

SEPTEMBER 2020 QUARTERLY REPORT

HIGHLIGHTS

The Board of TV2U International Limited (TV2U or Company) is pleased to provide the following update for the quarter ended 30 September 2020:

- NextGen Sports 360 eSports Module in production
- TV2Africa progresses integration with CDN from Orange
- JEE Group working on new business and marketing strategy
- TALICO continues to pursue commercial discussions regarding *Smart Technology* projects
- TV2U gives 90 days' notice of the termination of the Indosat Agreement
- Written consent requested to terminate the SOL Telecom Agreement.
- TV2U becomes content distributor in Nigeria
- TALICO signs MOU with DOTS Innovation SAS
- TALICO signs MOU with UNANIMOUS GAMES, LLC (UG)

Key Agreements and Business Opportunities

AEMG

During the last quarter AEMG have continued reviewing their third-party technical partnerships, their aim being to streamline their content delivery and reduce overheads. TV2U have extended their support of this with the integration of the CDN from Orange, this will optimize content delivery for a faster web experience and ensure continuity and availability of their applications.

Discussions are still progressing in relation to the deployment of the STB application across AEMG's chosen STB units.

JEE GROUP

JEE Group are currently reviewing their business and marketing strategy in response to the global impact of COVID-19. TV2U are in continued discussions with JEE and eagerly await delivery of their planned approach for delivering the PersisTV platform to the millions of Farsi speakers around the globe.

ESPORTS

TV2U completed the designs for the *NextGen Sports 360* eSports module after extensive requirements gathering exercises to ensure maximum fan engagement. The module is now in full production and TV2U have been asked to deliver several online demos to showcase its considerable functionality, this has led to discussions to deliver a standalone deployment of the module.

TV2U will update the market appropriately as the discussions progress

PGASCOM

TV2U continues to support PGASCOM by searching for operators and content partners that would suit their service offering. However, extended limitations due to COVID-19 continue to remain in place which is disrupting progress. TV2U continues to remain observant of the global situation and relevant restrictions by country to ensure the most efficient possible route of approach.

TV2U are continuously updating all relevant source codes and integrations to ensure minimum possible delay upon launch.

UNIVERSITY OF VICTORIA (PREVIOUSLY REFERED TO AS BRITISH COLUMBIA UNIVERSITY)

Having previously drafted a commercial contract and making available to the University of Victoria, the Company still awaits feedback. TV2U will bring an update to the market regarding any opportunities or insights gained at the soonest possibility upon response.

TALICO SMART TECHNOLOGY – CONSULTATION SERVICES

Continuing to pursue new avenues in the world of “Smart Technologies”, TALICO remains in active pursuit of a multitude of projects for which they may provide a consultancy service at various stages of progress.

Commercial discussions currently center around TALICO’s ability to harmoniously bring together a competitive range of technology companies, products, and infrastructures for the creation of residential and commercial sustainability solutions.

TV2U will update the market as these discussions progress.

INDOSAT

With reference to the Indosat Agreement between Pt Indosat TBK (Indosat) and TV2U Singapore Pty Ltd (TV2U Singapore) dated 3 May 2018 (Indosat Agreement).

On the 24th of September 2020, pursuant to Article 15, clause 1 of the Indosat Agreement, TV2U Singapore provided 90 days’ notice of the termination of the Indosat Agreement.

As a result, the Indosat Agreement will no longer be in effect 90 days’ after the date of this letter. This is due to the OTT projects’ current lack of commercial viability, however TV2U Singapore would welcome the opportunity to negotiate a new agreement with Indosat in the future if possible.

SOL TELECOM

With reference to the TV2U Local Partner Agreement between SOL Telecom LTDA reg.CNPJ 70.095.21110001-30 (SOL Telecom) and TV2U Singapore Pte Ltd (TV2U Singapore) dated 13 September 2018 (Agreement).

TV2U Singapore is seeking to terminate the Agreement by mutual agreement of the parties. As a result, on the 25th of September 2020 TV2U Singapore formally requested in writing that SOL Telecom provides written consent to terminate the Agreement.

This is due to the OTT projects' current lack of commercial viability, however TV2U Singapore would welcome the opportunity to negotiate a new local partner agreement with SOL Telecom in the future.

Expenditure & Activities

A summary of expenditure & activities during the quarter:

Project	R& D Spend	AWS Hosting Cost	Activities performed
AEMG	-	\$5,940	There was no substantive activity during the quarter
JEE GROUP	-	\$3,960	There was no substantive activity during the quarter
ESPORTS and REDSTRIKE MEDIA NIGERIA	\$95,750	\$14,100	<p>R&D, Requirement gathering, Specifications documentation & Planning for NextGen Sports</p> <p>Prototype design for Web app</p> <p>Prototype design for mobile app</p> <p>UI/ UX designed for Web app</p> <ul style="list-style-type: none"> - Created APIs for Sports Data (in-progress) - Created SDP as per the requirements (in-progress) - Updated SDP to handle rewards (vouchers & coupons) (in-progress) - Updated SDP to handle Loyalty points (in-progress) - Updated SDP to handle Merchandizing (in-progress) - Created Web app as per the design (in-progress) - Created Android app as per the design (in-progress) - Created iOS app as per the design (in-progress)
TV2U's IP Portfolio	\$39,250	-	<p>Setup of Hybrid account for bulk encoding</p> <p>TV2U R&D Team Organization Chart updated</p> <p>R&D on serverless and microservices architecture & databases to improve scalability and efficiency of IVAN-X / MV</p> <p>Conversion of already existing APIs to serverless architecture for improved performance and scalability</p> <p>Mentoring & Coaching team as required to nurture latest tech learning culture to keep team up to date</p>
PGASCOM	-	-	There was no substantive activity during the quarter
UNIVERSITY OF VICTORIA	-	-	There was no substantive activity during the quarter
INDOSAT	-	-	There was no substantive activity during the quarter
SOLETELECOM	-	-	There was no substantive activity during the quarter
	\$135,000	\$24,000	

CONTENT DISTRIBUTION - NIGERIA

With content being consumed so readily in Nigeria, TV2U has been working this quarter on becoming a content distributor within the country. Our plans are to secure agreements with live Channel owners and Video on Demand owners which allows us to on sell this content to our current and future clients, as well as 3rd parties.

During this quarter we have been in discussions with seven channel owners who have access to 27 individual channels. We have also been discussing terms with two VOD suppliers, the agreements will initially cover Nigeria but could be extended into other regions and territories as opportunities arise.

TV2U will update the market as agreements progress.

REDSTRIKE MEDIA NIGERIA

During the quarter TALICO were in discussions with Redstrike Media Nigeria in respect of granting a License allowing them to utilize the Next Gen Sports OTT Platform solely for the marketing, promotion, sale and delivery of Sports, Media, Music and Entertainment content.

Redstrike Media Nigeria currently have a Heads of Agreement (HoA) and Partnership Agreement with the LMC (League Management Company) in Nigeria, this is for the global rights to stream the Nigerian Professional Football League (NPFL). These two parties are finalizing the Long Form Agreement (LFA), once this is completed TALICO and Redstrike will move to an exchange of terms for the license and then to a commercial agreement.

TV2U will update the market as this opportunity progresses.

TV2U's IP Portfolio

During the September quarter TV2U's R&D team have made several improvements to current platform functionality as well as advances in new modules, a brief overview is listed below:

NextGen Sports 360°

- Prototype Mock-ups update with remaining screen for web
- Remaining screens for mobile Prototype (Ongoing)
- Mock-ups translation for web (Ongoing)
- Mock-ups translation for mobile (Ongoing)
- Sports data & Tenants Structural Changes for merging
- E-Commerce Integration
- Voucher System Deployment
- Notification system updates
- Photo Gallery
- APIs and Integration
- Translation and Implementation of Web and Mobile screens

Sports Module (In-Progress)

- Sports data & Tenants Structural Changes for merging

eSports Module

- API development
- APIs Integration in SDP, Web, Android, iOS
- Firebase Integration
- Opening & Closing Ceremony functionality
- Users Module

- User Email notifications & templates for event progression
- Admin Dashboard for fixes for users.
- Player Registration
- Generating region wise match fixture automatically with ability to manually adjust
- Live Tournament Progression
- Celebrity on-boarding
- Match Results
- Twitch live stream integration
- Sponsors Management
- Social Sign-In Implementation

Re-Structuring

- Setup of Hybrik account for bulk encoding
- TV2U R&D Team Organization Chart updated
- R&D on serverless and microservices architecture & databases to improve scalability and efficiency of IVAN-X / MV
- Conversion of already existing APIs to serverless architecture for improved performance and scalability
- Mentoring & Coaching team as required to nurture latest tech learning culture to keep team up to date

CORPORATE

Resolution of Legal Proceedings

On 25 June 2020, TV2U announced that it has received notice that legal proceedings have been commenced in respect to the Company's recent receipt of €3,000,000 (~A\$5,000,000) from JayPlus AG (being the subject of the Company's ASX announcement on 12 June 2020).

The claimants, NJLH Investments Pty Ltd and Far Super Pty Ltd atf the Humich Superannuation Fund alleged a constructive trust arose in respect of those funds as a result of the alleged conduct by Mr Bret Silvey and his private entity, Cancun Trading Pty Ltd. Mr Silvey was, at the time, also a director of TV2U.

The claim alleges that TV2U received those funds with constructive knowledge of alleged misrepresentations said to have been made by Mr Silvey and/or Cancun Trading Pty Ltd such that TV2U holds those moneys on a constructive trust for the benefit of the claimants.

On 18 August 2020, TV2U advised that further to TV2U's announcement of 25 June 2020, it had resolved the legal proceedings commenced by NJLH Investments Pty Ltd and Far Super Pty Ltd atf the Humich Superannuation Fund (**Humich Entities**).

The claim in respect of €3,000,000 (~A\$5,000,000) received by the Company indirectly from the original borrower, increased with the addition of a further claim for \$185,378 being further funds paid by an entity associated with former director Bret Silvey to a client of TV2U.

By the terms of the settlement, both parties have agreed to fully and finally settle all claims between them arising out of the proceedings.

The claims related to the alleged conduct of former director Bret Silvey in regards to the lending of those funds.

Without admission of liability TV2U has paid the sum of A\$2,092,500 to the Humich Entities.

The claims made against TV2U included a claim in respect of funds the subject of a loan of the Humich entities funds. In so far as the payment by TV2U reduces the claim against the borrowing entity, as a matter of Australian law, TV2U subrogates so as to be able to receive or to claim (up to a maximum of \$2,092,500) – as if standing in

the position of the Humich entities – as against the borrowing entity. TV2U expressly reserved this right in its agreement with the Humich Entities.

TV2U intends to pursue JayPlus AG for the subrogated amount.

The settlement by TV2U was expressly made on the basis it did not reduce the indebtedness of the borrowing entity to the Humich entities.

Cash & Finances

At the end of the quarter TV2U's cash position was \$740,000.

The Company has incurred the following expenditures in relation to its activities for the September quarter.

- research and development - \$135,000 which was for improvements to current platform functionality through updates to Web, iOS and Android applications and preparing prototypes for the projects under negotiations.
- product manufacturing and operating costs - \$24,000 relating to cloud services.

Payments totaling approximately \$112,000 were made to related parties of the Company, as shown in the Appendix 4C. These payments related to director and consulting fees payable to non-executive directors.

These fees were paid to the following directors:

	Descriptions	Amount
Hannah Ward	Director Fees	\$9,000
Nick Fitzgerald	Consulting Fees	\$93,617
Arshad Muhammad	Director Fees	\$9,000
		\$111,617

This quarterly report has been authorised by the Board of TV2U International Limited.