

NetEase Cloud Music and Merlin Extend Strategic Partnership in China

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HANGZHOU, China, March 26, 2021 /PRNewswire/ -- NetEase Cloud Music, a leading interactive music streaming service provider in China, and Merlin, the independent's digital music licensing partner, today announced that they have extended their strategic partnership in China to include a wider range of cooperation. The multi-year licensing deal will include access to additional marketing and promotional opportunities for Merlin members.

"Deepening our direct relationship with Merlin marks another important step in our strategy to bring high-quality music with style, character and vitality to our ever-growing user community," said Ding Bo, Vice President of NetEase Cloud Music. "The expansive and diverse music of Merlin member labels span the global divide and increase the rich music experience we offer, which brings us closer to this goal."

Merlin navigates the music ecosystem by striking premium deals with digital services that enable its members to better control their future. For digital services, Merlin provides the ability to efficiently license the world's most valuable independent music. Accounting for more than 15% of the global digital music market, Merlin members represent tens of thousands of labels and hundreds of thousands of artists from every country in the world.

With a rich and proven ability in copyright management and operating capabilities for international artists, NetEase Cloud Music has become the go-to platform for both international music lovers and artists in China. In addition, NetEase Cloud Music is one of the most "social" streaming music services in the world with users actively engaged in reviewing, commenting and sharing music via playlists and other means, which enables music influencers to spread music rapidly and exponentially.

"We're always excited to work with partners who are eager to educate our members on how to use their platform, how to engage and build fanbases, and ultimately drive better activations around artists. NetEase has been a fantastic partner on these opportunities," said Jeremy Sirota, CEO of Merlin. "Independent music is a real focus across the world, including in China, and Merlin is thrilled to renew its partnership with NetEase Cloud Music and bring the largest number of independent labels, distributors and other rights-holders and their artists' repertoire to the platform."

"NetEase Cloud Music users are one of the largest consumers of international music in China. Merlin's efforts to make a variety of independent music easily accessible has increased independent artists' exposure to create a more vibrant market. It has been a mutually beneficial partnership and we look forward to providing Merlin's member artists further opportunities to reach even more fans," said Mathew Daniel, Vice President, International at NetEase Cloud Music.

Merlin and NetEase Cloud Music's original agreement was established in 2018. The extended partnership grants NetEase Cloud Music's users access to an even more diverse array of music from Merlin's members around the globe. By the same token, the expanded partnership provides more of Merlin's members with the ability to increase their fanbase through their exposure to NetEase Cloud Music's vast and growing audience in China. This includes Merlin members who have made their music available within the NetEase music ecosystem over the past three years, such as <u>Armada</u> <u>Music</u>, an independent internationally-awarded record company founded by a.o. Dutch DJ Armin van Buuren, with a roster including dance-music heavy-hitters such as Loud Luxury, Andrew Rayel and Arty; global music distribution service <u>CD Baby</u>; <u>FUGA</u>, the industry-leading music distribution company for international rights holders; and <u>Mushroom Labels</u>.

About Merlin

Merlin provides independents the means to own their future. Merlin is a member led, music focused organization providing digital music licensing for the leading independents across the globe. Members benefit from Merlin's premium deals, but work directly with key digital partners. Our membership consists of independent labels, distributors, and other rights-holders, representing tens of thousands of labels and hundreds of thousands of artists from every country in the world. Merlin works collaboratively with our digital partners, delivers value back to those digital partners, and seeks to drive other incremental benefits to our members.

Merlin's approach has enabled our membership to grow to represent 15% of the global market share. Merlin's membership includes independents such as Armada Music, Cinq Music Group, FUGA, Dim Mak, Domino, Entertainment One, Epitaph Records, Foundation Media, Mad Decent, Monstercat, Mushroom Music, Ninja Tune, [PIAS], Secret City, Secretly, Sub Pop, Symphonic Distribution, Ultra Records, Vydia, and hundreds more.

Merlin now has deals with over 30 digital services, including Apple, AWA, Boomplay, Deezer, Facebook/Instagram, JioSaavn, KKBox, NetEase Cloud Music, Pandora, Snap, SoundCloud, Spotify, TikTok, Triller, Yandex, and YouTube Music, and is in conversations with dozens more.

Merlin has offices in London, New York, and Tokyo.

Find out more at www.merlinnetwork.org.

About NetEase Cloud Music

Launched in 2013 by NetEase, Inc. (NASDAQ: NTES; HKEX: 9999), NetEase Cloud Music is a leading interactive music streaming service provider in China with more than 800 million users. Dedicated to providing an elevated user experience, NetEase Cloud Music provides precise, personalized recommendations, promotes user interaction and creates a strong social community. Its focus on discovering and promoting emerging musicians has made NetEase Cloud Music a destination of choice for exploring new and independent music among music enthusiasts in China. The platform has been recognized as the most popular entertainment app among China's vibrant Generation Z community.

Please see<u>http://music.163.com/</u> for more information.

Contacts For NetEase

Investor Enquiries: Margaret Shi NetEase, Inc. ir@service.netease.com Tel: (+86) 571-8985-3378 Twitter: https://twitter.com/NetEase_Global

Media Enquiries:

Li Ruohan NetEase, Inc. <u>globalpr@service.netease.com</u> Tel: (+86) 571-8985-2668 Twitter: <u>https://twitter.com/NetEase_Global</u>

Contacts For Merlin

Media Enquiries: Dawn Kamerling The Press House dawn@thepresshouse.com Tel: (+1) 646-322-4903 Instagram:@thepresshousepr

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