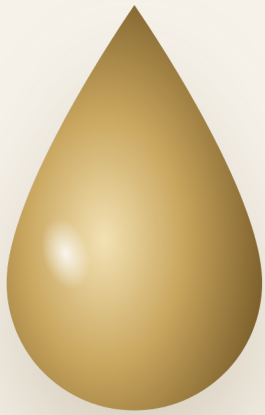
Reng

ART THINKS



Business plan 2026–2030

Reng is an artist-first music network where songs travel between people. This plan sets out where Reng goes by 2030, what it needs to get there, and what an investor receives.

CAD 1,000,000

pre-seed round

CAD 8M

SAFE valuation cap, post-money

1.25%

of Reng for each CAD 100,000

SUMMARY

One million now, a global network by 2030

Reng is raising **CAD 1,000,000** on a SAFE with an **CAD 8M** post-money cap. By 2030 the goal is 5 million monthly listeners and about **CAD 16M** in yearly revenue for Reng itself.

CAD 1M pre-seed ask, 18 months of runway	**1.25%** equity for each CAD 100,000 at the CAD 8M cap
5M monthly listeners targeted for 2030	**CAD 16M** Reng net revenue targeted for 2030

- **What Reng is.** A social music platform for independent artists, on iPhone and the web. Songs spread from person to person, not from charts. 75% of each subscriber's money goes to the artists that subscriber actually plays, and tips go to the artist in full.
- **Where it stands.** iOS 1.3, with every paid feature, was approved by Apple on 2 November 2026. A paid soft launch in Canada starts 3 December and the public launch on 18 December. Android is in development.
- **Why we win.** The founder has direct relationships with more than 100 established independent artists. Day-to-day operations run on AI agents, so fixed costs stay very low and investor money goes into growth.

All amounts are in Canadian dollars unless marked USD. Product dates and prices: Reng's own records (App Store Connect, launch plan, price list).

MARKET

A USD 31.7 billion market growing 6.4% a year

Global recorded music reached **USD 31.7 billion** in 2025. Reng's 2030 target needs only **0.04%** of the world's paying subscribers.

Measure (2025)	Value
Global recorded music revenue	USD 31.7B, +6.4%
Streaming share of revenue	69.6% (over USD 22B)
Paid subscription share	52.4%, +8.8%
Paid subscription users worldwide	837 million
Canada	9th largest market, +5.6%

Sources: IFPI, Global Music Report 2026 (18 March 2026) for the first four rows; Music Business Worldwide, reporting the same IFPI data for Canada.

What Reng changes: payouts are user-centric. Each listener's money goes only to the artists that listener played, not by share of all streams on the platform, and tips reach the artist in full.

BUSINESS MODEL

Six revenue lines, most money to artists

Each paying subscriber brings Reng about **CAD 16 a year** net, and each venue about **CAD 400**. Reng earns on volume and on the lines around streaming.

Revenue line	Price	Reng's share	Reng net per year
Plus listener subscription	CAD 6.99/month or 54.99/year (App Store USD 4.99)	25% after store fees	≈ CAD 16 per subscriber
Venue and café account	CAD 39.99/month or 399.99/year	100% after fees (assumed)	≈ CAD 400 per venue
Ads on the free tier	≈ CAD 3 per free listener a year (assumed)	25%	≈ CAD 0.75 per listener
Tips to artists	CAD 2.99 / 6.99 / 13.99	0%	—
Reng live nights	Tickets and sponsors	≈ 20% margin (assumed)	Per event
Reng Label	Label share of releases	Per release contract	Per release

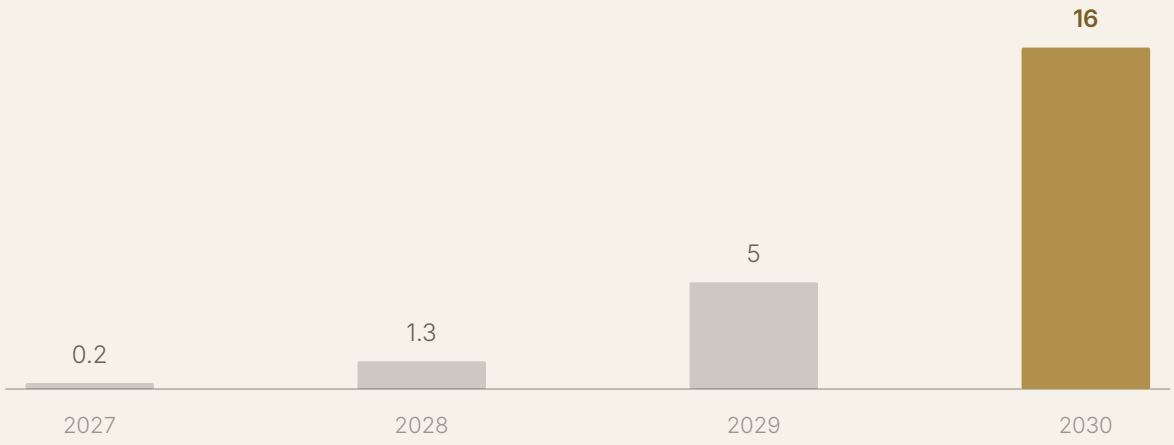
How the CAD 16 is reached (Reng estimate): about CAD 6 a month on average once yearly plans are counted, minus the store fee, of which Reng keeps 25%. Apple charges 15% in its Small Business Program (Apple Newsroom). The ad figure is about half of what Spotify earned per ad-supported user in Q3 2026: €482M from 499M ad-supported users, about €3.9 a year each (Spotify Q3 2026 report, SEC filing).
Prices: Reng's own price list. Lines marked "assumed" are not final decisions.

TARGETS

Three to five times larger every year

Reng's net revenue grows from about **CAD 0.2M in 2027** to about **CAD 16M in 2030**.

Reng net revenue by year, CAD millions



Year	Markets	Artists	Monthly listeners	Paying subscribers	Venues
2027	Canada, United States	3,000	60,000	3,000	100
2028	+ UK, Europe, Australia	15,000	400,000	25,000	800
2029	15 countries	50,000	1.5M	100,000	3,000
2030	**30 countries, live in 30 cities**	**150,000**	**5M**	**300,000**	**10,000**

In 2030 about CAD 48M passes through Reng and more than CAD 25M of it goes to artists. Reng's CAD 16M comes from subscriptions 4.8, venues 4.0, ads 3.5, and live, label and sponsors 3.7 (CAD millions).

The paid conversion rate is deliberately low, at 5–6% of listeners. Spotify converts about 39%: 306M subscribers among 788M users in Q3 2026 (Spotify Q3 2026 report, SEC filing). Every figure is a target, not a forecast.

THE ROUND

How much of Reng an investor receives

At the **CAD 8M** cap, **CAD 100,000 buys 1.25%** of Reng. The floor for negotiation is CAD 5M, so CAD 100,000 never buys more than 2%.

A SAFE takes the money now and issues shares at the next priced round. The cap is the highest value used to work out the investor's shares: if Reng is worth more later, the early investor still converts at the cap, which is the reward for taking the risk early.

Valuation cap (post-money)	CAD 100,000 buys	A CAD 1M round sells	Position
CAD 10M	1.00%	10.0%	Ambitious
CAD 8M	**1.25%**	**12.5%**	**Our proposal**
CAD 6M	1.67%	16.7%	Negotiation
CAD 5M	2.00%	20.0%	Floor, no lower

Why CAD 8M is sound: Carta reports a median post-money SAFE cap of about **USD 10M** (≈ CAD 13.7M) for pre-seed rounds of USD 250k–1M in 2025. Reng asks below that median because it has no revenue yet and one founder, while the product is already live on the App Store with payments built.

Source: Carta, State of Pre-Seed: 2025 in review.

For the first investor

Instead of more equity, the first investor receives a most-favoured-nation clause: if a later SAFE investor gets better terms, the first investor gets them too.

USE OF FUNDS

Eighteen months, a team of four

CAD 1,000,000 funds **18 months**, and 40% of it builds a four-person team.



Area	Amount	Share	What it buys
Team	CAD 400,000	40%	Founder salary and three hires: artist relations, growth and marketing, mobile engineer
Marketing and artist acquisition	CAD 280,000	28%	Ads and content in Canada and the US, then the UK and Europe
Live nights and Reng Label	CAD 120,000	12%	Six Reng nights and eight releases by independent artists
Reserve	CAD 90,000	9%	The unplanned
Infrastructure and tools	CAD 60,000	6%	Servers, the AI-agent office, the Android app
Legal and finance	CAD 50,000	5%	Incorporation, contracts, accounting, trademarks

After 18 months: live in Canada and the US, an Android app, 3,000 artists, 60,000 monthly listeners and 3,000 paying subscribers. These numbers are the gate to the seed round.

If only CAD 100,000 arrives

A lean 12-month plan runs: founder salary 48k, marketing in Canada 30k, legal 8k, infrastructure 6k, Android 3k, reserve 5k. It delivers the paid launch in Canada, 300 artists, 10,000 users and the first steady revenue, which is the proof that makes the rest of the round easier to raise.

FUNDING PATH

Each round opens only when the last one's numbers are met

Three rounds take Reng from launch to a global network.

Pre-seed

Now, after incorporation

CAD 1M

Product live, paid launch December 2026

Seed

2028

CAD 4–5M

3,000 artists, 60,000 listeners, 3,000 subscribers, 15% monthly growth

Series A

2029

CAD 15–25M

15,000 artists, 400,000 listeners, over CAD 1M yearly revenue

CONDITIONS AND RISKS

What must happen first, and what could go wrong

No money can be taken until incorporation is complete: Reng is a sole proprietorship today and cannot issue shares.

Item	Plan
Before any investment	Finish incorporation with our lawyer (in progress), have the lawyer review the SAFE, sign a shareholders' agreement
Slower artist growth	The founder's network, the international invitation campaign, Reng Label
Lower paid conversion	Venue revenue, live nights and ads reduce reliance on subscriptions
Dependence on Apple	Web payments through Stripe, and the Android app
Copyright	Automatic audio fingerprint check on every upload
Large competitors	User-centric 75% payouts, discovery through people, live presence
A solo founder	The first use of the money is three hires

This plan is not financial or legal advice. Final terms are set with a lawyer.

All sources: IFPI Global Music Report 2026 · Music Business Worldwide · Carta, State of Pre-Seed 2025 · Apple Newsroom, Small Business Program · Spotify Q3 2026 report (SEC)