

IMPRESSIVE CLOSED BETA TEST RESULTS EXCEED EXPECTATIONS

HIGHLIGHTS

- **Megastar Millionaire has completed its Closed Beta Test competition, delivering excellent user engagement statistics**
- **The Test competition reported:**
 - **Significant User Retention on Day 28 of 19% (industry norm 6%)**
 - **Excellent daily average user play time of 19 minutes (industry norm 7.4 minutes)**
 - **Strong average push notification re-engagement of 86% (industry norm approximately 15%)**
- **Valuable customer insights gained to direct the Company's ongoing platform development investment to optimise user experience and engagement**
- **Megastar Millionaire is on track and rapidly progressing towards launch in Q1 2017**

MSM Corporation International Limited ("**MSM**" or "**the Company**") (ASX: MSM), a leading digital technology and entertainment company, is pleased to announce the completion of its Closed Beta Test competition and report the strong user engagement figures demonstrated by the competition.

The Closed Beta Test ran for 30 days and involved 160 performers and 2,863 fans. It marked the release of the Company's core competition platform, putting the App and backend systems in the hands of real customers. The Test included a small but core subset of the features that will form the basis of the experience of the world-wide competition, scheduled for launch in Q1 2017.

Excellent user engagement statistics have been reported from the Test competition, exceeding the Company's expectations for user retention and engagement. Key insights generated by the Closed Beta Test include:

- **User Retention on Day 28 of 19%**, indicating that 19% of users remained involved in the competition until its completion. This compares very favourably against an industry norm of 6%¹, demonstrating that the platform maintains strong interest from fans and performers above industry averages.
- **Average user session time of 9 minutes**, for fans engaging in the Closed Beta Test competition, against an industry norm of just 4 minutes per session. On average, users engage in 2 sessions a day on the platform, giving an average length of daily play per user of 19 minutes, comparing favourably with the industry norm of just 7 minutes¹ total play time per day.

These user averages are for the entire 30 days of the Closed Beta Test competition. This reflects an expected decrease in session time from the preliminary data announced to the market on 20 October 2016 as;

- (a) more and more users come in *at later periods within the competition*; and
 - (b) as with all digital based consumer products, as time extends, standard metrics flatten due to user volume. However, our Closed Beta results show less of a fall than expected, along with higher *and* longer (frequency) retention rates
- **Average push notification re-engagement of 86%**, compared to an industry average of approximately 15%¹. A high level of push notification re-engagement indicates that users interact and respond to the platform's alerts on a regular basis.

The insights gathered from the Closed Beta Test competition will direct the Company's platform investment to optimise user experience and engagement related metrics ahead of the world-wide launch of the first full competition in Q1 2017. Furthermore, it has identified any bugs and allowed the company to improve the on-boarding process to optimise user acquisition and early retention.

Managing Director, Dion Sullivan commented;

"At this early stage, ahead of the commencement of our branding, marketing and production programs, and with a US\$10k prize (not US\$1M), we fully expected performer content, App features, production values and user numbers to be very limited samples of what we will see after Megastar Millionaire officially launches in 2017."

"Getting the product into the hands of customers as early as possible is an extremely important and significant milestone in executing a customer centric digital strategy. The team are executing extremely well and the first test validates some key elements of the business model, platform architecture and product release processes. We are progressing as planned and have moved straight into rapid iteration of the product with small open-call audition tournaments already announced on our social media channels."

"The open call tournaments will drive ongoing small-scale customer engagement and usage to test product features and other elements of the business model as the Company progresses towards the official launch in Q1 2017."

Executive Director Asia-Pacific, Sophie McGill commented;

"This is a critical phase in our journey towards launch and we thank all the participants in the Closed Beta - and Shareholders - for their support. With our most significant technology build now complete, we are turning our attention to building the brand, rounding out the functional aspects and installing the most compelling consumer engagement mechanisms within the Megastar Millionaire platform before we launch our world-wide competition."

"We are extremely pleased with the high level of user engagement, time-on-app and push notification re-engagement that was indicated in the beta. MSM is looking forward to continue the trajectory to our launch in Q1 2017. The next phase is creating the compelling visual elements, celebrity engagement and brand equity that will attract and retain large volumes of users."

¹ Adjust Mobile App Tracking

² Urban Airship Whitepaper - Mobile Engagement Industry Benchmarks: Notification Response Rates 2015

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About MSM

MSM Corporation International Limited is a digital technology and media entertainment company that, via the first product offering, Megastar Millionaire, will launch the world's richest online, mobile-first, talent discovery competition platform.

Megastar Millionaire is a consumer digital entertainment technology platform; connecting performers and fans in an innovative and interactive gamification experience. It is designed to transform, mobilise and individualise the search for new artists, allowing people to easily showcase their talents to a global digital audience and offers significant advantages over traditional television platforms.

This highly disruptive, first-to-market platform will monetise mobile video via a highly successful talent competition format. Operating squarely within the US\$25bn online gaming and US\$30bn mobile sectors, Megastar Millionaire draws on the social media phenomenon, allowing individuals to demonstrate their skills and talents.