

ASX Announcement

3 July 2017

MEGASTAR LAUNCHED IN GREAT BRITAIN AND SOUTH AFRICA

HIGHLIGHTS

- The Megastar App launched in Great Britain and South Africa on 30 June 2017 and 1 July 2017, respectively
- + Launch of auditions in New Zealand, Canada, Australia and the US to follow under a phased launch strategy
- Testing in Great Britain concluded with the first audition heat completed and key engagement metrics (Daily time spent In-App) rising by 16%
- + The British market has a target audience of more than 11.6 million and the South African market has a population of over 55 million with more than 40% penetration of smartphone users
- + Follows recent expansion of Megastar's total audience reach via sponsored performers and social influencers to over 50 million

MSM Corporation International Limited (ASX: MSM), a leading digital technology and entertainment company, is pleased to announce that the Megastar App successfully launched in Great Britain on 30 June 2017 and South Africa on 1 July 2017. The first phase of the competition features weekly audition heats where performers are competing for places in the stage rounds. The audition phase builds up towards Stage 1 of the Tournament as the App rolls out across all six markets.

The **launch of both the UK and South Africa** will be closely followed by New Zealand, Canada, Australia and the US, as part of a phased launch strategy, with the culmination of all geographies resulting in a truly global mobile-first talent competition with performers competing for audience favour and a One Million US Dollar prize.

Megastar is MSM's flagship product. It is a global, mobile-first talent competition, featuring performers from seven talent categories, including Music, Dance, Sports, Extreme, Comedy, Magic and Variety, that compete to win One Million US Dollars, a role in a film and various other prizes. Winners are chosen by Fans voting in the competition through the Megastar App. The App went live in Great Britain on 30 June 2017 and South Africa on 1 July 2017. It is available for Performers and Fans in those territories to download from the Apple and Google stores.

HUB research defined a target audience in Great Britain of 11.6 million with enormous potential to engage with Megastar. Audience engagement has been further validated in the final stages of live market testing that MSM has been conducting in Great Britain since the second half of April. The average time spent on the app per day grew by 16% (compared to US beta testing in October 2016), with users spending an additional 2 minutes per day in the App and bringing the average time to 14.5 minutes per day. The number of videos consumed also grew by 13%. With a population of more than 55 million and more than 40% smart phone penetration; South Africa is a significant opportunity for all types of creative talent to showcase their skills via Megastar.





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The launch follows the recent announcement from the Company that its **total audience reach had expanded to over 50 million** (27 June 2017) that can be leveraged to amplify awareness for the competition and drive Fans to the platform to register and start voting.

Curated content from Megastar's sponsored performers will be introduced to the competition once the final territory (Australia) goes live to drive audience acquisition as the competition progresses towards the competitive rounds.

MSM Managing Director, Dion Sullivan commented;

"This is a really big moment for MSM and is the culmination of an enormous amount of work from all parts of our business. We are exceptionally proud to have launched the competition in Great Britain and South Africa and are tremendously excited about the talent that Megastar will showcase. Within Megastar's key demographics in South Africa is a potential audience reach of more than 26M. Obviously, with South Africa leading the continent in economic growth and smart phone penetration, we have cause to be very excited about the potential there. With the competition set to launch in the US, Canada, Australia and New Zealand in the coming months, the team is staying focused and is highly committed to delivering the world's premier, mobile-first talent competition.

"This is the moment when talent competitions evolve to be mobile-first and we are proud that Megastar is leading the change."

MSM Executive Director Asia-Pacific, Sophie McGill commented;

"Going live in our first competition geographies is a fantastic achievement. Having already attracted highly connected performers and social media influencers to Megastar, the competition is well positioned to reach a massive global audience, attracting amazing performers and highly engaged fans."

FOR FURTHER INFORMATION, CONTACT:



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ABOUT MSMCI

MSM Corporation International Limited ("MSMCI") is an online entertainment company that specialises in building and launching new digital entertainment products to audiences in the US, Great Britain, Australia, Canada, New Zealand and South Africa. MSMCI partners with local operators in non-English speaking markets to maximise the reach of its products and services globally.

MSMCI's flagship product is Megastar, a global, mobile-first talent competition, featuring performers of any category, competing to win One Million US Dollars, a role in a film and various other prizes. Winners are chosen by fans voting in the competition through the Megastar App.

The first Megastar competition launches in MSMCl's six core markets with the App available for download from the Apple and Google Stores. Additional Megastar competitions will subsequently launch in non-English speaking markets via partnering and licensing agreements.

Megastar was founded by Adam Wellisch and Dion Sullivan in February 2014 and listed on the Australian Securities Exchange becoming MSMCI (ASX:MSM) in January 2016. The Company is currently headquartered in Sydney, Australia and Oakland, California, USA.

Visit www.msmci.com to learn more or to sign up for the investor newsletter.

