# TUSASS MUSIC IS CREATED FOR THE ARTISTS

On December 21st 2023, Tusass launched its music app, Tusass Music. Since then, the app has been well received by listeners as well as artists. However, there is still a need for additional information about the proceeds, and Tusass will now accommodate this.

Tusass Music is the collective, digital, Greenlandic music catalog, where you can listen to over 4000 songs from the last 6 decades. Over time, more music will be added as artists from the present and the past choose to publish their music on the app.

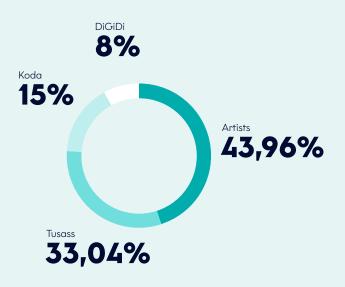
The intention of the app has been that Greenlandic music, which until now has been spread everywhere, can now be gathered under the same roof.

Many have the music copied onto their computer, and before that it was in the form of burned CDs and re-recorded cassette tapes.

But Greenlandic music artists earn nothing from this; therefore, Tusass chose that the best solution had to be a Greenlandic-produced music app.

"With Tusass Music, we can maintain and spread Greenlandic music which includes language and culture. It helps us strengthen and support our country's cultural heritage and history and brings together national identity. With the app, we can also strengthen and support the interest in Greenland, in our language and in our culture. And we also ensure that the artists who create the music receive better remuneration for their efforts."

Nikolaj Christoffersen,
Chief Commercial Officer of Tusass



# How revenue is distributed

Tusass has completed a distribution key based on there being between 7,000-10,000 subscribers. A subscription costs DKK 49 per month.

At 7,000 subscribers, there will be a turnover of DKK 343.000 per month.

Of the DKK 343.000 Tusass keeps 33.04%. Tusass will use this share to pay its app supplier, the operation of the app, and for marketing. Thus, Tusass has no income on the app.



The remaining amount, DKK 229.673 (66.96%) will be allocated to the music industry. Koda gets 15%, DKK 51.450. Koda is a music rights organization working to ensure that composers, songwriters, and music publishers receive fair payment and to make the music industry more sustainable socially, environmentally, and economically.

DiGiDi, which is responsible for the agreements with the musicians and distributors (e.g. Atlantic Music and ULO), gets the remaining 51.96% DKK 178.223.

DiGiDi, which is a non-profit organization, keeps only 6-8% of that amount, while the rest is divided among the musicians based on the number of plays. If we assume that each subscriber plays 250 songs a month, a song earns \$0.13 per play at 7000 subscribers.

At 10,000 subscribers, revenue rises to DKK 490,000, the music industry's share to 71.77% and the song gets DKK 0.14 per play.

In comparison, Spotify has a rate of DKK 0.03 per play. Thus, Tusass Music pays out four times as much (or more) to the music industry as Spotify.

### Exclusivity - where and why?

With Tusass Music, Tusass wants Greenlandic artists to get the most out of their music. Therefore, it is also important that Greenlandic music is gathered in the place where the musicians get paid the most. And that's Tusass Music.

On their website, the partner DiGiDi estimates that, with 4000 paying subscribers to Tusass Music, the artists get paid more than what they get on all the other streaming services combined.

The exclusivity means that the Greenlandic music industry gets a common platform on which listeners can hear new and old and feel the nostalgia at the same time as the inspiration.

With music, it's about reaching out as far as possible, and therefore Tusass does not limit the musicians if they want to sell their music in Europe, the USA or elsewhere in the world. Only in Greenland and Denmark does the exclusivity agreement apply, and it is completely allowed to have your music on Spotify, Tidal or Apple Music in the rest of the world. Thus, it is Tusass' wish and hope that the musicians can earn as much as possible where the Greenlandic population is most closely gathered, but at the same time reach around the world on all other platforms.

## 10% of Greenland's population

Tusass Music has been an unparalleled success; Within two months of launch, there are already 6000 subscribers to the app – that corresponds to over 10% of the population in Greenland!

So, the app has been received like no other product. The success is pronounced in the number of subscribers and the number of plays; Within a month and a half, over 1.5 million plays have been made on the app.

Based on the number of subscribers, it is not difficult to calculate that it is an income of more than DKK 180,000 per month for distribution between the artists on the app.

# Your music on Tusass Music – it's straightforward

The purpose of Tusass Music has never been for Tusass to make money from Greenlandic culture, but for Greenlandic culture to get the greatest possible benefit. Tusass hopes this announcement answers even more questions listeners and artists may be facing.

For those of you who want to become part of Tusass Music, we encourage you to contact DiGiDi, who will help get your music included in the catalog. That way, you'll also be able to enjoy the advantageous revenue – and who knows, maybe it's your music exactly that hundreds of potential subscribers are waiting for to be released in the app.

> <u>DiGiDi</u>





tusassmusic.gl