

# LIQUID MEDIA GROUP

GAMING

VFX

FILM & TV

TECH

FINANCING

Nasdaq : YVR  
Shares Outstanding : 4 007 123

LIQUIDMEDIAGROUP.CO

# SAFE HARBOUR

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# SAFE HARBOUR

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# WELCOME

1. INTRODUCTION
2. MARKET OVERVIEW
3. COMPANY OVERVIEW
4. GROWTH STRATEGY





# 1. INTRODUCTION

JOSHUA JACKSON  
CHAIRMAN

DANIEL CRUZ  
CFO & DIRECTOR

CHARLES BREZER  
DIRECTOR

STEPHEN JACKSON  
DIRECTOR

PAUL CONDON  
LIQUID ANYWHERE LEAD

# LIQUID AT A GLANCE

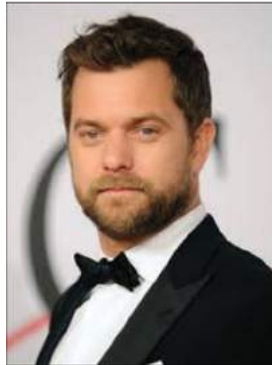
## INVESTMENT HIGHLIGHTS

- Liquid Media Group, (“LMG”), is a vertically integrated global studio with assets in gaming, visual effects (VFX) and cloud-based content creation technology.
- IP portfolio of 150+ video game titles including existing sales and publishing rights.
- New games in development include titles for Nintendo Switch and PC.
- Plans to leverage 100%-owned gaming IP into full media franchises.
- VFX and VAMR for traditional studios, distributors, broadcasters, streaming services.
- “Studio as a service” capabilities for Netflix, Sony, Amazon Productions et al.
- Working to consolidate Vancouver’s fragmented \$2.9-billion film and entertainment market.
- Management team with 50+ years of combined experience across media and entertainment landscape.

# MANAGEMENT TEAM & BOARD OF DIRECTORS

**JOSHUA JACKSON**  
CHAIRMAN

Joshua is an actor, producer and director with over 20 years of experience in the entertainment industry. He starred in over 30 films and headlined in over 200 hours in acclaimed TV series such as Fringe, Dawson's Creek and The Affair.



**DANIEL CRUZ**  
CFO & DIRECTOR

Daniel became one of the youngest Senior Investment Advisors at Canacord Financial Inc. in 2006. Now he combines his expertise in securities and capital markets with his passion for the entertainment industry.



**CHARLIE BREZER**  
DIRECTOR

An entrepreneur with over 15 years of management and leadership experience, Charlie's aggressive, hands-on, and forward thinking approach is integral to Liquid's continued success.



**STEPHEN JACKSON**  
DIRECTOR

Stephen acts as Liquid's corporate counsel, and advises on a wide range of corporate, real estate, labour and commercial matters. He brings experience as a director of a number of public companies in Canada and the USA.





# WHO WE ARE

Liquid Media Group Ltd. is a media and entertainment company. It has created a pipeline to produce and distribute content for all mediums of entertainment - gaming and virtual reality to film and television.

## CONTENT

### MAJESCO

A LMG subsidiary company.

Video game developer and publisher of original intellectual properties as well as licensed titles.

Current library: 150+ titles  
Current titles in development: 15  
Retro game library: 73 titles

JESSE SUTTON  
CEO

NEW YORK CITY HQ  
6 Employees

## PHYSICAL PRODUCTION

### WATERPROOF STUDIOS

A LMG subsidiary company.

Creator of visual effects for film, television and video game properties.

Targeted Studio Acquisitions:  
Q1: Studio A: MOCAP  
Q1: Studio B: 2D Animation  
Q2: Studio C: 3D Animation  
Q2: Studio D: Game Developer  
All targets are revenue positive with complementary services.

ALBERT LIM  
Chairman

VANCOUVER HQ  
25+ Employees

## CONNECTIVITY

### STRATUSCORE

A LMG licensing partner.

Cloud-based provider of virtualized workstations for content creation and entertainment companies worldwide.

DENISE MUYCO  
CEO

SEATTLE HQ  
10+ Employees



# SUBSIDIARY PARTNER LEADERSHIP



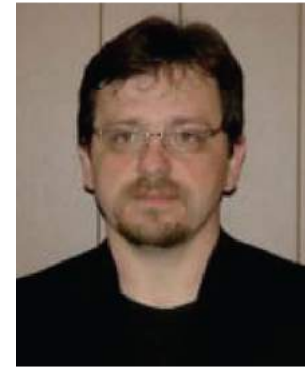
**CARL WHITESIDE**  
DIRECTOR & VP BUSINESS  
DEVELOPMENT

Carl has an extensive background in CG animation, having worked for over 17 years in animated TV and film production. He has worked on 25+ animated productions, including feature films such as *The Wild* and *Escape from Planet Earth*, as well as multiple TV and DVD productions such as *Spiderman*, *The Nutty Professor*, *Max Steel* and many *Barbie* productions. At Waterproof, Carl has been instrumental in establishing the studio as a leader in high-end CG and in-engine productions. He has established relationships with and produced projects for some of the biggest names in the entertainment industry.



**ALBERT LIM**  
DIRECTOR & CFO

Albert is a financial professional with experience in multiple industries. His focus is on improving the quality and speed of financial information collection, extraction and analysis within organizations. He began his career at Future Shop where he spearheaded the creation of their internal audit department. As controller of Option-NFA, a publicly traded local manufacturer and global distributor of snowboards, Albert managed the finance, distribution, customer serve and IT departments. He went on to apply his skills at The Spectra Group of Great Restaurants (the "Spectra Group"), as well as the VFX studio Rainmaker, and now at Waterproof Studios.



**MARTIN KUMOR**  
DIRECTOR & CTO

Over the last 15 years, Martin has built up broad technical expertise related to the CG technology, film, games and TV industries while working on many film, DVD, visualization and research projects. His accomplishments include two Academy Award-winning films (*Ryan and King Kong*), as well as a Gemini Award for motion capture work with Puppetworks. Martin's primary skills are programming, IT, motion capture and technical production management. His recent project includes establishing Sony Pictures Animation's first remote facility, based in Vancouver.

# SUBSIDIARY PARTNER LEADERSHIP

## JESSE SUTTON

Jesse is a co-founder of Majesco and has over 25 years experience in the interactive entertainment industry, publishing hundreds of games across all platforms and genres. He was acting CEO of Majesco from 2007 – 2015, when Majesco was itself a NASDAQ-listed company. During his lengthy tenure in the industry, Jesse has built an extensive network of relationships across all areas. These include, finance, development, marketing, licensing, sales and operations. His notable games include, Bloodrayne, Psychonauts, Cooking Mama, Alvin & The Chipmunks, Phineas & Ferb and the best 3rd party fitness game of all time, Zumba Fitness.



## DENISE MUYCO

Denise has nearly 20 years of experience in the film industry as a serial entrepreneur. She founded StratusCore in 2011 to enable artists and content producers to take advantage of emerging cloud technology to streamline the content creation process and make it more cost effective for artists and studios alike.

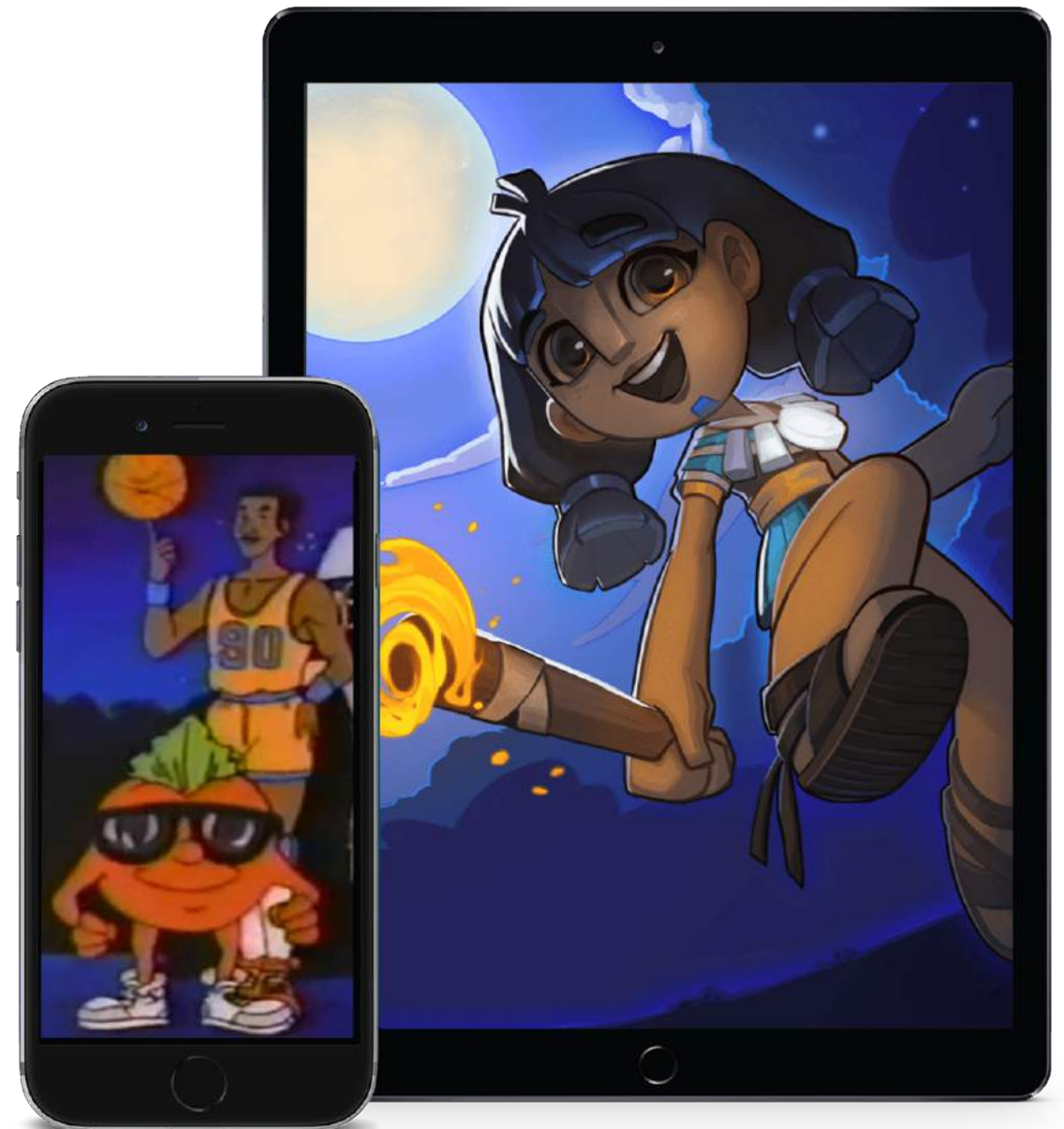
# STUDIO OF THE FUTURE

CONNECT. CREATE. EMPOWER.

The landscape of the entertainment industry has, and continues to, change rapidly. An opportunity exists to radically rethink what a studio can be, and how to bring those stories to the world.

The major studios have concentrated their budgets on large, tent-pole projects, sacrificing richer narratives and diverse stories. This has created a space for a more nimble player to fill the void and satisfy the exploding demand for content across media channels.

We have a dream. The studio of the future. A place where creative risk taking is rewarded and a home for the storytellers of the future.



Left: TV series featuring Kwirk. Liquid is scheduled to launch Miss Kwirk as a follow-up to the popular Kwirk title  
Right: Cobra video game currently in development for Nintendo Switch and PC



# STRONG CONTENT & DISTRIBUTION PIPELINE

- Robust existing game library.
- 25+ years publishing experience.
- Active partnerships with all major distribution platforms.
- Multi-channel rights to most titles.

## WHOLLY OWNED



COBA



BLASTWORKS



KWIRK2/MISS KWIRK

## LICENSED LIBRARY



ZUMBA



DOUBLE DRAGON NEON



A BOY AND HIS BLOB

## DIGITAL DISTRIBUTION



GET IT ON  
Google Play



Download on the  
App Store



## 2. MARKET OVERVIEW



# MARKET LANDSCAPE



## GAMING

In 2018, the global games market is forecast at USD\$137.9 billion. Newzoo predicts industry revenues will grow to USD\$180.1 billion by 2021.



## VIRTUAL REALITY

By 2020, Fortune estimates that virtual reality will generate US\$30 billion in sales.



## MOBILE PLATFORMS

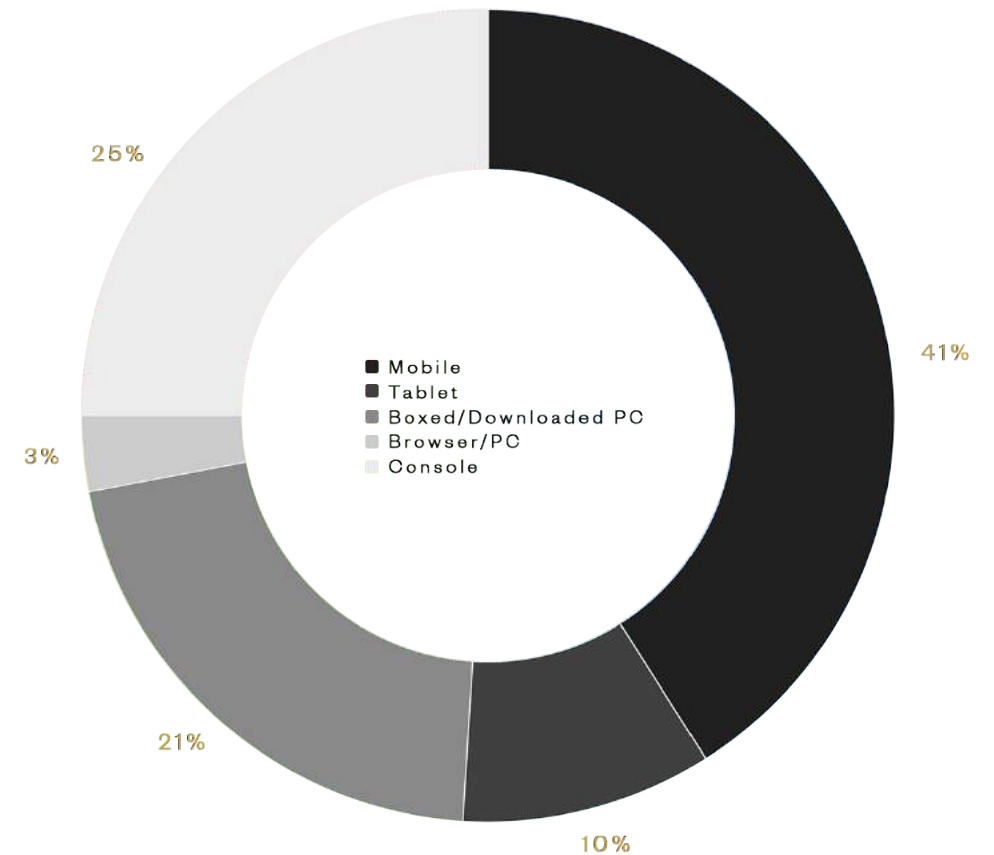
In 2018, mobile games will generate USD\$70.3B or 51% of the global market

Mobile devices are driving digital consumption across all platforms while smartphones are projected to cross the 4.6 billion mark by 2019.

# GAMES

CHART 1.

Overview of major categories in which games are sold.

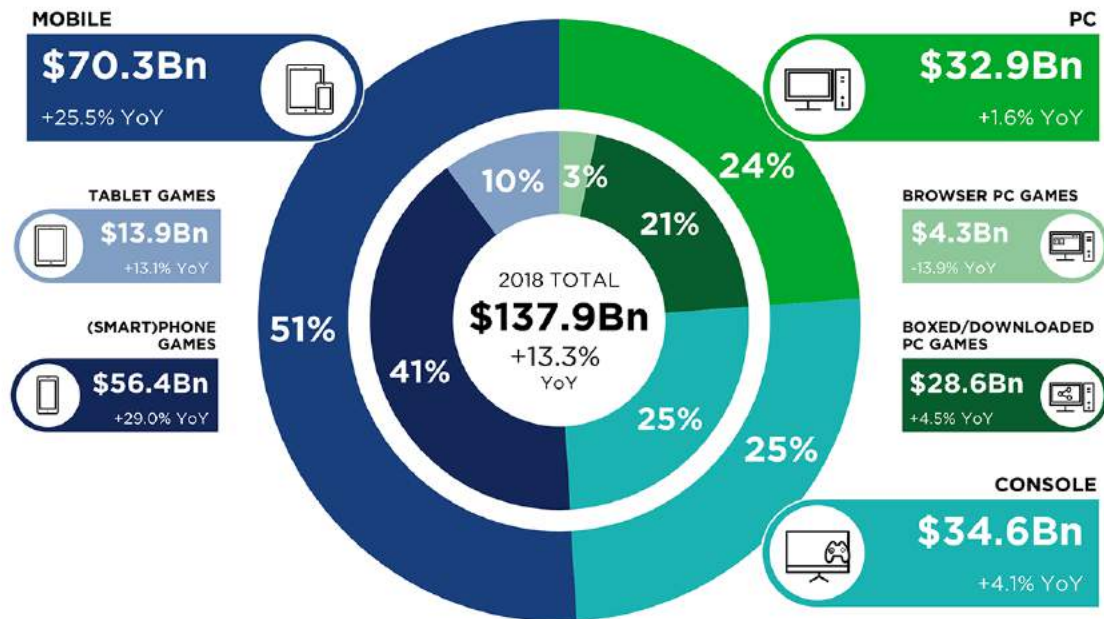




# MARKET LANDSCAPE

CHART 2. 2018 GLOBAL GAMES MARKET

Per device and segment with year-on-year growth rates.

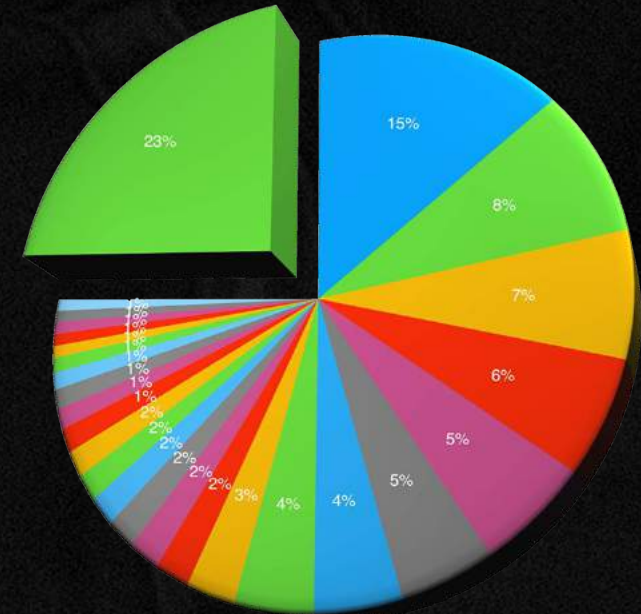


Source: ©Newzoo | April 2018 Quarterly Update | Global Games Market Report



# GAMES

CHART 3. TOP 25 GLOBAL MARKET SHARE BY COMPANY



## TAKEAWAYS

- Top 25 gaming companies command 77% of market
- 23% fragmented in <1% market share companies
- Deep fragmentation of video game industry provides tremendous opportunity

# MARKET LANDSCAPE



## FILM & TELEVISION

Production of hour-long TV series has doubled in the last 8 years in North America alone.

'Major 6' account for <10% total releases in North America.



## ONLINE & STREAMING

Demand for content is at all-time high

Streamers now rival traditional media in non-sports spending

New players will significantly increase demand for content



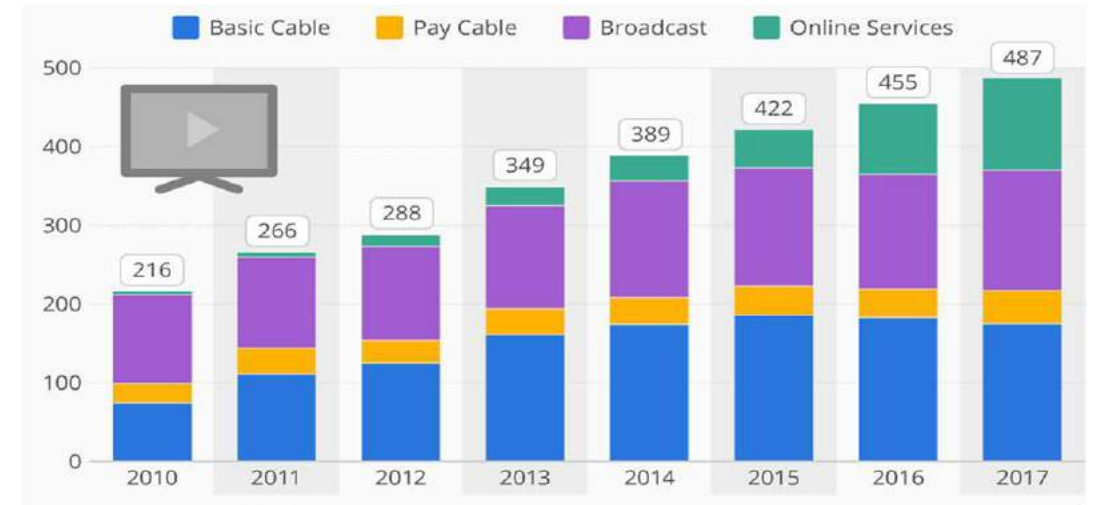
## MOBILE PLATFORMS

Mobile devices are driving digital consumption across all platforms while smartphones are projected to cross the 4.6 billion mark by 2019.

# NARRATIVE CONTENT

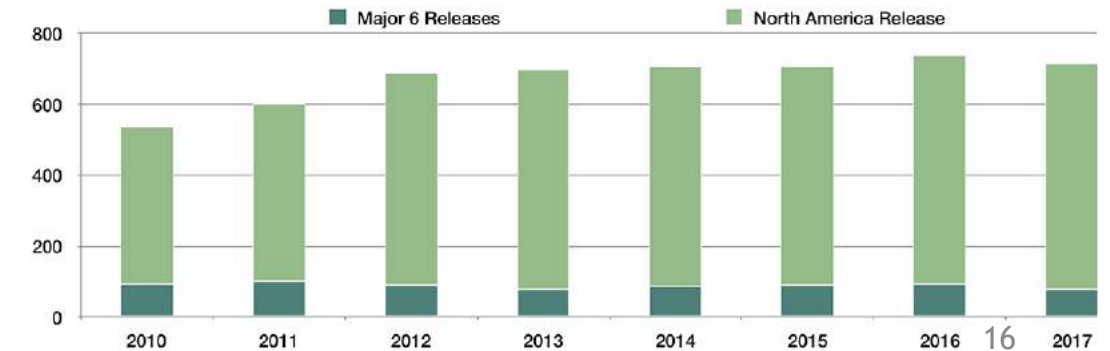
## CHART 1. THE GOLDEN AGE OF FICTIONAL TV

Estimated number of original scripted TV series aired in the USA\*



\*excluding library, daytime dramas, one-episode specials, non-English/dubbed, children's programs and short-form content

## CHART 2. FILMS RELEASED TO A NORTH AMERICAN MARKET





# MARKET LANDSCAPE



## VFX STUDIOS

In 2018, the global games market is forecast at USD\$137.9 billion. Newzoo predicts industry revenues will grow to USD\$180.1 billion by 2021.



## 2D/3D ANIMATION

Multi-disciplinary talent pool

In-market expertise in all coding languages

Strong existing client relationships at all level of industry



## GAMING STUDIOS

Deep bench of talent creating world-class games

Multiple overlapping provincial/federal tax incentives

# PRODUCTION

## HIGHLIGHTS OF VANCOUVER PRODUCTION



**#1**

VFX & Animation cluster in the world  
*VEC research*

**10 000+**

VFX & Animation jobs in Vancouver  
*VEC research/Nordicity*

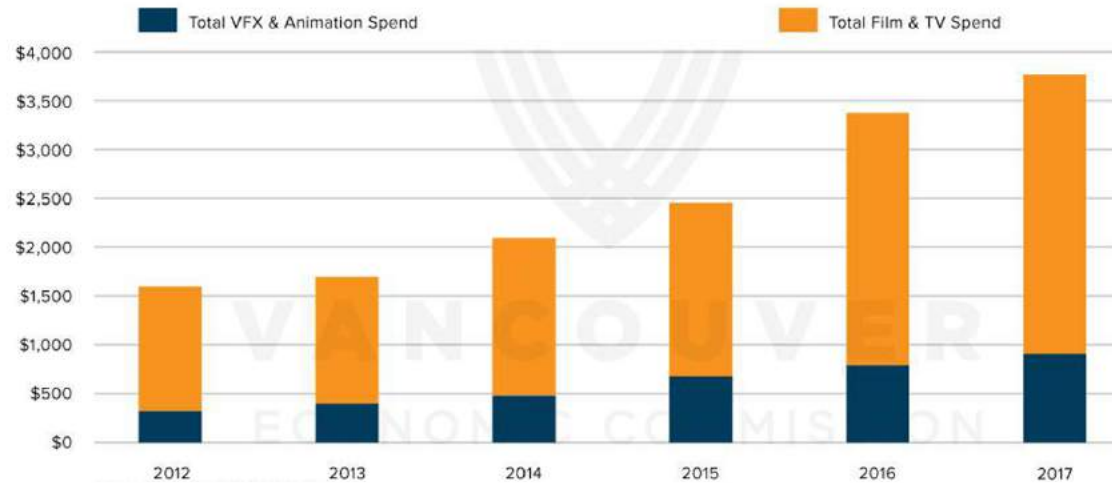
**60+**

World class VFX & Animation studios in Vancouver  
*VEC research*



# MARKET LANDSCAPE

CHART 1. TOTAL SPEND OF THE FILM & TV, VFX & ANIMATION INDUSTRY (2010-2017)



Vancouver has over performed TV/film industry trends, with a USD\$2.9B annual spend. Global demand for content has driven spectacular growth for in-market production.

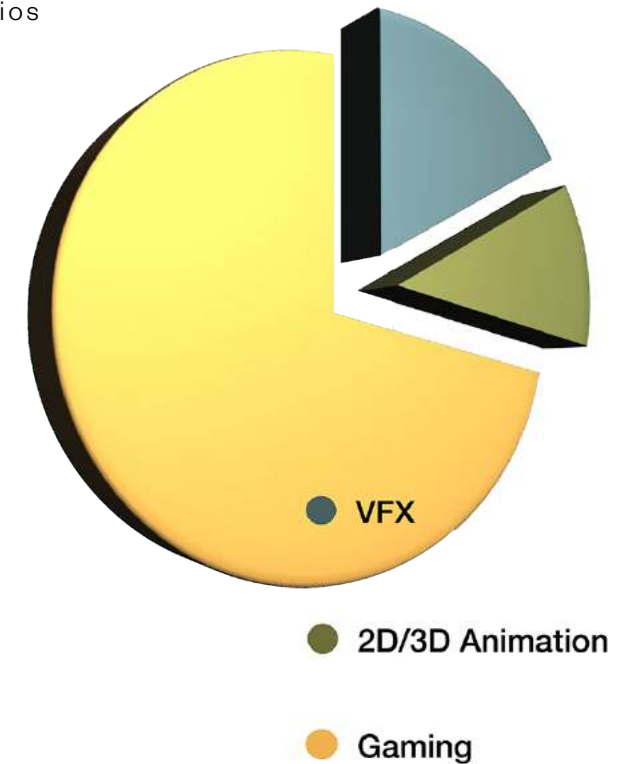
# PRODUCTION

CHART 2. MARKET FRAGMENTATION

40 Animation Studios

28 Animation Studios

170+ Gaming Studios



# MARKET OPPORTUNITY

Mobile games are the driving force behind revenue generation.

Average deal size of mobile game companies is approximately \$300M.

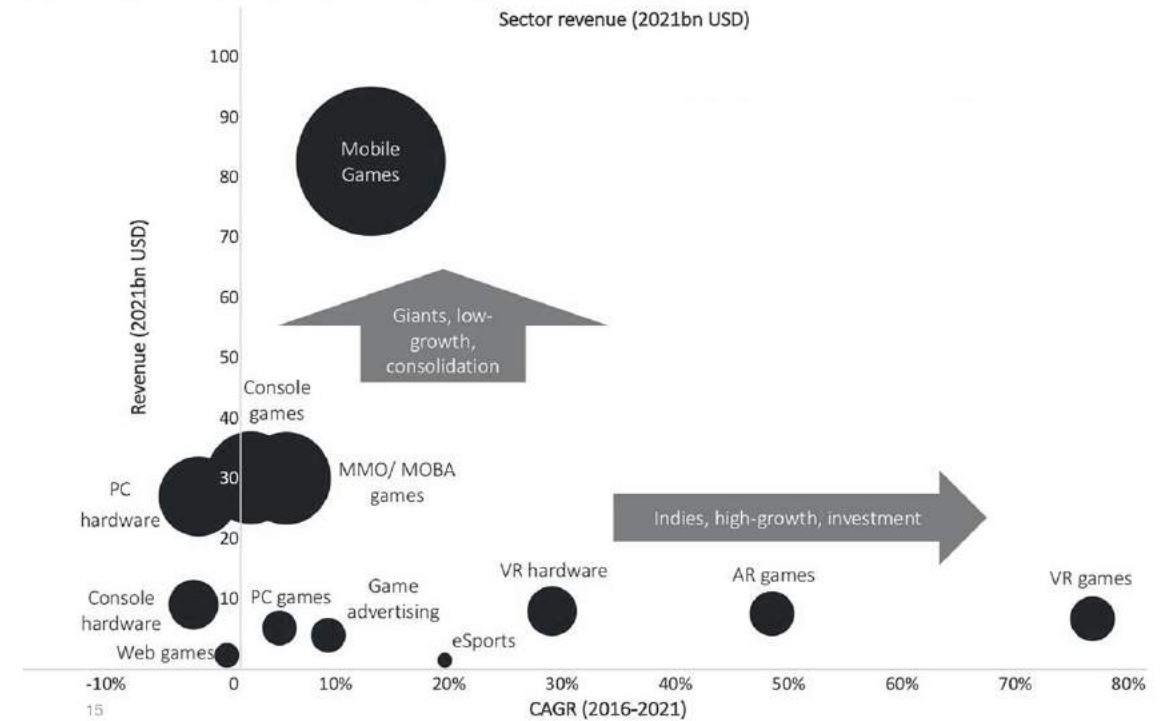
An average investment in the gaming sector amounts to approximately \$16M.

Augmented and virtual reality companies are well positioned for future deals.

# MERGERS & ACQUISITIONS

## CHART 1. GROWTH IN GAMING MARKET

The gaming market is divided into low-growth giants and high-growth indies.





### 3. COMPANY OVERVIEW



# COMPANY OVERVIEW

Liquid Media Group is building the studio of the future. With curated IP acquisition, strategic production services and an industry-leading cloud-based infrastructure, LMG is poised to reshape the lifecycle of content in the modern media landscape.

## CONTENT

Storytelling is at the heart of everything we do. Our aim is to identify and nurture the next generation of storytellers - unlocking their potential and creating opportunities to bring their stories to audiences around the world.

## PHYSICAL PRODUCTION

Vancouver's "super cluster" of infrastructure and talent have positioned the city as a global leader in the creation of best-in-class content across all media channels. Fragmentation in the market leaves small studios at a disadvantage, and LMG - through targeted acquisition - can unlock their true potential.

## CONNECTIVITY

The entertainment industry is a true global business. Our industry-leading fiber network and cloud-based platform positions us to foster connectivity, reduce overhead for independent creative professionals and studios, all on a gold-standard, secure, transparent network.

## CONTENT



Building on more than 25 years of history and \$1B in Historical Revenue, Majesco Entertainment returns with returns to the market with exciting new content and a library of beloved retro Titles for gamers to enjoy. A second generation family business, Majesco has evolved alongside the gaming industry, beginning with arcade games, through consoles, and into the modern digital landscape.

A proven winner in the gaming market, Majesco has been a pioneering global developer, marketer, publisher and distributor of interactive entertainment for consumers since 1998.

## PHYSICAL PRODUCTION



Dedicated to the creation of boundary-pushing imagery, Waterproof has created a culture empowering its artists to produce cutting edge content for some of the world's most iconic brands. This has enabled to attract and retain best-of talent in the 3D animation industry.

A full-service production studio creating innovative content in the gaming, film, web, and television industries, Waterproof is fluent in all modern digital animation + game engines.

Video game titles include Mortal Kombat X, Injustice 2, XCOM 2 and Titanfall 2.

## CONNECTIVITY

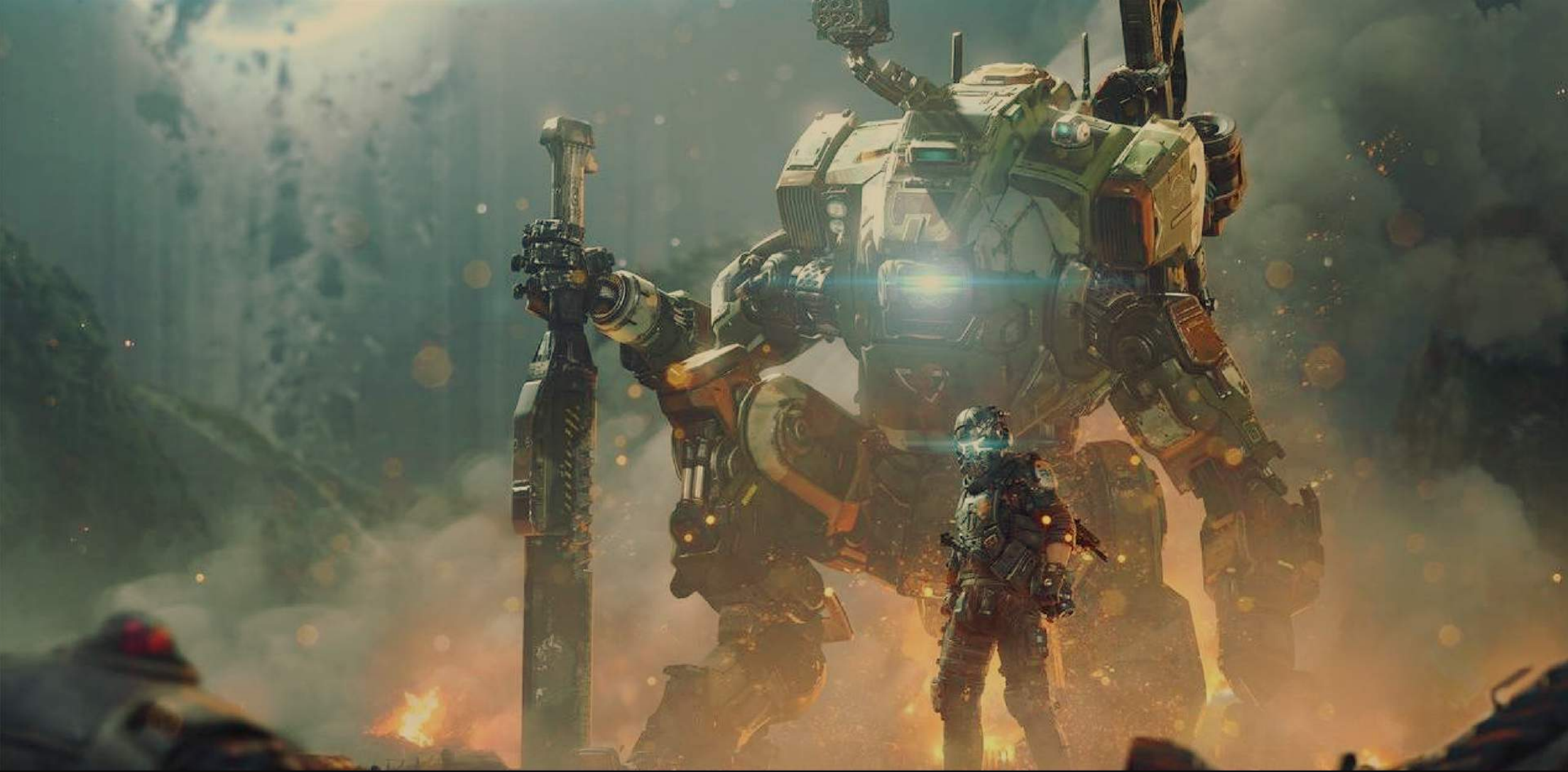


Connecting the creative community, creating a marketplace of creation tools, projects, and artists/developers in a virtualized workplace for the digital content creation industry, is a shared passion of StratusCore and LMG.

Liquid intends to leverage Stratuscore's proprietary, cloud-based technology to democratize access to the best tools that the industry has to offer and to create a healthy, efficient, and secure creation and commerce-based ecosystem for artists, developers and their clients

These Liquid Anywhere branded facilities will form the backbone of the Company's plans to consolidate Vancouver's fragmented media and entertainment market.





## 4. GROWTH STRATEGY

# IP STRATEGY

LMG intends to streamline the production pipeline through in-house development, savvy acquisitions and strategic optimization across media channels.



## DEVELOPMENT

- Determine optimal media channel for property development, from a story-first point of view.
- Determine investment structure on a case-by-case basis (full or co-production).
- Build creative team.
- Leverage LMG production capabilities.



## ACQUISITIONS

- Source original, compelling, dynamic narrative properties.
- Acquire rights across all channels.
- Invest in creative talent and nurturing original voices.



## OPTIMIZATION

- Aggressively leverage properties across additional channels (i.e. gaming, animation, merchandising).
- Long-tail revenue stream.



# A NEW AGE OF GAMING

67% of US households own a device that is used to play video games.

More than 60% of Americans play games daily.

Shifting demographics amongst gamers driving retro game resurgence - i.e. Resident Evil HD remastered set sales record for Playstation Network, ("PSN"), and Capcom Digital as the best-selling day one title ever on PSN.

Games are no longer constrained by platform - content is agnostic.

U.S. game sales experienced 4x growth from 2003 - 2017, growing from USD\$7B to USD\$29B.

Slate of strong gaming titles to release in 2019 including Cobra: Tale of the Moon for Nintendo Switch and PC.

Building upon the industry that grossed over \$121.7 billion\* in 2017 with new engaging titles that leverage all platforms.

Liquid will recognize full revenue from the titles listed.

Titles can be cross-exploited through animated series for traditional TV and/or streaming platforms, home video, theatrical release(s), merchandise sales and/or augmented reality programming.

# SPOTLIGHT ON

## LIBRARY



73 wholly owned titles.

Deep pool of retro titles available for acquisition.

## RELATIONSHIPS



25+ years publishing experience.

Proven record of success with over \$1B historical sales.

Strong ties across industry, across independent, A and AAA tiers.

## AUDIENCE



Average age of gamer in North America is 35 years old.

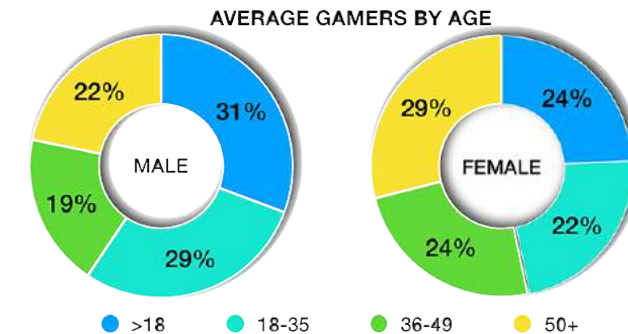
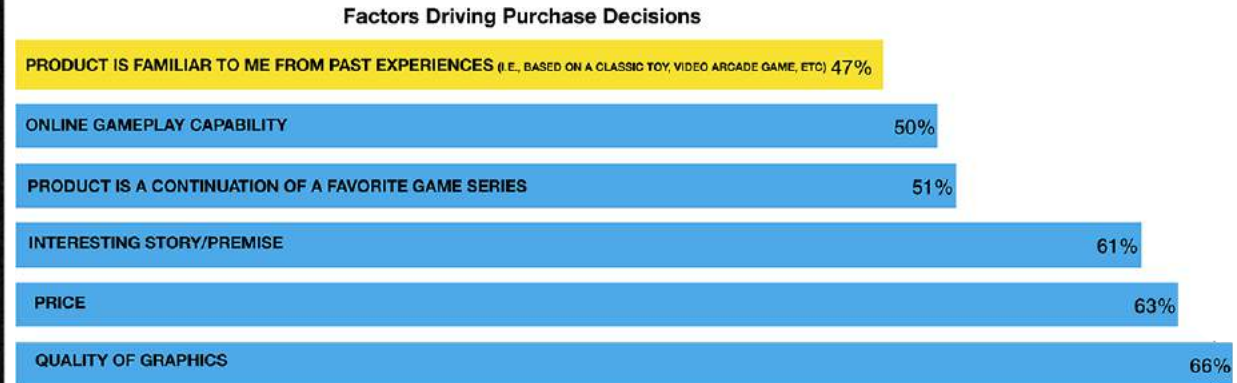
45% of gamers in North America are female.

First generation gamers have built-in awareness of retro titles.

Nostalgia drives sales.

# RETRO GAMING

## CHART 1. FACTORS DRIVING PURCHASE DECISIONS



Per the Q3 2018 Games Market Dynamics: U.S.\* report from [The NPD Group](#), overall total industry consumer spending on video gaming in the U.S. reached \$9.1 billion in the third quarter of 2018 (July-Sept.), an increase of 24 percent compared to the same time period last year. Video game content sales increased 25 percent to \$7.9 billion. All content categories (including full-game, DLC/MTX, subscriptions, and mobile) saw increases.

# PHYSICAL PRODUCTION

## GROWTH STRATEGY & REVENUE CAPTURE

LMG sees a unique opportunity to effectuate a targeted roll-up of complementary production service studios. USD\$2.9B annual production spend across a highly fragmented marketplace offers the ability to quickly onboard revenue.



## STRONGER TOGETHER

- Many studios cannibalize each other's profits.
- Small studios can't scale to maximize potential.
- Dependent upon freelance workflow.
- Vulnerable to gaps between work completion and payment.



## GROWTH STRATEGY

- Targeted studio acquisition based upon complementary capabilities.
- Streamlining infrastructure to smooth production revenue gaps.
- Shared resources across studios empowers creative talent.
- Fostering culture to retain and attract top-tier talent.



## REVENUE CAPTURE

- Targeted studios are currently revenue positive.
- Dedicated management teams retained.
- LMG investment + operational efficiencies maximize each studios potential.



# CONNECTIVITY

## CREATIVE SERVICES & ASSET SECURITY



## CREATIVE SERVICES

- Responding to shifting industry + creative needs.
- Robust platform of digital production software across all segments.
- Pricing structure reduces overhead and barrier to entry for creative professionals at large.
- Dedicated fiber connection enables industry-leading data transfer speed.
- Fostering creative community and furthering the LMG mission to develop the studio of the future.



## ASSET SECURITY

- MPAA rated sites provide unparalleled security for digital assets and data.
- Digital ledger allows full visibility for every point of contact with a digital asset (full transparency + monitoring).



## PHYSICAL LOCATIONS

- Dedicated locations for secure data drops.
- Co-workspace environment.
- On-the-go access to cloud-based virtual platform.

# LIQUID ANYWHERE



## PHYSICAL LOCATIONS

Branded locations. Studios, targeted production hubs. Your local coffee shop...even your living room. Connect to the global creative community anywhere with an 8mbps connection.



## CLOUD INFRASTRUCTURE

Virtual workstations. Render, store, transmit. Saas, IaaS and BI Reporting.



## UNPARALLELED CONNECTIVITY

Cloud-based platform allows subscribers to connect from virtually anywhere. Platform flexibility - from freelance artist to global footprint studio, Liquid Anywhere democratizes access to best in class creative tools.



## MPAA RATED SECURE NETWORK

Dedicated Liquid Anywhere facilities boast gold standard, MPAA Rated Network Security. Digital ledger provides complete traceability for all digital assets.



## TARGETED ROLL OUT

Initial launch in key physical production centers in North America, beginning with Vancouver, Canada.



## RESPONDING TO CREATIVE DEMAND

Industry ecosystem is insecure, capital-intensive and disjointed, requiring multiple overlapping software licenses and IT solutions. Liquid Anywhere streamlines workflow and revolutionizes the user experience.

## MARKET & INDUSTRY DATA

The information contained herein includes market and industry data that has been obtained from third party sources, including industry publications. LMG believes that its industry data is accurate and that its estimates and assumptions are reasonable, but there is no assurance as to the accuracy or completeness of this data. Third party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there is no assurance as to the accuracy or completeness of included information. Although the data is believed to be reliable, LMG has not independently verified any of the data from third party sources referred to in this presentation or ascertained the underlying economic assumptions relied upon by such sources.



# LIQUID MEDIA GROUP

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