

QUARTERLY ACTIVITIES REPORT

Period ended 31 December 2020

HIGHLIGHTS

- Significant US Patent issued representing System And Method For Analysing And Tracking Media For Talent Discovery which will be of value to talent or management agencies that need to assess millions of hours of video content to find “the next big thing” on platforms like YouTube, Instagram, Facebook, and TikTok
- The patent also enhances the value of the license agreement with RTE for utilisation of the Megastar platform for mobile gaming and eSports
- Newly released Firefly Games product *Zombie Rollerz: Pinball Heroes* featured by Apple globally across all regions on Apple Arcade achieved exceptional statistics for first 3 days: 30 million impressions; over 325,000 page views and Day 1 retention at 45%
- MSMCi have a priority right to be paid profits or distributions received by RTE from J&D Holdings (majority shareholder of Firefly Games) for the repayment of the RTE loan note and MSMCi will benefit from any ongoing distributions post loan repayment as an RTE shareholder
- Continued cost reduction strategy

MSM Corporation International Limited (“MSM” or the “Company”) is pleased to release its Quarterly Activities Report for the three month period ended 31 December 2020.

Intellectual Property

During the Quarter the Company continued to advance its intellectual property assets to maximise the benefit of the Megastar platform concepts in the global digital technology and entertainment industry.

On 21 December 2020 the Company announced the issuance of US Patent No. US 10,733,561 had strengthened the legal protection for the Megastar platform, underpinned MSM’s licensing strategy and created the potential for new revenue opportunities.

In the short term, US Patent No. US 10,733,561 enhances the value of the license agreement with Riva Technology and Entertainment Limited (RTE) for utilisation of the Megastar platform for mobile gaming and eSports (as announced on 15 July 2019).





RTE Loan

In December 2020, the Company received the second loan repayment of US\$100k from The Riva Group of the US\$1.5M waterfall loan note with regular repayments to follow. The Company has applied these funds for general working capital.

As announced on 26 June 2020, it is anticipated that MSMCI's working capital requirements going forward will be met by these waterfall loan note repayments as gamification revenue is generated by Firefly Games Inc and distributed via RTE to MSMCI who has a priority right, along with other loan note holders, to be paid all profits or distributions received by RTE in repayment of the notes. MSMCI may also benefit from any ongoing distributions post loan repayment as 10% shareholder in RTE.

During the Quarter Firefly Games successfully completed its global launch of *Zombie Rollerz: Pinball Heroes* which is available worldwide on Apple Arcade.

The game has been co-developed with Zing Games Inc and is the first for Firefly Games on Apple Arcade targeting global mobile gaming audiences. The game was featured by Apple globally across all regions on Apple Arcade. The statistics from Apple Inc for the first 3 days since launch included 30 million impressions, over 325,000 page views and Day 1 retention at 45%.

Corporate

During the Quarter the Company continued to focus on ongoing cost reductions and maintaining the support of all stakeholders including strengthening the strategic partnership with The Riva Group, Galaxy Racer and Firefly Games to maximise shareholder value.

Project expenditure has continued to be managed in conjunction with the Company's available working capital. In accordance with ASX Listing Rule 5.3.5 the Company advises that payments made to related parties and their associates during the period included director and company secretarial fees (\$29k) with historical director fees, consulting fees and company secretarial fees (\$123k) converting to equity following shareholder approval at the annual general meeting held 27 November 2020.

This announcement is authorised by the MSMCI Board.

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. MSMCI partners with local operators in non-English speaking markets to maximise the reach of its products and services globally.

MSMCI's first product to delivery was Megastar, a global, mobile-first talent competition, featuring performers of any category, who competed 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 launched in core markets with the App available for download from the Apple and Google Stores. MSMCI will now capitalise on this platform by optimising the Megastar 2.0 version through the strategic partnership with The Riva Group's already established portfolio of industry specialists in Esports, gaming, user acquisition, IP delivery and infrastructure.

The Megastar Version 2.0 platform is planned to deliver a more gamified and interactive experience skill based competition with Esports and mobile gaming under the license agreement executed with Riva Technology and Entertainment Limited in conjunction with Esports organization, Galaxy Racer.

ABOUT RIVA

Founded in 2002, with Headquarters in Dubai and offices across the world from the USA to East Asia; The Riva Group have successfully been delivering the vision of tomorrow for over 15 years. The Riva Group of companies hold an industry advantage in their ability to take every project from concept to execution all housed under one roof. The complementary divisions cover: creative design and development of theme parks, brand and Intellectual Property licensing, 3D animation and visual effects for films, games and TV content.

The Riva Group recently played an instrumental role in the concept, design and development of major theme parks in the middle east, based on world class IP licences. The concepts for one of the parks was inspired by The Riva Group's Chairman; Mr Paul Roy and his Mumbai based celebrity partners who specialise in directing, screenwriting and production for Bollywood and have won numerous awards and international accolades over the last 15 years.

The Riva Group have vast experience specialising in licensing agreements where they have successfully negotiated and arranged for licences for world class entertainment Intellectual Property with; Dreamworks Animation, Marvel, Sony Pictures, Electronic Arts, Lionsgate, Square Enix, Microsoft Studios, Cartoon Network, Capcom and Konami. The Riva Group in partnership with Los Angeles-based Firefly Games have developed the cutting-edge Dreamworks: Universe of Legends Mobile Game where Shrek meets Kung-Fu Panda in a Dreamworks Hero mashup.

ABOUT GALAXY RACER

Galaxy Racer is one of the fastest growing Esports organizations in the world. Boasting an impressive roster of 10 teams already in CS:GO, League of Legends, Dota2 and PubG Mobile, Galaxy Racer is the youngest Esports organization to have ever been given a headline feature on CNN. Galaxy Racer, known for its diversity, close to half their rosters are female and across 20 different nationalities. Galaxy Racer is also the local organizer of the Girl Gamer Dubai Festival, one of the largest esports events in the world. Twitter - <https://twitter.com/galaxyracerdxb> CNN feature - <https://edition.cnn.com/2020/03/21/sport/girl-gamers-uae-spc/index.html>



ABOUT FIREFLY GAMES

Firefly Games, founded in 2015, is a mobile game publisher and developer for the global iOS and Android markets. Firefly is one of only a select group of approved publishers under the Apple Arcade platform. Firefly's team has worked on titles such as Kung Fu Panda, How to Train Your Dragon, Shrek, Madagascar, and more. The *Terminator: Dark Fate* game is available at <http://fireflygames.com/tdf/> and newly released *Zombie Rollerz: Pinball Heroes* game is available at <http://fireflygames.com/zra/>

FORWARD-LOOKING STATEMENTS

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