



ASX Announcement
15 June 2017

MEGASTAR PRE-LAUNCH CORPORATE PRESENTATION

MSM Corporation International Limited (ASX: MSM), a leading digital technology and entertainment company, is pleased to provide an updated pre-launch corporate presentation for shareholders.

The presentation has been published as the Company leads in to a phased release of the App commencing June 30.

It contains a summary of the most recent market research conducted by HUB in March, providing further reinforcement of market interest and monetization potential. It further details some of Megastar's intellectual property and expected revenue streams from the competition.

FOR FURTHER INFORMATION, CONTACT:

Sophie McGill
Executive Director APAC
T: +61 415 656 953
E: sophie@msmci.com

Media queries:

Melissa Mack
Media & Capital Partners
T: +61 430 119 951
E: melissa.mack@mcpartners.com.au





ASX Announcement
15 June 2017

ABOUT MSMCI

MSM Corporation International Limited ("MSMCI") is an online entertainment company that specializes 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 a 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 MSMCI'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](#).

MSM Corporation International Limited (ASX:MSM)

Market Update | Pre-Launch

June 2017

Dion M. Sullivan
Co-Founder/Managing Director/CEO



Disclaimer

This presentation has been prepared by MSM Corporation International Limited (MSM or the Company) to provide readers with background information to obtain a general understanding of the Company's plans and objectives in the context of the first product offering, MEGASTAR Millionaire.

This presentation is not and should not be considered as an offer or invitation to apply for or purchase any securities in the Company. No agreement to subscribe for the securities of the Company will be entered into on the basis of this presentation. This presentation is not a prospectus or other disclosure document under the Corporations Act and does not contain all of the information a prospective investor may reasonably require to make an investment decision.

This presentation contains summary information and does not take into account the investment objectives, financial situation and particular needs of an individual investor. This presentation is not financial product advice. The Company is not licensed to give and does not provide financial advice. Readers must not rely on this presentation but make their own independent assessment and seek and rely upon their own independent taxation, legal, financial or other professional advice.

No representation or warranty, express or implied, is given as to the fairness, accuracy, completeness, correctness, reliability or adequacy of any statements, estimates, opinions or other information, or the reasonableness of any assumption or other statement contained in this presentation (any of which may change without notice), or the likelihood of achievement or reasonableness of forward-looking or prospective statements (if any) contained in the presentation.

Forward-looking or prospective statements (which may be identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words) are by their nature subject to significant uncertainties, risks and contingencies. The forward-looking or prospective statements in this presentation have been based on current expectations about future events and are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from the expectations described.

In particular, the Company notes that MSM is at an early stage of development and is yet to complete the development of the proposed platform across which its business is proposed to be operated. While the Company considers that the expectations and plans reflected in this presentation are reasonable on the basis of the experience of the key management personnel of MSM, independent third-party information and the work done to date, neither the Company nor any other person gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward looking statements in this Presentation will actually occur and you are cautioned not to place undue reliance on those forward looking statements.

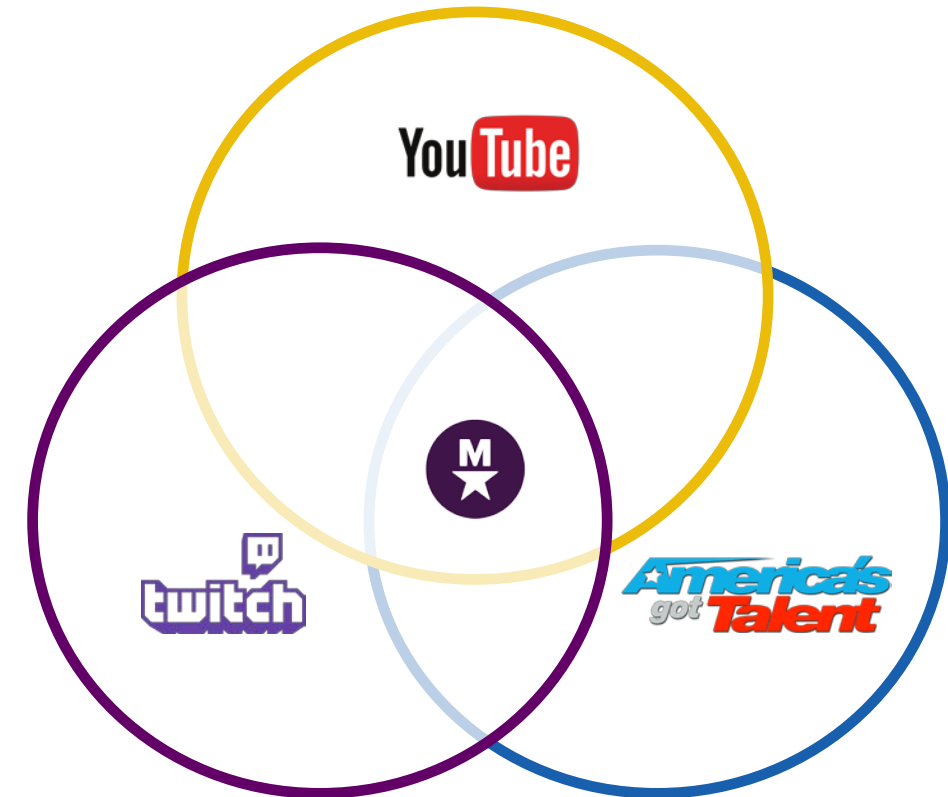
To the maximum extent permitted by law, the Company and its professional advisors and their related bodies corporate, affiliates and each of their respective directors, officers, partners, employees, advisers and agents and any other person involved in the preparation of this presentation disclaim all liability and responsibility for any direct or indirect loss or damage which may arise or be suffered through use of or reliance on anything contained in, or omitted from, this presentation.

Subject to its obligations under the Corporations Act and the ASX Listing Rules, neither the Company nor its advisors have any responsibility or obligation to update this presentation or inform the reader of any matter arising or coming to their notice after the date of this presentation document which may affect any matter referred to in the presentation.

Executive Summary: MSMCI (MSM Corporation International)

- ASX: **MSM**; Listed January 2016. Market Cap: ~AU\$65M
- **MEGASTAR** (first product) launches June 2017. MEGASTAR is the first global/social/mobile talent discovery competition platform
- **Proprietary technology** drives talent discovery and curation (i.e. talent filtering/scoring & promotions algorithm)
- Tournament structure/design built for user engagement and prize distribution. User experience delivers high user engagement (Performer *and* Fan), **driving monetization and value**
- **Strategic partnerships** (ToneDen, Influential, Digital Riot Media, ROAR) allow access to top-tier entertainment/social media talent; seeding MEGASTAR platform (**100M+ audience reach at launch**).
- Highly experienced senior management team to execute growth strategy: **Entertainment, E-Commerce, Social Media, Mobile, Online Video & Social Gaming**

MEGASTAR



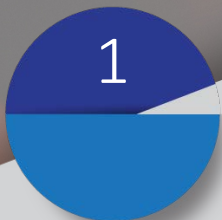
Be A Star. Make A Star.

MEGASTAR





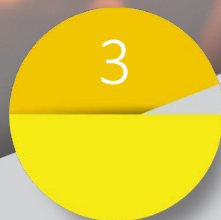
MEGASTAR



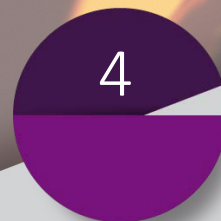
Market Overview



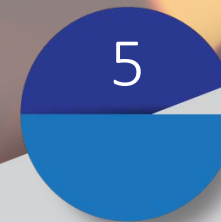
Product Overview



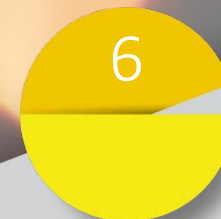
Strategy



Team



Financials

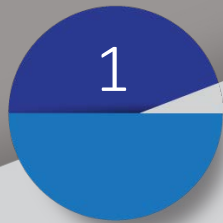


Appendices

M

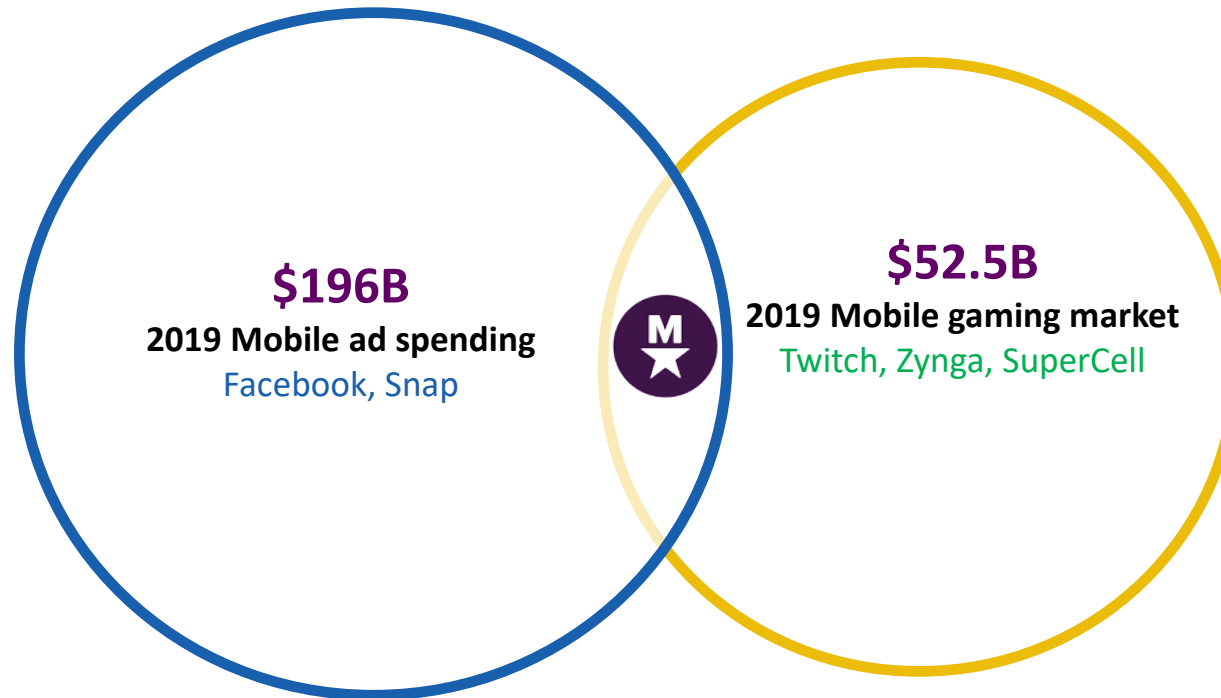


Market Overview



MEGASTAR Opportunity: Sweet Spot

Leveraging 2 of the Internet's 3 largest industries; **Advertising** and **Gaming** (US\$ 248.5B by 2019)

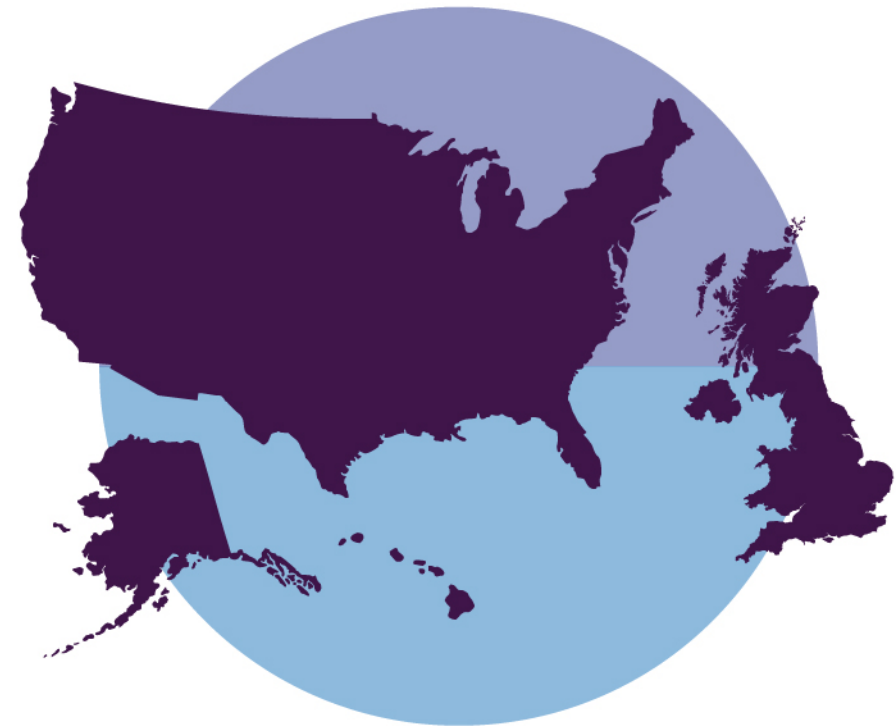


Capitalizing on the rapid increase in online video consumption



Target Market: Overview

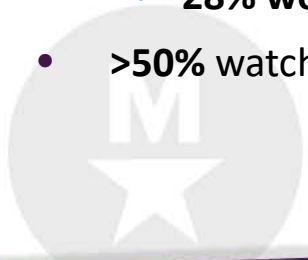
- **Highly educated** (49% undergraduate+)
- Moderate-High Earners; **50%+** earn **>\$50k** annually
 - **30%** earn **>\$75k** annually
- Heavy **Millennial** or **Generation Z** adoption (**>65%**)
 - **97%** Facebook
 - **91%** YouTube
 - **87%** Instagram
 - **>70%** use Twitch weekly
- Spend more time watching online videos than TV
 - **19+ hours per week**
 - **82%** consume **>14 hours** weekly via YouTube
- **36%** pay for content already
- **25% have contributed** to a crowd-funding site
 - **42%** would contribute to a performer's career
 - **28% would** contribute **\$1-\$25**
- **>50%** watch advertising in order to “booster up” (experience extension)



Est. US | UK Market Size: **80.4M**
68.8M | 11.6M

Total viable US | UK market

Source: hub Research Quantitative March 2017



MEGASTAR: Composite Audiences (Positioned for Audience and Market success)

[HUB](#) Research: Media Industry Market Data Leader based in Cambridge, MA, USA

- **64%** of HUB panelists found MEGASTAR concept **very appealing**
- MEGASTAR'S **three main target** audiences find MEGASTAR appealing for distinct reasons
 - **Sharers:** Community builders and opinion leaders
 - **Competitives:** Voters, content seekers and prize-oriented
 - **Empathizers:** Narrative seekers, thrill of victory/agony of defeat
- MEGASTAR audiences hit *all* the sweet spots for key demographics
 - **Social media usage** (Facebook: 87%, Instagram: 83%)
 - **Online video content consumption** (YouTube: 81%, Netflix: 52%)
 - **Willingness to pay**
 - Already use **Spotify, Pandora** paid services
 - Already use **YouTube Red, Amazon, Hulu**
 - More than **28%** would pay b/w **\$1-\$25** to crowdfund performers



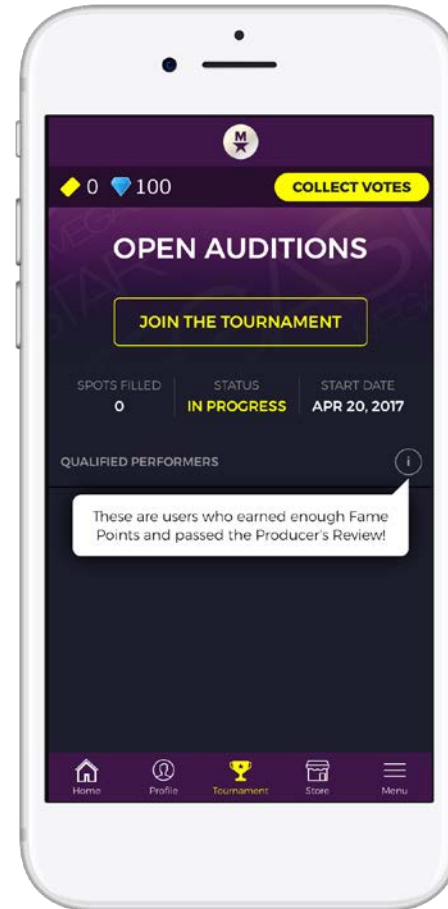
Product Overview

2

M



MEGASTAR: Product Demo



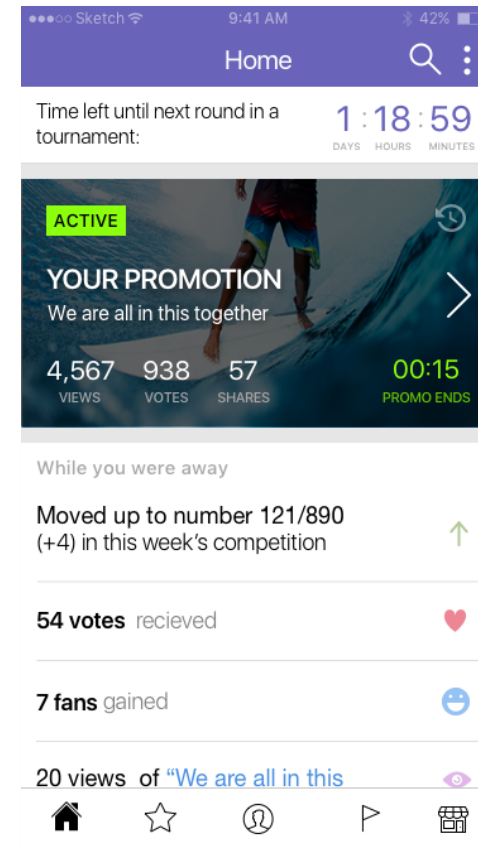
[MEGASTAR Product Demo](#)



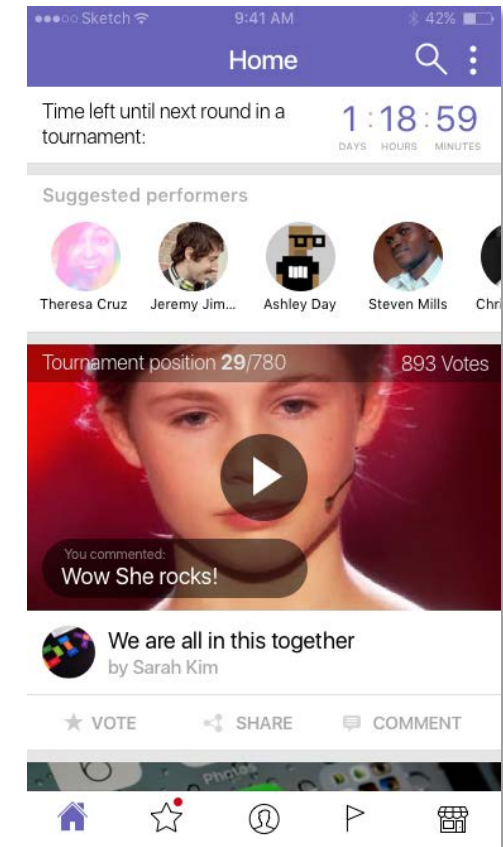
MEGASTAR Beta(s): Overview

- Minimal Viable Product
 - Limited feature set
 - Test core functionality
- Beta was 3 separate test tournaments
 - Tournament 1 (Sept 30 to Oct 28)
 - Tournament 2 (Nov 9 to Nov 23)
 - Tournament 3 (Dec 8 to Dec 22)
- Minimal Marketing Spent
 - Targeted spend on Facebook
 - Acquired Performers only

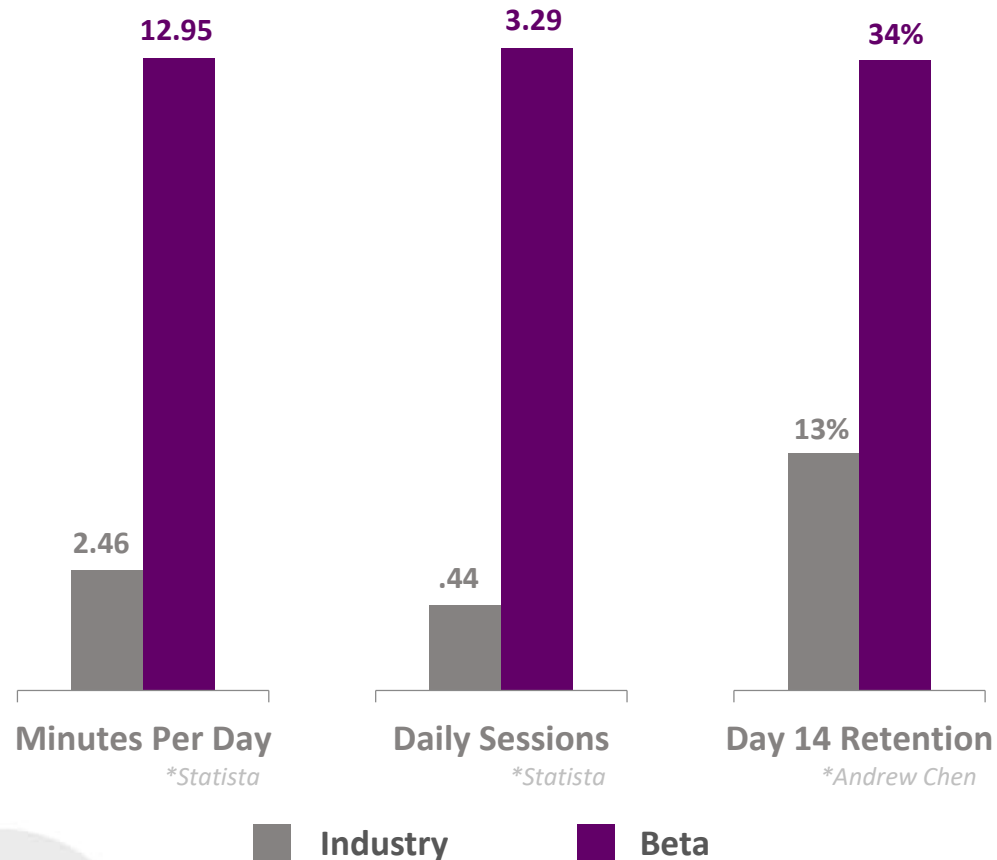
BETA PERFORMER SCREEN



BETA FAN SCREEN



Beta(s) KPIs vs. Entertainment Industry Averages



Minutes Per Day: On average, how many minutes users spend on the platform per day

Daily Sessions: On average, how many times users come back to the platform per day

Day 14 Retention: The percentage of users that come back to the platform 14 days after their initial install date

Averages are based on users that voted at least once



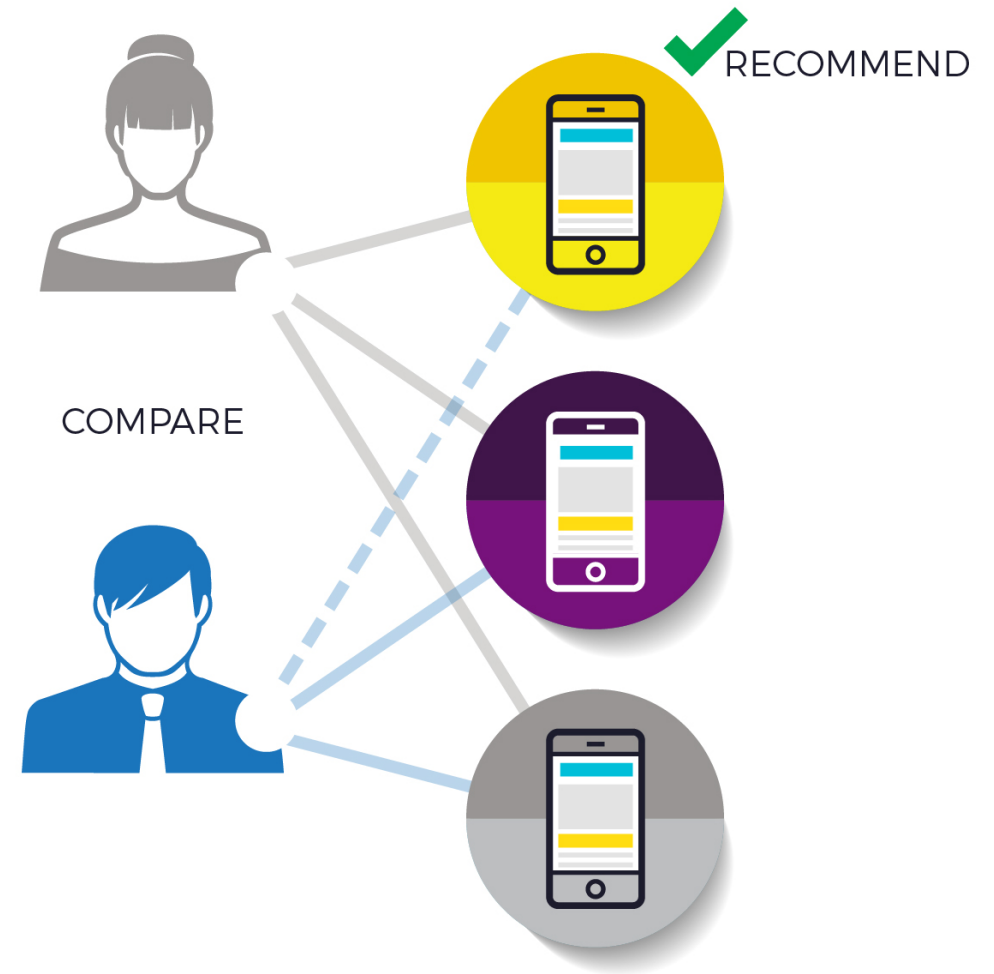
Intellectual Property: Recommendation Technology

Purpose

- Keep existing users engaged with targeted new content
- Ensure new users are engaged with appropriate content

Method

- Identify similarities between users
- Recommend content to users based on preferences of others



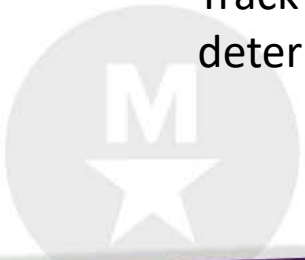
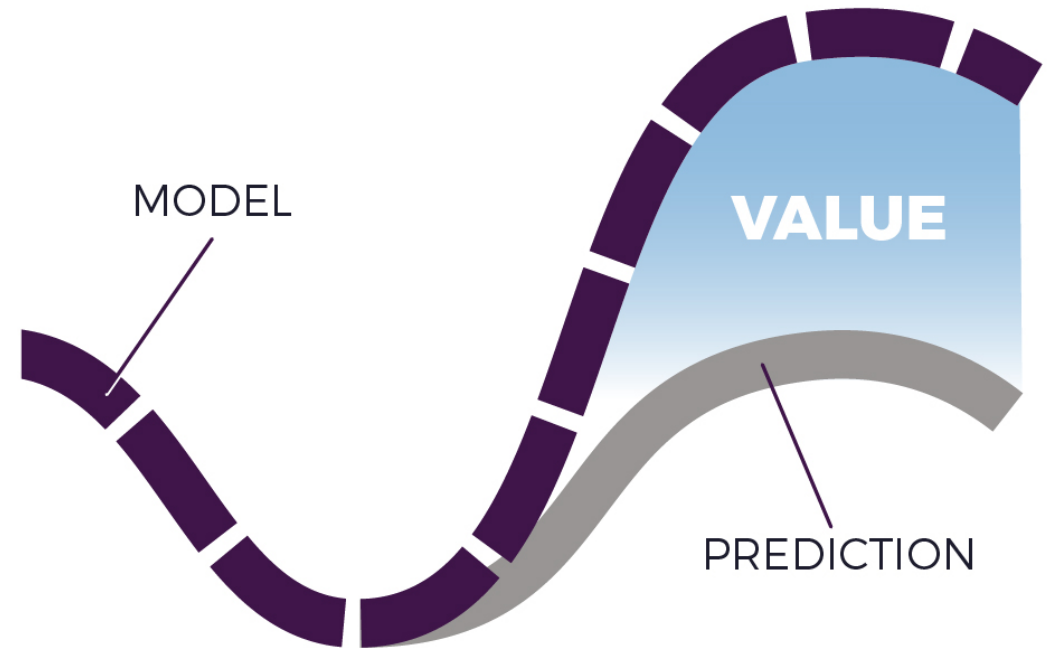
Intellectual Property: DAU Forecasting Technology

Purpose

- Predict active users based on previous data
- Track variance to show lift from:
 - Marketing events
 - Feature pushes
- Predict user LTV based on previous spend behavior
- Server load prediction and optimization

Method

- Model existing user behavior to predict future behavior
- Track variance between actual and prediction to determine value



Intellectual Property: Social Footprint Validation Technology

Purpose

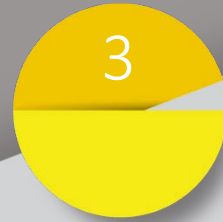
- Determine ROI of social influencers and any type of social media advertising
- Quantify the impact of social media posts by influencer marketers

Method

- The content of posts are analyzed to extract data (likes, shares, tags, sentiment, etc.)
- Determine percentage of a social influencer's network that is active
- Machine learning techniques are applied to predict which posts (and influencers) produce the biggest impact per marketing dollar spent

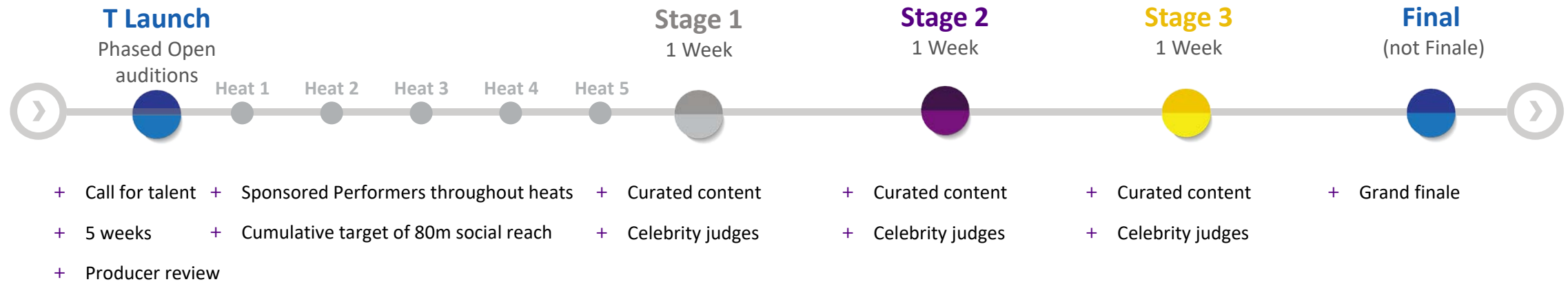


Strategy



Worldwide Tournament One: Schedule

Grand Prize: US\$1,000,000
Planning 2 tournaments launched in CY 2017



MEGASTAR Marketing and Talent Partners



Digital Riot Media

Engage and inspire Millennials.

Sony, Disney, Apple, Turner, EA, Pandora, 20th Century Fox, Light Storm



Traction

Award Winning Branding Agency

Adobe, Apple, Dolby, Lenovo, Virgin Mobile



Manifeste Marketing

Award Winning Content Agency

BMW, Bosch, Charles Schwab, RS Investments, Wells Fargo, Fastly



ROAR

Talent, music and brand management

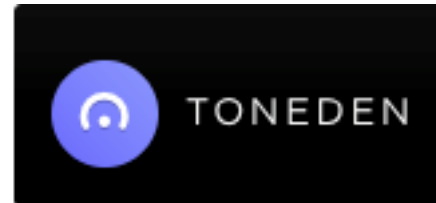
Chris Hemsworth, Liam Hemsworth, Zac Brown Band



hub Entertainment Research

Media Industry Market Data Leader

Television, Gaming, Movies, e-Sports, Media and Music



Tone Den

Social Customers identified & engaged

Goldenvoice, Interscope Records, AEG LIVE, Webster Hall, Everpress, Ableton.



Dance-On

Fueling Gen Z through the power of music and dance

Board includes Madonna, Nigel Lythgoe, Guy Oseary, Allen Debevoise.
Over 100M+ social followers



Influential

Social Influencer Marketing Platform

Partnership with IBM Watson
Sony Pictures, Jeep, Coke, Fox, Toyota
Access to over 10,000 Influencer accounts, reaching over 5 billion followers

Anticipated Additional MEGASTAR Tournaments

Expected Timing, Geographies etc.

- MSMCI anticipates launching 2 MEGASTAR tournaments in CY 2017
- Upon satisfactory results, MSMCI anticipates launching up to 4 MEGASTAR tournaments in CY 2018+
- Future tournaments shall be based on opportunistic geographies, including but not limited to;
 - South East Asia
 - Korea
 - Japan
 - China
 - European Union
 - South America
 - India (Bollywood)
 - Middle East
 - Africa (Nollywood)
- Furthermore, MSMCI foresees the following MEGASTAR tournament structures
 - Branded/Sponsored
 - Country vs. Country
 - Genre specific



Team



Leadership Team



DION SULLIVAN
Managing Director/CEO
Viacom/MTV, Betfair, Nickelodeon
ftd.com, BOA,



DOUG BARRY
Chairman; MSM US
EA, Turner Broadcasting,
Pandora Music, Selby VC



ADAM WELLISCH
Non-Exec Chairman MSMCI
Compass Group plc, BUPA



SOPHIE MCGILL
Executive Director – APAC
Endemol UK (Big Brother), Saatchi,
Media Venture Partners



MARK CLEMENTS
Non-Exec Director & Company
Secretary



JOSH HEENAN
Global General Manager
Zynga, NEXON, Booyah



ERIC CROOK
Director of Engineering
NEXON, Gloops



JANE BARRETT
Sr. Director of Marketing
Intel, SKOUT, Zoosk



Advisory Board



MICHAEL POLE
Activision/Blizzard
(World of Warcraft)



JOHN BALDECCHI
Sony Pictures
(88 Minutes, The Mexican)



JON KRAFT
Pandora Music
(Founder)



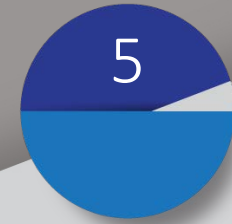
JENNIFER HERMAN
Zynga
(Corporate Development Head
of OS Relations)



ANTONIO MOLINS
Netflix
(Data Scientist)



Financials



Revenue Model: Monetization Streams/Market Opportunity

MEGASTAR monetizes through four (initial) revenue streams; eventually there shall be five (data resale)

	Estimated Industry Value
In-App Purchases	\$37 Billion
Stickers, Digital Store, Vote Collectors	
In-App Advertising/Sponsorship	\$11 Billion
Continuous Ad Networks, Premium V4VC Ads	
Subscriptions	\$35 Billion
Premium (VIP), Basic	
Performers	N/A
Tipping/Donations, Promoted Video, Comments, Merchandise, Sponsored Contests	



Thank You

Dion M. Sullivan

Co-Founder/Managing Director/CEO

dion@msmci.com

+1.415.306.3910

[MEGASTAR](#)

Skype: Sulli1967



Appendices



M

MSMCI History

ASX-Listed Digital Entertainment Technology Company

