



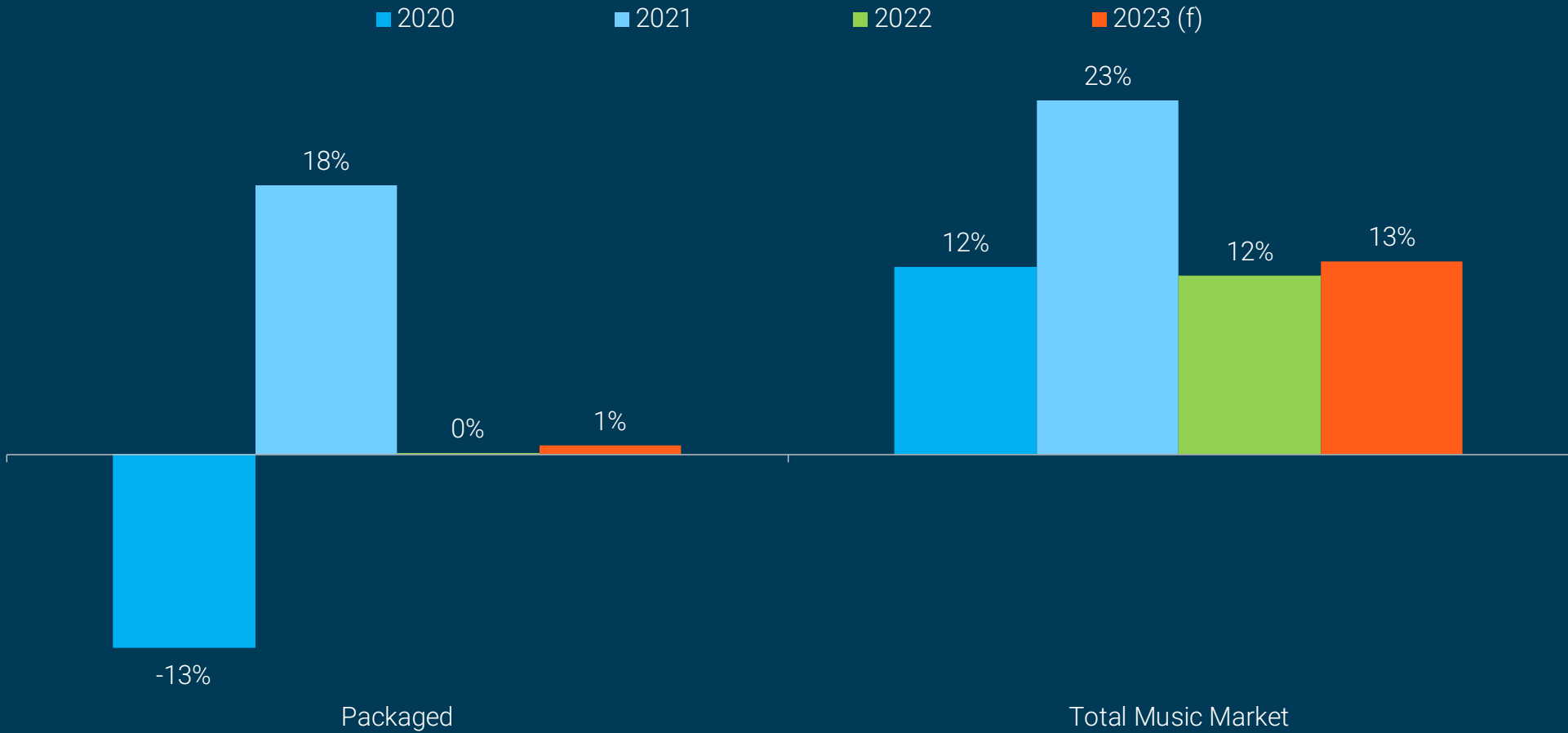
Vinyl Sales Numbers



September 2023

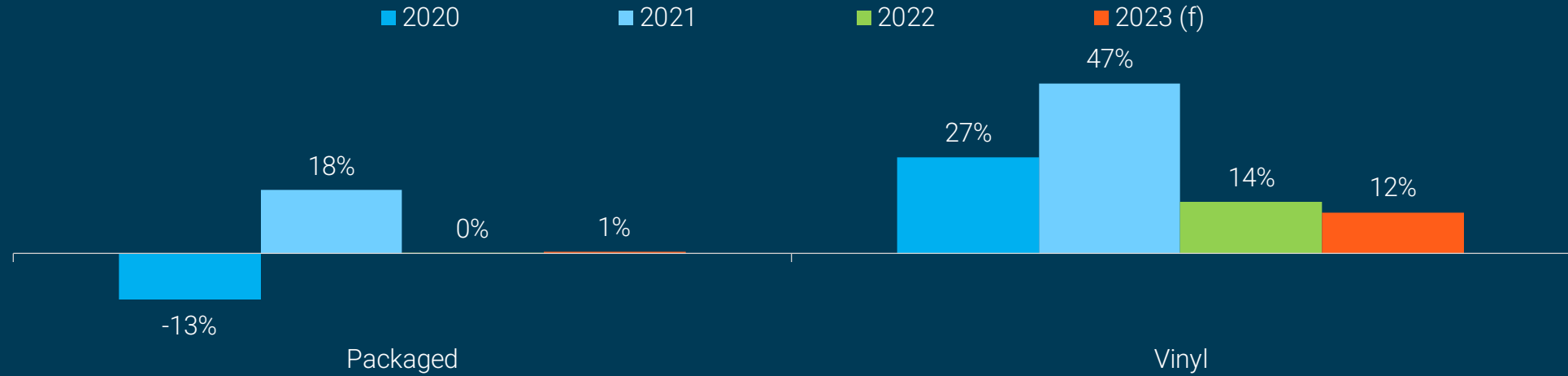
James Duvall

YoY Change in Global Consumer Spend on Music by Format

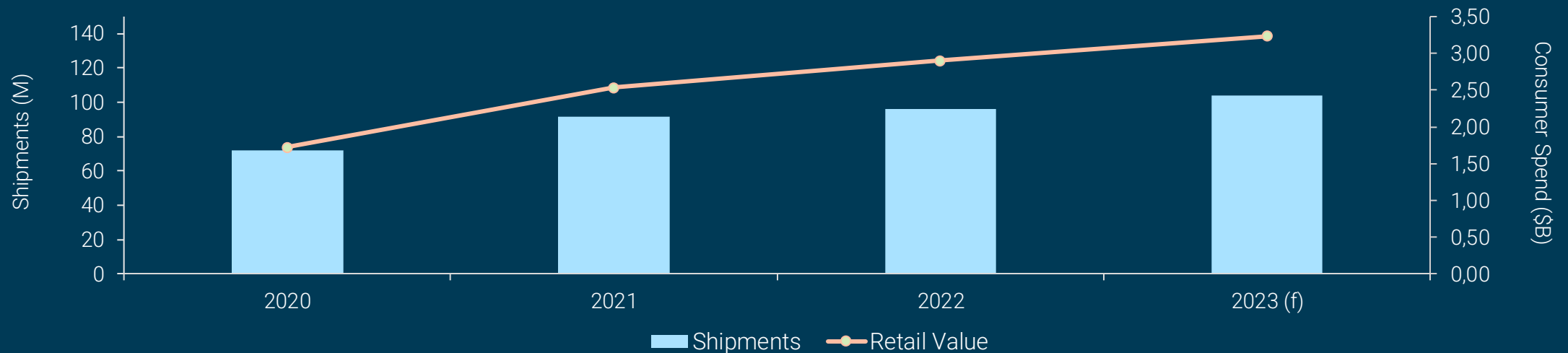


Vinyl – The Growth Format of Packaged Media

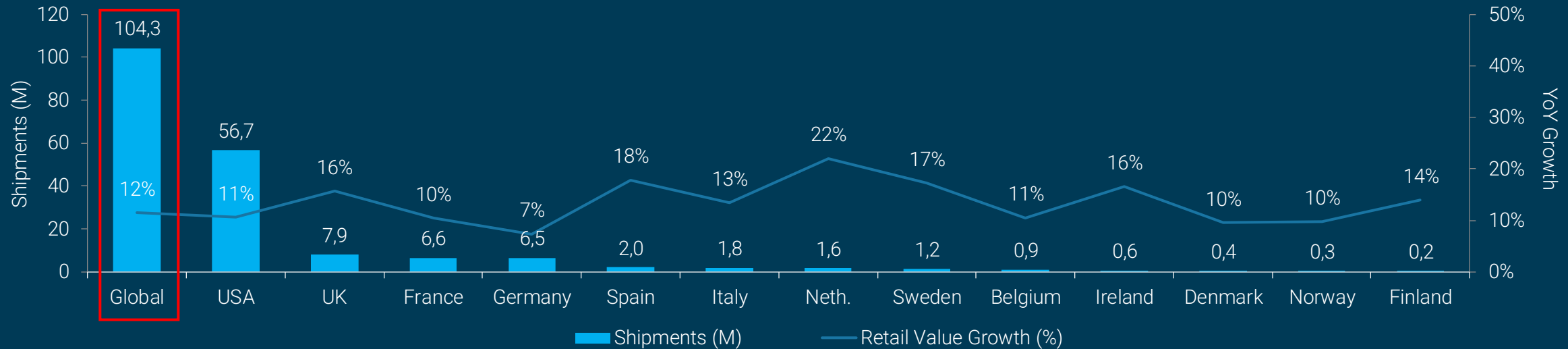
YoY Change in Global Consumer Spend – Total Packaged vs Vinyl



Global vinyl album (LP) market overview, 2020–2023 (f)

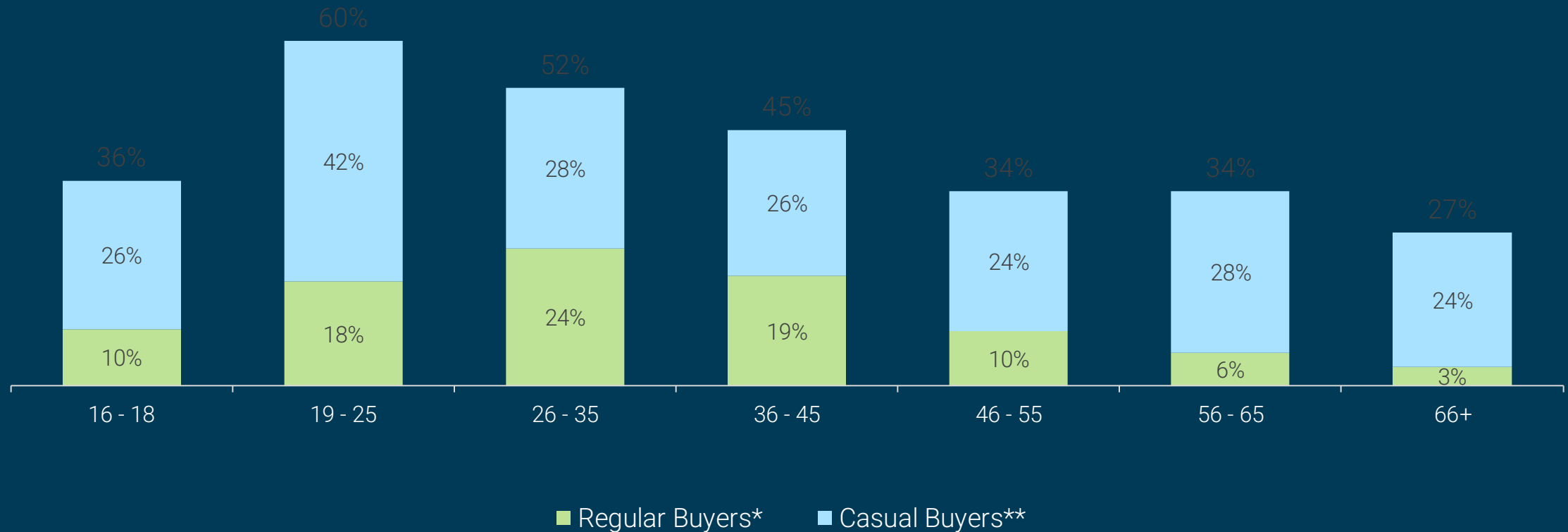


Vinyl shipments and consumer spend growth forecast per market, 2023



- | A consolidated, market where the top 5 account for roughly 77% of the total global sales volume in 2023
- | US remains the largest market worldwide, contributing to more than half (54%) of the total volume sales in 2023
- | The UK is the second biggest and continues as one of the fastest-growing, with YoY value growth of 16%
- | Western Europe represents around 32% of shipments, a 9% YoY forecasted growth
- | 19-35 age group are the leading music buyers of vinyl albums, representing 44% in the UK and 51% in Germany
 - | Higher share than seen in US a 44%

Regular vs Casual Buyers per Age Group
(Base: All Respondents)

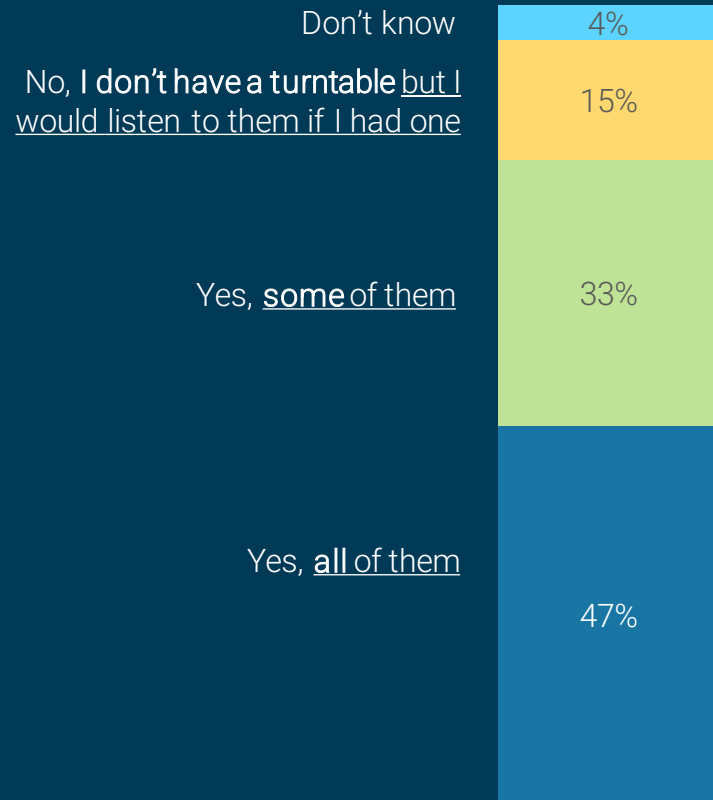


Source: Futuresource Audio Technology Lifestyles Consumer Survey (UK, USA, Germany & Japan)

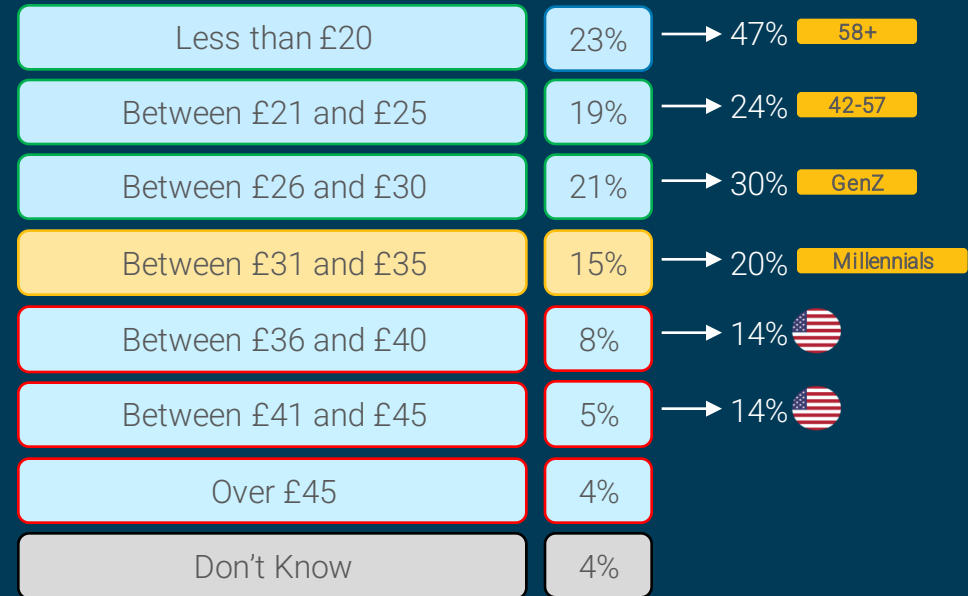
*Regular Vinyl Buyers: bought at least 6 vinyl records in the last year

**Casual Vinyl Buyers: bought less than 6 vinyl records in the last year or over a year since last bought a vinyl

Do you listen to all of the vinyl you buy?
(Base: Vinyl buyers)



What is the maximum amount you would be willing to pay for a new Vinyl (Standard single disc LP)?
(Base: Vinyl buyers)



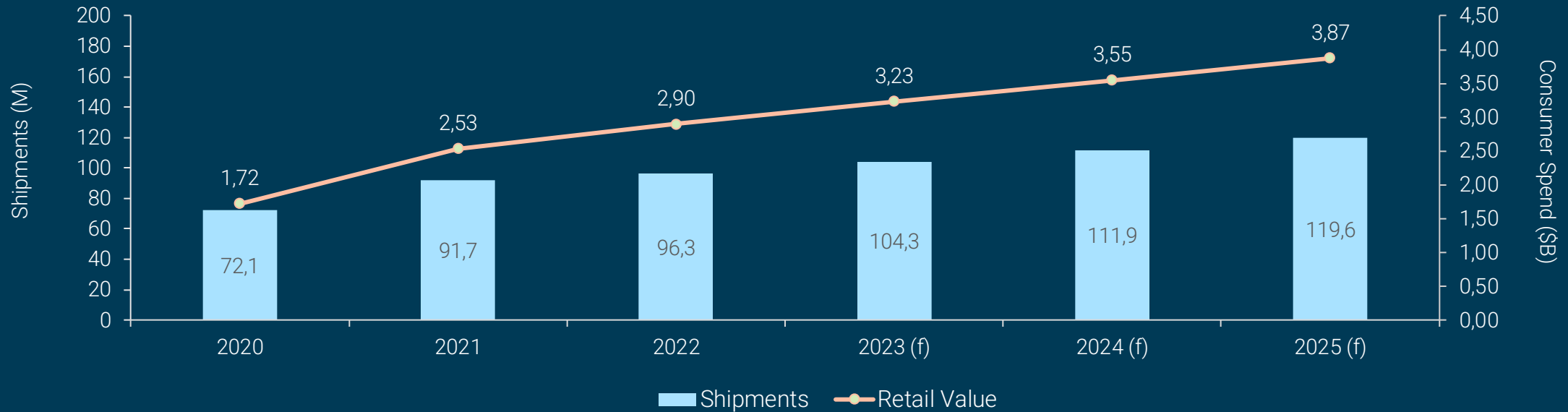
59% of Respondents who purchase, but **don't** listen to all Vinyl Records are willing to pay £26+

Source: Futuresource Audio Technology Lifestyles Consumer Survey (UK, USA, Germany & Japan)

- | Rapid increase in pressing lines, but at what cost to margins and a strong supply chain
 - | Reduction in minimum order quantity – opening up opportunities to Indie artists
 - | Increased manufacturing and supply chain costs to be passed on to consumers as everyone feels the pinch
 - | Environmental credentials and how Vinyl can work alongside European regulations and policies
- | European vinyl see's four manufactures pressing 75% of all LPs
- | Growth of Indie artists
 - | Gaining higher income – packaged vs streaming
 - | Expansion out of home markets
- | Consumer Engagement
 - | Direct to Consumer
 - | Increased bundling
- | The connected home, with turntable manufactures bringing focus to integrating next-gen tech with traditional look

- | Uplift seen during pandemic has now come to an end
- | First time buyers looking for feature rich turntables, but often at the lower price end
 - | Connectivity vs Components
 - | Full HiFi vs pre-purchased Speakers
- | Manufacturers targeting audiences committed to the product
 - | Past few years of pandemic and cost-of-living has seen average selling price come down
 - | Increased production costs to date are yet to be passed on to the consumer
 - | Outlook period showing highest growth in \$1000+ turntables
 - | Focus for new product launches will be at higher end specs
- | Regional growth opportunities driven by untapped markets across APAC

Global vinyl album (LP) market overview, 2020–2025 (f)



- | 2025 Global volume sales edge towards 120m at a CAGR of 7% 2023-2025.
- | On value terms, the market is expected to touch USD3.9bn at a CAGR of 9%. Sustained growth predominantly driven by:
 - | Hybrid retailer pricing approach
 - | Drive of local & regional artists towards adding vinyl to their music catalogue:
- | Audience base growth in developing markets vs. increasing purchase frequency in US and key European countries
- | Growing younger audience as Gen Z grows share of vinyl buyers



Thank you