



International Limited ACN 110 184 355

Corporate Head Office
Ground Floor, 22 Delhi Street
West Perth 6005
Western Australia 6160
ASX Code: TV2

ASX ANNOUNCEMENT

26 October 2016

TV2U SIGNS AGREEMENT WITH LEADING INDONESIAN TELECOMMUNICATIONS PROVIDER

Highlights

- **TV2U signs Heads of Agreement (HOA) with Indonesian-government owned telecommunications provider PT. PGAS Telekomunikasi Nusantara (PGAS), a subsidiary of PGN to provide a white labeled interactive OTT managed service into to the region of Indonesia**
- **PGAS operates and manages 1,300 km of fiber optic with a network capacity of 160Gbps from Jakarta and Java, to Sumatra, Bali and Singapore**
- **PGAS has a large customer base with over one million home passes and more than one hundred thousand businesses**
- **The agreement provides PGAS with the opportunity to expand its white labeled OTT operations by providing managed services to the regions telecommunications companies, mobile operators, ISPs and content owners**
- **PGAS to pay US\$3.5 million to TV2U for cost of the service delivery and a monthly management fee per active customer**

TV2U International Limited (ASX: TV2, “the Company”) is pleased to announce that it has signed a Heads of Agreement (HOA) with PT. PGAS Telekomunikasi Nusantara (PGAS) to deliver white labeled interactive OTT managed service into to the region of Indonesia, the world’s fourth most populous country.

PGAS will pay US\$3.5 million and a monthly management fee per active subscriber to TV2U to cover the cost of expanding the Company’s platform and management of services into the region of Indonesia, which has a population of 250 million.



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PGAS is a subsidiary of the Indonesian government-owned PT. Perusahaan Gas Negara (Persero) Tbk (PGN), the largest natural gas transportation and distribution company in Indonesia. PGN generated more than US\$3 billion in revenue in 2015.

PT PGAS Telekomunikasi Nusantara (PGAS), a subsidiary of PGN is engaged in the business of telecommunications network. Founded in 2007, PGAS has exclusive rights of PGN to manage and operate a fiber optic network owned by PGN 1,300 km from Jakarta to Singapore border, with a capacity of 160Gbps. As a reliable backbone providers, PGAS has subsidiaries namely PT Telemedia Dinamika Sarana ("TDS") and PGAS Telecommunication International PTE LTD ("PTI") based in Singapore.

PGAS is authorized to support their business including License for Fixed Closed Network, License for Principle Packet Switched Based Local Fixed Network (JARTAPLOK), License for Landing Right, License for Internet Interconnection Services (Network Access Provider) and through its subsidiary TDS which is authorized for Internet access services (Internet Service Provider) and PTI that has a license for Service Based operator ("SBO") issued by the Infocomm Development Authority ("IDA") of Singapore.

Under the agreement, PGAS's business customers will be able to on-sell TV2U entertainment services including video-on-demand, games, music and karaoke. Revenue will be generated through a monthly subscription fee, pay-per-view and personalized advertising. The Indonesian group will also be able to bundle the TV2U entertainment offering with its existing gas, telephony and data services allowing PGAS to offer a "quadruple play" offering to its new and existing customers

PGAS will provide TV2U with staged cash payments which will be executed when PGAS finalize its distribution agreement with one of its many potential delivery partners.

Under the terms of the deal, TV2U will provide PGAS with an exclusive license to its Intelligent Video Accessible Network (IVAN). IVAN is a ground breaking OTT/IP delivery service that enables monetisation of live and on-demand content to multiple devices. The analytical data provided by IVAN will be an additional selling point for PGAS as it provides detailed insights about users including demographics, viewing habits, programs watched and what devices they are using to access the services. The data is useful to more effectively sell subscriptions, and for targeted advertising.

TV2U's Chief Executive Officer, Nick Fitzgerald, commented: "This is a unique opportunity for our Company to partner with Indonesia's leading utility and telecommunications group. Not only does the partnership



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provide a further endorsement of our unique technology and business concepts, it also gives us access to a very large and lucrative market.”

---ENDS---

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3. ABOUT TV2U

TV2U is a global complete entertainment platform that enables businesses, such as telecommunications companies, to quickly and easily offer streaming content to their customers. The service includes movies, television programs, karaoke content and games through an encrypted channel for enhanced copyright protection. TV2U also offers unique real-time viewership analytics to enable businesses to send highly targeted advertising to end-users to maximise their revenue streams. TV2U is changing the face of online entertainment and advertising.

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