

## PROPOSAL TO DELIST FROM ASX

MSM Corporation International Limited (ASX: MSM) (MSMCI or the Company) wishes to advise that the Company has formally applied to be removed from the Official List of ASX ("Official List") under ASX Listing Rule 17.11.

Following comprehensive consideration, the Board of the Company determined that the removal of the Company from the Official List ("Delisting") is in the best interests of security holders for the following reasons:

- (a) the Company's securities have been suspended from trading on ASX since 9 February 2021 ("**Suspension**"), which Suspension was initiated by the Company in relation to a proposed material transaction with Riva Technology and Entertainment Limited ("RTE") ("**Merger**"). As such, there has been no trading in the Company's securities on ASX since that date;
- (b) following consultation with the ASX since February 2021, the Company believes there is significant uncertainty whether the merged entity's structure and operations will satisfy ASX's suitability requirements for a listing on the ASX as part of any re-compliance with Chapter 1 and 2 of the ASX Listing Rules;
- (c) the Company is in a position where, in a timely manner, it needs to proceed with the Merger with RTE or to otherwise restructure the business of the Company in order to progress its future business plan. The Company is not currently in a position to make such a decision in a timely manner given such a transaction needs to result in the Company satisfying ASX that its structure and operations are suitable for a listing on the ASX as part of any re-compliance with Chapter 1 and 2 of the ASX Listing Rules;
- (d) the Company requires funding to meet its ongoing operational and working capital requirements. However, since the Suspension and the significant uncertainty whether the merged entity's structure and operations will satisfy ASX's suitability requirements for a listing on the ASX as part of any re-compliance with Chapter 1 and 2 of the ASX Listing Rules, the Company has not been able to progress a capital raising and has not benefited from being a listed entity in this sense. As such, the Company is seeking to be removed from the Official List to enable it to raise third party funding to allow the Company to continue operations on an ongoing basis in the short to medium term;
- (e) while the Company remains underfunded, its ability to progress to its short and medium term goals will remain limited, and there is therefore little benefit from being listed on ASX;
- (f) it is considered that the Delisting will give the Company the ability to promptly progress the Merger with RTE (post Delisting) or to otherwise work on an alternative restructure of the business of the Company in a suitable way and in a timely manner, including raising the necessary capital to fund ongoing operations. The Company is also considering pursuing a listing on another securities exchange after such transaction and capital raising are completed. Security holders should be aware that this is currently an expression of intention only. Any such listing is subject to a number of factors which are outside of the control of the Company and there is no certainty that another listing may occur;
- (g) maintaining an ASX listing adds additional costs to the Company's business. The Board estimates that costs attributable to the Company's ASX listing are approximately \$700,000 per annum. In addition, there are indirect costs associated with the need to devote management time attending to matters relating to the listing which could be directed elsewhere if the Company was unlisted; and



- (h) the Delisting will not result in any substantial diminution of the protection for minority shareholders given that the Company's shareholders do not presently have the benefit of liquidity in their shares.

In response to the Delisting application, ASX has formally advised the Company that it has resolved to remove the Company from the Official List, on a date to be determined by ASX in consultation with the Company, subject to compliance with the following conditions:

- (a) as is usual practice, the Company's removal from the Official List must be approved by a special resolution of shareholders of the Company;
- (b) the notice of meeting seeking shareholder approval for the Delisting must include:
  1. the time and date at which the Company will be removed from the Official List if that approval is given; and
  2. include, to ASX's satisfaction, the information prescribed in section 2.11 of ASX Guidance Note 33; and
- (c) the Company releases the full terms of the decision to the market immediately.

The full terms of the confirmation decision from ASX are set out in Annexure A to this announcement.

The consequences for MSM's removal from the Official List include:

- (a) the Company's securities will no longer be quoted on ASX and will no longer be traded on the ASX. However, security holders have been unable to sell their securities on ASX since 9 February 2021 as the Company's securities are suspended from quotation and are not trading;
- (b) the Company's shareholders will have their CHESS holdings converted to the certificated sub-register on the Company's share register. No action will be required by shareholders to affect this conversion;
- (c) security holders seeking to sell their securities following the Delisting will be entitled to transfer their holdings off-market to a willing third-party purchaser in accordance with the Company's constitution;
- (d) for so long as the Company continues to have more than 100 shareholders post Delisting, the Company will be an 'unlisted disclosing entity'. As such, the Company will continue to be subject to continuous disclosure obligations under the *Corporations Act 2001* (Cth) (**Corporations Act**). The Company will still provide disclosure to shareholders of material matters in accordance with the Corporations Act on the Company's website. The Company will also continue to lodge annual and interim financial statements (audited or auditor-reviewed, respectively) in accordance with the Corporations Act;
- (e) there will no longer be a readily available indicator of market price for the Company's securities (noting that security holders have been unable to sell their securities on ASX since 9 February 2021 as the Company's securities are suspended from quotation and are not trading), securities will be much less liquid and security holders will need to find a purchaser for their securities at an agreed price;
- (f) as an unlisted public company, the Company will no longer have the ability to raise capital from the issue of securities to the public in reliance on a limited disclosure fundraising document. Should MSM seek to raise capital following the Delisting, it will be required to offer securities pursuant to a full prospectus or by way of a placement to sophisticated and institutional investors (to whom such disclosure is not required); and



- (g) the Company's constitution and, therefore, shareholders' rights will remain unchanged following the Delisting, such that shareholders will continue to have the right to:
- (i) receive notices of meetings and other notices issued by the Company;
  - (ii) exercise voting rights attached to shares; and
  - (iii) entitlement to receive dividends declared and payable by the Company from time to time.

In circumstances where a security holder considers the Delisting to be contrary to the interests of security holders as a whole or oppressive to, unfairly prejudicial to, or unfairly discriminatory against a security holder or group of security holders, that security holder may apply to the Court for an order under Part 2F.1 of the Corporations Act. Under section 233 of the Corporations Act, the Court can make any order that it considers appropriate in relation to the Company, including an order that the Company be wound up or an order regulating the conduct of the Company's affairs in the future.

In circumstances where a security holder considers the Delisting involves 'unacceptable circumstances', that security holder may apply to the Takeovers Panel for a declaration of unacceptable circumstances and other orders under Part 6.10 Division 2 Subdivision B of the Corporations Act. Under section 657D of the Corporations Act, if the Takeovers Panel has declared circumstances to be unacceptable, it may make any order that it thinks appropriate to protect the rights or interests of any person or group of persons, where the Takeovers Panel is satisfied that those rights or interests are being affected, or will be or are likely to be affected, by the circumstances.

The Company is proposing to seek security holder approval (as a special resolution) for the proposed Delisting in accordance with the conditions imposed by ASX, for which a notice of meeting (containing all information noted above) will be dispatched shortly. Further details relating to the proposed Delisting, including potential advantages and disadvantages for security holders, will be included in the Notice of Meeting. All security holders will be entitled to vote on the resolution.

As the Company's securities are not readily able to be traded, the usual condition that the removal of an entity must not take place any earlier than one month after security holder approval has been obtained, has not been imposed, on the basis that the Company's securities are suspended from official quotation. It is therefore proposed that the Delisting would occur as soon as possible following receipt of security holder approval.

The indicative timetable for the proposed Delisting is set out below.

Event	Date
Announcement of Proposal to Delist	12 October 2021
Shareholder Meeting to approve Delisting	26 November 2021
Delisting Date (prior to commencement of trading)	29 November 2021

The dates above are indicative only and subject to change by the Company or ASX. The Company will inform security holders of any changes to the indicative timetable referred to above by announcement made via the ASX market announcements platform.

This announcement is authorised by the MSMCI Board.

## FOR FURTHER INFORMATION CONTACT:

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## ABOUT MSMCI

MSM Corporation International Limited ("MSMCI") is an online entertainment company that specialises in building and launching new digital entertainment products. MSMCI partners with local operators in non-English speaking markets to maximise the reach of its products and services globally.

MSMCI's first product to delivery was Megastar, a global, mobile-first talent competition, featuring performers of any category, who competed to win one 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 launched in core markets with the App available for download from the Apple and Google Stores. MSMCI will now capitalise on this platform by optimising the Megastar 2.0 version through the strategic partnership with The Riva Group's already established portfolio of industry specialists in Esports, gaming, user acquisition, IP delivery and infrastructure.

The Megastar Version 2.0 platform is planned to deliver a more gamified and interactive experience skill based competition with Esports and mobile gaming under the license agreement executed with Riva Technology and Entertainment Limited in conjunction with Esports organization, Galaxy Racer.

## FORWARD-LOOKING STATEMENTS

This announcement has been prepared by the Company. This document contains background information about the Company and its associated entities current at the date of this announcement. This is in summary form and does not purport to be all inclusive or complete. Recipients should conduct their own investigations and perform their own analysis in order to satisfy themselves as to the accuracy and completeness of the information, statements and opinions contained in this announcement.

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## ANNEXURE A – ASX DECISION

### Decision

ASX's formal decision is as follows:

#### Confirmation Decision

1. Based solely on the information provided, ASX Limited ('ASX') confirms that it will remove MSM Corporation International Limited (the 'Company') from the official list, on a date to be determined by ASX in consultation with the Company, subject to compliance with the following conditions:
  - 1.1 The request for removal of the Company from the official list of ASX is approved by a special resolution of shareholders of the Company.
  - 1.2 The notice of meeting seeking security holder approval for the Company's removal from the official list of ASX ('Notice') must include:
    - 1.2.1 the time and date at which the Company will be removed from ASX if that approval is given; and
    - 1.2.2 include, to ASX's satisfaction, the information prescribed in section 2.11 of ASX Guidance Note 33.
  - 1.3 The Company releases the full terms of this decision to the market immediately.
2. ASX has considered Listing Rule 17.11 only and makes no statement as to the Company's compliance with other listing rules.

