

Streamplay completes acquisition of Pacific focussed VAS business

HIGHLIGHTS

- Streamplay Studio completes acquisition of the VAS business of Mobimedia
- Mobimedia boasts a number of revenue-generating services focussed on the Pacific Islands region via agreements with a number of Mobile Network Operators (MNOs)
- Streamplay to capitalise on these MNO relationships and launch its existing products into these new jurisdictions
- Range of Mobimedia VAS services to be integrated and launched into Streamplay's existing business in South Africa with expansion across Africa via Streamplay's relationship with MTN Group
- Strengthened Australian based management and technology team to assist with expanding MNO revenue generating opportunities across a multitude of jurisdictions.

An exciting addition to Streamplay's reach and product offering

Esports gaming and telco service provider **Streamplay Studio Limited (ASX: SP8)** ("**Streamplay**" or the "**Company**") is pleased to announce that it has satisfied or waived all conditions precedent to successfully complete the acquisition of the VAS business of Mobimedia.

Acquired VAS business

The acquired VAS business includes a number of new product lines and revenue streams which are complementary to Streamplay's existing gaming and streaming technology service offerings. These revenue streams include mobile games content, SMS games, On-Deck Portal delivering localised content and the popular mJams music and video streaming application:



mJams music is hub/platform that local music and content creators across the Pacific Island can call their own, with a heavy focus on preserving Local Island music.

With over 1000+ artists promoting their music and some of the biggest artists not just in the Pacific but in the world of Reggae such as DMP, Jaro Local and Sean Rii we now boast the largest collection of local Pacific music and videos in the world, Users always have new and exciting artists to discover and support.

mJams has helped the Pacific music scene by paying local artists in streaming royalties which has pioneered the artist & music community as a whole to grow as seen on ABC Pacific.

The VAS business will be operated under new wholly owned Streamplay subsidiary, Streamplay Studio Pacific Pty Ltd, which will be headed by Mr. Todd Emanuelli, an experienced telco emerging markets executive. As part of the transaction, Todd and his team of management and staff will join Streamplay and add significant experience in expanding and servicing MNO partnerships.

Bert Mondello, Chair of Streamplay commented:

"On behalf of Streamplay, I welcome Todd as the CEO of our new Pacific subsidiary and his team to the group. Completion of the transaction adds new product streams and profitable revenues to our business. Crucially, Streamplay's footprint is extended into new markets. The synergy of product offerings and ability to cross sell products into new markets promises strong growth for the group."

Todd Emanuelli, the CEO of Streamplay Studio Pacific Pty Ltd commented:

"I'm really excited and pleased for my team and our products and what will be possible with the significantly expanded resources, tech stack and corporate support of Streamplay."

I am confident of the prospects of the combined product offerings and that we will be able to demonstrate value to our MNO partners and expand our services with them. My team and I have substantial experience in emerging markets and I know we will be able to assist Streamplay with making the most out of its existing partnerships as well as forging new ones".

A more diverse service offering to a wider geography will result in incremental revenues

The Company now has a strong product suite in the industry covering Gaming, Video, and Music verticals. Streamplay has a strong partnership with MTN South Africa as an Esports services partner supplying a reported 1.3 million users with gaming experiences both in MTN Arena (competitive social gaming platform) and MTN Arena 5G (game streaming platform).

MTN Arena 5G is the first South African developed game streaming platform and was launched in Q3 2022. This game streaming service is a flagship product for MTN and has seen significant investment from both MTN and the Company.

In addition to gaming, the Company now has technology to deliver both music and video content via streaming services. Game, video, and music streaming opportunities in Africa continue to rise where MTN currently services more than 285 million subscribers across its portfolio of 19 countries. With the acquisition of new services offerings from Mobimedia, Streamplay's strategy going forward is to penetrate the African market and use this region (in addition to others) as a key target for market expansion.

With this acquisition Streamplay takes the next step in expanding into different regions with an array of mobile services and a series of telecom partnerships with:

- Telikom Limited, Papua New Guinea
- Bluesky Communications, America Samoa
- Tonga Communications, Tonga
- Our Telekom, Solomon Islands

The Company's plans to further strengthen its position in existing markets with re-engagement campaigns to sustain and build on its consistent flow of revenues.

Since the signing of the agreement, the Streamplay and Mobimedia Team have commenced discussions exploring partnerships and content offerings with a number of new MNOs and VAS providers in the Pacific and MENA region.



A Combinations of Users, Technology and Experience

Streamplay has reported a subscriber base of 1.3 million users since the launch of its services in South Africa. The acquisition adds ~300k active subscribers¹ to the Company across new territories.

As an example of the potential of the new business is demonstrated in its newly formed partnerships in PNG - just one of their four jurisdictions.

In September 2022, the Mobimedia team launched a range of their services with a local MNO partner and in only a short period of time amassed over 70,000 Subscribers averaging a daily recurring revenue of AUD\$2.5K (and growing consistently M/M), with the exciting prospect of the release of more subscription services scheduled in the coming months.

¹ Active subscriber defined as a user with a successful billing event within the last month.

With the acquisition, new Streamplay assets include:

- mJams Music (Music & Video Streaming App), the largest indigenous specific music streaming app in the South Pacific holding content from over 1000+ Pacific Islands based musicians
- All product content including, Mobile games content, SMS games and On-Deck Portals
- Telco graded billing engine capable of integrations across multiple MNO's billing infrastructure
- Telco graded Customer care CMS, giving telco and VAS partners capabilities to manage user subscriptions, and multiple services.
- Service Delivery Platform (SDP), a platform allowing unique delivery of content towards specific devices
- All contracts and arrangements material to the operation of the VAS business, including the partnership agreements with respective MNOs
- Signed music rights agreements with all 1000+ artists across all jurisdictions
- All intellectual property, software systems, website and related content, social media accounts, contact numbers, contact email addresses, passwords, codes, data and any other assets associated with the operation of the VAS business

Agreement terms

The VAS business has been acquired for a total consideration of A\$650,000. Of this, 75% (A\$487,500) is fixed and payable on the Settlement Date, with the balance of 25% (A\$162,500) payable in performance-based Deferred Consideration Shares. The Deferred Consideration Shares will be issued to the vendor subject to the VAS business being acquired achieving more than A\$660,000 in audited revenue (excluding any one-off extraordinary revenue and investment income items), from its existing partnership agreements within 12 months from the Settlement Date of the Purchase Agreement.

The vendor has also been given an incentive of earning Additional Deferred Shares of A\$150,000 subject to the VAS business achieving a target of more than A\$1,150,000 in audited revenue, (excluding any one-off extraordinary revenue and investment income items), from its existing partnership agreements within 12 months from Settlement Date of the Purchase Agreement.

As a result, the management is incentivised to deliver new partnerships and grow the Company's offering sustainably and profitability.

Outlook

With completion of this transaction, Streamplay will now look to:

- integrate the MTN Arena product into Pacific markets to increase revenue;
- work with MNO partners to expand into new territories;
- offer expanded product suite into new markets;
- introduce mJams across Africa and the rest of MENA; and
- identify complimentary revenue generative acquisitions.

Further information:

E: info@Streamplay.studio

P: + 61 2 9680 8777

About Streamplay Studio

Streamplay Studio Limited (ASX:SP8) is a service and platform provider of bespoke, end-to-end digital products. Partnering with Mobile Network Operators (MNOs), our aim is to engage MNO subscribers with valuable content and build engagement.

Under our partnership with MTN Africa, Streamplay recently launched MTN Arena 5G, a competitive game streaming service offering premium games streamed to mobile devices in a competitive leader board tournament format. The service, operated by Streamplay, allows subscribers to compete in tournaments with the opportunity to win prizes and rewards.

More information: www.Streamplay.studio

ASX release authorised by the Board of Directors of Streamplay Studio Limited

