



MUSIC TRUST SONG

Business Plan

January 11, 2022
Strictly Confidential

NFT



WHITE PAPER

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It is also acknowledged by the reader that the information to be furnished in this business plan is in all aspects confidential in nature, other than information that is in the public domain through other means, and that any disclosure or use of the same by the reader may cause serious harm and or damage to Music Trust Song Trader.

Upon request, this business plan document will be immediately returned to Music Trust Song Trader.

This is a business plan. It does not imply an offer of any securities.

Applicable Law

This contract shall be governed by the laws in the United Kingdom.

Signature

Printed Name

Overview

The burgeoning non-fungible token (NFT) sector – a rapidly growing subsection of the global private equity (PE) and investment vehicle space – has seen considerable growth across the globe. Industry trends and market sentiment suggest that NFTs represent a revolutionary convergence of art, technology, and investment and exciting investment opportunity for those seeking to own a digital stake in a work of art and music. The NFT space is best exemplified by the groundbreaking sale of artist Beeple's collected works in 2021.

It is therefore unsurprising that the global NFT sector has seen such significant industry demand and will likely continue to see investment increase well into the foreseeable future. Music Trust Song Trader will seek to take advantage of trends and growth in the market by introducing Music Trust a revolutionary new disruptor royalty NFT technology in the global music space. The following business plan outlines a five-year strategy of Music Trust Song Trader and accompanying financial forecasts that it anticipates achieving.



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Executive Summary

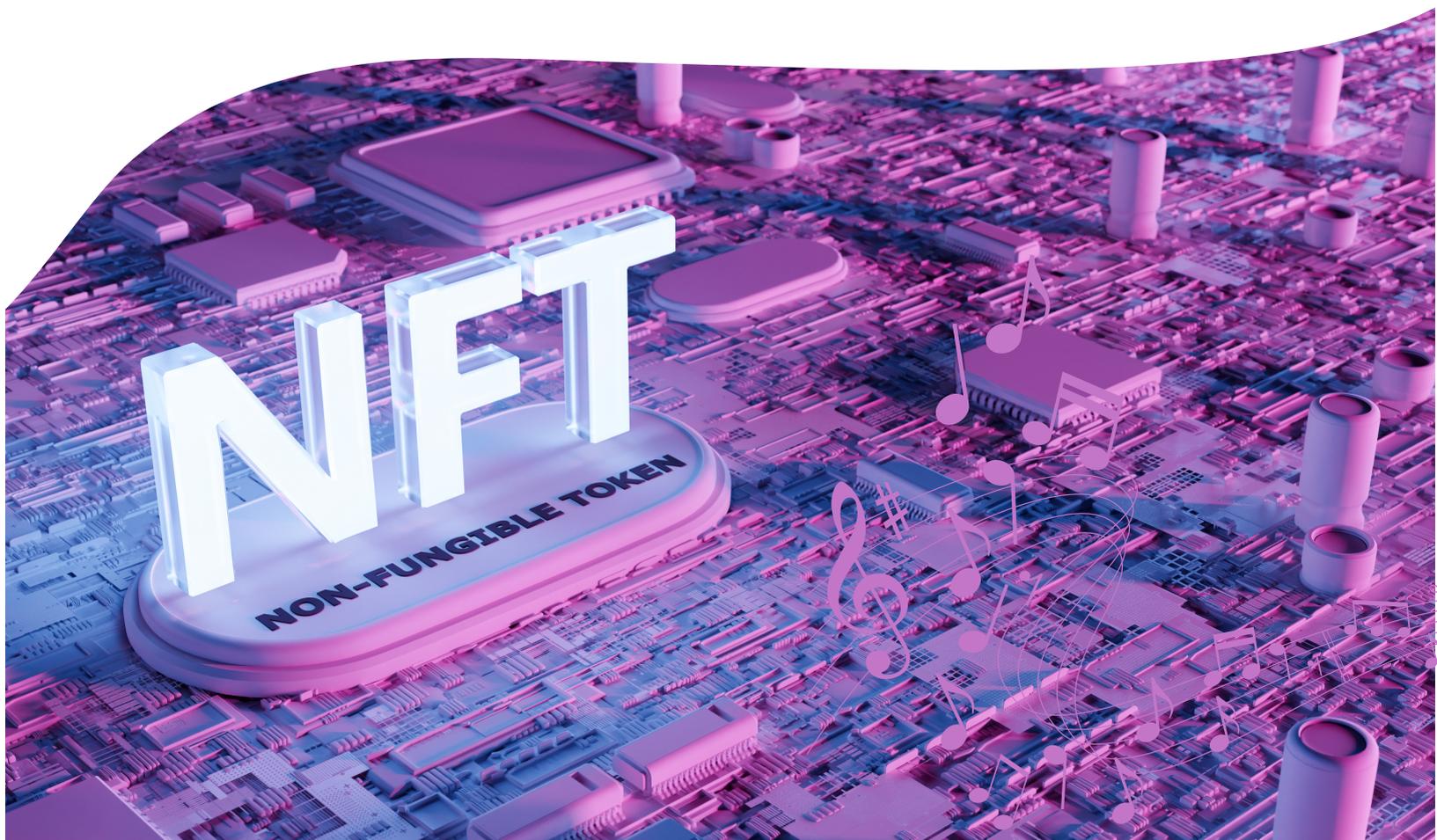
The U.S. private equity (PE), hedge fund, and investment vehicle space has long sought innovative, exciting opportunities for investment and diversification. Investors and high-net-worth individuals (HNWIs) have long sought to amplify their wealth and diversify their holdings through investment in art, and now music. While the days of the Renaissance-era Medici's painters are long gone, modern investors still turn time and time again to art as an investment vehicle for a variety of reasons – including portfolio diversification, tax evasion and mitigation, and simple matters of style and taste. Today, non-fungible tokens (NFTs) – effectively a form of data unit stored on an encrypted ledger (blockchain) that serves as a certificate or proof of ownership – offer savvy investors an opportunity to invest in the ongoing commodification of modern art. This new method of investment has become extremely popular, with a \$338 million global market capitalization and over 64,000 transactions between 2018 and 2020.

The U.S. investment space has taken to NFTs quickly in recent years, led by an eclectic wave of younger nouveau riche high-net-worth individuals (HNWIs), North American retail investors and day traders, cryptocurrency speculators, and technology-oriented investment funds typically based in North America, Europe, and Asia. While they have been steadily growing for the past decade, NFTs have largely entered the public consciousness in the past year. In February 2021, auction house Christie's listed the collected works of celebrated American digital artist Mike Winkelmann (also known as Beeple) – attracting 33 bids, primarily from the Millennial age demographic, with only 3% of bidders in the Baby Boomer demographic and 55% of bidders based in America. In March 2021, the lot was sold for a stunning \$69.3 million to a Singaporean investor and crypto fund founder. During the COVID-19 pandemic, the increasing shift to digital investment – driven by younger, less risk-averse cryptocurrency-oriented investors – exploded, with 2020 representing double the revenue the industry experienced in 2019.

Music Trust is a revolutionary new disruptor royalty NFT technology in the global music space. A blockchain solution designed solely for one purpose - The collection, fair reporting and distribution of music royalty payments. Music Trust offers a blockchain based solution for collecting royalties from digital music service platforms and paying them directly to artists and creators by way of smart contract. This means no more middleman distributors and associations involvement. No more royalty theft by distributors claiming artificial streaming or other fraudulent reasons.

SongTrader.io a global NFT music creation platform and auction house operate a cutting-edge technology that integrates common music distribution functions directly into NFT technology. This essentially turns a real-life song into a supercharged digital NFT. Each song NFT carries its entire life time of music royalty reporting, digital music rights codes, song contracts, UPC codes etc.

Together, these two technology companies have announced a strategic partnership to launch the Song Trader NFT music platform together using each other's technologies. This music NFT platform will allow artists to publish music directly into NFT format and distribute their music worldwide to music platforms. All royalties will be collected and submitted directly to the NFT holder address. For the first time ever, artists can sell their songs in an entirely different way. Investors and collectors can purchase complete ownership of a song and collect royalties from online music streaming platforms, radio and other royalty sources. All of this can be done simply and easy using the Music Trust Token. Management is currently seeking strategic investment sources dedicated to ongoing technology development and the working capital needs to scale and grow the brand to become an industry leader in the market. The following business plan outlines a five-year strategy of Music Trust Song Trader and accompanying financial forecasts that it anticipates achieving.



Market Summary

The NFT sector has proven to be an attractive industry to enter, with the market growing rapidly over the past three years. In 2018, NFT transaction market capitalization stood at a mere \$41 million before more than doubling to \$141.6 million in 2019 and again to \$338 million in 2020. While the speculative nature of the space makes it difficult to estimate future growth, NFT market value is expected to continue to surge into the future, with periods of volatility due to the inherently uncertain nature of the industry.



Major driving factors of growth for Music Trust Song Trader include:

- NFT art sales have grown rapidly over the past three years, from \$619,000 in 2018 to \$12.9 million in 2020. Presently, the sale of specific works (e.g., Beeple) – and growing interest in the collections of star musicians from large PE firms and investment funds – promises significant future growth.
- NFT markets also offer ample opportunities for diversification, with a wide range of unorthodox investment opportunities including so-called metaverses – effectively blockchain-driven virtual worlds where users can buy, sell, and invest in virtual assets and items – which saw \$14 million in sales in 2020 (up from \$5.4 million in 2019). Gaming and sport NFT investments have also grown steadily in the past year, with sales of \$12.9 million and \$7.1 million, respectively.
- NFT sales (i.e., dealer/broker to initial buyer) have remained strong, with 93,089 sales in the last 30 days (as of June 15th, 2021). This is a significant increase over the 23,731 and 12,085 in April and May respectively. While the secondary market remains less active (with 29,980 transactions in the June period), it is slowly increasing – indicating higher levels of confidence and liquidity as investors trade more actively in the growing secondary market.

Three Year Objectives

Music Trust Song Trader has identified the following three-year objectives:



Defining and executing strategic objectives at every level of Music Trust Song Traders core operation.



Developing and selling innovative, high-end NFT product and advisory service lines targeting our key markets and demographics to generate and grow revenues across all key segments.



Developing new products and services – based on market data and client feedback – to better enhance existing value-added NFT offerings and develop new sources of company revenue.



Developing the company's website and associated social media channels to rapidly generate brand interest and credibility – building a comprehensive, cross-channel platform and portal for the company's products and services to substantially boost client attraction and conversion.



Partnering with key industry stakeholders and investors to shape and develop the core brand.



Establishing new distribution and production technologies and tools to drive up efficiency levels.



Establishing and expanding vital supplier and vendor networks as required for key production operations and processes – building and maintaining supplier relationships and supply chains.



Establishing key strategic entry and marketing plans with digital and social media-driven advertising – aggressively expanding brand awareness and credibility into new markets.



Organizing and executing sales and marketing strategies across Music Trust Song Trader operations to surpass sales targets and rapidly generate brand awareness across current and future markets.

Keys to Success

Music Trust Song Trader has identified the following keys to success:



Utilizing our unique value creation process to ensure each NFT product and service exceeds the client's expectations and delivers absolute satisfaction – generating perpetual brand loyalty and overwhelmingly positive referrals in every post-sale interaction.



Perpetually testing and developing our signature NFT products and services to ensure that every stage of our value chain offers unparalleled levels of premium, competitive value for clients.



Ensuring that our core product and service offerings retain their superior reputation and growing presence throughout domestic and international markets – impeccable quality and value.



Ensuring that our strategic entry and marketing plans are proceeding according to plan – adjusting as required and constantly adapting based on market conditions and current projections.



Building a strong brand presence and active, stable client base across our target markets.



Building, strengthening, and regularly leveraging relationships with partners and potential investors, suppliers, producers, distributors, and other key industry stakeholders.



Ensuring that we adhere to a market-driven pricing model to optimize our competitive edge.

Financing Summary

The purpose of this plan is to obtain an investment of 4,000,000 Euros, which will be strategically allocated to launching the platform.

Music Trust Song Trader Overview

For the first time ever, artists can sell their songs in an entirely different way. Investors and collectors can purchase complete ownership of a song and collect royalties from online music streaming platforms, radio and other royalty sources. All of this can be done simply and easy using the Music Trust Song Trader Token. In the music industry this represents a major paradigm shift in how things are currently being done. Music artists have witnessed the mass-decline in revenue since digital music streaming went mainstream and want to take back the ownership of their creations. For Crypto enthusiasts this represents a clear real world use case for solving an industry oldest problem AND; finally gives a non-fungible token (NFT) true real-world value. Previously NFTs value were determined much like art galleries value art. Collectors of NFTs generally create new NFT's based on old ones which hold value. Now it will be possible to purchase a Song NFT, hold the NFT token for as long you like and earn royalties from digital music platforms.

How do Music NFTs work?

NFTs (Non fungible Tokens) are unique crypto assets stored and tradable on a blockchain. They are, immutable, scarce and publicly verifiable. Currently in the music world, artist's get to sell limited digital content to their fans who pay via crypto. With Music Trusts revolutionary blockchain technology we will introduce the ability for an artist to create a full song NFT and distribute music as they did before to music services, bypassing labels, distributors etc. The royalty relationship now becomes directly between the digital music service and the artist or creator. You can now produce any music content that cannot be counterfeited as it is tracked on the blockchain.



What does music NFT's solve?

While there are no set frameworks for the partnership, there are a couple of ways top artists have used NFTs that upcoming ones can take a cue from. These include:

- 1** Album releases - The popular American musician, 3LAU, sold off his tokenized album in February for more than \$11 million. Although this sale volume might be an outlier, other artists can take a cue from the move. Limited copies of your album can be sold on-chain, creating exclusive content in a fanciful way. What's more, artists earn a cut on every secondary sale of the NFTs.
- 2** Beat Selling - Producers can now sell beats directly to buyers as music NFTs. Thanks to NFTs' immutability, end-users purchase these beats on-chain and use seamlessly or hold them for profit on resales. Music producers get to earn a royalty on every resale.
- 3** Merch Sales - Merch, both virtual or physical, can be brought on-chain. Anyone can buy them and resell them. And as usual, artists get a cut on all secondary sales.
- 4** Stock-type distribution layout - Although untested, this is another way NFTs can benefit the music industry. Imagine selling 20% of rights to your upcoming album as NFTs. This means that besides from on-chain revenue, fans holding the NFTs get to earn a cut from the off-chain revenue generated from your music, such as streaming, TV partnerships, and merch sales. Think of it as a tokenized stock certificate that grants ownership rights of the album. This way, you grow an ecosystem around your work, profiting yourself and loyal fans alike. What's more, holders gain access to exclusive features such as front-table rows, special concerts, listening parties, etc.

Key Technologies

Music Trust provides the blockchain assets, contracts and technology that creates, holds and transmits music NFT's. In addition to this MusicTrust.io operates as a music association who directly interfaces with digital music streaming platforms for distribution, collection and review of royalties. It then remits the collected royalties minus a small management and crypto exchange fee directly to NFT holders.

Song Trader provides the online NFT auction sales and royalty verification platform. Anyone owning a Song Trader/Music Trust issued NFT can interact with the blockchain contract. Artists can issue NFT's and sell them on the blockchain or simply create new song NFT's and distribute their music for free. Although the NFT space is relatively new and how labels and music industry techs, and companies' level up is not yet known. What is clear, however, is that they hold promise. Music Trust among other things, aims to connect artists to their genuine fans by providing a cheap NFT platform for music. Join in early and create your music NFTs with Music Trust Song Trader.

Management Team



Raymond L Reddington / Founder/Chair
(Artist Known as Harosho)



Chris Robinson / CEO



Anastasia Reut / CMO



Natalia Panchenko / Business Operations



Industry Overview

Primary Market / NFT Market

The NFT industry is based on the generation and purchase of non-fungible tokens (NFTs) – data units stored on digital ledgers based on blockchain technology. The token is effectively a license or proof of ownership of a particular digital asset or file (e.g., a JPG image file) – however, access to the file itself is not restricted as the NFT only conveys digital ownership. It is not a form of copyright.

Previously, the NFT market generated substantial revenues through a range of transactions. It is difficult to project future market growth due to the highly speculative nature of the industry – however, the market is anticipated to grow dramatically during the next several years, with expectations of periodic instability as the market adjusts to new investment and additional levels of risk, uncertainty, and liquidity.

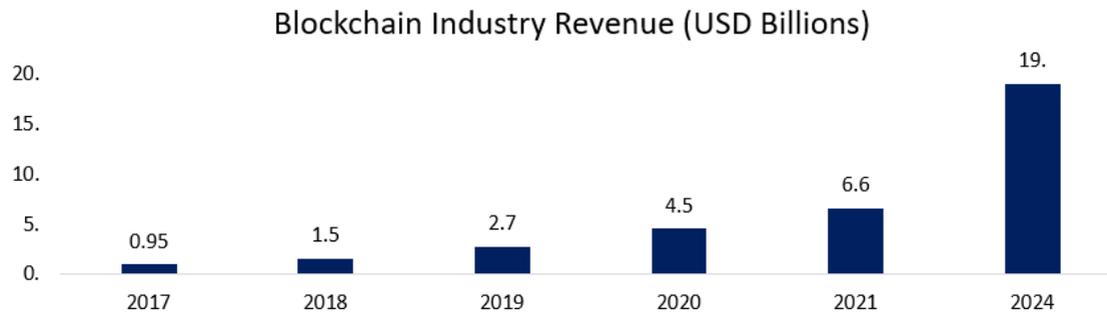
Statista (2021) estimates that as at October 15, 2021 the aggregate value of NFT sales over 30 days amounted to \$337 million, with Reuters (2021) estimating sales in the first half of 2021 at \$2.5 billion.

Global NFT Market (Market Cap)			
2018	2019	2020	2021
\$41m	\$141.6m	\$338m	\$2.5b+

Secondary Market / Blockchain

The global blockchain industry is driven by rapid technological development, innovation, and speculation (particularly as it applies to cryptocurrency). The applications of blockchain and ledger-based technology are effectively limitless. However, the industry is most known for cryptocurrencies and other digital assets (e.g., NFTs) bought and sold on significant online marketplaces and exchanges.

Statista (2021) estimates that the global blockchain industry will see significant growth over the next few years, building on record growth in value and sales volumes. With thousands of cryptocurrencies and untold millions of global transactions in 2021, the industry has expanded massively since its inception. Statista (2021) anticipates staggering 53.4% annualized revenue growth (CAGR 2017-2024) and an anticipated market capitalization of \$19 billion USD in 2024 within the blockchain market.



Key Market Drivers

Consumer Spending

Consumers form one of the largest markets for the NFT market, and their willingness to spend helps drive revenue for online sales. In turn, unemployment rates and consumer sentiment help determine the level of spending people will exhibit. Consumer spending is expected to decrease during 2021 representing a potential threat to the industry.

Number of Broadband Connections

The number of broadband connections represents the total number of internet connection points with speeds over 200 kilobits per second in at least one direction. As broadband connections increase, so does the potential for users to access online auctions. The number of broadband connections is expected to increase in 2021, posing a potential opportunity for industry operators.

Gross Domestic Product (GDP)

Sales of artwork, tend to be quite sensitive to fluctuations in the overall macroeconomic environment. Collectors are much more likely to purchase artwork during periods of growing and stable GDP, and delay purchases when economic conditions worsen. In 2021, GDP is expected to decline globally.

Market Segmentation

Target Market

Music Trust Song Trader is located the United Kingdom but will eventually cater to a much broader market. The company will seek to initial test operations in the United Kingdom. Once operational efficiencies have been fine-tuned the company will expand throughout the rest of Europe targeting niche areas where there is minimal competition. Only after the company has grown, matured, and captured significant market share throughout the Europe will the company seek to expand globally.

Target Characteristics

The target market for Music Trust Song Trader is broad. However, target clients will most likely be relatively tech-savvy and investment-oriented clients, with an above-average interest in digital art, design, and technologies, including cryptocurrency-based investment and blockchain. They will likely have a range of motivations for investing – ranging from casual retail investors and enthusiasts to professional artists and analysts – but will overall tend to slant toward younger Millennial investors.



Strategy & Go-to-Market Summary

The overall strategy for Music Trust Song Trader is to introduce an innovative NFT-based product and service line in Miami and specific regional markets, while simultaneously establishing the Music Trust Song Trader brand as a recognizable leader in the global NFT industry through strategic go-to-market objectives. To accomplish this, Music Trust Song Trader will work directly with key partners and industry stakeholders to capture target clients' attention and interest through innovative digital and social media-based marketing content to rapidly build mass brand awareness and credibility.

Music Trust Song Trader has identified a series of key phases throughout the initial go-to-market campaign that will enable it to create a strong marketing strategy to better attract, educate, and convert potential clients and create viable expansion opportunities well into the future.

Phase I – Immediate Objectives

Phase I of the initial go-to-market campaign will be to secure additional fundraising capital to support further development and expansion of Music Trust Song Trader's core operations and gallery space. The goal in Phase I is to source professional third-party contractors to conduct leasehold expansion, improvement, and upgrade work as necessary and undertake a thorough market research and due diligence process.

Other goals within Phase I will include sourcing third-party professionals for website design, social media development and management, digital advertising and marketing content, research and development (R&D), professional services (e.g., accounting and legal), and any other tasks necessary to ensure full business operations in subsequent phases.



Phase II – Short-Term Objectives

Phase II will be dedicated to the completion of the leasehold expansion and improvement stages and the purchase of any new equipment, systems, technologies, and other assets (e.g., gallery displays) necessary for full business operations – once all Phase I prerequisites have been completed.

Additionally, enhanced digital and social media-driven marketing will be initiated to establish a higher level of brand awareness and credibility in the NFT industry, with marketing expanding significantly across subsequent phases. Any outstanding third-party professional work from Phase I will also be completed.



Phase III – Intermediate Objectives

Phase III of the initial go-to-market campaign will be based on brand awareness strategies – enabled by the previous two phases. Digital and social media-driven marketing campaigns will be implemented to generate a higher level of awareness and credibility for the Music Trust Song Trader brand in target markets.

Enhanced digital marketing efforts will be expanded from Phase II, utilizing multi-channel advertising strategies and outbound cold lead generation targeting potential clients, partners, and investors (outlined below). Testing business products and services and gathering feedback from clients during this phase will improve future sales and client acquisition rates.

Phase IV – Long-Term Objectives

Phase IV will be dedicated to scaling the Music Trust Song Trader brand and seeking new NFT product and service expansion opportunities across the global market. At this point in the company's lifecycle, the brand will be well established in initial target markets, with a strong and consistently growing client base and robust network of industry stakeholders, partners, and investors.

Consistent dedication to digital and social media-driven marketing, networking, outreach, and referral-based word-of-mouth will be ongoing to ensure that Music Trust Song Trader is well represented and steadily growing across our target markets and capable of entering new markets based on risk and reward.

SWOT Analysis



Strengths

- Absolute dedication to client satisfaction and competitive pricing across our entire value chain – the ability to readily convey our value offering and core operations to attract engagement.
- Consistent client-driven NFT product and service development and improvement process.
- Cutting-edge strategic marketing and digital technologies to optimize and drive our competitive edge – professional website and social channels for optimal accessibility and brand credibility.
- Exceptional world-class client service supported by robust internet and social media channels – the ability to consistently generate and engage a loyal and dedicated digital audience.
- Experienced and dedicated management team backed by an exceptional network of partners and key stakeholders from a diverse set of industries – the ability to expand our brand's influence.
- Varied and diverse portfolio of products and services instilling numerous value-added benefits – with multiple opportunities for future revenue growth and expansions into new markets.
- Reputable premium-quality brand with numerous opportunities for organic growth and scale.



Weaknesses

- Low initial brand awareness – sophisticated digital and social media-driven marketing is critical.
- Limited capacity and economies of scale versus larger, established companies – we must grow and scale effectively, and consistently instill added value in every client interaction.
- Limited scope of product and service offerings versus larger, established companies – we must generate additional value with each sale to offset limited range and attract long-term clients.
- Higher per-unit and supply chain costs – we must actively build relationships across the value chain to lower per-unit costs and operating expenses to ensure long-term profitability.
- Higher initial CAPEX and entry costs – we must leverage low-cost business model and actively seek new opportunities to reduce our costs and expand our revenues to offset early expenses.
- Inherently risky business model, as cryptocurrencies and blockchain technologies bear intrinsic risk, due to highly speculative industry and market – we must adapt and diversify our portfolio.



Opportunities

- Evolving positive industry trends present many opportunities to enter and scale in new markets.
- Developing new NFT products and services to meet growing target client and market demands – we can adapt to changing conditions and custom-tailor our portfolio to generate optimal value.
- Developing brand presence and image to generate further positive awareness in new markets.
- Partnering with key industry operators and stakeholders to develop and shape our brand – we can establish lower costs and operating expenses in concert with industry partners and peers.
- Targeting new client demographics and entering new markets based on risk and reward.



Threats

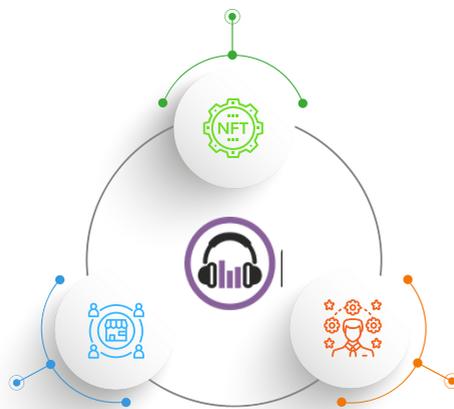
- New rivals entering and expanding into active markets or copying key products and services – we must leverage flexibility and versatility to hold market share and sustain a competitive advantage.
- Evolving negative industry trends and macro-economic shifts – we must explore and develop new revenue sources based on our core proficiencies to fortify key operations and mitigate risk.
- Shrinking NFT demand and changing tastes – we must consistently adapt and adjust our portfolio.



Marketing Plan

The marketing strategy for Music Trust Song Trader will be a key component in its strategic objectives and a critical element in the company's success. The marketing plan involves three primary objectives:

1. Emphasizing our unique and exclusive NFT product and service portfolio to clients – via extensive digital and social media-driven marketing and advertising –along our entire value chain.



2. Entering new markets and appealing to target clients through an effective marketing mix of digital and social media-driven advertising – augmented through industry-tailored platforms – to rapidly build brand awareness and credibility across all channels.

3. Entering stable long-term growth stages by generating and leveraging significant yearly sales growth – driven by ever-evolving marketing strategies designed to engage and secure target markets at every stage of the company's lifecycle.



Pricing Strategy

Music Trust Song Trader's NFT products will be sold according to market prices in accordance with the sales type used (e.g., auction bids). Our services will be sold at competitive market prices where possible to add superior value for clients at every stage.

Once the Music Trust Song Trader brand has been established in target markets and recognized as a key NFT industry leader, the competitive pricing model can be adjusted to further reflect the inherent quality and intangible attributes behind the Music Trust Song Trader brand.



Advertising & Promotion Strategy

Social Media

Digital and social media platforms will be a significant element of Music Trust Song Trader's advertising strategy. Established platforms such as Facebook, Instagram, Twitter, and YouTube will all allow the company to advertise directly and effectively to a wide range of target audiences. Social media benefits from active and significant existing userbases, high levels of digital information transparency and availability, and a set of ad tools that allows us to custom-tailor marketing campaigns to virtually any client's interests and past queries.

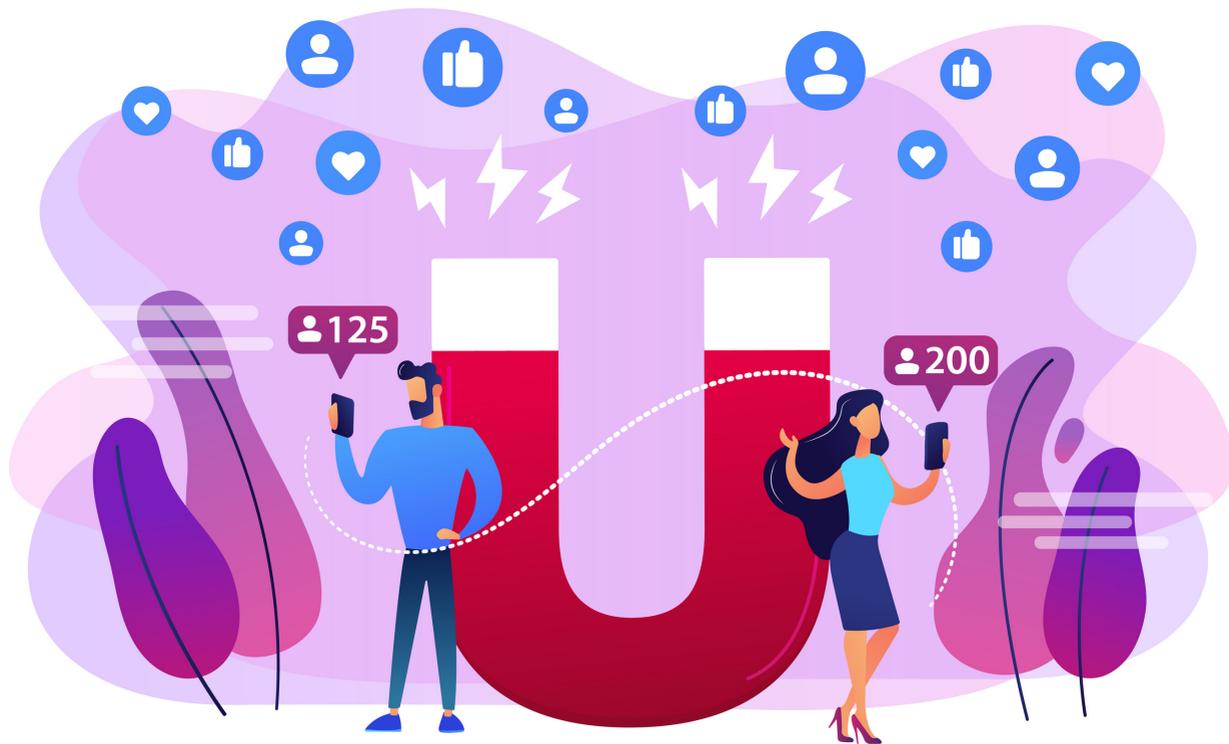
Additionally, the presence of key finance and cryptocurrency figures and influencers – particularly on growing platforms such as Instagram, TikTok, and Reddit – presents unique opportunities for credibility-boosting marketing campaigns and initiatives tailored specifically to certain ready-made target audiences. Social media – driven by communities, influential groups and personalities, and engaging digital content – remains one of the most effective methods available to quickly build a following behind the brand.

Lead Generation

Social Media Ads: This is an important aspect of the company’s digital advertising strategy, which – while requiring more initial capital than some other advertising platforms – will allow us to precisely target specific demographics based on market research. Actively used platforms such as Facebook and Instagram are preferred, as they will enable effective target market selection and efficient progress tracking throughout key marketing campaigns.

Many social leads can be used in tandem with leads from other platforms to diversify and expand in multiple directions in the early stages of a marketing campaign. Cold leads on platforms like Twitter or LinkedIn can also be used with previously gathered data to help target clients more effectively and generate greater awareness from specific demographics. As the company scales considerably, future advertising strategies through social media platforms can be explored – including marketing spend on brand ambassadors and influencers to help showcase and promote the brand’s products and services.

Google Ads: Google AdWords and other G-suite tools will allow us to target potential clients based on their interests and past searches via related queries. Effective ad design and web best practices will enable potential clients to easily find Music Trust Song Trader’s website – and related products and services – when they perform related searches on internet browsers like Google. Search engine optimization (SEO) will be consistently adjusted and monitored based on analytics feedback to ensure that our website and associated social media channels are readily available for clients when searching for related products and services online.



Cold Lead Generation: Once the brand has scaled considerably, cold lead generation will allow us to augment our existing marketing mix with direct outreach. This process will be implemented through outreach programs, targeted social media posts and messages, and email campaigns to lend greater accessibility and credibility to the brand and generate awareness with new target audiences. Cold leads will be especially important for generating relationships and strengthening affiliations with key industry stakeholders and partners, who will in turn assist us in effectively scaling brand awareness through referral and word-of-mouth communication through the NFT industry.

Networking

As the company scales and grows, Music Trust Song Trader will attend numerous NFT industry conferences and collaborate with a range of artists and investors to further build brand awareness and encourage peer-to-peer professional networking. By utilizing this strategy, the Music Trust Song Trader brand can gain greater recognition in the NFT industry and consequently gain new opportunities to build strategic partnerships.

Website

The Music Trust Song Trader website will be designed and developed by third-party professionals to tell the story behind the company brand and serve as a convenient one-stop portal to promote our NFT product and service portfolio. Clients will be able to easily navigate through the website – designed for mobile-first accessibility – from direct search and related social media platforms. Clients will be able to learn the story behind the brand and any associated CSR initiatives, view NFTs and other products in the gallery space, find directions and contact information to attend the gallery in person, and sign up to receive stay informed about Music Trust Song Trader's latest collaborators and art pieces as they are announced.

Search engine optimization (SEO) will be integrated into the website so that the company shows up and is appropriately prioritized when potential clients search for related queries. In addition, conversion funnel optimization will be integrated to ensure the application and web page converts at an optimal rate. Optimizing conversion funneling will ensure potential clients do not drop out during their visit to the website. This is critical to ensure a smooth experience throughout every step of the client's journey.

Inbound Marketing

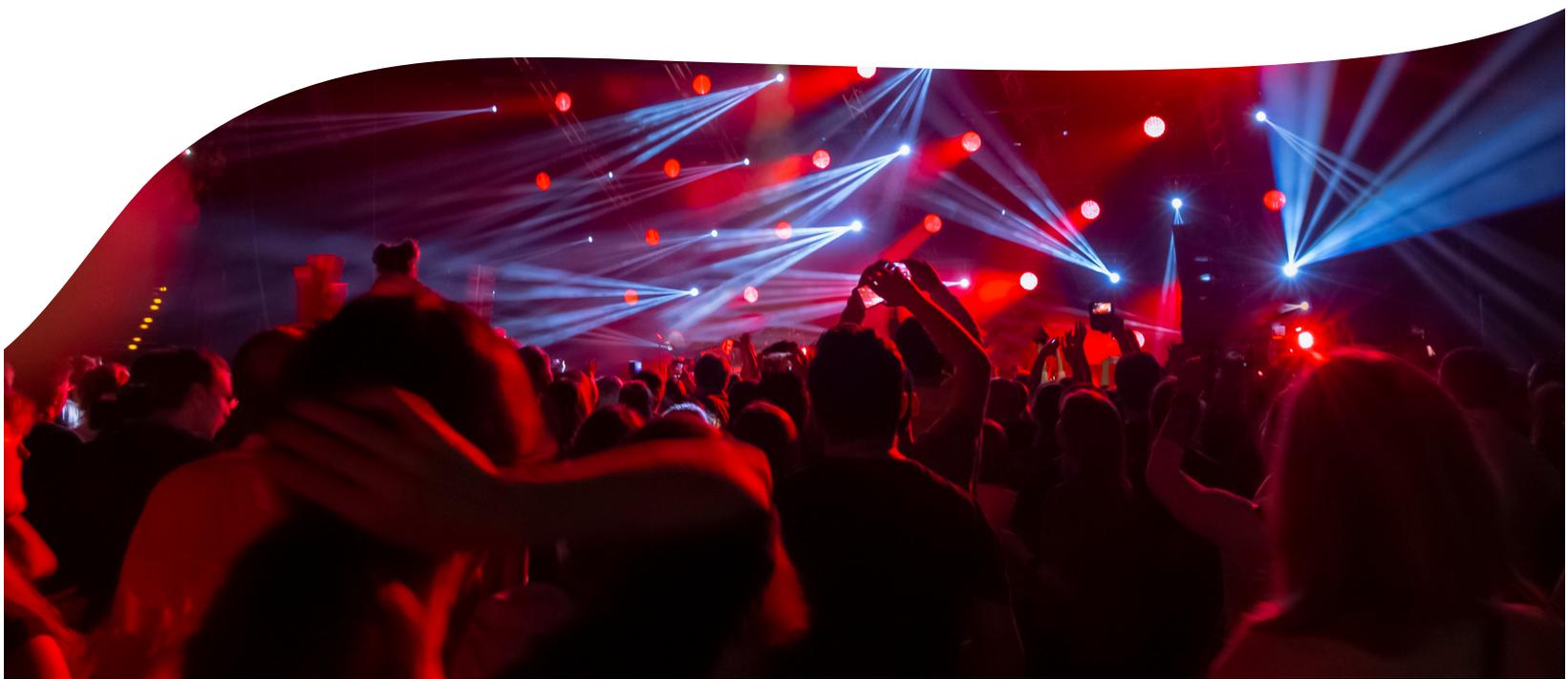
To maximize the effectiveness of continued target marketing efforts, Music Trust Song Trader will adopt an inbound marketing model to appeal and connect directly to targeted stakeholders. Inbound marketing strategies will include a variety of on-site and off-site content marketing to drive new clients to our site. Content marketing also ensures that existing clients remain informed and engaged with our brand, allowing us to maximize long-term client retention.

Off-site marketing campaigns will function in a similar manner to on-site campaigns. While both will require us to provide well-written, targeted, value-centric content, off-site marketing content will be published on another site – preferably art and technology media and cryptocurrency publications. The advantage with off-site content is the opportunity to gain visibility with new audiences who may not have heard of the Music Trust Song Trader brand otherwise. This will help to generate new referral traffic to our website and associated social platforms and steadily grow our brand’s reputation as we publish content with larger, more influential publishers.

With an inbound marketing model, Music Trust Song Trader can also distinguish and place a higher emphasis on specific leads, commonly known as Marketing Qualified Leads (MQLs). MQLs are potential clients that have demonstrated an interest in Music Trust Song Trader’s products by actively seeking the company’s NFT products and services in a variety of ways. They are typically open to the idea of a purchase and have taken the initial steps to engage, but have not made the final purchase decision. The distinction between a regular lead and an MQL is that qualified lead’s behavior is active and engaged. Examples of MQL actions include:



- Downloading e-brochures or whitepaper online
- Filling out online gated forms on the website or social media platforms
- Submitting an email address for a Music Trust Song Trader newsletter or mailing list
- Requesting site visits
- Spending a significant amount of time on the Music Trust Song Trader webpage
- Clicking on an ad to transfer to the Music Trust Song Trader site
- Contacting Music Trust Song Trader to request additional information



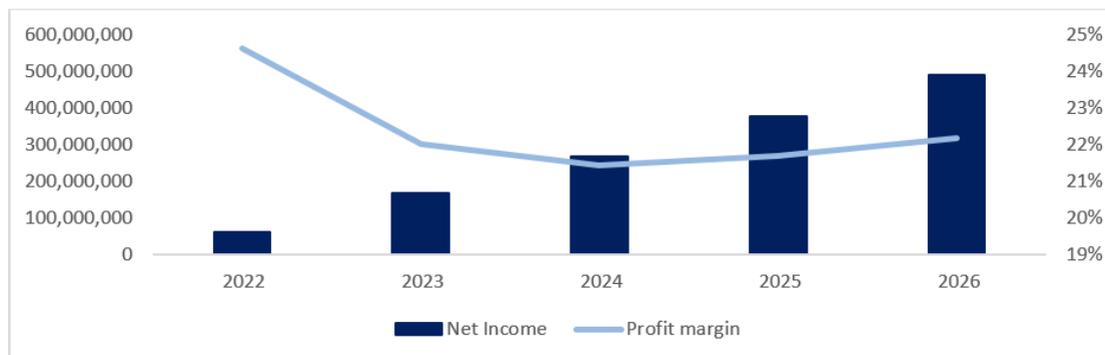
Financial Forecasts

Use of Funds

Startup Expenses		Post Financing Liabilities	
Office Lease	30,000	Loan	0
Office Overhead	78,000	Mortgage	0
Travel & Marketing	90,000	Other Bank Debt	0
Merchant Processing	572,745	Total Liabilities	0
CPA Payouts	150,000	Post Financing Investments	
Salaries and wages	1,228,200	Owner	0
Contingency	1,618,555	Investor	4,000,000
Total Startup Expenses	3,767,500	Total Investments	4,000,000
Startup Assets		Post Financing Funding	
PPE	232,500	Total Liabilities	0
Total Startup Assets	232,500	Total Planned Investment	4,000,000
Total Requirements		Total Funding	4,000,000
Total Startup Expenses	3,767,500		
Total Startup Assets	232,500		
Total Requirements	4,000,000		

Financial Highlights

Financial Highlights						
	2022	2023	2024	2025	2026	5 years
Revenue	250,235,312	758,084,529	1,248,820,552	1,733,944,584	2,217,294,306	6,208,379,282
Gross profit	113,077,948	316,294,658	511,913,174	705,633,050	898,753,340	2,545,672,170
EBITDA	94,866,089	256,909,515	411,596,145	578,973,594	756,191,890	2,098,537,233
Net Income	61,652,883	166,979,918	267,524,711	376,317,778	491,508,208	1,363,983,498
Gross margin	45%	42%	41%	41%	41%	41%
EBITDA margin	38%	34%	33%	33%	34%	34%
Profit margin	25%	22%	21%	22%	22%	22%

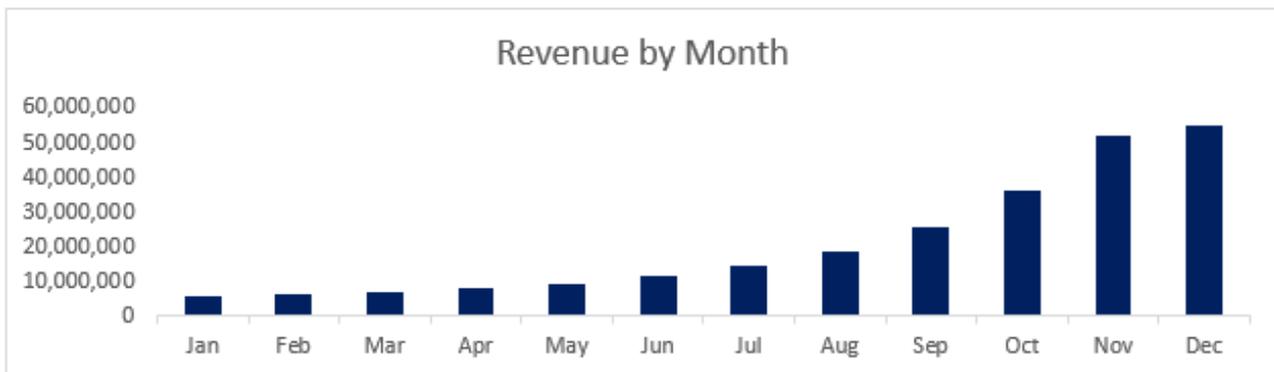
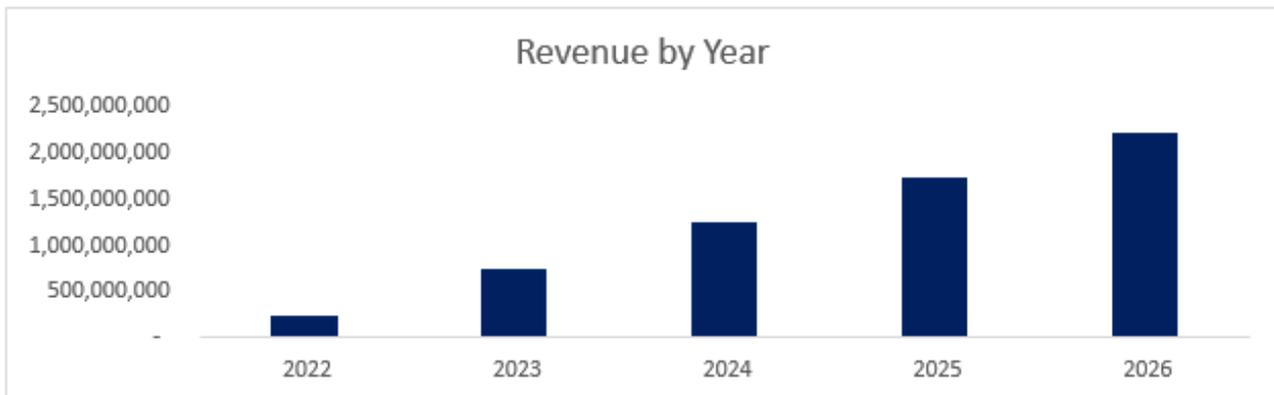


Revenue Forecasts

Revenue Per Distribution Channel						
Revenue	2022	2023	2024	2025	2026	5 years
\$5,000+ Song Sales	37,200,000	178,171,537	300,984,572	422,147,117	542,785,910	1,481,289,137
\$2,500 - \$4,999 Song Sales	81,840,000	178,171,537	300,984,572	422,147,117	542,785,910	1,525,929,137
\$100 - \$2,500 Song Sales	12,871,386	20,891,250	28,836,855	36,758,698	44,679,551	144,037,740
SEO/ Boaster Packages	1,958,250	9,354,006	15,801,690	22,162,724	28,496,260	77,772,930
Auction Fees	66,960,000	133,920,000	200,880,000	267,840,000	334,800,000	1,004,400,000
Song Royalties	10,044	20,088	30,132	40,176	50,220	150,660
Global Ad Revenue (CPM)	18,313,542	89,085,769	150,492,286	211,073,559	271,392,955	740,358,110
Ancillary Products	31,082,090	148,470,342	250,810,444	351,775,193	452,303,499	1,234,441,568
Total Revenue	250,235,312	758,084,529	1,248,820,552	1,733,944,584	2,217,294,306	6,208,379,282
Direct Cost of Revenue	2022	2023	2024	2025	2026	5 years
\$5,000+ Song Sales	37,200,000	178,171,537	300,984,572	422,147,117	542,785,910	1,481,289,137
\$2,500 - \$4,999 Song Sales	57,288,000	124,720,076	210,689,201	295,502,982	379,950,137	1,068,150,396
\$100 - \$2,500 Song Sales	7,150,770	11,606,250	16,020,475	20,421,499	24,821,973	80,020,967
SEO/ Boaster Packages	939,960	4,489,923	7,584,811	10,638,107	13,678,205	37,331,006
Auction Fees	14,169,600	28,339,200	42,508,800	56,678,400	70,848,000	212,544,000
Song Royalties	1,205,280	2,410,560	3,615,840	4,821,120	6,026,400	18,079,200
Global Ad Revenue (CPM)	3,662,708	17,817,154	30,098,457	42,214,712	54,278,591	148,071,622
Ancillary Products	15,541,045	74,235,171	125,405,222	175,887,596	226,151,749	617,220,784
Total Direct Cost of Revenue	137,157,363	441,789,871	736,907,378	1,028,311,534	1,318,540,965	3,662,707,112
Units Sold	2022	2023	2024	2025	2026	5 years
\$5,000+ Song Sales	372,000	1,781,715	3,009,846	4,221,471	5,427,859	14,812,891
\$2,500 - \$4,999 Song Sales	818,400	1,781,715	3,009,846	4,221,471	5,427,859	15,259,291
\$100 - \$2,500 Song Sales	130,014	211,023	291,281	371,300	451,309	1,454,927
SEO/ Boaster Packages	7,833	37,416	63,207	88,651	113,985	311,092
Auction Fees	86,400	172,800	259,200	345,600	432,000	1,296,000
Song Royalties	10,044	20,088	30,132	40,176	50,220	150,660
Global Ad Revenue (CPM)	3,662,708	17,817,154	30,098,457	42,214,712	54,278,591	148,071,622
Ancillary Products	3,108,209	14,847,034	25,081,044	35,177,519	45,230,350	123,444,157
Total Units Sold	8,195,608	36,668,945	61,843,013	86,680,900	111,412,173	304,800,640

Projected Profit & Loss

Pro Forma Income Statement					
<i>(expressed in Euros)</i>					
For the years ended December 31,					
	2022	2023	2024	2025	2026
Revenue	250,235,312	758,084,529	1,248,820,552	1,733,944,584	2,217,294,306
Direct cost of revenue	137,157,363	441,789,871	736,907,378	1,028,311,534	1,318,540,965
Gross margin	113,077,948	316,294,658	511,913,174	705,633,050	898,753,340
Expenses					
Office Lease	120,000	134,194	152,258	179,355	196,774
Office Overhead	312,000	348,903	395,871	466,323	511,613
Travel & Marketing	360,000	378,000	396,900	416,745	437,582
Merchant Processing	7,507,059	22,742,536	37,464,617	52,018,338	66,518,829
CPA Payouts	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Incentives & Bonuses	-	25,000,000	50,000,000	60,000,000	60,000,000
Salaries and wages	4,912,800	5,781,510	6,907,383	8,578,696	9,896,652
Total Expenses	18,211,859	59,385,143	100,317,029	126,659,456	142,561,450
EBITDA	94,866,089	256,909,515	411,596,145	578,973,594	756,191,890
Depreciation and amortization expense	15,500	17,333	19,667	23,167	25,417
Interest expense	-	-	-	-	-
Earnings (loss) before taxes	94,850,589	256,892,182	411,576,478	578,950,428	756,166,473
Income taxes	33,197,706	89,912,264	144,051,767	202,632,650	264,658,266
Net income (loss)	61,652,883	166,979,918	267,524,711	376,317,778	491,508,208



Sensitivity Analysis

Best Case Scenario (Revenues Increased by 15%)

(expressed in Euros)

For the years ended December 31,

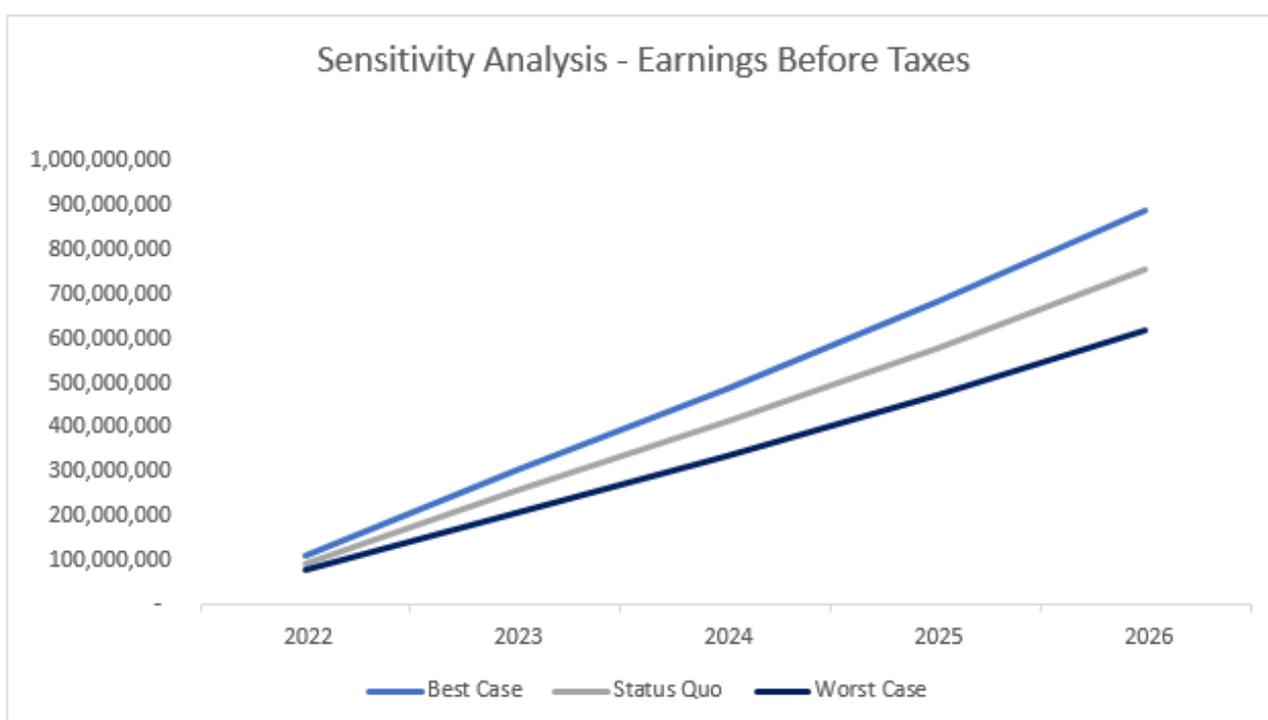
	2022	2023	2024	2025	2026
Revenue	287,770,608	871,797,208	1,436,143,635	1,994,036,272	2,549,888,451
Cost of goods sold	157,730,968	508,058,352	847,443,485	1,182,558,264	1,516,322,110
Gross margin	130,039,641	363,738,857	588,700,150	811,478,008	1,033,566,341
Operating expenses	18,211,859	59,385,143	100,317,029	126,659,456	142,561,450
EBITDA	111,827,781	304,353,714	488,383,121	684,818,552	891,004,891
Depreciation and amortization expense	15,500	17,333	19,667	23,167	25,417
Interest expense	-	-	-	-	-
Earnings (loss) before taxes	111,812,281	304,336,381	488,363,454	684,795,385	890,979,474

Worst Case Scenario (Revenues Decreased by 15%)

(expressed in Euros)

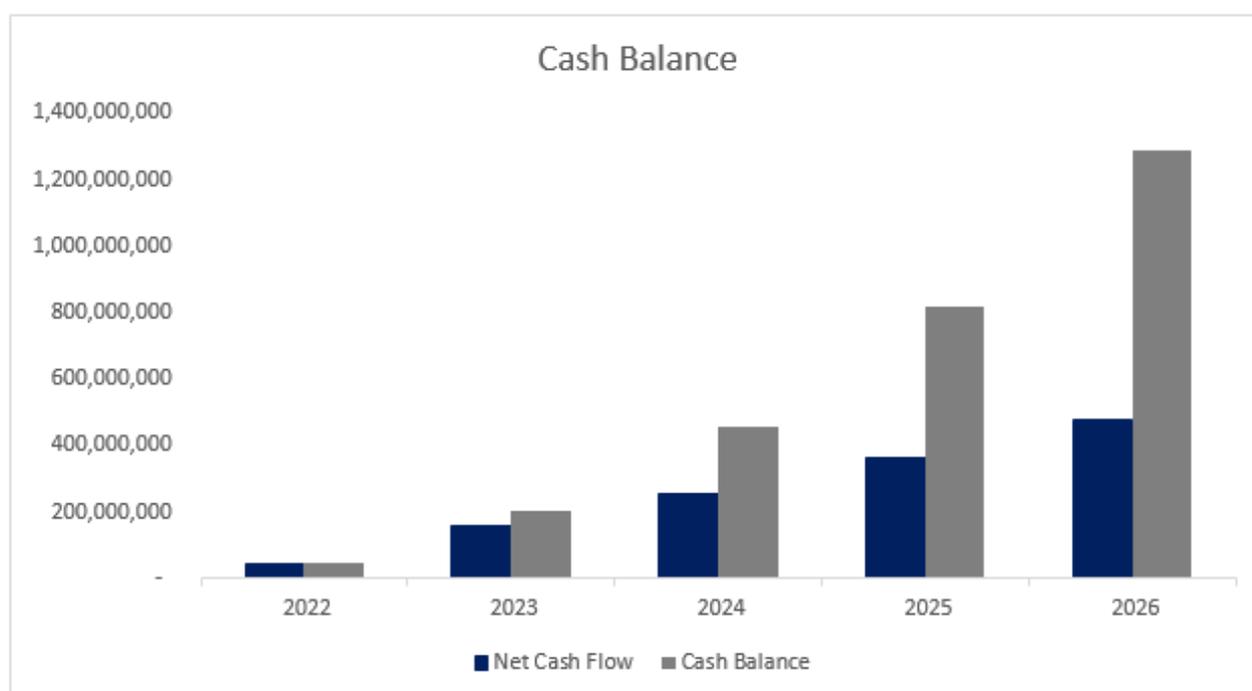
For the years ended December 31,

	2022	2023	2024	2025	2026
Revenue	212,700,015	644,371,850	1,061,497,469	1,473,852,896	1,884,700,160
Cost of goods sold	116,583,759	375,521,390	626,371,272	874,064,804	1,120,759,821
Gross margin	96,116,256	268,850,459	435,126,197	599,788,093	763,940,339
Operating expenses	18,211,859	59,385,143	100,317,029	126,659,456	142,561,450
EBITDA	77,904,397	209,465,317	334,809,169	473,128,637	621,378,889
Depreciation and amortization expense	15,500	17,333	19,667	23,167	25,417
Interest expense	-	-	-	-	-
Earnings (loss) before taxes	77,888,897	209,447,983	334,789,502	473,105,470	621,353,472



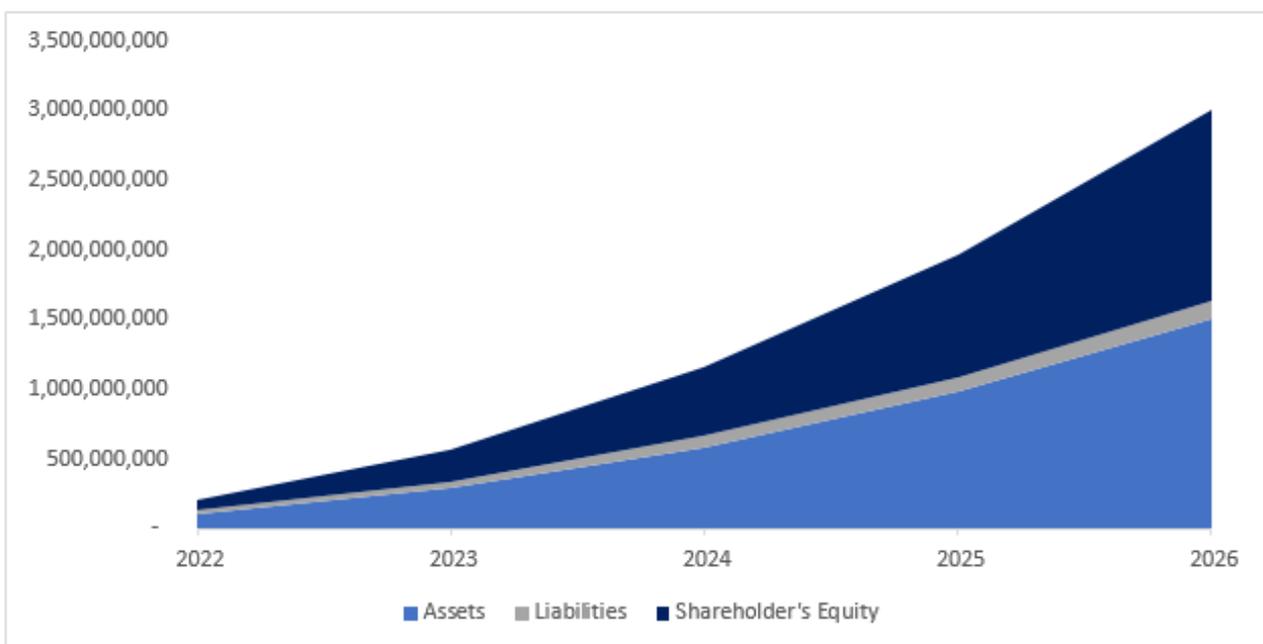
Projected Cash Flow

Pro Forma Statement of Cash Flows (expressed in Euros) For the years ended December 31,					
	2022	2023	2024	2025	2026
Cash provided from (used in):					
CASH FLOW FROM (USED IN) OPERATING ACTIVITIES:					
Net income (loss)	61,652,883	166,979,918	267,524,711	376,317,778	491,508,208
Adjustments for:					
Depreciation and amortization	15,500	17,333	19,667	23,167	25,417
(Increase)/decrease in accounts receivable	(54,000,738)	(25,296,257)	(39,443,578)	(39,441,630)	(39,441,549)
(Increase)/decrease in inventory	-	-	-	-	-
(Increase)/decrease in prepaid expenses	(2,745,038)	(1,285,893)	(2,005,049)	(2,004,950)	(2,004,945)
Increase/(decrease) in accounts payable	36,066,858	16,889,315	27,004,693	25,821,496	24,970,038
	40,989,466	157,304,417	253,100,445	360,715,861	475,057,168
CASH FLOW FROM (USED IN) FINANCING ACTIVITIES:					
Issuance of debt	-	-	-	-	-
Issuance of share capital	4,000,000	-	-	-	-
Repayment of debt	-	-	-	-	-
Distributions	-	-	-	-	-
	4,000,000	-	-	-	-
CASH FLOW FROM (USED IN) INVESTING ACTIVITIES:					
Additions to capital assets	(232,500)	(27,500)	(35,000)	(52,500)	(33,750)
	(232,500)	(27,500)	(35,000)	(52,500)	(33,750)
Change in cash	44,756,966	157,276,917	253,065,445	360,663,361	475,023,418
Cash, Beginning of year	-	44,756,966	202,033,883	455,099,327	815,762,688
Cash, end of year	44,756,966	202,033,883	455,099,327	815,762,688	1,290,786,106



Projected Balance Sheet

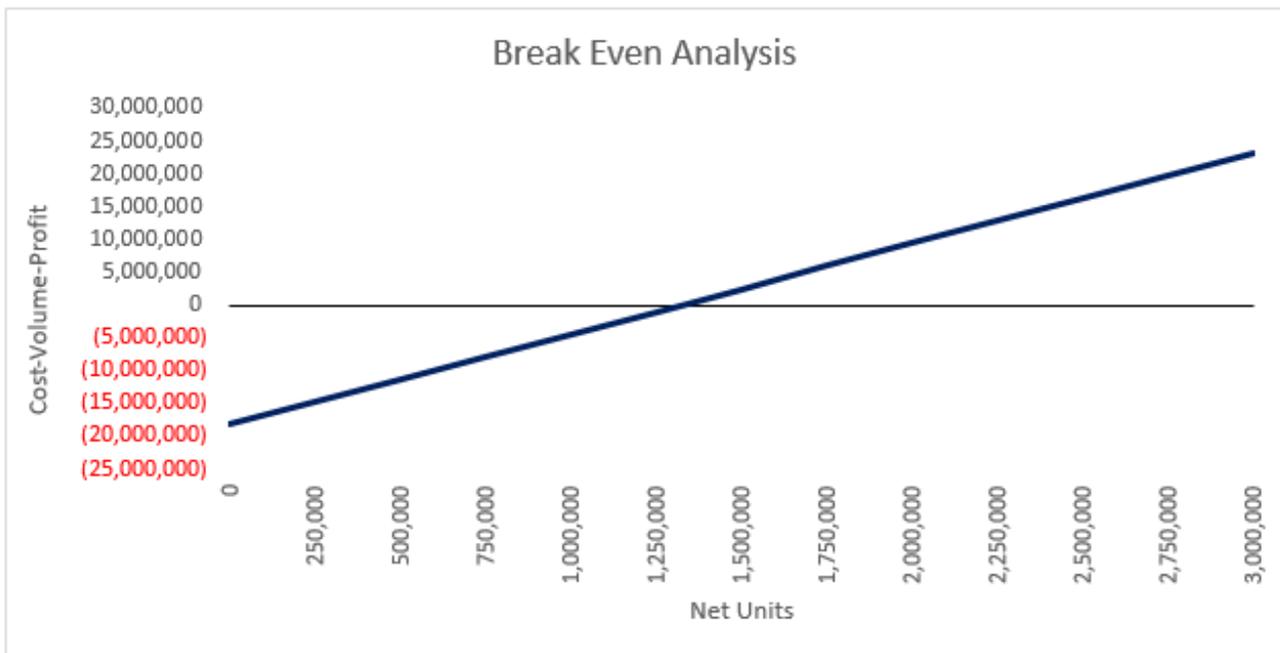
Pro Forma Balance Sheet					
(expressed in Euros)					
For the years ended December 31,					
	2022	2023	2024	2025	2026
ASSETS					
Current assets					
Cash	44,756,966	202,033,883	455,099,327	815,762,688	1,290,786,106
Accounts receivable	54,000,738	79,296,995	118,740,573	158,182,203	197,623,752
Inventory	-	-	-	-	-
Prepaid expenses	2,745,038	4,030,931	6,035,979	8,040,929	10,045,874
Long term assets					
PPE, net	217,000	227,167	242,500	271,833	280,167
Land	-	-	-	-	-
Total Assets	101,719,741	285,588,975	580,118,379	982,257,653	1,498,735,898
LIABILITIES					
Current liabilities					
Account payable	36,066,858	52,956,173	79,960,867	105,782,363	130,752,401
Long term liabilities					
Long term loan	-	-	-	-	-
Total liabilities	36,066,858	52,956,173	79,960,867	105,782,363	130,752,401
SHAREHOLDER'S EQUITY					
Owner's equity	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Retained earnings	61,652,883	228,632,801	496,157,512	872,475,290	1,363,983,498
Total shareholder's equity	65,652,883	232,632,801	500,157,512	876,475,290	1,367,983,498
Total liabilities and shareholder's equity	101,719,741	285,588,975	580,118,379	982,257,653	1,498,735,898



Break-Even Analysis

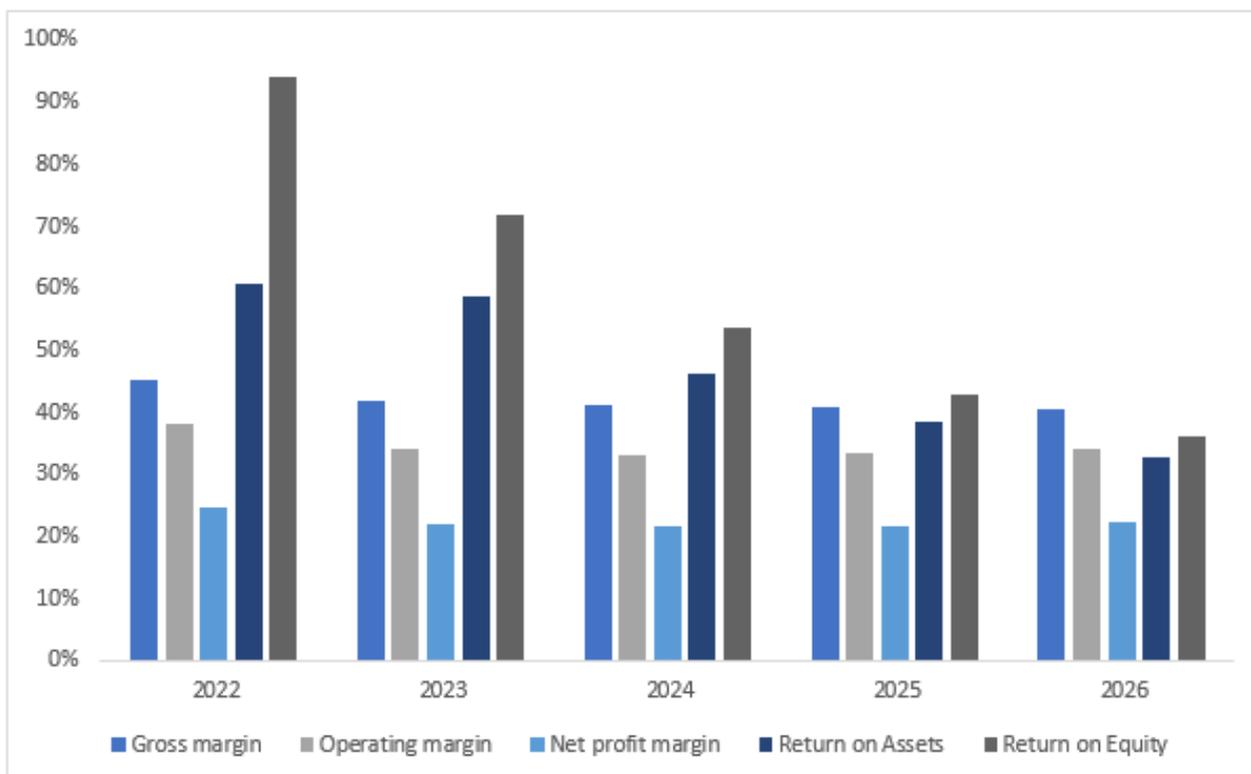
Break Even Analysis	
Total Fixed Expenses (first year expenses)	18,211,859
Contribution margin (per unit)	
Selling price	31
Variable costs	17
Contribution Margin	14
Breakeven even units	1,319,950
Breakeven sales	40,301,850

Break Even Analysis					
Units	Revenue	Fixed Costs (FC)	Variable Cost (VC)	Total Cost (FC+VC)	Net Profit
0	0	18,211,859	0	18,211,859	(18,211,859)
250,000	7,633,213	18,211,859	4,183,868	22,395,727	(14,762,514)
500,000	15,266,427	18,211,859	8,367,735	26,579,595	(11,313,168)
750,000	22,899,640	18,211,859	12,551,603	30,763,462	(7,863,822)
1,000,000	30,532,854	18,211,859	16,735,471	34,947,330	(4,414,476)
1,250,000	38,166,067	18,211,859	20,919,338	39,131,198	(965,130)
1,500,000	45,799,281	18,211,859	25,103,206	43,315,065	2,484,215
1,750,000	53,432,494	18,211,859	29,287,074	47,498,933	5,933,561
2,000,000	61,065,708	18,211,859	33,470,941	51,682,801	9,382,907
2,250,000	68,698,921	18,211,859	37,654,809	55,866,668	12,832,253
2,500,000	76,332,135	18,211,859	41,838,677	60,050,536	16,281,599
2,750,000	83,965,348	18,211,859	46,022,544	64,234,404	19,730,944
3,000,000	91,598,562	18,211,859	50,206,412	68,418,272	23,180,290



Financial Indicators

Ratio Analysis					
	2022	2023	2024	2025	2026
Liquidity ratios					
Current	2.81	5.39	7.25	9.28	11.46
Quick	2.81	5.39	7.25	9.28	11.46
Acid Test	2.74	5.31	7.18	9.21	11.38
Activity ratios					
Account receivable turnover	8.40	11.37	12.61	12.52	12.46
Inventory turnover	0.00	0.00	0.00	0.00	0.00
Total asset turnover	2.46	2.65	2.15	1.77	1.48
Profitability ratios					
Gross margin	45%	42%	41%	41%	41%
Operating margin	38%	34%	33%	33%	34%
Net profit margin	25%	22%	21%	22%	22%
Return on assets	61%	58%	46%	38%	33%
Return on equity	94%	72%	53%	43%	36%
Leverage					
Debt to equity	0.55	0.23	0.16	0.12	0.10
Debt to assets	0.35	0.19	0.14	0.11	0.09
Interest coverage	0.00	0.00	0.00	0.00	0.00



Appendix

Pro Forma Income Statement (expressed in Euros) For the year ended December 31,												
	2022											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Revenue	5,668,580	6,466,415	6,956,498	7,962,704	9,525,660	11,498,490	14,457,735	18,896,603	25,801,508	36,158,865	51,941,505	54,900,750
Direct cost of revenue	1,224,985	1,822,095	2,152,118	2,817,371	3,825,980	5,148,570	7,132,455	10,108,283	14,737,348	21,680,945	32,261,665	34,245,550
Gross profit	4,443,595	4,644,320	4,804,380	5,145,333	5,699,680	6,349,920	7,325,280	8,788,320	11,064,160	14,477,920	19,679,840	20,655,200
Expenses												
Office Lease	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Office Overhead	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000
Travel & Marketing	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Merchant Processing	170,057	193,992	208,695	238,881	285,770	344,955	433,732	566,898	774,045	1,084,766	1,558,245	1,647,023
CPA Payouts	50,000	50,000	50,000	100,000	150,000	200,000	300,000	450,000	700,000	1,050,000	1,600,000	300,000
Incentives & Bonuses	-	-	-	-	-	-	-	-	-	-	-	-
Salaries and Wages	409,400	409,400	409,400	409,400	409,400	409,400	409,400	409,400	409,400	409,400	409,400	409,400
Total Expenses	695,457	719,392	734,095	814,281	911,170	1,020,355	1,209,132	1,492,298	1,949,445	2,610,166	3,633,645	2,422,423
EBITDA	3,748,138	3,924,928	4,070,285	4,331,052	4,788,510	5,329,565	6,116,148	7,296,022	9,114,715	11,867,754	16,046,195	18,232,778
Depreciation and amortization expense	1,292	1,292	1,292	1,292	1,292	1,292	1,292	1,292	1,292	1,292	1,292	1,292
Interest expense	-	-	-	-	-	-	-	-	-	-	-	-
Earnings (loss) before taxes	3,746,846	3,923,636	4,068,993	4,329,761	4,787,219	5,328,274	6,114,856	7,294,730	9,113,423	11,866,462	16,044,903	18,231,486
Income taxes	1,311,396	1,373,273	1,424,148	1,515,416	1,675,526	1,864,896	2,140,200	2,553,156	3,189,698	4,153,262	5,615,716	6,381,020
Net income (loss)	2,435,450	2,550,363	2,644,846	2,814,344	3,111,692	3,463,378	3,974,657	4,741,575	5,923,725	7,713,201	10,429,187	11,850,466

Pro Forma Income Statement (expressed in Euros) For the year ended December 31,												
	2022											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Revenue	5,668,580	6,466,415	6,956,498	7,962,704	9,525,660	11,498,490	14,457,735	18,896,603	25,801,508	36,158,865	51,941,505	54,900,750
Direct cost of revenue	1,224,985	1,822,095	2,152,118	2,817,371	3,825,980	5,148,570	7,132,455	10,108,283	14,737,348	21,680,945	32,261,665	34,245,550
Gross profit	4,443,595	4,644,320	4,804,380	5,145,333	5,699,680	6,349,920	7,325,280	8,788,320	11,064,160	14,477,920	19,679,840	20,655,200
Expenses												
Office Lease	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Office Overhead	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000
Travel & Marketing	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Merchant Processing	170,057	193,992	208,695	238,881	285,770	344,955	433,732	566,898	774,045	1,084,766	1,558,245	1,647,023
CPA Payouts	50,000	50,000	50,000	100,000	150,000	200,000	300,000	450,000	700,000	1,050,000	1,600,000	300,000
Incentives & Bonuses	-	-	-	-	-	-	-	-	-	-	-	-
Salaries and Wages	409,400	409,400	409,400	409,400	409,400	409,400	409,400	409,400	409,400	409,400	409,400	409,400
Total Expenses	695,457	719,392	734,095	814,281	911,170	1,020,355	1,209,132	1,492,298	1,949,445	2,610,166	3,633,645	2,422,423
EBITDA	3,748,138	3,924,928	4,070,285	4,331,052	4,788,510	5,329,565	6,116,148	7,296,022	9,114,715	11,867,754	16,046,195	18,232,778
Depreciation and amortization expense	1,292	1,292	1,292	1,292	1,292	1,292	1,292	1,292	1,292	1,292	1,292	1,292
Interest expense	-	-	-	-	-	-	-	-	-	-	-	-
Earnings (loss) before taxes	3,746,846	3,923,636	4,068,993	4,329,761	4,787,219	5,328,274	6,114,856	7,294,730	9,113,423	11,866,462	16,044,903	18,231,486
Income taxes	1,311,396	1,373,273	1,424,148	1,515,416	1,675,526	1,864,896	2,140,200	2,553,156	3,189,698	4,153,262	5,615,716	6,381,020
Net income (loss)	2,435,450	2,550,363	2,644,846	2,814,344	3,111,692	3,463,378	3,974,657	4,741,575	5,923,725	7,713,201	10,429,187	11,850,466

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