

ASX Release

3rd August 2021

Successful \$3.78m capital raise to fund growth

Fintech company 8common Limited (**8common** or the **Company**) (ASX: **8CO**) is pleased to advise that it has received binding commitments from a range of high quality institutional and sophisticated investors to subscribe for 21,000,000 shares at an issue price of A\$0.18 per share to raise \$3.78m before costs (the Placement).

The Company recognises the continued support from existing shareholders and welcomes a range of new institutional investors to the Company's share register.

The funds from the placement will be predominantly used for:

- Capex and working capital to support product, customer success and infrastructure enhancements to facilitate onboarding of recent contract wins
- Cash collateral obligations associated with the CardHero integrated payment and expense management solution
- General working capital requirements

The funds raised will help 8CO accelerate its growth from recent contract wins and new product commercialisation. The Company recently announced that Expense8 has been selected as the solution provider of Travel and Expense Management for the Australian Government as part of the Government's Shared Services Transformation Initiative (ref ASX release 29 July 2021). Over 90 Commonwealth agencies (which includes over 130K employees) participate in the Shared Services Program and could utilise Expense8, with another 79 Commonwealth agencies having the option to opt-in to the Program.

8CO currently generate a Federal Government ARPU of \$42 (\$53 pre-covid) servicing approximately 20,000 employees across 29 agencies. Over the past 12 months, 8CO has onboarded 10 Federal Government Agencies delivering implementation revenue of \$540k.

Funds raised will also enhance collateral capabilities for 8CO as it implements CardHero for clients. In December 2020 (ref ASX release 24 December) the Company signed an inaugural \$1.6m contract with not-for-profit Life Without Barriers to support NDIS fund disbursements via CardHero+. CardHero is live and Life Without Barriers is expected to go live within the current quarter.

8common Executive Chairman, Nic Lim said "8common are delighted with the strong response from the institutional investment community to the placement. The addition of Expense8 to the GovERP panel provides a significant ability for 8common to substantially grow our footprint within Federal Government and significantly increase our implementation revenue and transaction-based SaaS recurring revenue over the coming years. We are making a strong investment in Expense8 now, to enable us to capture the large pipeline of opportunities available due to the recent contract win. Our CardHero platform continues to gather momentum and we will be rolling it out early in FY22 to our cornerstone customer, not-for-profit, Life Without Barriers. The funds from the placement will also help the Company accelerate the commercial implementation of CardHero, driving an exciting period of growth for our Company. I would like to thank our existing shareholders for their continued support and welcome the new investors to the share register."

Placement Details

The Placement will result in the issue of 21,000,000 new fully paid ordinary shares at an issue price of \$0.18 per share to raise total proceeds of \$3.78m. The issue price of A\$0.18 per share represents a 5% discount to the last traded price of \$0.19 per share.

The Placement was strongly supported. The 21,000,000 new shares issued represents approximately 10% of the existing company's shares on issues and was undertaken within the Company's existing capacity under ASX Listing Rule 7.1.

Settlement of the placement is expected to occur on Tuesday the 10th of August 2021, with the issue and trading of new shares expected to commence on Wednesday the 11th of August 2021.

Veritas Securities acted as Sole Lead Manager on the Placement.

This release has been approved by the Board of 8Common Limited.

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Further information

Corporate

Nic Lim
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Executive Chairman

Investors

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About 8common Limited

8common (ASX:8CO) solutions deliver enterprise grade financial transaction processing for government entities and large enterprise businesses. Its flagship Expense8 platform is a leading pureplay provider of end to end travel expense management software, card application and management. The innovative software solutions improve organisation, productivity, incorporate company organisational policies and expense auditing to reduce fraud. Expense8 by 8common was named a Major Player in the IDC MarketScape: Worldwide SaaS and Cloud-Enabled Travel and Expense Management Applications 2019 Vendor Assessment.

Its new products being PayHero (procurement payment gateway) and CardHero (pre-paid card fund distribution) deliver closed loop solutions to support regulated, large network and high-volume requirements. 8common's specialises in large enterprise and government segments.

Its growing client base of more than 163,000 platform users include enterprise customers Woolworths, Broadcast Australia, Amcor, and over 158 state and federal government entities. For more information, visit <https://www.8common.com/>