



**PRESENTATION OF THE NEXAR GROUP  
IPO SHARE ISSUE**

**aim<sup>2</sup>  
Fame**

THE FIRST GLOBAL ONLINE TALENT REALITY SHOW

OCTOBER 2016

### Background

Nexar has created Aim2Fame – a global talent contest with a broadcasted 'Reality Show', combined with artist development and management.

### Business idea

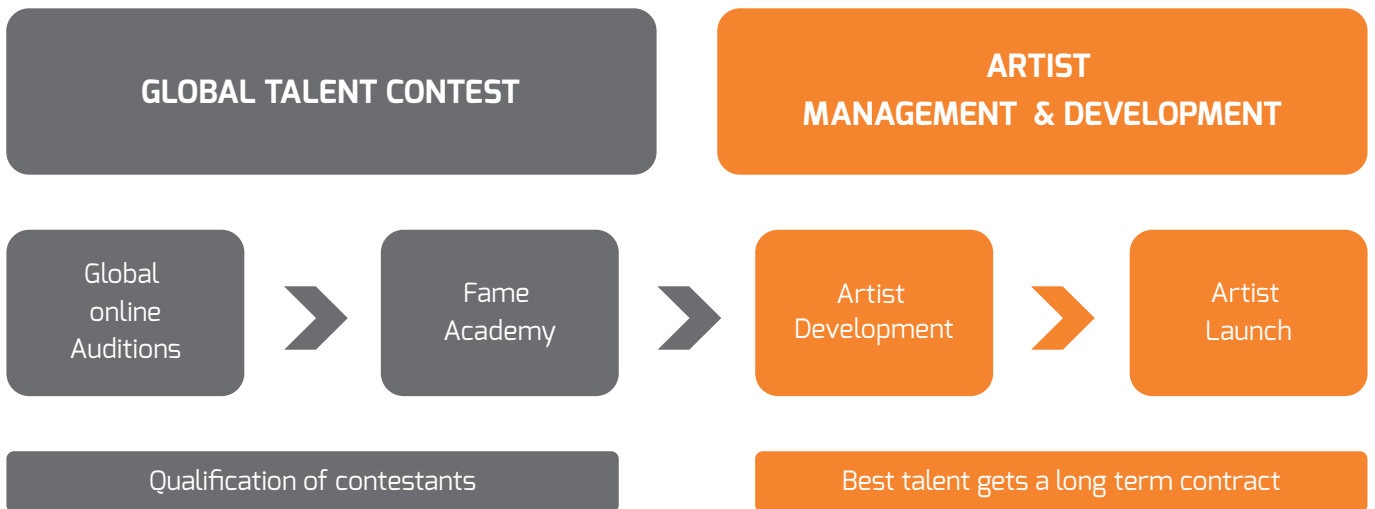
Nexar business idea is to produce and market talent contests combined with artist development and management.

### Vision

Our vision is to make Aim2Fame the most successful global talent contest in the world for the online generation and to create tomorrow's big stars.



## The Aim2Fame concept<sup>®</sup> - Two main business areas



Nexar Group has two main business areas, the online global talent show Aim2Fame with Fame Academy and artist development followed by artist launch. The combination of these two business areas creates scalable revenue streams and profitability.

Through our advanced Internet media platform and in co-operation with our partners, we search for and select participants for an annual contest. The contest and development of selected participants, using world-famous coaches, is the core content of the Reality Show. The best talents are developed further and managed with the aim to be new global stars.



# How does it work?

Nexar’s own developed concept Aim2Fame is an online event where contestants audition is online and where the best talents are chosen from those who get most votes from the audience. This means that each contestant also needs to promote their audition video on Social Media to get votes. This way, there are tens of thousands promoting the Aim2Fame program at no cost.

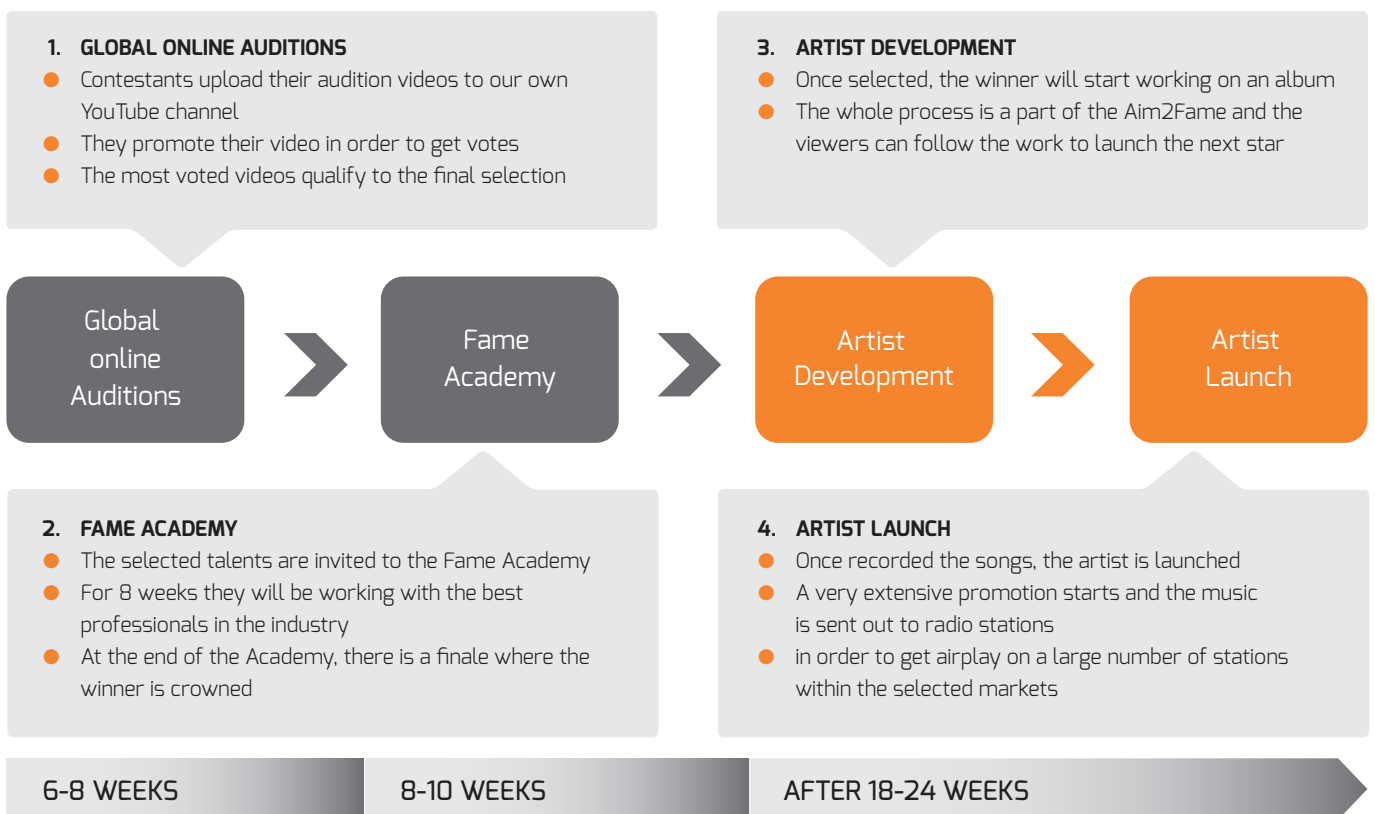
Two months in the Academy will begin to convert them into real artists and the best talent of the show gets a long term artist contract with Nexar.

When the best talent(s) is crowned, we put them to work with some of the most successful songwriters and producers in the music industry.

The Artist Development business area is dedicated to developing new artists and managing their career on a long term basis. We have an extensive network of professional songwriters, producers, choreographers, more, who we bring in to ensure their music and performances are absolutely world-class. We create their shows and contract them to record labels for distribution of their music. We use our promotion team to make sure they are on rotation on all major radio networks. **In short, we make them stars.**

Our strategy is to build a success story in selected markets to get a #1 hit for the platform to license throughout of the world.

## Contents in the 4 phases of the Aim2Fame concept®



The 4 phases of the Aim2Fame concept®.\*

\* Note to Aim2Fame season 1; first year production was a pilot season with the main objective to build and refine the concept and structure of the show. The market investments were deliberately kept low due to this focus of strategy, by this also limited viewers and spread on social media.

## Our team of coaches and music producers

Nexar has access to an exceptional network of professionals in the music and entertainment industry. Many of these world-leaders have been engaged as coaches, song-writers and music producers. They are attracted by the potential of the Aim2Fame concept to create new global stars.

This is a unique feature of Aim2Fame. These world-class coaches will offer contestants the best possible coaching and development. It is no coincidence that most of the coaches are from Beyoncé's team and some also worked with Michael Jackson. Nexar has access to these people on a contractual basis in combination with incentive programs.

### Our Coaches from season one

- **JaQuel Knight** is the creative director for Beyoncé and has been working with her since his breakthrough, and was the creator of the 'Single Ladies' choreography.
- **Chris Grant** was Michael Jackson's first dancer and is now Beyoncé's choreographer.
- **Jason Woods** was a backing vocal for Michael Jackson and singer and vocal coach for Beyoncé.
- **Shaun Walker** has been Beyoncé's dancer for years and is also her personal trainer.
- **Jono Hart** has also worked with Beyoncé, and is now the creative director of Jason Derulo and Little Mix.



The album of the first year best talent of Aim2Fame, **Sara Serena**, was recorded in world class studios in Los Angeles, London and Stockholm. Some of the record producers and song-writers are:

- **Rafa Sardina** based in Los Angeles, and one of the best music producers and engineers. He has 12 Grammy's for his work with superstars like Beyoncé, Lady Gaga, Shakira and many others.
- **Cheche Alara** is a music director, songwriter and producer who works with the biggest names in the industry. Cheche is also a member and the president of the Grammy Committee.
- **Aleena Gibson**, (Red One) Swedish Singer/song writer who has written numerous hits for other artists such as Nick Carter, S-Club 7, and Chenoa.
- **Emile Ghanous**, is a Los Angeles-based Grammy nominated songwriter and record producer.
- **Wil Simms**, most recently co-wrote and produced hit singles for EXO 'Wolf' and 'I Got A Boy', the #1 smash 70 million YouTube plays for Girls Generation.

## Aim2Fame's first star

### Sara Serena – from unknown to #1 in Spain in 3 months

**Sara Serena**, has been recognized as an exceptional talent, a true budding star.

Nexar launched Sara's first single "Asylum" on April 22 and on July 12 it went to #1 on several major Radio stations. Something that normally takes at least 3 years for an unknown artist, according to Sony Music Spain, who contracted Sara.

### Some of her achievements so far:

- A music production "sub label" one-year worldwide contract was signed in April with Sony Music, and Sara's first single 'Asylum' launched on all digital platforms, Spotify, iTunes, Deezer etc.
- On June 9, Tony Aguilar, the no. 1 TV/Music profile in Spain, introduced Sara Serena at an event held in Madrid with more than 400 guests from all major TV and radio networks, journalists from all major press and influencers like bloggers, "You Tubers" and brands like Coca Cola. The event was a huge success.
- In July a promotion tour with Sara was initiated, including interviews and live performances in 5 to -10 radio and TV shows every day, across Spain, resulting in even more media coverage and a growing fan base.
- On July 30, Sara performed in Alicante at the Coca Cola Music Experience on the Beach, a concert with an audience of more than 50,000. Sara performed a full concert with her band and dancers.
- Coca Cola has indicated interest in cooperating with Sara and Nexar. As a first step, they decided to sponsor her coming music videos where their product will be exposed.



# SARA SERENA



DUELE DECIR ADIÓS

## Main ongoing activities fall 2016

- "DUELE DECIR ADIÓS" the second single and video launched in September
- Sara Serena full album/CD will be released in Spain and globally on digital platforms
- Video recording in Los Angeles
- Live performances in Spain, Murcia, Glagapagar-Sierra and Zaragoza
- Live performance in Las Vegas

The success story of Sara Serena is the first confirmation of the Aim2Fame concept



## Growth Strategy - Important activities coming 12 months

### Further invest in the Aim2Fame talent shows

Production on future talent shows is of course a main priority, starting with the second season that is planned to be launched first half of 2017. We will make the necessary investment to further strengthen the concept and to be able to produce a world-class online talent show.

### Building traffic to the Aim2Fame talent shows

This is a priority since it is a key factor for success. For this we will seek strategic partnerships and alliances primarily in the media and music industry. We will also make investment in marketing, and set up a modern social media strategy.

### Artist launch of best talents

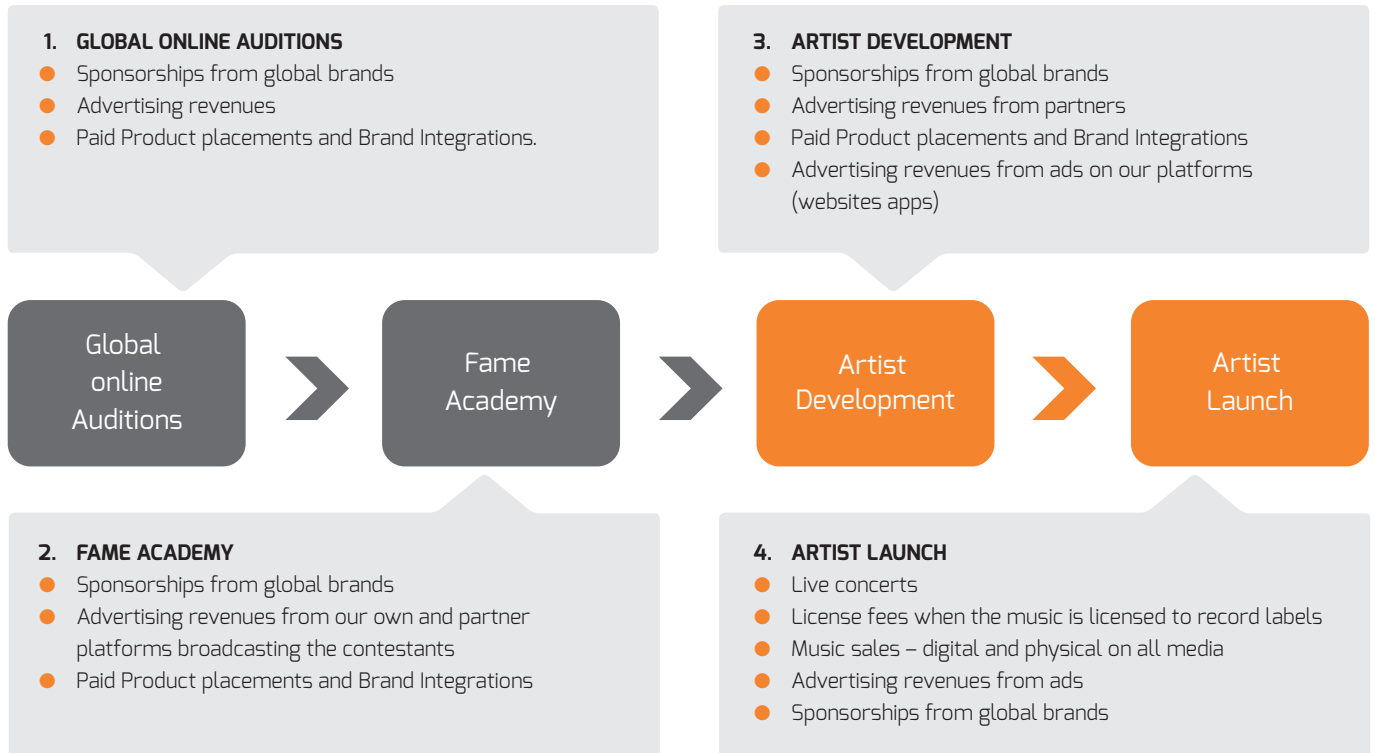
We will make the necessary investment to help our best talents becoming stars. Launch locally and most probably also worldwide, including albums, videos, concerts and more. During the first half of 2017 the focus will be on a worldwide launch of Sara Serena. Launching of our next talent from the 2017 show will start in second half of the year.

### Further development of the organization

Build a solid and competent Swedish organization prepared for international growth. Mainly including management and sales competence (local and global).

# Revenue streams

## Revenue streams in the 4 phases of the business process.



Revenue streams in 4 phases of the business process.

## Most important revenue sources

- **Sponsorships:** Sales and marketing focused on recruiting sponsors and partners to the Aim2Fame Talent Show, global as well as local brands in connection with the contests. They get exposure as presenting sponsors
- **Advertising:** Sell adverts in our videos where we get paid every time an ad is viewed
- **Product Placement and Brand Integration:** Brands pay to get their products exposed in the TV show
- **Music Sales:** Music sales are primarily online today, through download platforms like iTunes or streaming platforms like Spotify, iTunes and such
- **Touring, concert, and live performance income:** Most revenue is expected to come from concerts and other live performances

## A scalable concept

The Aim2Fame business model is a true scalable concept.

The success of the online talent show is hugely dependent on the traffic (visitors/viewers/followers) we can gain to the show. There are many true success stories out there (like Spotify, Skype, Snapchat, Facebook etc) that has grown big really fast due to the impact on the online generation and the power of viral marketing.

The success of the artist development is of course much dependent on the talent that we discover from our talent shows. The story of the likes such as Ariana Grande (see next page) shows that one artist can be a billion-dollar industry by them self.

# Our Market

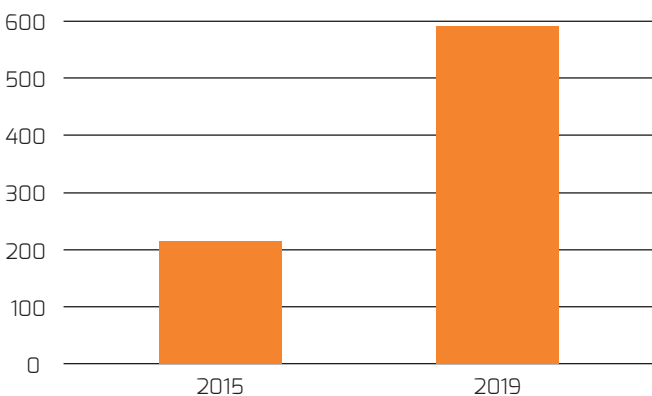
## Market Trends

Future growth in the digital media and entertainment market segments looks bright. The PWC Entertainment & Media Outlook 2015-2019, issued in June 2015, shows that successful entertainment and media companies need to focus on three major imperatives:

- Innovation related the product and the user experience.
- Developing seamless consumer relationships across distribution channels.
- Putting mobile (and increasingly, video) at the center.

Nexar’s business model aligns with these statements, and confirms that we are likely to reach our goal – being a leading innovator in the new digital media market. Also interesting is the dominance of live music sales considering that performances and concerts for new artists are expected to be the main revenue drivers in Nexar’s business model.

**The future growth within the digital media and entertainment segment of the market (\$ BILLION)**



Expected growth in digital media & entertainment markets is 170 % in 4 years.

## Music market

Worldwide music industry revenues in 2015 were \$42.93 billion according to PWC, and is expected to increase to \$47.7 billion by 2020. Revenue continues to grow due to the expansion of digital platforms such as Spotify and iTunes. Also revenues from artists touring has increased significantly over the past decade.

## Online TV market

Global advertising revenue from online video doubled to \$11.2 billion between 2011 and 2014, and will jump to \$13.8 billion in 2015, according to findings from IHS Inc. released today. The enormous success of YouTube has made players in the industry realize the future of television and streaming video. In 2015, Facebook surpassed YouTube in streaming video imprint and is currently the largest video platform.

## Aim2Fame – tailored for the young.

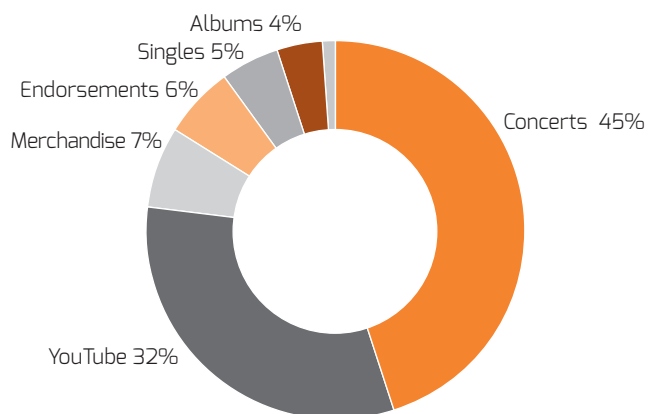
Our target audience is the young generation. Teens and young adults who are more likely to watch TV-shows online. They are also the most difficult demographic to reach through traditional advertising channels, such as TV, radio, newspapers and magazines as they primarily consume all their information online.

- 69 % do not buy CD’s or newspapers at all. But they consume more music and read more news than any generation before them. – They do it online.
- 54 % do not even own a TV-set. They watch all TV-shows and movies on other platforms, such as laptops, tablets or their mobile phones.
- TV viewership has been declining for a decade, in some demographics by more than 30% per year. Television in the form we know it is predicted to have a short remaining life as streaming video will take over.
- TV and video On-demand is the new way to consume film and TV. Netflix and other streaming platforms are taking over the position of linear TV.
- Streaming video has taken over among the younger audience.

## Artist revenue benchmark

The past decade has seen huge change in the way money is made in the music business. An example of how today’s musicians earn is to look at Adriana Grande’s revenue increase and sources. We see her profile, age and song style as comparable to Sara Serena.

### Ariana Grande Net Worth Sources



Source: www.moneynation.com

Ariana Grande’s net worth is \$26.58 million. The 22-year-old has built her fortune through her acting and singing talent, plus endorsement deals. Her earnings come from \$3 million in albums sales, \$4 million in singles sales, and \$36 million in concert box office receipts. A major part came also from

- ▶ YouTube earnings, \$25.6 million, thanks to over three billion views on Grande's Vevo channel.

**Arianas Grande Net Worth through time**

2012	\$ 0
2013	\$ 3,812,077
2014	\$ 8,401,014
2015	\$ 23,108,712
2016	\$ 27,038,495

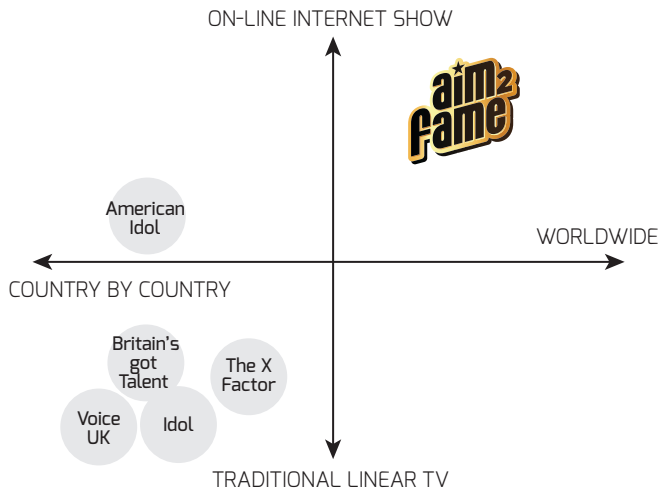
**Talent contest revenue benchmark**

"American Idol" has been a huge moneymaker, but despite falling popularity, it still brings in huge revenues. In year 2014 "American Idol" managed to rake in \$578 million in ad revenue according to the Daily News. And that includes its two major sponsors, Coke and Ford, which have their brands integrated into the show. Their deals are estimated to be worth at least \$10 million each, although network sources claim that figure is much higher.

**Nexar's Market Position – The only true global online TV show**

Nexar is a new company, created to take advantage of this window of opportunity, and we are among the first in the world with this concept. Our first TV format, Aim2Fame, was tailored as an online show from the start, adapted to the way our target audience consumes media.

Using our own platform and YouTube channel, we have a global reach and the episodes are made to fit the behavior of our audience. Each episode is 12-15 minutes long, with high quality content.



**Nexar's market position**

(The online contest "You Generation" is not included in the graph – it is not a show.)

In combining the online Global Talent Show, the onsite Reality Show, our Fame Academy, with long-term contract promotion, we are building a completely new, competitive, and profitable concept. We have an interesting "window in the market" where Nexar has developed a unique concept with a potential to grow fast.

# The company structure

## Legal structure

**Nexar Group AB**

Parent is a Swedish limited liability company with registered office in Stockholm.



**Nexar Productions SL**

A 100% owned production subsidiary, with registered offices in Valencia Spain, where most of operations takes place.



## Production facilities

Nexar Productions SL rents a studio facility in Valencia including office space and technical equipment (cameras, lighting, etc.) on a long term basis. It is one of Europe's most modern TV studios with 1,000m<sup>2</sup> floor space with 12-meter ceilings, control room and broadcast center, artist and make up lodges. as well as an 800m<sup>2</sup> production center.



Valencia has a high availability of skilled production professionals for TV and film production, including producers, editors, photographers, after effects and Nexar has a very competent, young and creative team of video photographers, editors, directors and producers capable of pulling off any project, from music videos to full length movies.

## Intellectual Property rights and IT platform

All rights to the Aim2Fame idea and concept – including all formats, creative settings, music, artists as well as our own developed, sophisticated IT platform – is owned by the parent, Nexar Group AB. This business concept is protected by copyright law.

The IT platform includes a voting function and interface with all major social media platforms (Facebook, Twitter, Instagram, etc.).

Owning all intellectual property rights for the formats and for all artists contracted to the company, Nexar builds substantial value that increases exponentially for each year.



## Organization

### Management

#### Nexar Group AB, Stockholm

**Mats Johansson**, CEO for the group. Background in media and software. Co-founder and managed the international platform for the Swedish company Seamless, working as CEO until it was listed. Extensive experience from Media and TV – Sales orientated.

*Shareholding in the company; 10 000*

**Stefan Mattsson**, CFO for the group (part time). Background in media and software companies. Is now also CEO of Square Publishing, which is a tech media company. Previously worked as CFO in several companies for the last 20 years and has handled the IPO for some of them, for example Seamless and Mediaprovider. An entrepreneur who is sales orientated.

*Shareholding in the company; 0*

#### Nexar Productions SL, Valencia Spain

**Mikael Karlsson (founder)**, Leader of the Spanish company and responsible for artist management. He has many years in-depth and broad experience in international artist development along with an extensive network in the music industry.

*Shareholding in the company; 607 000 shares*

**Amparo Iborra**, COO – Production manager. She is a journalist who has spent her entire career in television and radio, she has long experience in production. She also holds a Masters in Marketing and Communication.

*Shareholding in the company; 0*

#### Nexar Group AB – The Board

**Mats Jakobsson**, Chairman of the Board, MBA, currently partner in Centrecourt AB, Stockholm, working with capital funding and business development. Previously, broad experience in management positions in finance (CFO), IT and logistics in companies like KPMG, PC Express (was listed) and Dell Inc. (Nordic).

*Shareholding in the company; 336 430 shares.*

**Thomas Flinck**, MBA, entrepreneur who has founded and run several businesses. Founder of Centrecourt AB. Prior background in Ericsson and AGA and a number of CEO assignments. He has, and previously had, several assignments as board member in listed companies such as Biogaia AB (chairman) and unlisted companies.

*Shareholding in the company; 99 510 shares.*

**Jonas Buchar**, previous experience within business development from small and medium sized organizations. Works for a private owned investment company, mainly with support

and analyses for new investments as well as a board member in several organizations.

*Shareholding in the company; 30 000 shares.*

**Konrad Ziobro**, Attorney, over the years he assisted Swedish and international clients on complex domestic and cross border transactions, as well as with daily corporate matters. Konrad also has significant experience in assisting entrepreneurs with capital funding transactions and strategic business development.

*Shareholding in the company; 139 020 shares.*

**Imre Marton**, Founder and CEO Hemverket AB. Entrepreneur background with experience and skills in marketing, sales, product development and startups. Member of CBC investments advisory board.

*Shareholding in the company; 0*

The company will until the next AGM invite new board members with various experiences and also work toward a future gender balance in the board.

### Advisory Board

An advisory board with extensive background in Media, TV and Social Media is under establishment.

### Main shareholders before the "IPO" issue \*

Shareholder	Shares	%
Pitbull Mangement SL/		
Mikael Karlsson (founder)	607 000	15,4%
JPJ Invest, Singapore	479 900	12,1%
Mats Jakobsson	336 430	8,5%
3055 Management AB/Thomas Buchar	208 060	5,2%
Percy Frick	200 000	5,0%
J Biz AS, Oslo	164 000	4,1%
H&I Invest AB/Konrad Ziobro	139 020	3,5%
Redkettle Ltd, Singapore	128 330	3,2%
Result Assist HB/Thomas Flinck	99 510	2,5%
Niclas Löwgren	95 630	2,4%
Nils Hellgren	94 860	2,4%
L Lovén Byggnads AB/Fredrich Lovén	89 180	2,2%
Yoda Holding AB/Mikael Signarsson	82 150	2,1%
<b>Subtotal main shareholders</b>	<b>2 724 070</b>	<b>68,6%</b>
<b>Subtotal others</b>	<b>1 247 460</b>	<b>31,4%</b>
<b>Total</b>	<b>3 971 530</b>	<b>100,0%</b>

\* The number of shares refer to the holding after split 10:1

### Share warrant program

It is planned for a share warrant program for key personnel and partners (coaches etc.) to start 2016 and valid for 24 months.

The dilution of the warrant program is planned to be maximum 10 % of the total shares after the IPO new issue, and the price minimum 90% up from the post money IPO valuation.

# Finances

## Funding

Total funding to date (Sep-16) is 12.7 MSEK. These investments have primarily been used to develop the Nexar concept technology platform, the first production season and launch of our first artist Sara Serena.

## Financial statements - outcome 2014-2016

### Nexar Group AB consolidated BALANCE SHEETS 2014-2016

	2016-06-30	2015-12-31	2014-12-31
	KSEK	KSEK	KSEK
<b>Assets</b>			
Fixed assets	4 401	4 840	146
Current assets	1 471	332	5
<b>TOTAL ASSETS</b>	<b>5 872</b>	<b>5 172</b>	<b>151</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	220	100	50
New issue during registration	123	120	0
Unrestricted equity	2 638	263	-22
<b>Total shareholders' equity</b>	<b>2 981</b>	<b>483</b>	<b>28</b>
<b>Long term liabilities</b>	<b>2 000</b>	<b>3 195</b>	<b>0</b>
<b>Current liabilities</b>	<b>891</b>	<b>1 494</b>	<b>123</b>
<b>Total shareholders equity and liabilities</b>	<b>5 872</b>	<b>5 172</b>	<b>151</b>

### Nexar Group AB consolidated PROFIT & LOSS STATEMENTS 2014-2016

	jan-jun 2016	jan-dec 2015	jan-dec 2014
	KSEK	KSEK	KSEK
<b>Revenue</b>			
Operating income	18	20	0
<b>Expenses</b>			
Other external expenses	-2 472	-1 488	-343
Personnel costs	-515	-735	0
Total Operating expenses	-2 987	-2 222	-343
EBITDA	-2 969	-2 202	-343
Depreciation	-477		
Net financial items	-440	-222	-7
<b>Net income</b>	<b>-3 887</b>	<b>-2 424</b>	<b>-350</b>

The figures as per June 2016 has not been reviewed by the company's auditors.

## Company auditor

Company elected auditor is Beata Lihammar, Authorized Public Accountant and Partner at Ernst & Young AB, Stockholm, Sweden.

## Financial scenarios, 5 years, 2016 - 2020

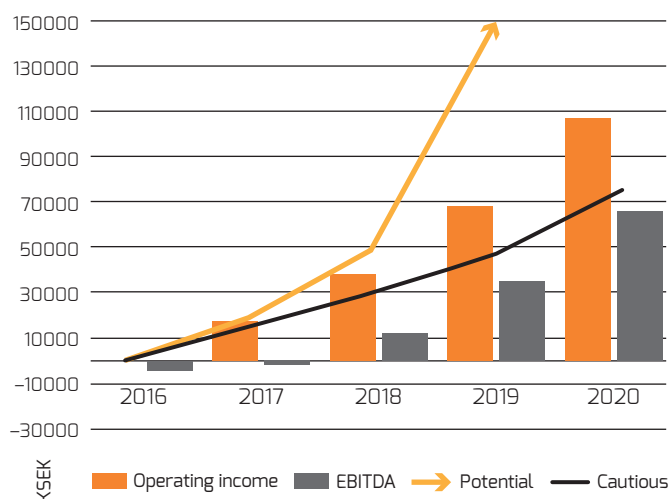
### Income Statement - A moderate outlook scenario

KSEK	2016	2017	2018	2019	2020
Operating income	288	17 051	36 479	65 278	102 720
Operating expenses	-4 404	-18 761	-24 921	-31 787	-39 409
<b>EBITDA</b>	<b>-4 116</b>	<b>-1 710</b>	<b>11 557</b>	<b>33 491</b>	<b>63 311</b>
EBITDA %	Neg	Neg	32%	51%	62%

The table above summarizes a moderate outlook for 2016-2020 with estimated targets. It is not a standard forecast or budget.

The staples below show a scenario with a moderate estimate of the progress of our future operating expenses and the operating result (EBITDA). The orange line shows a scenario (operating income) if any of the success stories arise, explained above under the headline "A scalable concept". The black line shows a more cautious scenario if it takes more time than estimated to either grow enough traffic to the talent show or if some of the talents will not have star potential.

### Operating income and EBITDA



# Why invest in Nexar Group AB?

The company has a strong value growth potential and is operating within fast growing industries. It has a unique combination of business operations that may create large values for its shareholders.

## Nexar will build its value by:

- Generating a substantial numbers of online viewers/users/followers
- Generating the next coming global stars
- The combination will provide significant leverage for Nexar's value

Most companies with large volumes of viewers/users/followers do not earn money, but they are still attractive for acquisitions at high valuations. Nexar will in addition to large volumes of viewers build significant revenues streams with high margins.

## Message from the CEO

Recently I started as CEO of the Nexar Group. When I was approached for the job I looked in to the business idea, the business concept and what had been achieved so far. With my background in media, sales, IT and as an entrepreneur I became impressed by the uniqueness of the business idea and by the strong business concept.



The achievements so far are impressive, especially considering that this has been done with relatively limited personnel and financial resources. Nexar has already broadcasted the first year of Aim2Fame with a strong talent in Sara Serena now being launched in the global market.

Nexar has also built a strong team with skilled persons in all important functions: production, coaches for artist development, artist management, marketing and more.

Now I am looking forward to continue with the work, to exploit the potential and together with the team in Nexar Group build a strong successful company with growing values for its owners.

*Mats Johansson*  
Nexar Group AB

## How will the funds be used?

The usage of the funds from the new issue is allocated to the main items below:

1. Production of the Aim2Fame talent show season 2017 and 2018
2. Heavy increase the traffic to the Aim2Fame talent show
3. Market activities to heavily increase the Aim2Fame concept
4. Worldwide launch of Sara Serena and start of launching new artists from the coming season
5. Build a solid Swedish organization to be able to grow globally
6. Miscellaneous items e.g. IT, other OPEX and financial buffer

The estimated amount allocation for the items above:

	MSEK
Item 1 and 2 :	7,0
Item 3 and 4:	11,0
Item 5 and 6:	5,5
<b>Total funds</b>	<b>23,5</b>

The funds will secure the liquidity in the company for more than 12 months.

# IPO new issue

## - Terms and Conditions

The IPO new issue total amount is approximately 23,5 MSEK based on pre money value of 25,0 MSEK. The tentative market place for the IPO is Nasdaq First North and the listing is planned end of this year or beginning of 2017.

For detailed terms, conditions and subscription note, please refer to separate documents.

## Disclaimer

G & W Fondkommission is the financial advisor to Nexar Group AB in connection with the upcoming new share issue. As all data are derived from Nexar Group AB, G & W disclaims from all liability in this document. This also regarding other than direct or indirect economic consequences as a result of investment or other decisions completely or partially based on the information in this document.



NEXAR GROUP AB  
Sturegatan 46, 3 tr  
114 36 Stockholm

### For more information:

Mats Jakobsson, C o B  
Cell: +46-70 528 20 12  
E-mail: mats.jakobsson@nexargroup.se

Mats Johansson, CEO  
Cell: +46-70-714 74 54  
E-mail: mats.johansson@nexargroup.se