



ASX RELEASE

26 May 2020

Kyckr to raise A\$10 million to support growth

Highlights

- Placement to new and existing investors to raise A\$8 million.
- Share Purchase Plan (SPP) to existing shareholders to raise up to an additional A\$2m.
- Placement supported by a number of existing and new investors, including cornerstone investor, Mr Richard White.
- Funding will allow Kyckr to build on its recent international sales growth, specifically:
 - Increasing demand for Know Your Customer (KYC) solutions as regulators tighten requirements for the provision of digital financial services, and increasing reliance on digital financial solutions as a result of COVID-19 restrictions.
 - Expanding its enterprises sales team to drive enterprise revenue growth and continue to build Kyckr's network of strategic partners.
 - Continued investment in product development to ensure Kyckr's customer driven products remain the market-leading solution for corporate KYC.

Kyckr Limited (ASX:KYK) (Kyckr or the Company), a regulatory technology (RegTech) company is pleased to announce that it has received commitments to raise A\$8 million (before costs) via a new share placement to institutional and sophisticated investors (**Placement**). New shares will be issued at \$0.08 per share, and cornerstone investor in Kyckr, Mr Richard White, has indicated he will support the placement.

Kyckr will also conduct a Share Purchase Plan (**SPP**) for an additional A\$2m, to allow eligible existing shareholders an opportunity to participate in the raising at the same price as the institutional offer.

The new funds will be used to build on Kyckr's recent international sales growth as digitised customer verification products are proving to be a critical solution for financial services providers in light of tightening regulations globally relating to Anti-Money Laundering and Countering Terrorist Finance. The COVID-19 pandemic has resulted in accelerated adoption of online financial services, which has heightened the need for robust digital customer verification solutions. Kyckr recently launched its latest 'Company Watch' product, an automated online monitoring service for enterprises to retain the most accurate customer information, receiving encouraging early traction.

The proceeds will also be used to expand the Company's enterprise sales team to build on enterprise sales growth and extend the network of global strategic partners, as well as undertaking further product development of the Kyckr solution. Kyckr has recently announced contract wins for the extension of services to tier-one banks Commerzbank and Citigroup, in addition to the Company reporting its highest ever monthly revenue during the month of April of \$A260,000, up 39% on the prior year.

This ASX announcement dated 26 May 2020 has been authorised for release by the Board of Directors of Kyckr Limited

“The need for strengthened Know Your Customer practices for online business verification in the financial services sector is now more important than ever in the current COVID-19 environment. Automated customer and business verification will continue to rapidly grow as we have experienced with our contract growth and record revenue in the last few months”, Kyckr’s CEO Ian Henderson commented.

“Our strategy is focused on building our enterprise channel and partnership model, and the additional funds will be used to ensure Kyckr has the financial flexibility to pursue growth as the need for increased digitisation for KYC data increases, and will place us in a stronger financial position to take advantage of emerging opportunities ahead. We are grateful for the strong support from existing shareholders, and we are pleased to welcome new investors to the company.”

The Placement was managed by Bell Potter Securities Limited.

Placement

The Placement, part of which is subject shareholder approval, will raise approximately \$8 million (before costs) through the issue of 100 million New Shares at an issue price of \$0.08 (eight cents) per New Share. The Placement will be conducted via two tranches, structured as follows:

Tranche 1

The issue of 58,676,527 New Shares at \$0.08 (eight cents) per share to raise approximately \$4.7m (**Tranche 1 Shares**) in accordance with the Company’s approved placement capacity. Specifically, it will issue:

- 35,205,917 New Shares pursuant to its 15% placement capacity under ASX Listing Rule 7.1; and
- 23,470,610 New Shares pursuant to its additional 10% placement capacity under ASX Listing Rule 7.1A which was approved by shareholders by special resolution at the Company’s 2019 Annual General Meeting.

The Company anticipates settlement of the Tranche 1 Shares to occur on Friday, 29 May 2020 and intends to issue the Tranche 1 Shares without a disclosure document on Monday, 1 June 2020.

Tranche 2

Subject to shareholder approval at an extraordinary general meeting (**EGM**), the Company will issue 41,323,473 New Shares at \$0.08 (eight cents) per share to raise approximately \$3.3m (**Tranche 2 Shares**). The issue of the Tranche 2 Shares is subject to shareholder approval in accordance with ASX Listing Rule 7.1. The EGM is expected to take place on Friday, 3 July 2020.

Directors in Kyckr intend to participate in the second tranche of the Placement, subject to shareholder approval.

SPP

The Company is pleased to announce the opportunity for existing eligible shareholders of the Company to participate in a capital raising via a Share Purchase Plan (**SPP**), targeting to raise an additional \$2 million by the issue of New Shares at the same price as the Placement.

Shareholders of the Company who were registered holders of Shares at 7.00pm (AEST) on Monday, 25 May 2020 and whose registered address is in Australia or New Zealand (**Eligible Shareholders**) will be eligible to participate in the SPP. Participation in the SPP is optional. No brokerage or transaction costs are payable by Eligible Shareholders when subscribing for New Shares under the SPP.

Further information in relation to the SPP, including the SPP terms and conditions, will be outlined in a separate SPP offer document which is expected to be released to ASX and dispatched to Eligible Shareholders on Wednesday, 3 June 2020.

Any oversubscriptions received on the SPP are expected to be scaled back on a pro rata basis, subject to the Company's Board of Directors' absolute discretion.

The New Shares will rank equally with existing fully paid ordinary shares in the Company.

The key dates for the Placement and the SPP are as follows:

Event	Date
Trading halt	Friday, 22 May 2020
SPP Record Date	7.00pm (AEST) Monday, 25 May 2020
Placement closed	Monday, 25 May 2020
Trading resumes on ASX	Tuesday, 26 May 2020
Settlement of Tranche 1 Shares	Friday, 29 May 2020
Allotment date for Tranche 1 Shares	Monday, 1 June 2020
Quotation of Tranche 1 Shares	Tuesday, 2 June 2020
Expected dispatch of notice of EGM	Tuesday, 2 June 2020
Expected dispatch of SPP offer documents to Eligible Shareholders and SPP offer Opening Date	Wednesday, 3 June 2020
Expected SPP offer Closing Date	5.00pm (AEST) Friday, 19 June 2020
Announcement of results of SPP	Tuesday, 23 June 2020
Allotment Date for New Shares issued under the SPP	Friday, 26 June 2020
Quotation of New Shares issued under the SPP	Monday, 29 June 2020
EGM to approve issue of Tranche 2 Shares	Friday, 3 July 2020
Settlement of Tranche 2 Shares (subject to shareholder approval)	Monday, 6 July 2020
Allotment date for Tranche 2 Shares (subject to shareholder approval)	Monday, 6 July 2020
Quotation of Tranche 2 Shares (subject to shareholder approval)	Tuesday, 7 July 2020

Other than the SPP Record Date, the above timetable is indicative only and may be changed by the Company from time to time.

About Kyckr Limited (ABN 38 609 323 257)

Kyckr Limited is a global regulatory technology (RegTech) business, providing technology solutions. Kyckr's solutions are connected to over 200 regulated primary sources, in over 120 countries, providing real-time company registry information. Kyckr provides automated technology solutions to improve the efficiency and effectiveness of Corporate KYC.

To learn more about Kyckr, visit www.kyckr.com.

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