

UNITH undertakes upsized \$4.5 million placement to advance ChatGPT-driven conversational AI

- Successful upsized Placement of \$4.5 million to fund accelerated growth initiatives
- Strong support shown by existing investors and new investors including a prominent Australian Family Office that cornerstoned the Placement
- Placement undertaken at \$0.033 per share, at par with the 30-day VWAP
- Non-underwritten Share Purchase Plan to raise up to \$500,000 to be offered to eligible shareholders
- Company well-funded to accelerate development and commercialisation of conversational AI products in 2023 including ChatGPT integrations

Unith Ltd (ASX: UNT | FWB: CM3) (“UNITH” or “the Company”) is pleased to announce that it has received firm commitments to raise \$4.5 million (gross proceeds) via a strongly supported and upsized share Placement to institutional, sophisticated and professional investors (**Placement**). The Board is also offering offer eligible shareholders the opportunity to invest via a Share Purchase Plan capped at \$500,000.

UNITH CEO, Idan Schmorak said: *“We are incredibly pleased to see such a strong level of demand from institutional and sophisticated investors in UNITH. I would like to thank existing investors for their continued support and welcome the new investors onto our register, including a prominent Australian Family Office that entered our register via this Placement. I felt it was important to also give existing shareholders the ability to invest further in UNITH via the Share Purchase Plan.”*

Interest continues to grow in conversational AI globally, and UNITH is strongly positioned at the forefront of the industry with our unique proprietary technology to benefit from this growing demand. The Company is now well funded to continue progressing our development and commercialisation activities, which will focus on building scalability into our business model and further enhancing our technological edge.”

The funds raised from the Placement will be used to:

- Develop ChatGPT-driven conversational AI features into the Talking Head platform
 - Adding the features will improve the software efficiency, both on the end user side and will remove friction on the client side allowing easy onboarding on the platform.
- Accelerate development of the Talking Head platform, including sizing up the development team



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- Increase sales capacity with additional roles flagged for the commercial team in line with scalability of the Talking Head platform
- Drive sales & marketing initiatives with allocated KPI-focused budgets to capitalise on rising B2B interest in conversational AI and generative AI business solutions
- General working capital and costs of the Placement.

Placement details

ÜNITH has successfully secured firm commitments to raise \$4.5 million (gross proceeds). The share placement comprises an offer of 136,363,636 new fully paid ordinary shares in the Company (**Shares**) at an issue price of A\$0.033 per share (**Offer Price**), with attaching listed Options (ASX: UNTO) on a 1:1 basis exercisable at \$0.06 per option expiring 25 July 2024 (**Placement**). The Offer Price was at par to ÜNITH's 30-day volume weighted average price at close of trading on 8 February 2023, and a 15.3% discount to the last traded price on 8 February 2023.

Placement shares will rank equally with the Company's existing ordinary shares on issue. The Placement will take place as two tranches:

- Tranche 1 of the Placement, comprising 136,363,636 shares, will fall within the Company's placement capacity under ASX Listing Rule 7.1 and 7.1A (7.1A - 74,476,236 and 7.1 - 61,887,400 ("**Tranche 1**"). Tranche 1 will also consist of 45,454,545 UNTO options that will also fall within the Company's 7.1 capacity.
- Tranche 2 of the Placement, comprising 90,909,091 attaching listed options (UNTO), will be issued subject to shareholder approval at a general meeting of shareholders expected to take place in March 2023 ("**Tranche 2**"). In addition, 12,500,000 UNTO Broker Options will be issued subject to shareholder approval at the same general meeting. .

Peak Asset Management ("**Peak**") acted as Lead Manager to the placement.

Share Purchase Plan (SPP) details

ÜNITH intends to offer the opportunity to all Eligible Shareholders to subscribe for up to \$30,000 of fully paid ordinary shares in a non-underwritten Share Purchase Plan (SPP Shares) at the same price as the Placement (ie A\$0.033 per share) to raise up to \$500,000.

'Eligible Shareholders' will be registered ÜNITH shareholders, as at 5PM AEDT on 10 February 2023 who have a registered address in Australia or New Zealand and do not hold ÜNITH shares on behalf of another person who resides outside Australia and New Zealand and are not in the United States or acting for the account or benefit of any person in the United States or otherwise excluded from participating.

The Company reserves the right to scale back applications under the SPP at its absolute discretion. SPP Shares will rank equally with the Company's existing ordinary shares on issue. No brokerage or commissions are payable in respect of subscribing for shares under the SPP.

Details of the SPP will be set out in the SPP Offer Booklet, which will be dispatched to Eligible Shareholders on or around Friday, 3 March 2023. The SPP is proposed to open on Friday, 3rd March



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2023, and is scheduled to close at 5PM AEDT (Australian Eastern Daylight Time) on Thursday], 30th March 2023. Participation in the SPP will be open to all eligible shareholders as at on Friday, 3rd March 2023.

Timetable of key dates

SPP Record Date	10 February 2023
Announcement of the SPP	13 February 2023
Settlement of new shares and options issued under Tranche 1 of the Placement	15 February 2023
Allotment and normal trading of Tranche 1 shares and options under the Placement	20 February 2023
SPP Offer opens and SPP Offer booklet dispatched	3 March 2023
SPP Offer closes	30 March 2023
Announcement of result of SPP	5 April 2023
Extraordinary General Meeting to approve the issue of the Tranche 2 options	31 March 2023
Allotment and normal trading of Tranche 2 options under the Placement	5 April 2023

All dates and times are indicative and UNITH reserves the right to amend any or all of these events, dates and times subject to the Corporations Act 2001 (Cth), ASX Listing Rules and other applicable laws. All times and dates are in reference to Sydney, Australia time.

Appendix 3B

An Appendix 3B in relation to the proposed issues of securities follows.

The Company requests the ASX to lift the trading halt.

This ASX announcement is authorised for market release by the Board of Unith Ltd

(ENDS)



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About UNITH

UNITH is a leading digital human brand. It unifies the research and development of facial movement deep learning, audio machine learning and conversational design (NLP) to generate the first customizable, interactive avatar of its kind.

Businesses can create their own digital humans to immerse, assist and educate customers in real time and in multiple languages, all through one full stack platform.

For further information, please visit: unith.ai



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