



7DIGITAL IS RIGHT ON TREND AND OUR CUSTOMERS CREATE A BUZZ

In this month's newsletter, we look at recent research showing that our solution goes hand-in-hand with the future of music engagement. We also shine the spotlight on our clients in the news.

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Welcome to the November 2021 Investor Newsletter



Paul Langworthy
CEO

In this issue, we touch on the publication of the IFPI's 'Engaging with Music 2021' annual survey, which has emphasised several trends that support 7digital's strategy, our grasp on the future of the music landscape and our customer base.

We also provide some exciting snapshots of how our eMusic Live platform has been developing, as well as other case studies from the industry that demonstrate the growing momentum in the market for engaging with

music through social media, in-gaming music experiences and livestream.

And, although the year is coming to a close, there's been no rest for our busy customers. This month, we explore what our clients have been up to with a selection of highlights from the news, from glowing write ups and ad campaigns to substantial partnerships.

As always, I look forward to keeping you abreast of our developments as we approach 2022.



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Industry report highlights power of new music trends

Fans and artists are embracing new ways of engaging with music says a prominent industry report – which highlights the growth of music in gaming, social media, livestreaming and the importance of music to wellbeing.

According to the International Federation of the Phonographic Industry's (IFPI) [Engaging with Music 2021](#) study – the largest of its kind – people are listening to music much more, and seizing opportunities to experience it in new ways.

Time spent listening to music each week was 18.4 hours – up from 18 hours in 2019. This partly reflects music providing fans with comfort and healing during challenging times. 87% of respondents said music provided enjoyment and happiness during the pandemic and 80% said it boosted emotional wellbeing, highlighting music's importance for health and wellness.

The growth and expansion in music listening is being driven by the increase in music licensed to streaming services. This supports the greater engagement of fans with music via audio streaming services and especially subscription services, with time spent listening to music on subscription audio streaming services increasing by 51%.

It is also creating new opportunities.

Of 43,000 respondents in 21 countries, almost a third had watched a music livestream in the last year and 65% said they would continue doing so even when in-person concerts were possible.

Music in gaming and social media is increasingly significant. A massive 68% of time spent on short form video apps involved music-dependent videos. 1 in 20 respondents had watched a music livestream on a gaming platform; and 31% had attended, with 52% being interested in attending, a virtual music concert on a gaming platform.

As well as enriching fans' experiences, the changes are enhancing and expanding opportunities for artists to engage and monetise their work. These are all supportive trends for 7digital, our growth strategy and our vision to create an end-to-end platform connecting artists, fans and brands.



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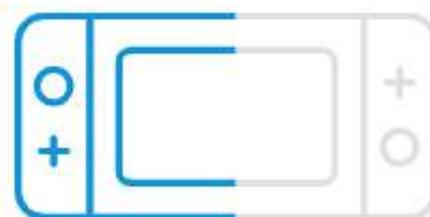
of respondents said music boosted emotional wellbeing

And these trends are demonstrated by recent industry developments in...



GAMING

On 22 November, Ed Sheeran performed a special music set in a virtual crossover with popular mobile game Pokémon GO. The concert was performed on the Pokémon GO app, which is known for its collaborations with pop stars, and which also offered free in-game Ed Sheeran merchandise to those who played the game during the event.



52%

of gamers are interested in watching virtual music concerts on gaming platforms

SOCIAL MEDIA

On 15 November, Snap announced an exciting new deal with Sony Music Entertainment to include their artists' music into Snap's Sounds library. They also announced that they were expanding the music experience on Snapchat by adding Sounds into their augmented reality lenses, including the launch of 'Cameo Sound Lenses' that will apply visual effects to enable Snapchatters to star in their own animated music videos.



LIVESTREAMING

When the ongoing COVID-19 pandemic forced Hoodoo Gurus to cancel their upcoming US tour they turned to eMusic Live for a solution. Hoodoo Gurus will be filming a completely live-in-the-studio performance where they will premiere the songs from their new album, due out in mid-March. Fans who had purchased tickets for the tour (which have been refunded) will be able to watch this pay-per-view performance for free. This performance will be broadcast globally via eMusic Live's streaming platform.

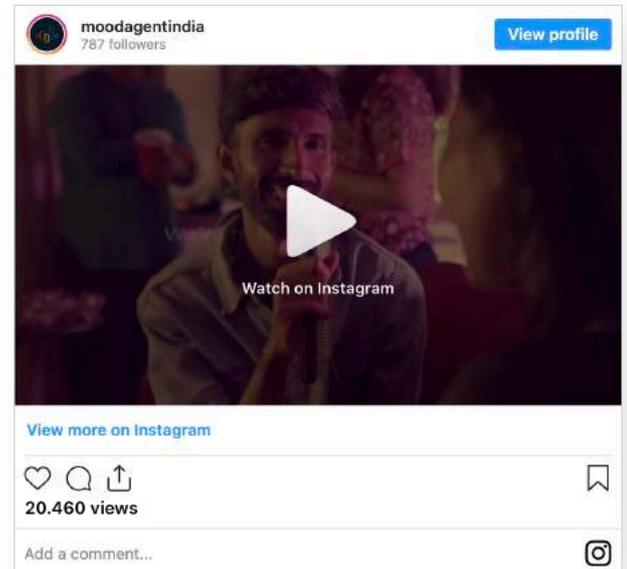
65%

agreed that they would continue to watch music livestreams even when in-person concerts were possible after pandemic restrictions were relaxed

Customer Announcements

Following their launch in India this June, Moodagent rolled out its first major brand campaign this month, 'We're Moodagent. We're here'. The cinematic campaign encourages individuals to design their own dynamic listening experience and promises to 'be here' for all of life's ups and downs – with a playlist to match.

[Watch the ad here](#)



In September, GrandPad received a glowing review in WIRED. The tablet, with access to more than 30 million tracks provided by 7digital, is helping us stay connected with even the most technophobic of elderly loved ones, a function particularly close to our hearts throughout the pandemic.

[Read the full write up](#)

MedRhythms, our \$34M-backed digital therapeutics customer that uses sensors, music and software to build evidence-based neurologic interventions to measure and improve walking, has joined with Universal Music Group.

In this first-of-its-kind partnership, MedRhythms will have access to UMG's catalogue for the purpose of providing prescription music to patients.

[Music Business Worldwide covered the news](#)

