



ASX Announcement

23 April 2020

REPAYMENT OF \$1.75m CONVERTIBLE NOTES

Technology company **MGM Wireless Limited (ASX:MWR)** ('MGM' or 'the Company') today announced it has delivered a notice to all the holders of the convertible notes on issue, having a face value of \$1.75 million ('Convertible Notes') electing to redeem the Convertible Notes in full.

In accordance with the terms of the convertible note deed dated 3 October 2018, the Convertible Notes (including any accrued but unpaid interest) will be redeemed 90 days from the date of issue of the notice. Any noteholders intending to convert all or part of a Convertible Note into shares during the 90 days' notice period may elect to do so at the conversion price of \$0.272 in accordance with the conversion price formula previously announced to the market.

Commenting on the redemption, Company CEO Mark Fortunatow said: "Voluntarily redeeming the Convertible Notes prior to the 2 October 2020 maturity date is a positive sign for the Company as it extinguishes all debt from our balance sheet, reduces interest expense and simplifies our capital structure."

"With the current COVID-19 situation, the Company has been lucky enough to enter it in a strong financial position. We very early on made the tough decisions to strongly cut back on all costs, including a 20% pay reduction accepted by all employees and Directors."

"These early cost reductions will not only allow the Company to be able to successfully execute the upcoming development and launch of our SPACETALK seniors device in June and SPACETALK Kids 2 device for next Christmas, but will also leave the Company in a strong financial position."

"We have also secured a strong inventory position to be able to execute on upcoming sales and we look forward to updating the market on the product launches and our sales strategy in the coming weeks."

This announcement has been authorised by CEO, Mark Fourtunatow.

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About MGM Wireless

MGM Wireless Limited is a technology company that designs and develops breakthrough technology, software and wearable devices that enrich connections between families, schools and society.

The Company is recognised as a global leader and pioneer in socially responsible technology for schools and families. Everything we do is built on our unshakeable desire for families to feel safe and secure so that they can live with freedom, independence and joy.

About SPACETALK

SPACETALK is a mobile phone built into a smartwatch designed just for kids from the age of 5 to 12. SPACETALK allows two-way phone calls and SMS messaging for children to a parent-controlled list of contacts and GPS tracking alerts parents whenever children leave designated safe spaces, such as school or the home.

SPACETALK doesn't give children access to social media, apps, open internet or other such services that can be dangerous to young children. The subscription-based 'AllMyTribe' mobile app enables parents to manage SPACETALK devices.

About MGM's School Communication

MGM created the world's first SMS based Automated Student Absence Notification Solution for schools and is recognised as a global leader in socially responsible and technology-enabled school communication. Over 1,200 schools and 1.7 million parents use MGM Wireless products including student absence notifications 'messageyou', absence analytics software 'Watchlists', school news and messaging app 'School Star', a content management and messaging platform for mobile school communication called "Outreach+", and student attendance management solution 'RollMarker'.

To learn more please visit: www.mgmwireless.com