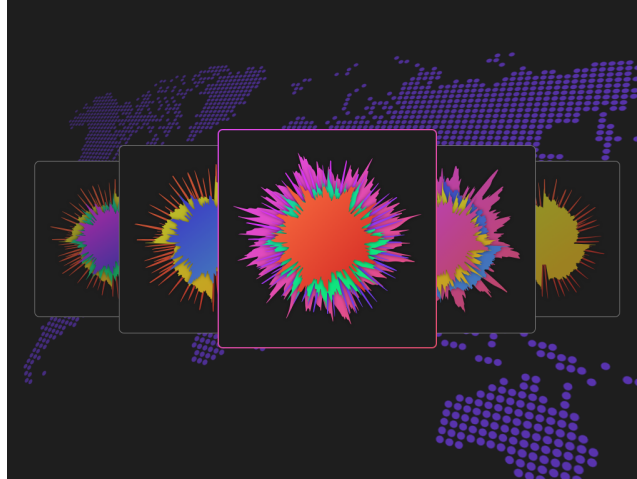




Overview

Endlessss is changing the way it's structured for the benefit of everyone involved in the project, past, present and future. This document lays out what we're doing, why we're doing it and how we're setting this up for everyone to benefit.



We're making Endlessss free to use for everyone, forever.

We're building an economic model where we will only make money when creators who use the platform make money. If you want to make money from what you create on Endlessss, we will give you that opportunity. If you don't want to, you and what you do will remain a vital part of the Endlessss ecosystem.

We believe creative tools and economic opportunities should be free for everyone to use. We believe that making money from what you create is a choice and that everyone from tool-makers to creators to curators should benefit when value is realised.

Endlessss will continue to maintain and improve the products it offers today while also establishing the Endlessss Foundation, a community-owned foundation, to develop open-source software and decentralised infrastructure which will become the global operating system for the Endlessss creative ecosystem. Anyone will be free to build on this infrastructure and use the open-source code to participate in the Endlessss economy.

By doing this, we're opening Endlessss up to an opportunity far bigger than was available to us before. We're opening this opportunity up to everyone who wants to be a part of our mission and benefit from the value of the ecosystem as it grows.

We will give everyone who has helped make Endlessss what it is today a stake in this new, bigger ecosystem - investors, team members, top community contributors, Kickstarter backers and those who have purchased our products to date.

We're planning to announce this publicly on 14th December 2021 when we will drop all paywalls, launch the Windows version of Endlessss and a new browser-based jam radio service.



We recommend reading this entire document to fully understand how we will deliver value to everyone who has been part of making Endlessss what it is today. We've created appendices with more information for Endlessss Ltd shareholders, Kickstarter backers, Studio purchasers and Infinite subscribers.

Our Aspiration

We have always aspired to provide tools that empower communities to come together in a context that intensifies and amplifies creativity and facilitates and deepens social bonds.

Before the industrial revolution, creativity was a social interaction. Music-making, dancing and story-telling were activities we did together, not products we consumed alone.

Today, creativity has become an industrial production process characterised by complex, monolithic production tools, saturated distribution networks that divide producers from consumers, and ever-dwindling revenue streams for producers.

Our mission has been and always will be to recreate the primal joy of pre-industrial social creativity for a modern, digital world. Now we are expanding that mission to build a 21st century digital economy around this that will enable anyone who wants to put creativity at the centre of their lives to do so.

Background 1 - Funding with the "Silicon Valley" Model

We have always known our mission would involve spending more money than we would generate from revenue for a number of years.

When we started out, there was a tried and tested system for building software platforms like this, the same system that brought us Facebook, Google, Amazon, Uber and AirBnB. This system enabled sophisticated investors with large amounts of money to buy shares in multiple new companies in the hope that shares in a handful of these companies will multiply in value and yield returns significantly higher than the total invested across all the companies.

Embedded in the legalities of this system are a number of obligations that result in value being delivered to a company's shareholders before their customers, for example dopamine-activating social features that prioritise generating engagement above empowering expression. These obligations create a gradient towards an end-game where the minimum number of shareholders extract the maximum amount of value from the maximum number of platform users.

In short, these platforms exploit creators. We simply don't want to be one of these platforms.

Background 2 - Building on the Internet

Today, Endlessss is built on the same fundamental internet technology which has become the backbone of our digital economy over the last three decades.



When the internet came to prominence in the mid-90s, it was built on open-source technology which connected a decentralised network of nodes to transmit data without a single point of failure. The resilience of this decentralised communications network is the key factor in the internet becoming the back-bone of our global economy.

But internet technology has no capabilities to track the origin or value of what is being transmitted through the network. Internet nodes simply forward packets of information on to their destination address, without keeping a record of what information has been passed on. Storing data (our 'content') and its history (our 'timelines'), falls to centralised companies who build on the connectivity of the internet to collect and use our data.

What is created or uploaded online can be infinitely replicated and distributed at near-zero cost, making traditional manufacture-and-supply business models that drive the tangible economy impossible online.

The new business models that have evolved in the internet age rely on realising the value that internet connectivity adds to the tangible economy, rather than the value that is created online. Successful internet businesses either accelerate existing industries (Amazon, Uber, AirBnB), aggregate and sell the attention that emerges from social network effects (Facebook, TikTok, Google) or offer convenient services-to-rent (Spotify, Netflix, Slack).

The combination of legacy legal structures and internet technology has led to extractive platforms which harvest value from large networks of value-creators.

New Opportunities to Open-Source, Decentralise and Track Value

Recently, new technologies have reached maturity which offer potential solutions to both the problems of the internet - lack of decentralised data tracking and verification - and the funding models that fuelled the rise of internet giants - legacy legal structures designed to concentrate rather than distribute ownership.

These technologies build on the connectivity of the internet to create decentralised networks which store a fully-attributed, cryptographically verified history of all operations that take place on the network in a distributed ledger. They also allow for scripts called smart contracts which execute automatically on the network in response to specified events and inputs. Each node on the network takes part in a verification process of everything that happens on the network and establishes a consensus with the other nodes about what actually happened. Each node also keeps a record of everything that has ever happened on the network.

There are two big leaps that this technology affords.

Firstly, what is done on these networks can be tracked and verified without the intervention of any single entity, meaning the value that is created on these networks belongs to and is controlled by those who create it, opening up the possibility for a digital version of the manufacturing economy.



Secondly, this technology also allows for governance and coordination of projects to be carried out using these networks through the formation of Decentralised Autonomous Organisations which formalise governance processes and track and verify decision-making and the management of funds.

These technologies enable projects to be open-source, co-owned and governed by the community while simultaneously creating economic opportunities as an implicit function of the technology itself.

Time to Transition Endless

Having spent the last 12 months learning about the opportunity of this new technology, we're ready to make the transition from a single privately-owned company to a community-owned foundation represented by the Endless Foundation and begin the journey to progressively decentralise the technology and operation of the Endless ecosystem.

We're partnering with the Near Foundation to build on the next-generation Near Protocol. Near Protocol uses a verification method called Proof of Stake which is as energy-efficient as traditional internet server technology. Near Protocol is also focussed on making their technology consumer-friendly with a number of innovations such as human-readable addresses and a user-friendly account setup. Near Protocol is also early in its adoption curve, meaning we will get significant support from the Near ecosystem as we grow.

Endless Ltd, the Endless Foundation and \$ESSS token

Endless Ltd will continue to operate as the preeminent toolmaker in the Endless ecosystem as well as the primary engineering subcontractor developing open-sourced, decentralised technology on behalf of the Endless Foundation.

We are incorporating the Endless Foundation as a legal entity which will be able to receive funds and distribute tokens. The Endless Foundation will create 1Bn \$ESSS tokens and distribute these to ecosystem participants past, present and future. Holding \$ESSS tokens will allow participation in governance of the technology, business model, promotion and treasury management of the Endless ecosystem.

- 10% of \$ESSS tokens will be paid to Endless Ltd as a license for technology it has already built and access to the Endless channels and user base.
- 4% of \$ESSS will be distributed to customers, kickstarter backers and top community contributors to date.
- 10% of \$ESSS will be reserved for Endless core team members
- 5% of \$ESSS will be reserved for advisors
- 16.5% OF \$ESSS will be sold to investors to fund development and capitalise the Endless Foundation



- 54.5% of \$ESSS will be held by the Endless Foundation treasury for allocation according to the wishes of the Endless community

Over the coming months we will work with the community to establish how governance will be handled and which technology and services we will use to manage governance.

To read more about the goals and business model of the Endless ecosystem, read the white paper

Honouring the Existing Participants in the Endless Ecosystem

There are thousands who have participated in bringing Endless to where it is today: the community, team, investors, purchasers and Kickstarter backers. We believe it is of crucial importance that everyone who has helped to make Endless what it is today is recognised in the token distribution. To do so, we are reserving token allocations for all of these groups.

Account-holders

All 120k+ Endless account-holders will be able to claim an NFT badge commemorating their participation in the initial phase of Endless.

Top Community Contributors

The top 500 creative contributors on Endless will be offered an allocation of 2% of the token supply, 20 million \$ESSS, pro-rata to their level of contribution, as well as a 1/500 NFT badge commemorating their participation.

Kickstarter Backers, purchasers and subscribers

Everyone who backed our Kickstarter campaign, purchased a license of Endless Studio or subscribed to the Endless Infinite subscription will be offered an allocation of 2% of the token supply, 20 million \$ESSS, pro-rata to their total spend. This means that your Kickstarter backing or purchase of Studio / Infinite will translate directly into an ownership stake in Endless going forward

Kickstarter backers will be offered limited edition NFT badges according to the tier they backed the project at, as well as Endless Studio purchasers and Endless Infinite subscribers.

Read more about how we will continue to deliver value to Kickstarter backers and Studio purchasers and Infinite subscribers in the appendix at the end.

Endless Ltd shareholders

The Endless Foundation will pay Endless Ltd 10% of the \$ESSS supply, 100 million \$ESSS, as a license for parts of the technology which Endless has developed, use of the Endless brand and trademarks and access to the Endless community. Endless Ltd will distribute a dividend



of at least 50% of its \$ESSS allocation to all share holders, according to their share holding. Endlessss shareholders will also be offered a limited edition NFT badge commemorating their investment.

Read about how we will continue to deliver value to Endlessss Ltd shareholders in the appendix at the end.

What we don't know and what we're learning

We don't have an answer to everything, which is the way it should be. Rather than coming to the community with a fully mapped-out plan of where we're going and how we're going to get there, we want to engage the community to come to a consensus as to what we want to achieve, how we collectively imagine our future and how we will work together to achieve it.

We want to provide a solid start-state and enough guide-rails to focus the conversation, with the guide-rails being held more and more by the group consciousness as we go forward.



Appendix A - Endless Studio Kickstarter Backers

Overview

This appendix builds on the main Endless Transition Statement. To understand the full context behind this appendix for Endless Studio Kickstarter Backers, please read the Transition Statement in full.

Thank you to all our Kickstarter Backers 🙌

In June 2020, just 3 months after the Endless iOS app hit the app store, we launched our Kickstarter campaign to fund the building of Endless Studio for MacOS and Windows. You came out in force to back us. The level of your support blew us away and powered us through the following months while we got our hands dirty building.

We shipped Endless Studio MacOS ahead of time in December 2020 but ran into some thorny technical issues getting Endless to work on Windows. Thankfully, after a lot of refactoring and a huge amount of patience and support from you 🙏, we've got it over the line and are excited to continue building on the product and delivering our stretch goals.

Changing Times, Big Opportunities

So much water has gone under the bridge since our Kickstarter campaign. We've learned a ton in the last year. Our biggest learning is that the unique socially creative experience that powers Endless is so much more powerful than what Endless offers as a tool for assisting music production. Charging for Endless as a buy-to-own product puts a huge barrier in the way of discovery of that creative experience.

Meanwhile in the 18 months since our Kickstarter campaign, ground-breaking new business models for the creator economy have emerged. Compelling opportunities now exist to set up projects like Endless to be fully aligned with the interests of creators rather than compete for their cash, to offer creators co-ownership of the platforms they use and give them an opportunity to share in their value as they grow.

The time is now and the time is right to revolutionise the relationship between creators and those who make the tools they love to use. Endless and all the future tools in the Endless ecosystem will be free to use, forever

Continuing to Deliver (Even More!) Value

Since you put your faith in us by backing us, it's been crucial to us in planning this move to make sure we recognise the value you've put into Endless.

To this end, we're giving you an ownership stake in the future of Endless. When we launch the Endless token, we have reserved 2% of the token supply to be distributed amongst all Kickstarter backers and customers, according to the amount spent or pledged. This works out



Endless Transition Statement

at around a 50% discount rate on the tokens we will be selling to raise funds for the Endless ecosystem.

Additionally we will deliver your pledge tier badges as limited edition NFTs which you will be free to hold and cherish or trade if you want to.

And of course you will be able to use all the products and features you backed us for forever. We will deliver HD audio early in 2022 before working to roll out our stretch goals: song mode, song stem export and an arpeggiator and chord generator. Other huge features are planned for 2022, including a marketplace where you will be able to create, buy and sell digital collectibles made on Endless.



Appendix B - Endless Studio Purchasers and Infinite Subscribers

Overview

This appendix builds on the main Endless Transition Statement. To understand the full context behind this appendix for Endless Studio purchasers and Infinite subscribers, please read the Transition Statement in full.

Thank you for purchasing and subscribing!

On March 31st 2020, right in the middle of the first wave of the pandemic, we launched the Endless iOS app in the App Store. As the ultimate musical alone-together tool for your pocket, the app received a ton of attention. Then in December last year we launched Endless Studio, the desktop version. Since then, the Endless community have gone from strength to strength, depth to depth, mapping out the vernacular of how to jam together and spinning off Endless-originated projects from albums to video game soundtracks to audiovisual works.

We're incredibly grateful to all of you who have purchased Studio licenses and subscribed to Endless Infinite.

Changing Times, Big Opportunities

So much water has gone under the bridge since our launch. We've learned a ton in the last year. Our biggest learning is that the unique socially creative experience that powers Endless is so much more powerful than what Endless offers as a tool for assisting music production. Charging for Endless as a buy-to-own product puts a huge barrier in the way of discovery of that creative experience.

Meanwhile in the nearly two years since our launch, ground-breaking new business models for the creator economy have emerged. Compelling opportunities now exist to set up projects like Endless to be fully aligned with the interests of creators rather than compete for their cash, to offer creators co-ownership of the platforms they use and give them an opportunity to share in their value as they grow.

The time is now and the time is right to revolutionise the relationship between creators and those who make the tools they love to use. Endless and all the future tools in the Endless ecosystem will be free to use, forever

Continuing to Deliver (Even More!) Value

Since you paid for our products, it's been crucial to us in planning this move to make sure we recognise the value you've put into Endless.

To this end, we're giving you an ownership stake in the future of Endless. When we launch the Endless token, we have reserved 2% of the token supply to be distributed amongst all Kickstarter backers and customers, according to the amount spent or pledged. This works out



Endless Transition Statement

at around a 50% discount rate on the tokens we will be selling to raise funds for the Endless ecosystem.

Additionally we will deliver a limited edition badge as an NFT, which you will be free to hold and cherish or trade if you want to.

And of course you will continue to be able to use all the products and features you purchased. We will deliver HD audio early in 2022 before working to roll out our Kickstarter stretch goals: song mode, song stem export and an arpeggiator and chord generator. Other huge features are planned for 2022, including a marketplace where you will be able to create, buy and sell digital collectibles made on Endless.



Appendix C - Endlessss Ltd Shareholders

Overview

This appendix builds on the main Endlessss Transition Statement. To understand the full context behind this appendix for Endlessss Ltd Shareholders, please read the Transition Statement in full.

Shout-out to our Shareholders 🙌

Over the past 3 years, we have been consistently backed by you. Your support has been critical to us getting where we are today, whether you invested thirty pounds or thirty thousand pounds and whether you joined us at our very first Friends and Family round in March 2018 or our recent crowd equity round in August this year.

Thank you!

A quick side-note on our recent round: At the time of writing we're near to completing documentation for this round, a process which took far longer than we expected due to administrative delays with our crowd equity funding partner. We really appreciate your efforts in the last week to get the documents signed off promptly so we can finally receive the funding we raised over 3 months ago!

Continuing to Deliver (Even More!) Value

While planning our move to build on 'web 3', it's been of utmost importance to honour and build on the value our investors and shareholders have brought to the project to date while also adopting the core tenets of the open-source, community-owned future we're building for.

This new route magnifies our opportunity by multiples - potentially 100x or more if we're successful.

The four power-ups our move will take advantage of are:

- Giving the community the power and incentive to build what they want for themselves will drastically increase the speed at which Endlessss will be built and the variety of use-cases and demographics it will cater for
- Web 3 is early in its adoption curve. Projects like Endlessss have an opportunity to define new categories in web 3. There are murmurings that the metaverse is a virtual real-estate bubble of empty space with nothing to do there. Simply put, Endlessss has a huge opportunity to be what you DO in the metaverse.
- The funding available for web 3 projects is currently orders of magnitude greater than what is available for media tech startups in traditional venture capital



- We're opening up to a much bigger market opportunity that expands beyond music to collaborative creativity in general

This is simply a much bigger pie, a pie we believe will deliver greater value to both our shareholders and the community alike, a tide that raises all boats.

Going forward, we're setting up Endlessss Ltd to continue to be one of the most valuable parts of the Endlessss ecosystem while also licensing important parts of its technology to the Endlessss Foundation to be open-sourced so that anyone can build upon what we've already achieved.

Toolmakers in the Front Seat

The economy we're designing around the Endlessss ecosystem gives toolmakers a crucial role and rewards them accordingly.

Creative tools have always been drivers of culture. The piano, electric guitar, paintbrush, camera and multitrack recording have all sparked epoch-defining cultural movements. This is why the opportunity to give toolmakers a split of the value that is created with their tools is both groundbreaking and huge. This new economic model incentivises toolmakers to optimise for cultural impact not sales. It is our hope that the next epoch-defining creative tool will be built on Endlessss.

Endlessss Ltd as Toolmaker

As a toolmaker, Endlessss Ltd will have opportunities to generate revenue in the Endlessss ecosystem like all other toolmakers, even after open-sourcing key components of the Endlessss system. This means the Ltd company will continue to be a valuable, revenue-generating asset in its own right.

The first truly web-3 product which we will launch in April 2022 will give Endlessss Ltd a 10% creator share in all digital collectibles sold on the platform. We intend to establish this toolmaker split as the norm across the ecosystem. To put this in perspective, NFT sales volume in 2021 has already surpassed \$10Bn, 5x the \$2Bn total market size for music creation software.

With a user-base of over 120k users and over 5 million riffs on the platform that are ready to become digital collectibles, we are already well on the way to building something huge.

Shares AND Tokens

As Endlessss Ltd shareholders you will both retain the shares you own in Endlessss Ltd, and additionally receive an allocation of the token. The Endlessss Foundation will pay Endlessss Ltd 10% of the \$ESSS token supply as a license for parts of the technology which Endlessss Ltd has developed, such as the music riff encoder and decoder and the Endlessss Jam API which we're in the process of developing. We intend to distribute a dividend of at least 50% of the tokens Endlessss Ltd receives to our shareholders, pro-rata to shareholding.



Where Could this go?

Web 3 is being adopted at an eye-watering pace. At the time of writing, the total cryptocurrency market cap stands at \$2.6Tn. 12 months ago it was \$540Bn. 5 years ago it was \$13Bn. That's a 2000x gain in 5 years.

2021's rapid adoption has been driven by the intersection of blockchain and culture, particularly by the adoption of NFTs. This is just the beginning of blockchain's impact on culture with entire new categories - such as collaborative creativity - waiting to be defined in the coming years.

Here are 3 examples of what projects operating at the intersection of blockchain and culture have achieved.

Audius

Audius is a decentralised music streaming service which was founded in 2018. They launched their token \$AUDIO in November 2020 which is now valued at \$2.5Bn fully-diluted market cap.

Decentraland

Decentraland is a virtual real-estate metaverse where land can be created, bought and sold to build VR experiences and games upon. Decentraland launched their \$MANA token in September 2017 and launched their service publicly in Feb 2020. Today, the fully-diluted market cap of \$MANA is \$10.2Bn

Axie Infinity

Axie Infinity is a play-to-earn game where players buy, breed and sell in-game characters as NFTs. Famously, Axie has been widely adopted in the Philippines where the local housing market has seen a boom due to the wealth created by players of the game. Today Axie's token \$AXS has a fully-diluted market cap of \$36.9Bn