
DECEMBER 2022

Disclaimer

Forward Looking Statements

This presentation contains "forward-looking statements" for purposes of the safe harbor provisions under the U.S. Private securities litigation reform act of 1995, as amended. These forward-looking statements are generally identified by words such as "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "might," "seem," "seek," "future," "outlook," "model," "target," "goal," "plan," "possible," "potential," "predict," "project," "should," "strive," "would," "will" or words of similar meaning that predict or indicate future events or trends or that are not statements of historical facts. These forward-looking statements may include, among other things, statements about future financial condition and results of operations, plans, objectives, strategies, beliefs, expectations and intentions with respect to, among other things, future opportunities for reservoir's business, growth initiatives and market opportunities, competitive landscape, prospective performance, revenues, products, pricing, operating expenses, market trends, liquidity, cash flows and uses of cash and capital expenditures. Such forward-looking statements are based upon the current beliefs and expectations of reservoir's management and are inherently subject to significant business, economic and competitive risks, uncertainties and contingencies.

Actual results, performance or achievements may differ materially, and potentially adversely, from any forward-looking statements and the assumptions on which these forward-looking statements are based. There can be no assurance that the information contained in this presentation is reflective of future results, performance and/or achievements to any degree. These forward-looking statements are provided for illustrative purposes only, and you are cautioned not to place undue reliance on these forward-looking statements as a guarantee, assurance or prediction of future results, performance and/or achievements as these forward-looking statements are based on estimates and assumptions, whether or not identified in this presentation, that are inherently subject to various significant risks, uncertainties, contingencies and other factors, many of which are difficult to predict and generally beyond the control of Reservoir. There may be additional risks and other factors that reservoir does not currently know or that Reservoir currently believes are immaterial that could also cause actual results, performance or achievements of Reservoir to differ from those contained in these forward-looking statements. Consequently, there can be no assurance that the actual results, performance and achievements anticipated in this presentation will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, reservoir. Additional information concerning these and other factors that may impact the business, prospects, financial condition and/or results of operations discussed in this presentation can be found in Reservoir's periodic reports or other filings with the SEC, which are available publicly on the sec's website at www.sec.gov.

All information set forth in this presentation speaks only as of the date hereof or the date of such information, as applicable, and reservoir expressly disclaims any intention or obligation to update any forward-looking statements as a result of developments occurring after the date of this presentation. These forward-looking statements should not be relied upon as representing Reservoir's assessments as of any date subsequent to the date of this presentation and, accordingly, undue reliance should not be placed upon these forward-looking statements.

Financial Information; Non-GAAP Financial Measures

This presentation contains unaudited financial information of reservoir. The unaudited financial information has been prepared on the same basis as Reservoir's audited financial statements and, in the opinion of reservoir's management, reflects all adjustments necessary for the fair presentation of the unaudited financial information. However, the unaudited financial information contained in this presentation is preliminary and may be subject to change. Accordingly, such financial information may be adjusted or may be presented differently in periodic reports or other filings filed by Reservoir with the SEC, and such differences may be material. In addition, past performance is not a guarantee or indication of future financial condition and/or results of operations and should not be relied upon for such reason.

This presentation also includes certain financial information, such as EBITDA or Adjusted EBITDA, that has not been prepared in accordance with united states generally accepted accounting principles ("GAAP"). Reservoir's management uses these non-GAAP financial measures to evaluate Reservoir's operations, measure its performance and make strategic decisions. Reservoir believes that the use of these non-GAAP financial measures provides useful information to investors and others in understanding Reservoir's results of operations and trends in the same manner as reservoir's management and in evaluating Reservoir's financial measures as compared to the financial measures of other similar companies, many of which present similar non-GAAP financial measures. However, these non-GAAP financial measures are subject to inherent limitations as they reflect the exercise of judgments by reservoir's management about which items are excluded or included in determining these non-GAAP financial measures and, therefore, should not be considered as a substitute for net income, operating income or any other operating performance measures calculated in accordance with GAAP. Using such non-GAAP financial measures in isolation to analyze Reservoir's business would have material limitations because the calculations are based on the subjective determination of reservoir's management regarding the nature and classification of events and circumstances that you may find significant. In addition, although other companies in Reservoir's industry may report measures titled EBITDA or Adjusted EBITDA or similar measures, such non-GAAP financial measures may be calculated differently from how reservoir calculates such non-GAAP financial measures, which reduces their overall usefulness as comparative measures. Because of these limitations, you should consider such non-GAAP financial measures alongside other financial performance measures and other financial results presented in accordance with GAAP. You should review Reservoir's audited and unaudited consolidated financial statements contained in its periodic reports or other filings with the SEC.

Disclaimer

Industry and Market Data

The information in this presentation also includes information provided by third parties. None of Reservoir, its affiliates or any third parties that provide information to Reservoir or its affiliates, such as market research firms, guarantee the accuracy, completeness, timeliness or availability of any information or are responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or the results obtained from the use of such information. While such information is believed to be reliable for the purposes of this Presentation, neither Reservoir nor any of its subsidiaries, stockholders, partners, members, affiliates, directors, officers, employees, advisers, representatives or agents makes any representation or warranty with respect to the accuracy of such information.

No Offer or Solicitation

This presentation is for informational purposes only and is neither an offer to sell or purchase, nor a solicitation of an offer to sell, purchase or subscribe for, nor a recommendation or advice regarding, any securities in any jurisdiction. This Presentation has not been approved or recommended by the U.S. Securities and Exchange Commission (the "SEC") or any other federal or state securities commission or securities regulatory authority or other regulatory body or authority, nor has any of these bodies or authorities passed upon the merits of, or the accuracy and adequacy of, any of the information contained in this presentation. Any representation to the contrary is a criminal offense.

Trademarks, Service Marks and Trade Names

Reservoir and its affiliates own or have rights to various trademarks, service marks and trade names that they use in connection with the operation of its business. This presentation also contains trademarks, service marks and trade names of third parties, which are the property of their respective owners. The use or display of third parties' trademarks, service marks, trade names or products in this Presentation is not intended to imply a relationship with Reservoir or any of its affiliates, or an endorsement or sponsorship by or of Reservoir or any of its affiliates. Solely for convenience, the trademarks, service marks and trade names referred to in this presentation may appear without the ®, TM or SM symbols, but such references are not intended to indicate, in any way, that Reservoir, its affiliates or any third parties whose trademarks, service marks or trade names, as the case may be, are referenced herein will not assert, to the fullest extent under applicable law, their rights or the right of the applicable licensor in these trademarks, service marks and trade names.

Additional information with respect to Reservoir may be found in its filings with the SEC available at the SEC's website at www.sec.gov and on Reservoir's website at www.reservoir-media.com.

First U.S.-Based Publicly Traded Independent Music Company

Leading, diversified music publishing and recorded music business

- Vast collection of iconic hits across genre, geography, and time period
- Focused on acquiring catalogs with hit songs and building portfolio diversification
- Investing in frontline songwriters and artists with potential for success
- Network of joint venture, administration and distribution partners worldwide

Highly accomplished, respected and award-winning platform

- Music Week Awards' Independent Publisher of the Year 2020 & 2022
- Music Business Worldwide's The A&R Awards' Publisher of the Year 2019 & 2017
- 18 Songwriter Hall of Fame inductions

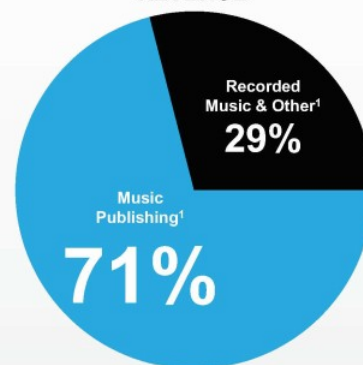
First female founded and led publicly traded music company in the U.S., led by Golnar Khosrowshahi

- Billboard's Women In Music Executive of the Year 2022
- Billboard's Most Powerful Women in Music 2017, 2018, 2019, & 2020
- Billboard's Power List 2020 & 2022
- Supported by a highly experienced team of music professionals with decades of experience at major music companies such as Universal, Warner, and Sony

KEY FACTS

- NASDAQ: RSVR
- Market Cap: ~\$500M
- Fiscal Year End: Mar 31st
- Shares Outstanding: 64M
- 140K+ Copyrights
- 36K+ master recordings
- Offices in NYC (HQ), LA, Nashville, London, Toronto, & Abu Dhabi

REVENUE



¹ Trailing twelve month revenue ended 09-30-22

Compelling Investment Highlights

Leading Independent Music Company With Proven Platform

- \$650m+ of invested capital since inception¹
- \$140m+ of that in futures spend with enhanced risk/return profile vs. traditional recorded music

Proven M&A Platform

- Strong track record, trusted partner to artist community and caretaker of legacy assets
- Deal pipeline includes 220+ potential targets worth over \$2.1B as of 9-30-22

Competitive Advantages & Value Enhancement Capabilities

- Value enhancement efforts lead to industry outgrowth
- Experienced creative team with stellar reputation among artists and key players in the music industry

Evergreen Catalog & Contemporary Hits

- 140K+ copyrights and 36K+ masters
- 130+ active songwriters and frontline artists
- 89% of publishing & 100% of recording gross profit is Life of Copyright³

Growing Industry, Supported By Powerful Secular Tailwinds

- Supported by rise of digital, streaming, emerging markets, and expansion of emerging music monetization platforms
- Music industry projected to grow over 7% per year through 2030²

Strong Growth & Operating Leverage Model

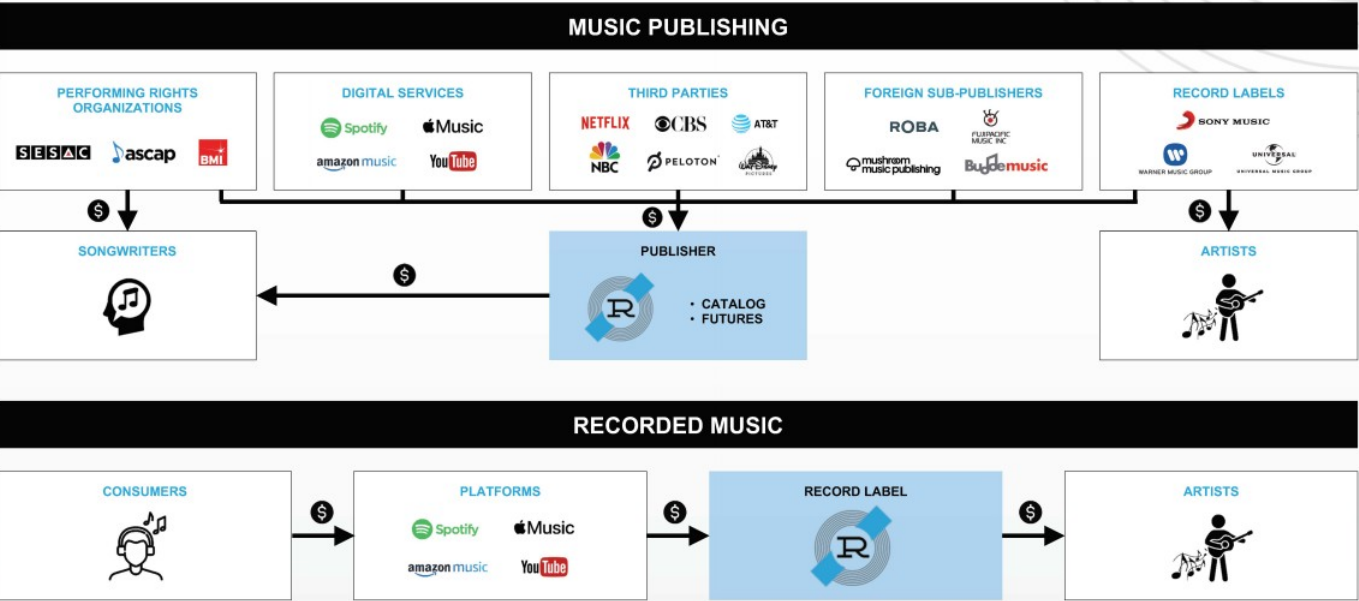
- Expected to outgrow music industry fundamentals, with projected FY2022-2025 CAGR of 12% on revenue
- Significant operating leverage opportunity as scale

¹ As of 09-30-22

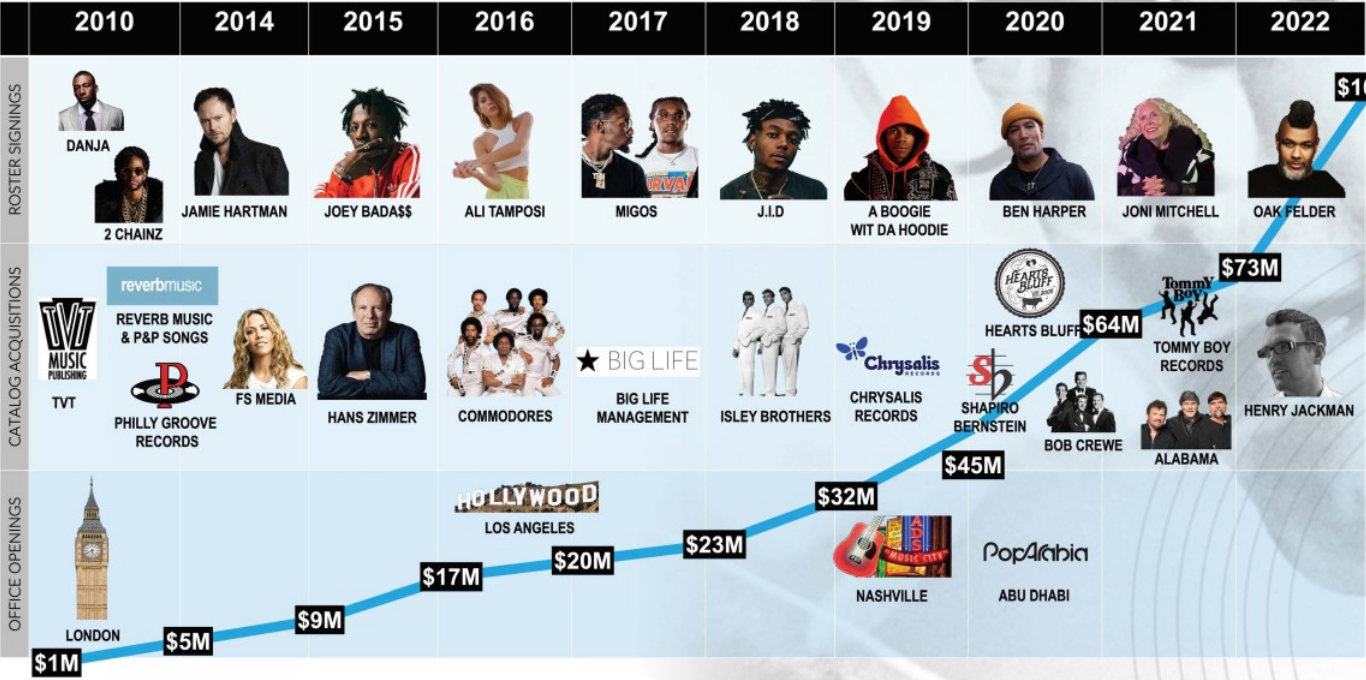
² Wall Street Research

³ Based on 80% of LTM as of 06-30-22 Net Publisher Share (NPS) and Net Label Share (NLS):

Music 101



History of Growth



Music Publishing Segment Overview

Music Publishing represented Reservoir's primary focus from its 2007 inception until its large-scale step towards building its Recorded Music business in 2019 with the acquisition of Chrysalis Records.

140K+

COPYRIGHTS

(I.E. Ownership Of
Musical Composition)

No Musical Composition
Accounts for

> 2%

OF REVENUE

97% of Catalog has
a Retention Date of

> 10

YEARS

with 89% for Life of Copyright¹

CATALOG EXAMPLES

Legacy:

- Joni Mitchell
- The Isley Brothers
- John Denver
- Billy Strayhorn
- Commodores

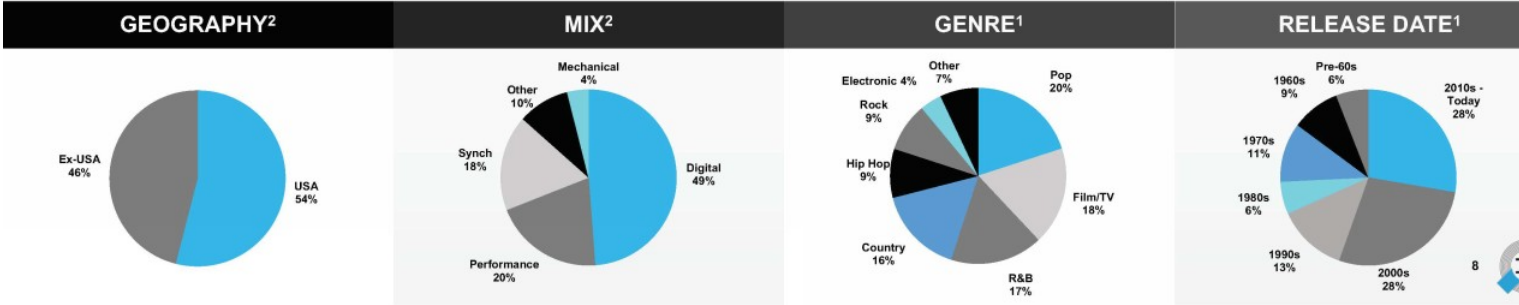
Active Songwriters:

- Offset (Migos)
- Ben Harper
- 2 Chainz
- Ali Tamposi
- Jamie Hartman











DIVERSIFIED BY....

¹ Based on 80% of LTM Net Publisher Share (NPS) as of 06-30-22

² Trailing twelve month revenue ended 09-30-22



Music Publishing Top 10 Songs by NPS¹

- 1  **"It's Your Thing"**
The Isley Brothers
2.0%, (1969)
- 2  **"Higher & Higher"**
Jackie Wilson
1.2%, (1967)
- 3  **"Take Me Home, Country Roads"**
John Denver
1.1%, (1971)
- 4  **"Bring Me To Life"**
Evanescence
1.0%, (2003)
- 5  **"Ring of Fire"**
Johnny Cash
0.9%, (1963)
- 6  **"Yeah!"**
Usher
0.7%, (2004)
- 7  **"For the Love of You"**
The Isley Brothers
0.6%, (1975)
- 8  **"Georgia On My Mind"**
Ray Charles
0.6%, (1930)
- 9  **"Somebody to Love"**
Jefferson Airplane
0.6%, (1967)
- 10  **"Papa Don't Preach"**
Madonna
0.6%, (1986)

1,012 Songs Account For

80% of LTM NPS

with No Song Accounting For More Than 3% of LTM NPS

¹ LTM Net Publisher Share (NPS) as of 06-30-22

Recorded Music Segment Overview

Reservoir's first foray into the recorded music business initially was in 2012 with the acquisition of Philly Groove. Reservoir expanded its recorded music segment through the acquisition of Blue Raincoat (incl. Chrysalis Records) in 2019 and Tommy Boy Records in 2021.

36K+

SOUND RECORDING
COPYRIGHTS

(I.E. "Master" Recordings)

100%

OWNERSHIP

of Each Master
Recording Typically

No Master Recording
Accounts for

> 9%

OF NET
LABEL SHARE¹

CATALOG EXAMPLES

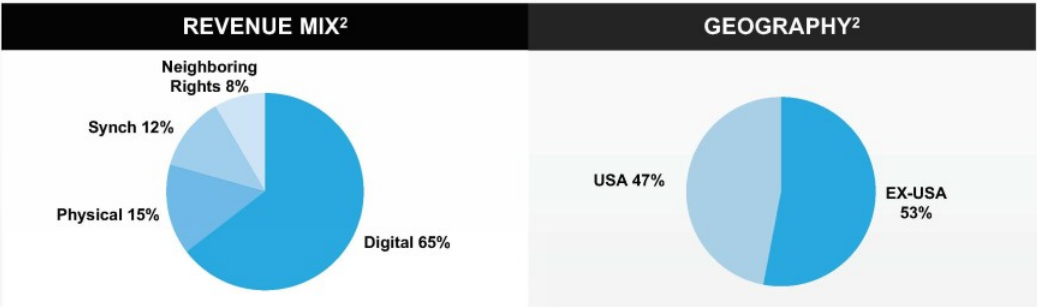
Legacy:

- De La Soul
- Sinéad O'Connor
- Naughty by Nature
- Generation X (Billy Idol)
- The Delfonics











Active Recording
Artists:

- Laura Marling
- Liz Phair
- Emeli Sandé
- William The Conqueror
- Lump

¹ Based on 80% of LTM Net Label Share (NLS) as of 06-30-22
² Trailing twelve month revenue ended 09-30-22



Recorded Music Top 10 Songs by NLS¹

- | | | | | | | | | | | | |
|---|---|--|----|---|--|---|--|--|---|---|---|
| 1 |  | "Gangsta's Paradise"
Coolio
9.0%, (1995) | 2 |  | "Nothing Compares 2 U"
Sinéad O'Connor
3.8%, (1990) | 3 |  | "Jump Around"
House of Pain
2.8%, (1992) | 4 |  | "What It's Like"
Everlast
1.8%, (1998) |
| 5 |  | "For the Love of You"
The Isley Brothers
1.8%, (1985) | 6 |  | "Ghost Town"
The Specials
1.7%, (1981) | 7 |  | "Dancing with Myself"
Generation X
1.6%, (1981) | 8 |  | "Vienna"
Ultravox
1.6%, (1980) |
| 9 |  | "Between the Sheets"
The Isley Brothers
1.5%, (1983) | 10 |  | "Middle Child"
J. Cole
1.4%, (2019) | <div> <p>204 Recordings Account For</p> <p>80% of LTM NLS</p> <p>and 100% are Owned for the Life of the Copyright</p> </div> | | | | | |

¹ LTM Net Label Share (NLS) as of 06-30-22

Growth Drivers

1

**STRONG SECULAR
TAILWINDS**

2

**VALUE ENHANCEMENT
INITIATIVES**

3

**PROVEN M&A PLATFORM
& NEW SIGNINGS**

4

**OPERATING LEVERAGE &
CASH FLOW GENERATION**

1

Music Industry: Strong Secular Tailwinds



Rise of Digital & Availability of Streaming

Digital Revenue CAGR:
13% (2010-20)
12% (2020-30)



Growth Of Paid Streaming Subscribers

Paid Subs CAGR:
49% (2010-20)
11% (2020-30)



Growth Of Streaming In Emerging Markets

EM to contribute 43% of streaming revenue by 2030 vs. 13% today



Expansion Of Emerging Music Monetization Platforms



Increased Government Intervention

To curb piracy and improve monetization rates for content owners

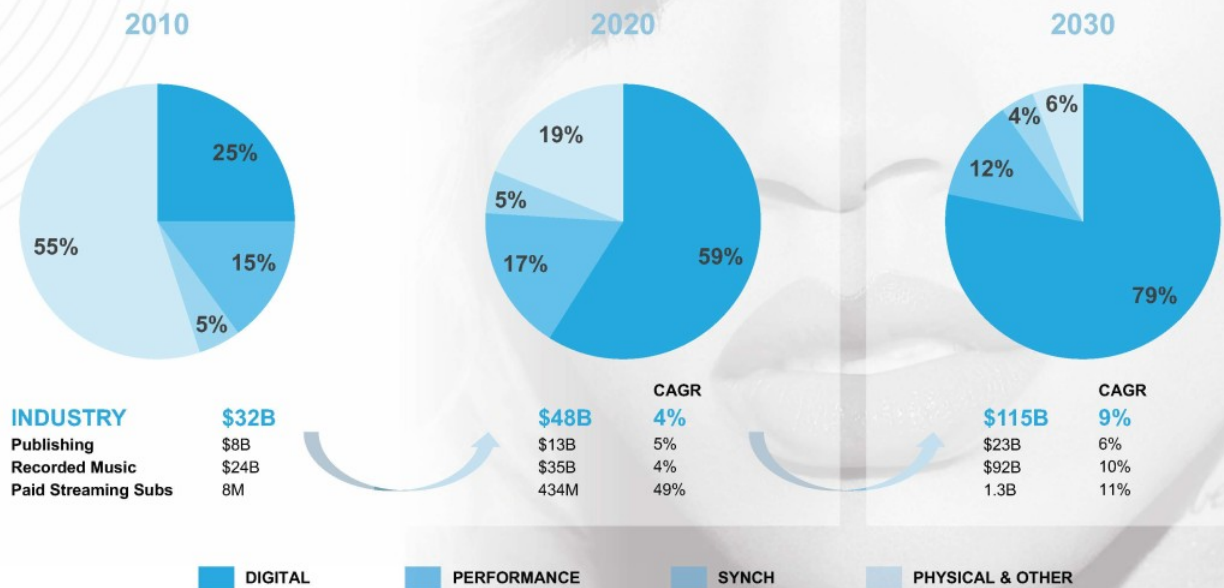


Recovery In Process Across Impacted Royalty Streams

(Gym/Bars/Restaurants, Synch, Music Releases, Live Music)


1

Music Industry: Strong Growth Forecasted



¹ Wall Street Research

2 Value Enhancement Initiatives

VALUE ENHANCEMENT	
SYNCHRONIZATION	Placement of musical compositions into television, film, advertisements, gaming platforms, and toys
DIGITAL LICENSING	Digital licensing partnerships with emerging music platforms and in-home fitness brands 
SETTLEMENTS	Representation on industry boards advocating for creators generates settlements from past infringement and enables collaboration on mechanisms for future licensing
SAMPLING, COVERS, INTERPOLATIONS, REMIXES	Extract additional value from high-quality catalogs with proactive pitching
EDUCATIONAL INITIATIVES	Development of interactive university courses to enhance brand exposure

Organic growth outpaces industry growth

RSVR 4-Year Revenue CAGR¹

15%

Industry²

7%

¹ Organic Revenue over Fiscal 2018-2022
² Wall Street Research

2 Value Enhancement Examples & Industry Advocacy

Top Synch Highlights



Totaling **\$3M** IN LICENSING

Industry Advocate & Leader

ELECTED BOARD SEATS



\$15M

GENERATED IN SETTLEMENT PAYMENTS
Over the Past Five Years (FY18-FY22)

3 Proven M&A Platform

281 New Deals Considered In FY2021

102 OFFERS MADE

36%¹

71 DEALS INTO EXCLUSIVITY

25%¹

66 DEALS CLOSED

23%¹

\$650M+

CAPITAL
DEPLOYED
since inception²

88%

of GROSS
PROFIT & COST
SYNERGIES
FLOW to EBITDA³

12%

UNLEVERED IRR
since 2007⁴

220+

M&A TARGETS IN CURRENT PIPELINE AS OF 09-30-22

Totaling

\$2.1B

¹ Based on total offers made, deals into exclusivity, and deals closed as a percentage of new deals considered in FY2021, respectively

² As of 09-30-22

³ For the period FY18-FY22

⁴ 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

3 Proven M&A Platform

VALUE ENHANCEMENT LEADS TO BOUGHT-DOWN MULTIPLES

Date	Purchase Price	NPS/NLS (At Close)	Multiple (At Close)	NPS/NLS (FY2022)	Multiple (FY2022)
2021	\$ 101.3	\$ 5.5	18.3 x	\$ 8.7	11.7 x
2020	\$ 61.4	\$ 3.6	17.0 x	\$ 3.9	15.8 x
2020	\$ 60.2	\$ 3.2	19.0 x	\$ 3.0	20.0 x
2019	\$ 50.1	\$ 3.5	14.5 x	\$ 6.9	7.2 x
2014	\$ 44.0	\$ 4.3	10.3 x	\$ 4.7	9.4 x
2015	\$ 43.3	\$ 5.7	7.6 x	\$ 4.8	9.0 x
2018	\$ 30.7	\$ 2.5	12.4 x	\$ 3.3	9.4 x
2020	\$ 16.4	\$ 1.3	13.0 x	\$ 0.8	19.5 x
2012	\$ 11.0	\$ 0.9	12.0 x	\$ 1.2	9.5 x
2010	\$ 8.4	\$ 1.5	5.4 x	\$ 2.2	3.9 x
2017	\$ 7.8	\$ 0.6	13.3 x	\$ 0.6	14.1 x
2021	\$ 7.6	\$ 0.7	11.0 x	\$ 0.6	12.0 x
2021	\$ 6.7	\$ 0.4	15.9 x	\$ 0.7	9.0 x
2020	\$ 6.0	\$ 0.4	16.0 x	\$ 0.5	12.3 x
2018	\$ 5.9	\$ 0.4	15.0 x	\$ 0.3	20.3 x
2020	\$ 5.7	\$ 0.6	9.1 x	\$ 0.7	7.7 x

Note: Reflects transactions of +\$5M in value that are at least 12 months old as of 03-31-21 (two 2021 transactions included that have 12 months of earnings or pro-forma earnings)

14.7x

WEIGHTED AVERAGE
ENTRY MULTIPLE

2.3x

WEIGHTED AVERAGE
REDUCTION IN
MULTIPLE

3 New Roster Signings

Advance funds to established songwriters who are then under exclusive contract to create music with the benefit of long-term ownership.

\$140M+

CAPITAL DEPLOYED¹

3 YEAR

TYPICAL TERM CONTRACT

ALL

SIGNIFICANT WRITER SIGNINGS
HAVE POSITIVE IRR²

23.3%

WEIGHTED AVERAGE IRR²

NOTABLE SIGNINGS

- Ali Tamposi
- Migos
- 2 Chainz
- Danja
- James Fauntleroy
- Jamie Hartman
- A Boogie Wit Da Hoodie
- Joyner Lucas

PARTNERED WITH SONGWRITERS BEHIND HITS BY TODAY'S BIGGEST ARTISTS INCLUDING

- Justin Bieber
- Ed Sheeran
- Ariana Grande
- Bruno Mars

¹ As of 09-30-22

² Based on significant writer signings, which include investments of greater than \$2M and are at least two years old as of 03-31-22

3 New Roster Signings

		TOTAL INVESTMENT	EXPECTED IRR
2016	American female hit pop songwriter	\$14.2M	20.5%
2017	American hip hop trio with two #1 Billboard albums	\$9.9M	33.6%
2018	American 4x Grammy Award-winning songwriter and producer	\$8.9M	3.5%
2012	American rapper with one #1 Billboard album	\$7.3M	25.7%
2014	British 4x BMI & 2x Ivor Novello-winning songwriter	\$6.6M	52.8%
2011	American 2x Grammy Award-winning producer and songwriter	\$6.5M	9.4%
2019	American rapper with one #1 Billboard album	\$5.4M	27.5%
2018	American rapper with two #1 Billboard albums	\$3.3M	27.4%
2015	American rapper, singer, and actor	\$2.8M	27.3%
2019	American 2x Grammy Award-nominated rapper	\$2.3M	13.6%
2017	American 2x Grammy Award-winning songwriter and producer	\$2.0M	5.7%

140M+

TOTAL FUTURES
SPEND TO DATE

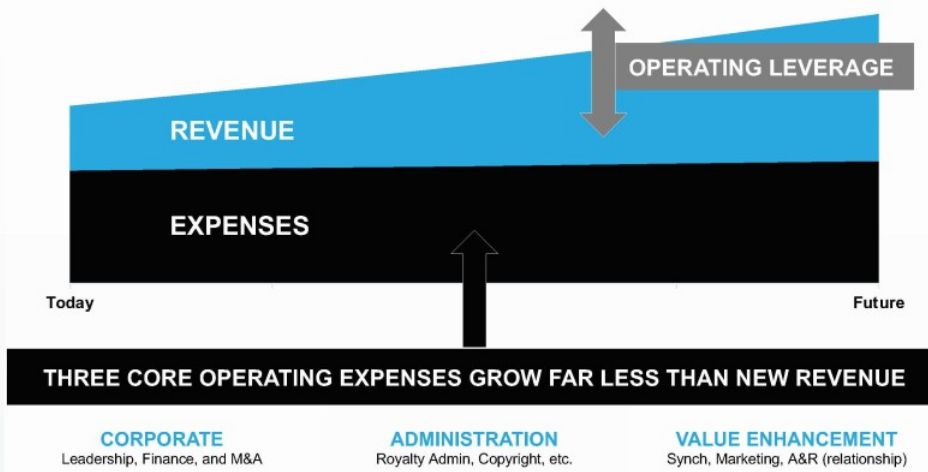
**23.3%
IRR**

ON SIGNIFICANT
WRITER SIGNINGS

¹ FY2021 figures as of 03-31-22, writer signings greater than two years old, and greater than \$2M invested
² IRRs based on actual performance to date and projected performance through

4 Operating Leverage & Cash Flow Generation

Core Infrastructure Provides Substantial Operating Leverage as the Business Grows



> 88%

of Acquired Gross Profit Should Fall to Adj. EBITDA¹

- Asset light model
- Limited incremental expenses needed as new catalogs are added
- Tommy Boy acquisition expanded platform in U.S. for Recorded Music

¹ For the period FY18-FY22



Financials

Q2 Fiscal Year 2023 Results

10% total revenue growth year-over-year

- Music Publishing revenue rose 9% year-over-year
- Recorded Music revenue increased 11% year-over-year

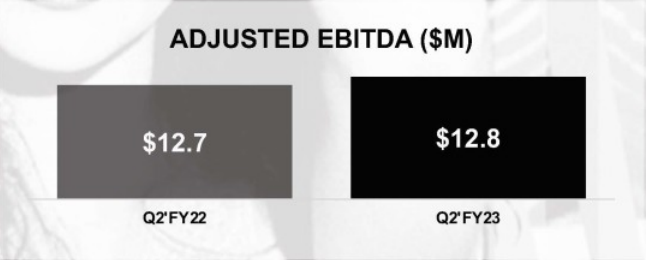
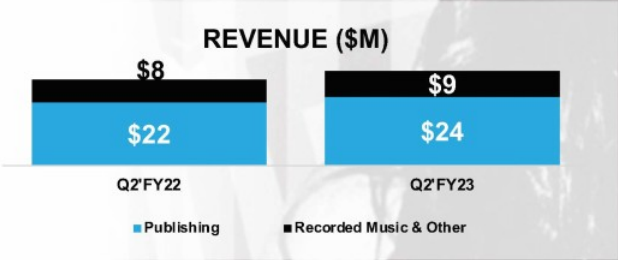
Raised financial outlook for fiscal year 2023, representing double-digit growth for Revenue and Adjusted EBITDA

Strengthened reputation as a well-respected caretaker of legacy assets:

- Catalog acquisitions of Louis Prima and Voice of Beirut
- Signed multiple publishing deals including KayGee of Naughty By Nature, Nick Lee and Brit Taylor

Restated expectation to deploy \$100+ million in strategic M&A in fiscal 2023

Adj. EBITDA year-over-year growth of 1%



Strong Growth Track Record & Forecast – Raised Fiscal Year Outlook

(\$ in millions)	Prior Fiscal 2023 Outlook	Current Fiscal 2023 Outlook	Growth (at mid-point)
REVENUE	\$116 - \$121	\$118 - \$122	11%
ADJUSTED EBITDA	\$44 - \$47	\$45 - \$47	11%



CORE DRIVERS

- Strength & Diversity of Catalog
- Strong Execution in Futures Business
- Value Enhancement Success
- Opportunistic, Accretive M&A

Improving Profitability

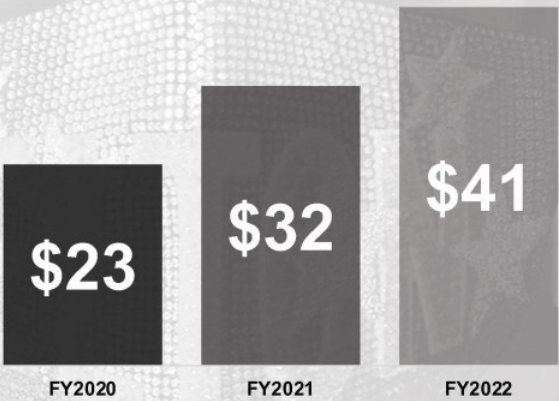
GROSS PROFIT

\$MM



ADJUSTED EBITDA

\$MM

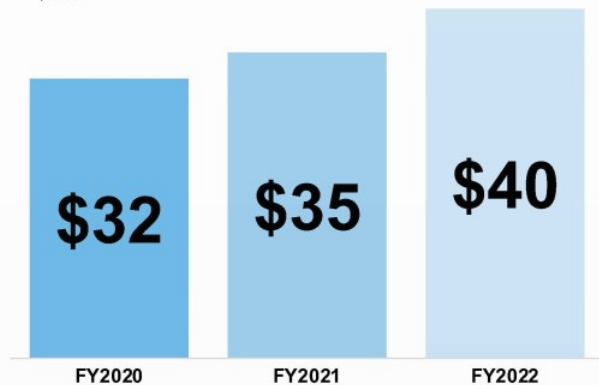


Note: Excludes the effect of any non-cash stock-based compensation expense related to the current option plan.

Solid Balance Sheet & Strong FCF Generator

ADJUSTED FREE CASH FLOW¹

\$MM



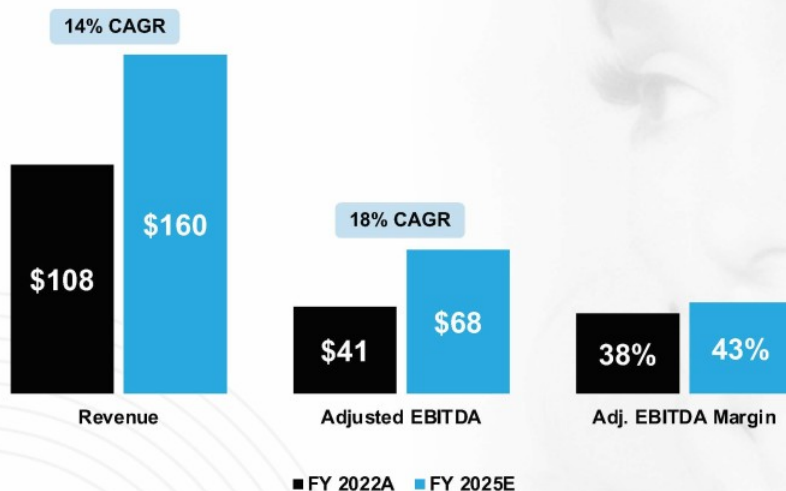
BALANCE SHEET METRICS

as of 09-30-22

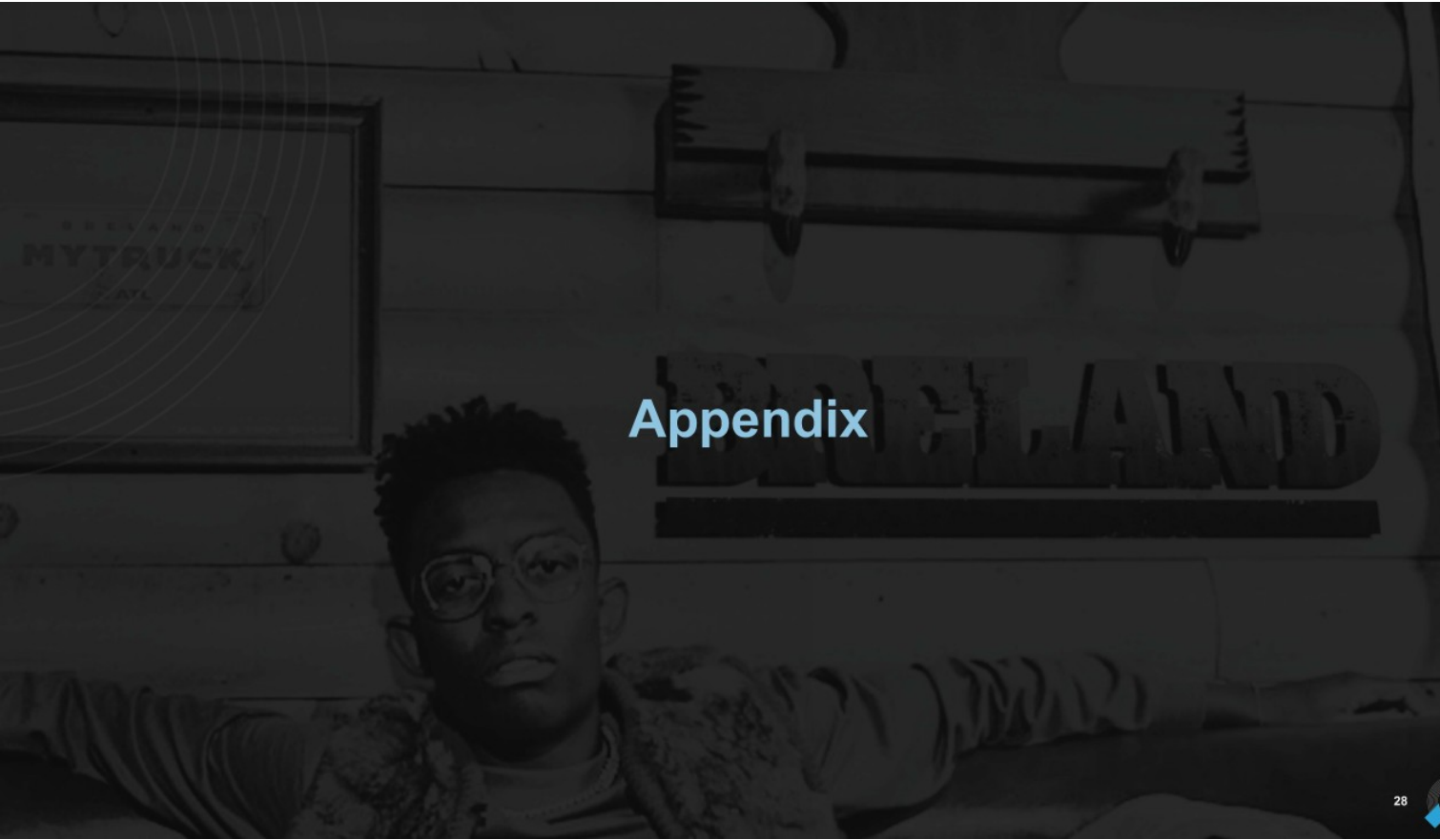
TOTAL DEBT:	\$278M
CASH:	\$18M
NET DEBT:	\$259M
CAPACITY:	\$67M

¹ Adjusted Free Cash Flow excludes cash flow used for acquisitions and signings

Strong Growth Outlook & Operating Leverage



- Assumes \$100M annual reinvestments in the business (except FY2022, where a total of \$224M was deployed)
- Assumes reinvestments split into 75% M&A and 25% futures



Appendix

Music Publishing 101

IP RIGHTS:

- Songs owned by publisher or songwriter
- **Catalog** = previously released songs
- **Futures** = songwriters under active contract who are writing new songs

PROTECTED ASPECT OF WORK:

- Notes & lyrics

RESPONSIBILITY OF PUBLISHER: *Monetization & Exploitation*

- **Catalog**: identify high-quality legacy catalogs and acquire ownership interest in these catalogs
- **Futures**: find songwriters to sign and develop, nurture their skills and pair them with likeminded collaborators; may either have ownership interest in copyright or perform services under an administration agreement
- **Both**: pitch songs for use in film, tv, advertising, videogames, and others; license the right to use the song; collect royalty fees for usage

INCOME:

- Royalty income paid on every version of the song typically split between publisher (NPS) and songwriter (writer's share/royalties)

KEY CASH FLOW METRICS

Revenue / Gross Royalties

(-) Writer Royalties

= Net Publisher Share (NPS)

(-) Operating Expenses
(Artist & Repertoire, Licensing,
G&A, Talent Expense)

= EBITDA

Amortization

Advances

Recoupments

Capex

Recorded Music 101

IP RIGHTS:

- Collection of master recordings owned by a record label or performing artist

PROTECTED ASPECT OF WORK:

- Sound recording of a composition

RESPONSIBILITY OF RECORD LABEL: *Monetization & exploitation*

- Identify songs and work with producers and artists to create, market and promote recordings
- Manufacture and distribute physical product
- Pitch songs for use in film, TV, advertising, videogames and others; license the right to use the recording; collect royalty fees for usage
- Typically owns master recording outright

INCOME:

- Royalty income paid only on specific recording of a song
- Typically split between label (NLS) and performing artist (artist royalties)

KEY CASH FLOW METRICS

Revenue / Sales / Royalties

(-) Artist Royalties

(-) Manufacturing & Distribution Costs

= Net Label Share (NLS)

(-) Operating Expenses
(Artist & Repertoire, Licensing,
G&A, Talent Expense)

= EBITDA

Amortization

Advances

Recoupments

Capex

RSVR Financial Model 101

	MUSIC PUBLISHING	RECORDED MUSIC
REVENUE	Revenue / Gross Royalties	Revenue / Sales / Royalties
COST OF REVENUE	LESS: Writer Royalties	LESS: Artist Royalties LESS: Manufacturing/Distribution Costs
GROSS PROFIT	Net Publisher Share (NPS)	Net Label Share (NLS)
OPERATING EXPENSES	LESS: OpEx (A&R, Licensing, G&A, Talent Expense)	
EBITDA	EBITDA	

INFRASTRUCTURE PROVIDES SUBSTANTIAL OPERATING LEVERAGE, ALLOWING US TO ACQUIRE
THE GROSS PROFIT CONTRIBUTION OF ADDITIONAL CATALOGS WITHOUT INCREMENTAL EXPENSE

Income Statement Highlights

FISCAL YEAR END: March 31(\$ in M)	2019A	2020A	2021A	2022A
Publishing Revenue	\$43	\$53	\$66	\$77
Recorded & Other Revenue	\$2	\$9	\$14	\$31
Total Revenue	\$45	\$62	\$80	\$108
<i>Percentage Growth YoY</i>	40%	38%	29%	35%
Net Publisher Share	\$24	\$28	\$37	\$42
Net Label Share & Other	\$2	\$7	\$10	\$22
Gross Profit	\$26	\$35	\$47	\$64
<i>Gross Margin</i>	58%	56%	59%	59%
Adj. EBITDA	\$19	\$23	\$32	\$41
<i>Adj. EBITDA Margin</i>	32%	37%	40%	38%

Note: Excludes the effect of any non-cash stock-based compensation expense related to the current option plan

Cash Flow & Balance Sheet Highlights

FISCAL YEAR END: March 31 (\$ in M)	2019A	2020A	2021A	2022A
Cash Flow Highlights				
Adj. EBITDA	\$15	\$23	\$32	\$41
Recoupments	10	14	13	13
Interest, W/C Changes & Other	(13)	(5)	(9)	(14)
Cash From Operating (Adj. FCF)	\$12	\$32	\$35	\$40
Acquisitions	(32)	(108)	(119)	(197)
Advances & Other	(18)	(22)	(17)	(28)
Cash From Investing	(\$50)	(\$130)	(\$137)	(\$225)
Balance Sheet Highlights				
Ending Cash	\$9	\$58	\$9	\$18
Ending Debt	105	176	213	276
Net Debt	\$96	\$118	\$204	\$258
Net Leverage	6.6 x	5.7 x	6.8 x	5.7 x

Note: Advances moved from Operating to Investing cash flows for illustrative purposes

Consolidated EBITDA Reconciliation

FISCAL YEAR END: March 31 (\$ in M)	2019A	2020A	2021A	2022A
Net Income	\$ 3.8	\$ 9.4	\$ 9.3	\$13.1
<i>Adjustments</i>				
Depreciation & Amortization	5.9	9.1	14.1	19.0
Income Tax Expense / (Benefit)	0.5	4.0	2.1	4.3
Interest Expense	6.2	5.8	9.0	10.9
EBITDA	\$ 16.4	\$ 28.3	\$ 34.5	\$47.3
<i>Operating Adjustments</i>				
Gain on Debt Extinguishment	0.0	(10.6)	0.0	0.0
Benefit of Forgiven PPP Loan	0.0	0.0	(0.6)	0.0
Exchange (Gain) / Loss	(0.8)	0.1	0.9	(0.3)
Change in Fair Value of IR Swaps	2.8	5.6	(3.0)	(8.6)
Non-cash Share-based Compensation	0.0	0.0	0.1	2.9
Share of Earnings in Equity Affiliate	(0.0)	(0.0)	0.0	0.0
Adjusted EBITDA	\$ 18.3	\$ 23.2	\$ 31.9	\$41.3

Note: Excludes the effect of any non-cash stock-based compensation expense related to the current option plan

A dark, grayscale background image featuring the Jackson 5. The five members are standing in a row, dressed in their signature 1960s style. The image is semi-transparent, allowing the text to be overlaid clearly.

IR Contacts

Jackie Marcus or Alec Buchmelter

Alpha IR Group

RSVR@alpha-ir.com | 312-445-2870