



International Limited ACN 110 184 355

Corporate Head Office
Level 2, 35 Outram Street
West Perth 6005
Phone: 6555 9500
ASX Code: TV2

27th June 2017

GENERAL UPDATE FROM TV2U

The Board of Directors of TV2U International Limited (ASX TV2: "TV2U") provide the following market update.

CEO Andy Brown reports:

"I'm just 5 months in to my post with TV2U, and pleased with progress. We are making big strides forward:

- SOL and PGAS across the line
- Revenue streams confirmed
- Overall financial status of the business improved, with access to working capital in the immediate term
- Non-binding LOI in place with TALICO for additional intellectual property exploitation

The implementations with SOL and PGAS are on track and these are going to be really exciting. As we have already reported, the size of these countries should dictate by themselves that our presence will be significant.

SOL have reported to us that the OTT Association is on track to launch next month and this will be great for shareholders to be able to see, as it also means that the consumer-facing phase of the marketing in Brazil will begin. So far, they have worked tirelessly on meeting the ISP communities across Brazil and the reports back to us are that there has been a phenomenal reaction. We are geared up to support this, with the initial high volume of new members of the Association potentially taking our OTT services over the coming months.

EID has now started and PGAS proved themselves to be a great partner, by pushing hard to get the contract with us over the line beforehand. I am already geared up for the next big push with them to get the launch prepared, which will begin once they return from vacations around mid-July.

The sales pipeline is looking good, with a number of opportunities progressing well. I don't believe it will be too long before more news will be available to shareholders.

Getting additional working capital into the business was obviously essential. With the convertible note in place, and subject to shareholder approval on 6th July, we turn our attention increasingly now to revenue generation. Naturally, we will be pushing very hard in Brazil and Indonesia to bed in our services as quickly as we can.

The LOI with TALICO is an important step for us and for shareholders. Not only does it include additional and prospectively very attractive revenue streams for TV2U but it also cements in place a great deal of our overall strategy.

We have our foot on the gas here, we're going to be motoring through the coming months. There are good things to come."

UNITED KINGDOM
MALAYSIA

GLOBAL OFFICE LOCATIONS
HONG KONG
SYDNEY

INDONESIA
PERTH

Chairman Nick Fitzgerald says:

“The additional intellectual property licensed to TV2U will present (subject to shareholder approval) an overall strategic direction for the business, which we believe includes some world-firsts. We are bringing together OTT and Internet of Things (“IoT”) into one overall technology platform - we call it the Hub of Things (“HoT”).

The original thinking here came out of the natural customer bases that we are, and will, attract in any market. It’s pretty much focused on the ISPs, Mobile Operators and Telco communities, or otherwise uses those as a key delivery medium. They all have some common traits regardless of geography and culture, for example the need to exploit bandwidth, and present new, compelling and potentially disruptive consumer propositions.

IoT is really a new term for something that has been around for a long time – it’s about the interconnectivity of devices and data to the internet. What’s changed massively is the power of analytics to capture, process, and then manipulate the data. So, for example, taking the data from a wall socket in a home which has an appliance plugged in to it, turning that into some meaningful statistics for the consumer, and overlaying an application on your smart phone, tablet or PC, that allows you to control the device against, for example, your cheapest electricity charging periods. That’s just one small example, TALICO has developed a super-set of analytics not just for Smart Home management but a whole suite of applications including energy, travel, e-learning.

HoT’s platform addresses a variety of issues associated with creating and operating a Managed IoT Service. It has been developed based on a single, unified, agnostic and analytical cloud technology approach - that is - the ‘Thing of Things’. We believe that the future of IoT - from the delivery of OTT television over internet protocol, to Home Automation and Energy Management, to Asset Tracking – as being a collection of disruptive technologies and business models. We are setting the foundations on which we build a sustainable long-term and future-proof profitable business, across multiple markets. HoT’s analytics provides real-time profiling from consumer viewing habits in an OTT environment, to energy usage in a smart building, to tracking corporate assets from vehicles to people via smartphone, wearable or other embedded technologies. And more! All of the software modules that drive HoT have been developed in-house. Our platform solution is Immediate, Individual, Interactive, Intelligent and Influential.

Figure 1 at the bottom of this announcement shows just some of the products and how these break down into modular components.

In deployment, the HoT platform will provide a ‘core’ base – dealing with common elements such as analytics, workflow, underlying business rules and the core principles of things like marketing campaign management. On top of that, as TALICO has developed a completely modular approach to the software, each product within a business line effectively ‘plugs in’ to the core platform, then providing complete additional functionality and features for that business line, for example the OTT services.

The benefits of this for TV2U could be enormous, as it allows any customer (Operator) to start by providing one service (for example OTT) but then extend the range of services to the same consumer base with the likes of the Smart Homes modules, which allow the consumer to get much better efficiency/ cost control from their utility suppliers. The attraction for the Operator is that not only does it give them a natural path of progression and ‘stickiness’ with the consumer but does so at a low-cost entry point, as once they have the core platform the need for additional and expensive CAPEX to support further propositions is hugely reduced. This applies just as much to the customers we have attracted in Brazil and Indonesia already as it does to any new customers, anywhere in the world.

This doesn’t in any way distract the team from our focus so far, what we are doing here is enabling our sales guys with a growing stable of very compelling products, to the very same customers. We still expect to grow a very substantial customer base for our OTT services, and we are totally focused on that. These additional products just give us an even better chance of securing them, depending on the Operators own strategic plans and insight of where they want to focus their attention to their consumers.

We have spent a lot of time going through the potential product lines and putting together the right business models for the customers. We have talked to a number of interested parties and are confident that the models are right. In the majority of cases, TV2U will earn its revenues in the same way, by charging a monthly management fee per subscriber to the Operator. So once again this really helps the sales effort because once the Operator understands the model with one of our products it’s an easier conversation on the potential of the additional services.

There are numerous sides to IoT, naturally because it pretty much covers the entirety of the internet. By keeping it simple in our minds and in our planning, TALICO have a team that continuously work on new areas of development, backed by a team in TV2U that really understand how to commercialise what we are bringing to market. There’s a very

exciting hardware development that we now have in-play, that supports the strategy and direction in one of these new business lines. Expect news on that very soon.”

High Level SaaS and PaaS Overview:

Hub of Things SaaS & PaaS (Software/Platform as a Service)

Content Preparation	Live Ingest	VoD Ingest	Live Transcoding	File Transcoding	Live Archive for VoD
Content Post Production	Subtitling	Dubbing	Censorship	Asset Management	Quality Control
Marketing Analytics	Real-time Analytics	Behavior Tracking	Social Interaction	Collaborative Data Analysis	Reports & Dashboards
Marketing & Promotions	Multi-Channel Campaigns	Recommendations	Personalized Advertising	Push Marketing	Personalized Event Management
Customer Insight & Intelligence	Transactional	Network Influence	Implied Behavioral Patterns	Loyalty & Affinity	Social & Community
Sales Enablement	Sales Interaction	Special Offers Impulse Purchase	CRM Integration	Campaign Automation	Event Management
e-Commerce	Payment Gateway Integration	Royalty Tracking	Stock Control	Audit Reporting	Automated Billing
Customization & Integration	Smart Applications	EPG/Meta Data	Smart Meters/Appliances	3rd Party CMS	Customized Dashboard
Automation, Control & Delivery	Encrypted Content Delivery	On-the-fly Content Repackaging	Network Agnostics Global Delivery	Home Automation	Energy Management

Figure 1: Products Broken Down by Modular Design

INVESTOR ENQUIRIES:

Corporate Communications : David Adams
Email: david@tv2u.com

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.

UNITED KINGDOM
MALAYSIA

GLOBAL OFFICE LOCATIONS
HONG KONG
SYDNEY

INDONESIA
PERTH