



ASX Announcement

MGM Wireless Limited (ASX:MWR)

7 November 2019

THE GOOD GUYS TO SELL SPACETALK IN AUSTRALIA

Highlights:

- The Good Guys to sell SPACETALK in 105 stores and online
- Agreement includes prominent SPACETALK floor displays
- Increases Australian retail stores selling SPACETALK to 588

7 November 2019 – Technology company **MGM Wireless Limited (ASX:MWR)** ('MGM' or 'the Company') today announced that leading Australian home appliances and consumer electronics brand, The Good Guys, has agreed to sell the SPACETALK children's all-in-one smartphone, watch and GPS device online through The Good Guys website and in all 105 national retail stores.

The Good Guys has a proven track record of building new product categories and introducing new brands, and the SPACETALK children's smartwatch phone will be displayed in high-traffic areas of retail stores, including prominent freestanding aisle displays. Sales of SPACETALK will also be generated from the company's commercial and educational business, The Good Guys Commercial.

The Good Guys will commence selling SPACETALK by end November in all stores and on-line, well in time for the peak Black Friday, Christmas and Back-to-School sales period, and will be supported by an extensive advertising campaign including Christmas catalogues.

MGM Wireless CEO Mark Fortunatow said: "This is an exciting new distribution deal which will promote SPACETALK in the mobile section of The Good Guys' retail stores. Mobile communications is an important growth area for The Good Guys, which has a friendly shopping environment also favoured by SPACETALK'S target demographic of women in the 30-55 age group. The Good Guys



are known for great service and enjoy a high degree of loyalty and trust with customers. This is a terrific place for customers to find out about SPACETALK.”

The new agreement extends distribution of SPACETALK in bricks and mortar outlets to 588 retail stores in Australia plus a further 189 retail stores in New Zealand. In the UK, SPACETALK is sold by Sky through its telesales and online channels.

The smartwatch market has a dynamic growth trajectory, with new numbers from leading industry analyst Gartner expecting the total wearables market to increase to US\$52 billion in 2020, up 27% from 2019, with more users coming into the smartwatch market¹. This includes the emerging category of kid’s smartwatches in which SPACETALK is the clear market leader due to its unmatched quality, security, simplicity and extensive features including 3G mobile phone, location tracking, the ability to make calls to a set parent-controlled contact list and SOS alert.

About The Good Guys

Operating since 1952, The Good Guys is a leading retailer of home appliances and consumer electronics to the Australian market. Part of the JB-Hi-Fi Group since 2016, the company operates 105 stores across Australia, as well as online and commercial channels. The Good Guys corporate values include exceptional customer service, best brands at everyday low prices and this customer-centric approach is also reflected in the company’s ongoing commitment to support and strengthen the communities in which it operates.

About MGM Wireless

MGM Wireless Limited is a technology company designing, developing and commercialising a smartphone + watch wearables device for children, and software for school communication and student absence management. The Company’s AllMyTribe division has developed a children’s all-in-one smartphone, watch and GPS device called SPACETALK, which allows two-way 3G phone calls

¹ Gartner Says Global End-User Spending on Wearable Devices to Total \$52 Billion in 2020.
<https://www.gartner.com/en/newsroom/press-releases/2019-10-30-gartner-says-global-end-user-spending-on-wearable-dev>



and SMS messaging to a parent-controlled list of contacts. Other features include GPS tracking to alert parents whenever children leave designated safe spaces, such as school or the home.

Importantly – a key safety feature of SPACETALK is that it doesn't give children access to social media, apps, open internet, YouTube or other such services dangerous to young children. In addition, during school hours, the device can operate in 'School Mode' whereby all communication features are disabled to ensure children won't be distracted.

MGM Wireless built its track record with school communication solutions after discovering in 2002 the application of SMS communication in schools. The Company went on to create the world's first SMS based Automated Student Absence Notification Solution and many other innovations since then. It is recognised as a global leader and pioneer in socially responsible and technology-enabled school communication.

MGM Wireless products include 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'.

Used by over 1400 schools and 1.7 million parents, the Company's school communication solutions empower schools to effectively communicate and engage parents and caregivers through SMS, mobile in-app and other means to improve student attendance and safety, help schools reduce operating costs and increase parent engagement.

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