



On behalf of Barometer Capital Management Inc. (“Barometer”) and Kilometre Music Group (“Kilometre”), I am pleased to provide investors with the Q4 2024 cash distribution and quarterly performance report of the **Barometer Global Music Royalty Fund** (the “Fund”). *All amounts are in USD unless otherwise stated.*

PERFORMANCE OF THE PORTFOLIO & QUARTERLY DISTRIBUTION

For Q4 2024, the Fund will issue a **1.2%** distribution from royalties earned in the quarter (versus 1.0% for the same period in 2023), for a total net cash payout of **9.9%** for calendar 2024 (versus 7.0% for the same period in 2023). The distribution will be paid out to limited partners in February. Individual investor returns will depend on investment date, due to the accrual of incentive fees. Refer to the Apex portal for specific details of your account.

The total net return is **49.4% since inception**, with 28.4% in cash distributions and 21.0% in unrealized capital appreciation. This equates to an **annualized return of 11.3%**.

Note: The primary sources of royalties for the Fund are music publishers (e.g. Warner Chappell, Sony) and Performing Rights Organizations/PROs (e.g. SOCAN, ASCAP, BMI). Music publishers generally pay royalties semi-annually (typically Q1 and Q3), and PROs generally pay quarterly. Therefore, royalty receipts are expected to be significantly higher in quarters where both the publishers and PROs remit their royalty payments.

PORTFOLIO & ACQUISITIONS UPDATE

We have invested \$37.9 million of capital in 2024 for catalog acquisitions, and a total of \$140.7 million on seventeen catalogs since inception.

In Q4 2024, we closed a catalog deal for the KBeaZy catalog (Keegan Bach). This catalog contains approximately 80 songs and enhances the Fund’s list of modern streaming era mega hits including "Mood" featuring Iann Dior (2 billion streams on Spotify) and Lil Nas X's "That's What I Want" (1.1 billion streams on Spotify). It also provides artist diversity with compositions by Juice WRLD, Kehlani, Tate McRae, Maroon 5 and Katy Perry.

By the end of 2024, one of the portfolio’s songs, “Blinding Lights” by The Weeknd, was named “No. 1 on Billboard’s Top Hot 100 Songs of the 21st Century”. During the year, it became the first song to surpass 4 billion streams on Spotify, further cementing its position as the most important song in the Fund’s portfolio.

Through our acquisition of co-writer’s catalogs, we have built positions in eight of the ten most streamed artists of all-time on the Spotify platform. The Fund also features 9 of the 20 most streamed songs on Spotify, and a total of 45 titles in the streaming platform’s *Billions Club* (songs

with more than one billion streams).

Top Earning Portfolio Songs:

By Recording Artist

1. The Weeknd
2. Drake
3. Bryson Tiller
4. Post Malone
5. Taylor Swift
6. Travis Scott
7. French Montana
8. Kodak Black
9. A Boogie Wit da Hoodie
10. Sam Smith
11. Justin Bieber
12. The Chainsmokers
13. MAGIC!
14. Dua Lipa
15. Future
16. Camila Cabello
17. Lil Nas X
18. Migos
19. Kendrick Lamar
20. 24kGoldn

By Title

1. Blinding Lights (The Weeknd)
2. Save Your Tears (The Weeknd)
3. One Dance (Drake)
4. Die For You (The Weeknd)
5. After Hours (The Weeknd)
6. Stay With Me (Sam Smith)
7. Circles (Post Malone)
8. No Flockin' (Kodak Black)
9. Hotline Bling (Drake)
10. Don't (Bryson Tiller)
11. Closer (The Chainsmokers)
12. Earned It (The Weeknd)
13. Lavender Haze (Taylor Swift)
14. Karma (Taylor Swift)
15. Rude (MAGIC!)
16. Exchange (Bryson Tiller)
17. Low Life (Future)
18. Drowning (A Boogie Wit da Hoodie)
19. Thats What I Want (Lil Nas X)
20. Levitating (Dua Lipa)

FUND VALUATION

We engaged the New York-based professional services firm, Citrin Cooperman, to prepare the annual valuation of the Fund's established catalog portfolio. We are pleased to report, the suggested fair market value of the portfolio is 21.9% above the combined purchase price of the catalogs, as of December 31, 2024. Incorporating this valuation, the net asset value (NAV) for the Fund has increased by an additional 11.0%, resulting in a net price per unit of \$1,210 for new investors in 2025 (vs. \$1,090 in 2024), equating to a 21.0% increase since inception. This includes fee accruals within the Fund.

INVESTING IN "FUTURE CATALOGS"

In May 2022, we implemented the "Future Catalog" strategy of signing new, up-and-coming artists as a "growth kicker" for enhancing Fund returns. These are traditional music publishing deals, similar to the origins of the catalogs that we have acquired, which began with a publisher working with a writer to develop their career, monetize their work, and build a catalog with lasting value.

By the end of 2024, eleven writers have been contracted to create new songs exclusively for the Fund for a total investment of \$1.3 million USD. This investment has provided an ROI of approximately 40% in 2024. The publisher royalties from these songs will be owned by the Fund in perpetuity.

The most notable signing so far is "Prince 85", who co-wrote The Weeknd's "Die For You" (now

co-owned by the Fund as part of the signing) which experienced an unprecedented 1k 10k viral resurgence in 2023 and drove the six-year old song to #1 on the Billboard Hot 100 chart, driving significant returns for the Fund's investment. He also had four songs placed in the hit movie *Spider-Man: Across the Spider-Verse*, Sony Pictures Animation's highest-grossing film.

Other notable "Future Catalog" highlights include:

- 7 billion accumulative streams on Spotify
- 6 Grammy nominations
- 1 Grammy win
- Aaron Paris named "2024 Breakthrough Songwriter of the Year" by the Canadian Songwriters Hall of Fame
- Releases by Drake, Ariana Grande, Party Next Door, Doja Cat, Metro Boomin', and Korean K-pop group Stray Kids
- Baby Nova (Kayleigh O'Connor) signed to U.S. record label APG, with her debut album to be released in 2025.

MARKET OVERVIEW

The opportunities for acquisitions are robust and are outpacing the supply of capital. We remain confident we can continue to source great catalogs at attractive prices for the foreseeable future.

For investors seeking to diversify their portfolios, the Barometer Global Music Royalty Fund is open for new investment. Investors in Canada can participate in the Fund by buying limited partnership interests of the *Barometer Canadian Music Royalty Fund LP*, which will invest in the Fund. If you are interested in learning more about this continued opportunity, please contact your relationship manager at Barometer.

Regards,

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