



ASX Announcement – EP&T Global Limited (ASX:EPX)

EP&T Targets \$5.0M Entitlement Offer and Placement

24 November 2022

Building energy optimisation company EP&T Global Limited (ASX: EPX) (**EP&T** or the **Company**) is pleased to announce the launch of a capital raising at an offer price of A\$0.025 per new ordinary share (**Share**) (**Offer Price**) to raise approximately A\$5.0 million. The capital raising comprises a placement to sophisticated and professional investors, a conditional placement to certain directors, and a 1-for-1.47 pro rata accelerated non-renounceable entitlement offer (together the **Capital Raising**).

Highlights:

- The Company has received commitments of over \$4.6 million as follows:
 - under the placement and the institutional component of the accelerated non-renounceable entitlement offer commitments in excess of the A\$3.6 million being offered; and
 - under the conditional placement from certain Directors at the Offer Price commitments to raise A\$0.5 million; and
 - the retail component of the Entitlement Offer of A\$0.9 million has received commitments from existing sophisticated shareholders of \$0.2 million, and is partially underwritten by parties including certain Directors up to A\$0.3 million
- Funds will be used for working capital, including product development, as the Company progresses towards operating cashflow break even targeted in Q3 FY23, installation of contracted project backlog to drive Annualised Recurring Revenues and to fund future growth opportunities.

Interim CEO, John Balassis, said “EP&T has some good momentum in all its key markets, within the current macro operating environment, leading us to announce an FY23 Annualised Contract Value target of between \$15.0 million and \$16.0 million. In addition, with the work undertaken over the past few months, we announced our target to reach operational cash flow break-even by the end of Q3FY23. The funds from the Capital Raising will be deployed to assist EP&T meet the working capital requirements to achieve these targets as well as fund future growth opportunities.

It is extremely pleasing that a high proportion of our key shareholders have shown their ongoing support for the Company by participating in the Capital Raising, and we thank them for their ongoing support”.



The Capital Raising Structure

The Capital Raising will be undertaken at the Offer Price and comprises:

- A placement to selected institutional and sophisticated investors to raise approximately A\$0.43 million (**Placement**);
- A conditional placement to certain Directors or Director related entities to raise approximately A\$0.48 million (**Conditional Placement**);
- A1 for 1.47 pro-rata accelerated non-renounceable entitlement offer to eligible shareholders to raise up to A\$4.1 million, comprised of:
 - a A\$3.1 million accelerated institutional component (**Institutional Entitlement Offer**); and
 - a A\$1.0 million retail component (**Retail Entitlement Offer**).

The Offer Price of \$0.025 represents a:

- 35.9% discount to the last closing price of \$0.039
- 33.3% discount to the 5-day VWAP of \$0.038
- 23.4% discount to the TERP of \$0.033¹

Placement and Conditional Placement

Based on commitments received, as at the date of this announcement, the Placement will result in the issue of approximately 17.1 million Shares and, subject to the receipt of shareholder approval, the Conditional Placement will result in the issue of approximately 19 million Shares. Shares issued under the Placement are intended to be issued on 2 December 2022 and will rank equally with existing EP&T shares from their date of issue. All of the Shares issued under the Placement will be issued using the Company's existing placement capacity under ASX Listing Rule 7.1 and will therefore not require shareholder approval. All of the Shares proposed to be issued under the Conditional Placement are proposed to be issued to Directors or Director related entities and will therefore require shareholder approval at an extraordinary general meeting (**EGM**) of the Company, the details of which will be announced separately.

Institutional Entitlement Offer

Eligible institutional and sophisticated investors with registered addresses in Australia, New Zealand, Netherlands, Sri Lanka and United Kingdom are offered the opportunity to participate in the Institutional Entitlement Offer. The Institutional Entitlement Offer is targeting a raise of approximately A\$3.1 million.

The Entitlement Offer is non-renounceable and therefore entitlements are not tradeable on the ASX or any other exchange, or otherwise transferable. As a result, existing investors

¹ The Theoretical-Ex-Rights Price (**TERP**) is the theoretical calculation of what EP&T's share price may be after the ex-date for the Entitlement Offer. TERP is a theoretical calculation and the actual price at which shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not equate to TERP. The TERP includes new shares issued under the Placement.



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who receive an offer to participate in the Institutional Entitlement Offer and who do not take up their entitlement will not receive any value for their entitlement, and their proportionate interest in EP&T will be diluted.

Retail Entitlement Offer

Eligible retail shareholders with a registered address in Australia or New Zealand (or other jurisdictions agreed by the Company) as at 7.00pm Sydney time on Monday, 28 November 2022 (**Record Date**) (or eligible institutional and sophisticated shareholders not included in the Institutional Entitlement Offer) will be entitled to participate in the Retail Entitlement Offer, subject to the terms and conditions set out in the retail offer booklet proposed to be dispatched to eligible retail shareholders on or around Wednesday, 30 November 2022 (**Retail Offer Booklet**). The Retail Entitlement Offer is targeting a raise of approximately A\$0.96 million

EP&T will notify retail shareholders who are on the share register on the Record Date as to whether they are eligible to participate in the Retail Entitlement Offer. Retail shareholders who are eligible to participate will receive a Retail Offer Booklet, including a personalised entitlement and acceptance form, which will provide further details of how to participate in the Entitlement Offer.

Eligible retail shareholders can choose to take up their entitlement in full, in part or not at all. Those eligible retail shareholders who subscribe for their entitlement in full, may also apply for additional Shares in excess of their entitlement (**Additional Shares**). Additional Shares will only be available where there is a shortfall between applications received from eligible retail shareholders and the number of Shares available to be issued under the Retail Entitlement Offer, and applications for Additional Shares may be subject to scale-back, at the Company's discretion.

Certain institutional and sophisticated investors may be invited by the Company to participate in any shortfall remaining after Additional Shares are allocated to eligible retail shareholders. Any remaining shortfall from the Retail Entitlement Offer up to A\$0.3 million in aggregate (**Underwritten Amount**) is underwritten by parties including Directors Jonathan Sweeney, John Balassis, and Victor van Bommel (or their related entities) (**Underwriters**). The allocation of Additional Shares and any remaining shortfall Shares will be in the Board's absolute discretion, with the Underwriters committed to subscribe for the residual shortfall up to the Underwritten Amount.

The Use of Funds

The funds raised under the Offer will be applied toward working capital, including product development, as the Company progresses towards operating cashflow break even targeted in Q3 FY23, installation of contracted project backlog to drive Annualised Recurring Revenues, to fund future growth opportunities and Costs of the Capital Raising.



Indicative Timetable

New Shares issued under the Placement and the Institutional Entitlement Offer will rank equally with existing EP&T shares from their date of issue, and are expected to settle on Wednesday, 30 November 2022 and to be issued and commence trading the following business day, Thursday, 1 December 2022.

The proposed Offer timetable is as follows:

Date (AEDT)	Event
23 -24 November 2022	Placement and Institutional Entitlement Offer conducted
25 November 2022	Announcement of results of Capital Raising
28 November 2022	Record Date
30 November 2022	Retail Entitlement Offer opens - Retail Offer Booklet and entitlement and acceptance forms dispatched to eligible retail shareholders
30 November 2022	Settlement of Placement and Institutional Entitlement Offer
1 December 2022	Allotment and quotation of Shares offered under the Placement and Institutional Entitlement Offer
9 December 2022	Retail Entitlement Offer closes
16 December 2022	Allotment of Shares offered under the Retail Entitlement Offer
19 December 2022	Quotation of Shares offered under Retail Entitlement Offer
17 January 2023	Indicative date for Extraordinary General Meeting
19 January 2023	Indicative date for Allotment of Shares offered under the Conditional Placement (subject to shareholder approval)

The timetable (and each reference in this announcement to a date specified in the timetable) is indicative only and EP&T may, at its discretion, vary any of the above dates by lodging a revised timetable with the ASX. EP&T also reserves the right to withdraw the Capital Raising (or any part of it) or change the terms of the Capital Raise, subject to compliance with the ASX Listing Rules and the Corporations Act.

All times referred to in this announcement are AEDT.

This release is authorised by the Board of Directors of EP&T.



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Further Information

Further details of the Offer are set out in the Investor Presentation also provided to the ASX today. The Investor Presentation contains important information including key risks and foreign selling restrictions with respect to the Capital Raising. The Retail Offer Booklet will be released to ASX and available on the Company's website and is expected to be dispatched to eligible retail shareholders with entitlement and acceptance forms on 30 November 2022.

Bell Potter Securities Limited is Lead Manager to the Capital Raising. Hamilton Locke are acting as legal advisers to EP&T.

Important Notice

Not for distribution or release in the United States This announcement is for information purposes only and is not a prospectus, disclosure document, product disclosure statement or other offering document under Australian law or any other law (and will not be lodged with the Australian Securities and Investments Commission (ASIC)). The announcement is not and should not be considered an offer or an invitation to acquire entitlements or new Shares or any other financial products. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or in any other jurisdiction in which such an offer would be illegal. The entitlements and the new Shares have not been, and will not be, registered under the US Securities Act of 1933, as amended (the US Securities Act) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the entitlements or the new Shares may not be granted to, taken up by, or offered or sold to, directly or indirectly, any person in the United States, or any person acting for the account or benefit of a person in the United States, except pursuant to a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and any other applicable state securities laws. The distribution of this announcement in other jurisdictions outside Australia may also be restricted by law and any such restrictions should be observed. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.



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About EP&T Global

EP&T Global is optimising buildings for a sustainable future. EP&T's proprietary technology solution combines multiple information sources with cloud-based data analytics to detect real-time energy inefficiencies in buildings. This highly accurate identification of faults and inefficiencies enables EP&T to collaborate with building managers to improve and optimise building plant operating systems.

EP&T's "EDGE Intelligent System" is a data repository incorporating 20+ years of building energy efficiency knowledge – collecting and analysing more than 5.6 billion points of data per annum with proprietary algorithmic analysis and machine learning.

To learn more visit www.eptglobal.com

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