

ASX Announcement

29 December 2017

The Manager
ASX Market Announcements
Australian Securities Exchange Limited
Sydney NSW 2000

By e-lodgement

ISSUE OF SHARES UNDER ASX LISTING RULE 7.1A4 – ADDITIONAL DISCLOSURE

Asia Pacific Digital Limited (**ASX: DIG**) (**APD, Company**) has today issued 533,383 shares at 12 cents per share (the price representing the 90-day VWAP of the Company's traded shares) to certain executives of the Company in lieu of cash-based payment (**executive share issue**). Further details in relation to the issue of the above securities are set out in the attached **Appendix 3B**. In addition, on 27 December 2017, the Company made a placement of shares and options pursuant to ASX Listing Rule 7.1A.

Please find below the additional disclosure in connection with ASX Listing Rule 7.1A4(b) and ASX Listing Rule 3.10.5A(a) detailing the dilution to shareholders of ordinary securities as a result of the placement and the executive share issue.

- (a) Details of the dilution to shareholders of ordinary securities caused by either of these share issues:

Number of ordinary shares on issue prior to the allotments	122,418,845
Number of ordinary shares on issue post allotments under ASX Listing Rules 7.1 and 7.1A	142,602,228
Percentage of issued capital represented by securities issued under the allotments	14.2%
Percentage of post-placement issued capital held by pre-placement security holders	97.6%
Percentage of post-placement capital held by pre-allotment security holders who did not participate	73.5%
Percentage of post-placement capital held by pre-allotment security holders who did participate	24.2%
Percentage of post-placement capital held by participants who were not previously security holders	2.4%

- (b) The Company issued the relevant shares under ASX Listing Rule 7.1A:
- (i) in the placement to sophisticated investors as it considered that the issue was the most cost-efficient and expedient manner available to it at the time for raising, at an appropriate price, the funds required by the Company to achieve its digital transformation strategy and related objectives, given the funding certainty, strong investor enquiry and pricing achieved under the placement. As previously announced, the Board intends undertaking a pro rata rights issue in the new year to provide all shareholders with the opportunity to participate in and invest in this strategy; and
 - (ii) in the executive share issue the subject of this announcement to certain executives of the Company in lieu of cash payments.
- (c) There were no underwriting agreements in place for either of these share issues.
- (d) Fees of \$42,500 were paid in relation to a third-party stockbroker for assistance in completion of the placement.

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About APD

APD serves multinational corporate clients across the Asia Pacific region who need specialist expertise to drive the digital transformation of their businesses. Services include digital strategy, technology solutions, customer experience, creative, performance marketing, social media, customer retention and analytics. The Company's 300+ digital professionals operate from offices in Manila, Kuala Lumpur, Singapore, Sydney, Melbourne and Auckland.

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