

29 May 2020

## ASX Release

# Enevis Limited announces \$1,498,750 capital raise

**Enevis Limited (ASX: ENE) (Enevis or the Company)** is pleased to announce it is undertaking a fully underwritten 1 for 2 non-renounceable pro rata entitlement offer of fully paid ordinary shares (**New Shares**) at a price of \$0.045 (**Offer Price**) per New Share to raise approximately \$1,498,750 (before costs) (**Entitlement Offer**). The Directors have considered a range of factors when determining the Offer Price, including having regard to the fluctuating share price between 4 cents and 6 cents over the last two months, the illiquidity of the Company's shares, and the current downturn in the economy.

The Entitlement Offer is described in more detail below. A Company update is also included below.

### Overview of Entitlement Offer

The Entitlement Offer will be open to all shareholders of the Company (**Eligible Shareholders**) who:

- are registered holders of shares as at 7:00pm (Melbourne time) on Wednesday, 3 June 2020; and
- have a registered addresses noted on the share register in Australia and New Zealand.

Shareholders with a registered address outside of Australia and New Zealand are considered to be ineligible shareholders and cannot participate in the Entitlement Offer.

The Company also offers Eligible Shareholders the opportunity to subscribe for additional New Shares in excess of their entitlement at the Offer Price under an oversubscription facility.

The Entitlement Offer is non-renounceable which means Eligible Shareholders' rights cannot be traded on the ASX and are non-transferrable.

Each of the current Directors of the Company has agreed to participate in the Entitlement Offer and take up their full entitlements.

Eligible Shareholders wishing to participate in the Entitlement Offer should carefully read the Entitlement Offer Book and the accompanying personalised Entitlement and Acceptance Form. It is anticipated that these documents will be despatched to Eligible Shareholders on Friday, 5 June 2020. Copies of the Entitlement Offer Booklet will be available on the Company's ASX website.

The Entitlement Offer is currently scheduled to open Friday, 5 June 2020 and close on Wednesday, 17 June 2020 (**Closing Date**). The timetable is indicative only and subject to change, as such, Eligible Shareholders are encouraged to lodge their applications ahead of the Closing Date.

Eligible Shareholders who do not take up their entitlement in full or in part will not receive any value in respect of the entitlements not taken up.

### Underwriting

The Entitlement Offer is fully underwritten by Gregory Darrell Jinks and Dorothy Jinks as trustee for the GD Super Fund (a related entity of Director Greg Jinks) and Bundarah Pty Ltd ACN 635 500 613 (a related entity of Chairman Peter Jinks) (together **Underwriters**), subject to no Underwriter acquiring voting

power in the Company in excess of 19.99%. Mr Peter Jinks and Mr Greg Jinks are executive directors of the Company.

#### **Use of funds**

The primary purpose of the Entitlement Offer is to discharge the secured and unsecured borrowings (**Loans**) of \$1,400,000 with a related party lender. An unsecured loan of \$400,000 (plus interest) will be discharged first followed by a secured loan of \$1,000,000 (plus interest).

The discharge of the debt owing to related parties will allow the Company to discharge the secured loan over the Company's assets, reduce the number of the Company and its wholly owned subsidiary's creditors, and strengthen its balance sheet.

For further detail on the Loans, and the discharge of the Loans, please refer to the Entitlement Offer Booklet.

Executive Chairman and Managing Director, Peter Jinks said, "The Entitlement Offer not only relieves interest burden and lowers financing costs, it strengthens our balance sheet and is an important plank in our strategy to restore the business to sustainable profits. Over the past year, we have also conducted a detailed review of our operating cost base and taken measures to better align it with our requirements. This reduction represents a 30% lowering of costs, including the impact of the divestment of the street lighting subsidiary business in January 2020."

In the COVID-19 environment, with the economy expected to remain subdued in the short to medium term, the capital raising will render the business more secure as it restructures and consolidates its operations around its key skills and capabilities.

All New Shares to be issued under the Entitlement Offer will rank equally with existing fully paid ordinary shares on issue in the capital of the Company.

The key dates for the Entitlement Offer are set out below. The dates are indicative only, with the Company reserving the right to vary the dates, including the right to extend the closing date.

## Entitlement Offer - Indicative Timetable

Date	Event
3 June 2020	<b><i>Entitlement Offer Record Date</i></b>
5 June 2020	<b><i>Entitlement Offer Opening Date</i></b> Entitlement Booklet is sent to all eligible shareholders
17 June 2020	<b><i>Entitlement Offer Closing Date</i></b>
18 June 2020	Quotation of New Shares on a deferred settlement basis
19 June 2020	<b><i>Entitlement Offer Shortfall Notification Date</i></b> ENE announces the results of the Entitlement Offer and notifies the ASX of under-subscriptions (if any)
22 June 2020	<b><i>Issue date for New Shares</i></b> Issue date under the Entitlement Offer
23 June 2020	<b><i>Trading of New Shares commences</i></b> Normal trading of New Shares issued under Entitlement Offer

Applications for New Shares under the Entitlement Offer may only be made using the Entitlement and Acceptance Form accompanying the Entitlement Offer Booklet. New Shares will only be issued on the basis of an Entitlement and Acceptance Form.

Any person considering acquiring New Shares under the Entitlement Offer should read the Entitlement Offer Booklet in its entirety and, if uncertain about participating in the Entitlement Offer, should consult their stockbroker, solicitor, accountant or other professional advisor for advice.

~ ENDS ~

This announcement is authorised for release by the Board of Enevis

**Further Information:**

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**About Enevis Limited (ENE)**

Enevis delivers energy efficient technology solutions, through the creative manufacture, design and engineering of software, hardware and installation support services. With strong capabilities in servicing national customers, Enevis provides innovative LED lighting products, energy consumption cost benefit and rebate analysis, audio-visual, communications and electrical solutions to the commercial, industrial and retail markets.