

ASX Release

Streamplay Studio Quarterly Update and Appendix 4C

Streamplay Studio Limited (“**Streamplay**” or the “**Company**”) (ASX: SP8) is a leading provider of competitive casual gaming and eSports technology, music streaming services, and telco value-added services. The Company is pleased to provide its report for the quarter ended 30 June 2024 (the “**Quarter**”), highlighting various initiatives and new agreements across the group.

HIGHLIGHTS

- **Cash at bank of \$14.34m remains exceptionally strong.**
- **MTN Arena 2.0 & Arena Plus set to launch with alternative billing options targeting all ~59.9m South Africans.**
- **Agreement concluded to include Arena Plus in promotion of new MTN Play Gaming Bundles.**
- **MTN Arena & Arena Plus generate ~A\$245,000 combined platform revenue (~8% YoY increase from June 2023) which continues to grow organically.**
- **Playstream enters UAE acquiring over 26,500 subscribers to date, with this Quarter gaining ~19,000 subscribers.**
- **Marketing initiatives for Jabaa Games are expected to kick off in August.**
- **Streamplay concluded an agreement with bmobile to launch innovative Credit Advance Services, branded bCREDIT.**
- **bCREDIT implementation underway with technical integration expected this coming quarter.**

South Africa – MTN Arena & Arena Plus Launch Preparations

The Company renewed its partnership with MTN during the Quarter on stronger commercial terms in favour of Streamplay (ASX: 1 May 2024), including retaining 100% of platform revenue generated through any alternative billing channels.

Streamplay has subsequently made extensive preparations this Quarter for the relaunch of its MTN Arena 2.0 and updated Arena Plus services following the implementation of such alternative billing options, with this work concluded post Quarter end.





The updates aim to offer MTN customers alternative methods of payment whilst also targeting a broader base of the ~59.9 million South African population (which includes ~26.5 million gamers) who despite not all being on the MTN Network - will now also be able to enjoy access to MTN Arena and Arena Plus services. Alternative billing methods, such as credit or debit card payments, will enhance user convenience and accessibility while driving additional revenue growth for Streamplay. This initiative will significantly expand the potential user base beyond MTN's ~36.8 million subscribers, allowing access to the broader South African gaming market.

The Company has continued to operate both services organically this Quarter whilst it diverts investment into preparations for the launch of the new MTN Arena 2.0 platform, the below mentioned integration of Arena Plus into new MTN Play Gaming Bundles, and the implementation of alternative billing services into both platforms.

Overall, while the combined platform revenue for MTN Arena and Arena Plus totalled ~A\$245,000 in the Quarter, Arena Plus maintained a positive ~9% QoQ platform revenue growth despite a ~14% subscribers churn 74,429 (Q3: 86,621) demonstrating the resilience of the unique commercial model that maximises revenue from high-value activities and sustained user engagement on the platform. The Company remains optimistic and excited about its relaunch strategy and alternative billing.

The Company is also excited to announce a new agreement executed this Quarter with Worldplay Proprietary Limited ("**Worldplay**") on 20 June 2024, in collaboration with MTN, to promote the Company's bespoke Arena Plus cloud gaming product through a unique offering which aims to attract more highly engaged gaming enthusiasts from within the MTN network subscriber base.



The initiative will form part of the official MTN Play Gaming Bundle, which will include up to five other complementary gaming services offered to MTN subscribers at a unified price point of either R30.00 (~\$2.50 AUD) per month or R10.00 (~\$0.83 AUD) per week, subject to adjustment by MTN. The launch of the bundled Gaming service will follow a staged rollout of similar bundled services aimed at younger audiences, which have already received positive adoption, as well as Soccer, Music, Video and Lifestyle bundles. Under the agreement, Streamplay will not only receive a fixed fee per bundled subscriber, but will also benefit from acquiring these high value subscribers who will be prompted to purchase additional tokens whenever they are depleted.

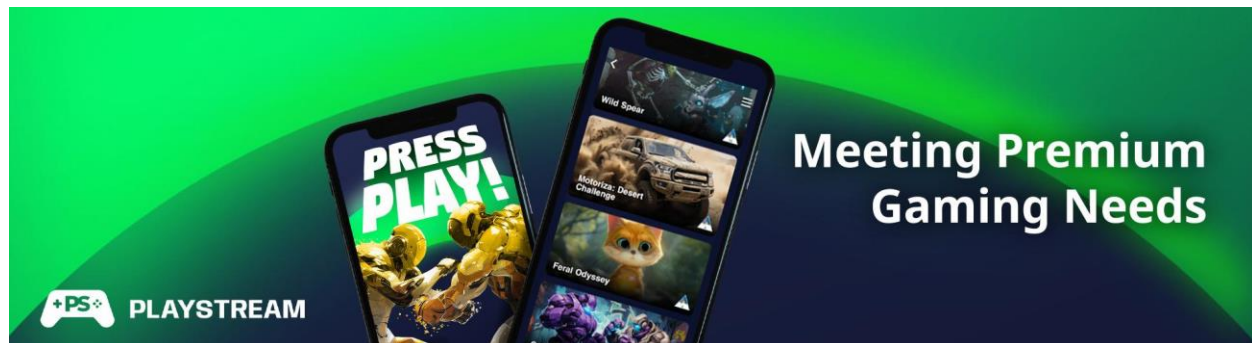
Jacqui Jones, CEO Worldplay, commented:

"MTN is definitely shaking things up by offering an unbeatable package to customers. This offer is a game-changer that will significantly enhance the mobile gaming experience. Customers will be able to seamlessly navigate through five fantastic services, interact, win prizes, and stay entertained — all for as little as R1 per day. The MTN Play bundle offerings, which include up to five services in one, is a genuine value addition. I am incredibly excited to be part of it."

UAE – Successful Product Launch

Streamplay entered the UAE market this Quarter with the launch of its cloud gaming service, branded "**Playstream**", in partnership with Jawdropping Marketing FZ-LLC ("**JDM**") and World Phone IT Services Pvt Ltd ("**WPIT**"). The service, initially available to Etisalat customers for 3.25 AED (\$~1.34 AUD) per day, presents significant market potential with a large, high-value customer base (ASX: 8 May 2024).

Launched in mid-April, the service is already showing exceptional results having generated approximately 29,000 AED (~\$12,000 AUD) in platform revenue from approximately 5,000 subscribers in just 2 weeks, with increasing momentum continuing through to June with the subscriber base growing ~280% to just under 19,000 by the end of the Quarter and approximately 26,500 subscribers to date.



Under the agreement, Streamplay's local partner committed to a substantial marketing budget of ~\$1.8m USD (~\$2.7m AUD) to promote Playstream, ensuring financial prudence for Streamplay

with no ongoing marketing or operational expenditure. The robust growth and performance to date underscores the successful execution of Streamplay's strategic initiative in the region.

The UAE is a significant market for gaming due to its high disposable income levels, tech-savvy population, and high internet penetration rates. The country's gaming market is one of the largest in the Middle East, with revenues projected to grow steadily. According to a report by Statista, revenue in the UAE video game market amounts to ~\$324 million in 2023, expected to grow annually by 8.5% (CAGR 2023-2027). The UAE also has a high smartphone penetration rate, which facilitates mobile gaming. With Dubai positioning itself as a hub for esports and digital entertainment, the market is ripe for innovative gaming services like Streamplay's cloud gaming service, promising substantial user engagement and revenue potential.

The Company has already begun preparations to integrate with other key telcos in the region, subject to approvals, to ensure quick expansion across the UAE market.

Senegal – Jabaa Games

Streamplay began expansion of its footprint into Africa through a collaboration with its local partner to launch Jabaa Games in Senegal (ASX: 30 October 2023), integrated with the widely adopted Orange Money wallet service - now part of the "**Orange Max it**" super app (ASX: 11 April 2024). The subscription service is offered at 100 XAF (\$0.25 AUD) per day, 500 XAF (\$1.25 AUD) per week, and 1500 XAF (~\$3.76 AUD) per month and is currently exclusively available to Orange Max it super app users.

Following a soft launch of the service this Quarter, extensive device testing of the Orange Max it integration for both Apple and Android devices was conducted and from this, the Streamplay team is worked with the Orange Max it mobile application team to iterate and improve the overall payment and onboarding User Experience (UX) and ensure a consistent UX for both Android and Apple users.



Streamplay is pleased to announce that its collaborative efforts with the Orange Max it mobile application team concluded post Quarter end, now offering a unified and device-agnostic experience to subscribers with full marketing initiatives expected to commence in August this coming quarter.

With about 18.2 million people and growing internet and smartphone penetration,

Senegal presents an emerging opportunity for digital entertainment due to increasing mobile connectivity and a young population which is also part of a broader West African market experiencing a rise in digital consumer behaviour.

Mobile gaming is particularly relevant due to the widespread use of mobile devices over desktops or consoles. While the gaming industry is still nascent, the youth (>60% of the population is under 25) represent a significant potential audience for localised gaming platforms like Jabaa Games.

The integration of local mobile wallet solutions into ArcadeX, such as Orange Max it, is seen as a crucial feature in emerging markets that can greatly facilitate access to gaming content, where traditional banking infrastructure is limited, mirroring successful models in similar markets.

Pacific Region – Value-Added Services (VAS)

SMS Games and VAS services continue to play a crucial role in driving revenue across the Pacific region catering to markets with limited technological infrastructure and low smartphone penetration rates. These services provide accessible entertainment options for users with basic handsets, bridging the digital divide and enhancing connectivity.

The Company began implementing various restructuring and management changes in the Quarter aimed at improving operational efficiencies and cost savings by centralising various services through its respective divisions whilst also focusing heavily on improving existing VAS activities and revenues in each respective market.

During the Quarter, Streamplay also received approvals for back-to-back SMS game releases in American Samoa, reflecting strong market acceptance. In Tonga, the increased engagement with mGames has paved the way for the reintroduction of SMS games. Additionally, a new SMS Fishing Game has been successfully launched in the Solomon Islands, further diversifying our offerings in the region.



Telco partners have shown unwavering support by promoting these services through targeted SMS notifications and social media campaigns. Notably, we have made significant strides in localising SMS content, translating broadcasts from English to local languages and incorporating campaign keywords in native dialects. These efforts have enhanced user engagement and streamlined the process of shortcode user acquisition.

Looking ahead, Streamplay plans to capitalise on the popularity of SMS-based games to boost the adoption of mGames. This strategy involves integrating SMS game trigger messages and promotional broadcasts with direct links and instructions to mGames services. Furthermore, the implementation of USSD integration for VAS services will provide a comprehensive listing of all available offerings, ensuring that users have easy access to our diverse range of products.

Solomon Islands – bCREDIT Integration

Early in the Quarter, the Company concluded its first formal telco partnership agreement, between AV Technologies Limited (“**AVT**”) and Bemobile (Solomon Islands) Limited (“**bmobile**”), to launch the innovative new Credit Advance Service in the Solomon Islands under the brand of “**bCREDIT**” (ASX: 3 April 2024).

Whilst Streamplay has since concluded the preparation of all associated digital marketing material intended to support the official launch of bCREDIT, the Company continues to facilitate the technical implementation of this innovative new service which is currently undergoing submissions for regulatory reviews and approvals by the Central Bank of Solomon Islands (CBSI).



Streamplay, in collaboration with AVT and bmobile, remains committed to meeting all regulatory requirements to ensure a successful launch of this new financial service which aims to allow all bmobile users to borrow airtime or data bundles on credit, ensuring uninterrupted connectivity to engaging products such as mGames and mJams. Streamplay is set to earn approximately 0.5% - 1% of total airtime and data advances through bCREDIT post its official product launch.

About Airtime and Data Advance Services:

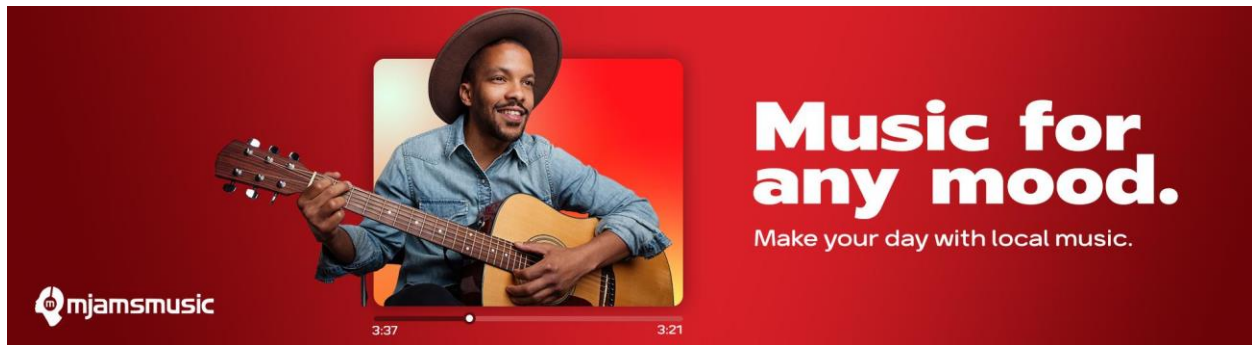
Airtime and Data Advance services have proven to be highly effective in emerging markets, providing essential connectivity solutions that cater to the financial flexibility of consumers. In regions like the Pacific Islands, where traditional banking penetration is low and prepaid mobile service dominates, these services offer a lifeline that allows users to maintain continuous access to mobile networks without upfront payment. Similar models in Africa and Southeast Asia have demonstrated significant success by increasing customer loyalty and service usage. These services not only ensure that customers can stay connected when they run out of credit but also facilitate increased consumption of value-added services, enhancing revenue potential for telecom and service providers.

While the Solomon Islands represents a relatively small population of ~756,000 people, the collaboration marks a significant step forward in targeting the Company's addressable audience of approximately 12.7 million Pacific Islanders to further increase revenues and solidify its market presence by utilising learnings from the Solomon Islands region. Given AVT's proven track record and prior success in emerging markets, the Company remains optimistic about the potential impact of this strategic expansion on its growth trajectory.

Fiji – Formalisation of FIPRA Agreement

Following execution of the LOI (ASX: 29 April 2024), which involved comprehensive discussions and strategic planning to lay the groundwork for a mutually beneficial collaboration, Streamplay and the Fiji Performing Rights Association ("**FIPRA**") have diligently worked together to formalise an agreement that promotes and supports Fijian artists, composers, and songwriters alike.

In lieu of the formal agreement which is expected to be signed imminently, both FIPRA and Streamplay have committed to and begun developing an official launch strategy and signing ceremony in Suva, specifically aimed at attracting Fijian artists and promoting the benefits of this vibrant new mJams music community and ecosystem across both Fiji and the broader Pacific market in the coming quarter.



Fiji has a vibrant and culturally rich music scene, heavily influenced by traditional music as well as modern genres. With a population of ~939,000 people, there is a strong communal tradition of music and dance which are integral to local celebrations and social gatherings. The penetration of internet services has seen significant growth, with internet users constituting around half of the population. This creates a promising environment for digital music platforms like mJams. However, detailed metrics on digital music consumption or specific revenue projections for music streaming in Fiji are limited in public databases. Generally, the Pacific Island region has shown increasing mobile connectivity, which enhances access to digital services including music streaming.

Streamplay's Core Technology – R&D

Streamplay continues to lead the charge in cloud gaming and casual gaming platforms, with a robust suite of core technology that encompasses gaming, competition, tournaments, social engagement, profiles, messaging, and other vital features at the heart of our intellectual property.

In the Quarter, the Company focused on exploring strategic growth opportunities, with a notable emphasis on enhancing product accessibility through alternative payment methods, free-tiered access, and ad revenue streams - all within the context of maintaining fiscal discipline in our product enhancement strategies.



Streamplay's Game Studio has made significant progress this Quarter in the development of "Impact Padel", the Company's new sports-based physics engine, based on the hugely popular global sports phenomenon that is Padel.

Impact Padel is expected to bring a fast and entertaining gameplay mechanic to Streamplay's cloud gaming offering as the first entry of the sports genre. With the initial gameplay and physics mechanics already completed this Quarter, the team has shifted focus towards implementing Padel-specific gameplay rules, AI opponent behaviour, scoring mechanics and overall responsiveness before moving on towards final creative asset design and motion capture of player movements.

Company Financial and Corporate Overview

During the Quarter, the Company recorded receipts from customers of AUD\$158k (Q3: \$179k). Receipts from activities were consistent with the prior quarter. Receipts for the full year were up 13% to \$919k versus the prior year (FY23: \$815k) due to more products being available in more markets. It is important to note that cash receipts may occasionally experience delays due to the nature of the contracts and billing cycles associated with our services. Despite these potential delays, the Company remains well-positioned financially, maintaining strong cash reserves and focusing on strategic investments to drive growth. Additionally, receipts from the recent new product launches are anticipated to flow through in the coming quarters, further strengthening our financial position.

The Company's cash at the end of the Quarter was ~\$14.3M (Q3: ~\$13.4M including term deposits).

Business activities expenditure for the Quarter totalled \$845k (Q3: \$656k). This expenditure included \$395k of research and development (Q3: \$243k), \$175k of operating costs (Q3: \$152k) and marketing costs of \$33k with the balance of \$242k made up of administration and staff costs.

The Company invested in new product launches this Quarter as well as restructuring efforts which should produce cost savings in future quarters.

The aggregate amount of payments to related parties and their associates included in the Quarter totalled \$75k (Q3: \$75k). These payments covered various expenses, including Directors' fees and salaries, technical contractor fees, and corporate advisory fees. All payments were made on normal commercial terms.

The management team remains focused on managing costs with financial and commercial discipline to maximise the Company's benefit from its spending and continues to identify value accretive and synergistic acquisition opportunities aimed at expanding market presence or diversifying Streamplay's portfolio. Of its cash balance, the Company has earmarked AUD\$6M for potential acquisitions or transactions of this nature.

For further information

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About Streamplay Studio

Streamplay Studio Limited (ASX:SP8) is a leading provider of competitive casual gaming and eSports technology, music and sports streaming services, and telco value-added services. The company offers a diverse range of entertainment solutions for its users, including the ability to stream and play games, music, sports, and access various telco services all in one place. Streamplay continues to innovate and expand its offerings to meet the ever-changing needs of its partners and customers.

More information: www.Streamplay.studio

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



Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

STREAMPLAY STUDIO LIMITED

ABN

31 004 766 376

Quarter ended ("current quarter")

30 JUNE 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities			
1.1 Receipts from customers		158	919
1.2 Payments for			
(a) research and development		(395)	(1,297)
(b) product manufacturing and operating costs		(175)	(692)
(c) advertising and marketing		(33)	(438)
(d) leased assets		-	-
(e) staff costs		(123)	(443)
(f) administration and corporate costs		(119)	(621)
1.3 Dividends received (see note 3)		-	-
1.4 Interest received		171	680
1.5 Interest and other costs of finance paid		-	-
1.6 Income taxes paid		-	-
1.7 Government grants and tax incentives		-	16
1.8 Other (provide details if material)		-	-
1.9 Net cash from / (used in) operating activities		(516)	(1,875)
2. Cash flows from investing activities			
2.1 Payments to acquire or for:			
(a) entities		-	-
(b) businesses		-	-
(c) property, plant and equipment		-	(5)
(d) investments		-	(664)
(e) intellectual property		-	-
(f) other non-current assets		-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	4,483	10,483
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	4,483	9,814

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	10,376	6,404
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(516)	(1,875)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	4,483	9,814

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	14,343	14,343

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	14,343	10,376
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)*	14,343	10,376

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	75
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(516)
8.2	Cash and cash equivalents at quarter end (item 4.6)	14,343
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	14,343
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	28
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>		
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: n/a	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: n/a	
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: n/a	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 July 2024

Authorised by: By the board

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.