

ASX Announcement

5 February 2024

Placement and Entitlements Offer to raise up to \$4.5m, and update on recent requisition notices

Highlights

- Binding commitments received to raise \$2,000,000 via a Placement.
- Pro rata non-renounceable Entitlements Offer (Entitlement Offer) of shares on a 1 for 7 basis to raise a further approx. \$2,100,000 with oversubscriptions of up to \$500,000.
- Placement and Entitlement Offer new shares to be issued at \$0.0145 per share.
- Placement and Entitlement Offer to receive a 1 for 2 free-attaching unlisted Option exercisable at \$0.023 expiring 30 September 2024.
- Placement and Entitlement Offer to receive 1 for 2 free-attaching Option exercisable at \$0.030 expiring 31 March 2026. The Company will apply for the listing of these Options subject to ASX requirements.
- Funds will be used for the general public launch of the Digital Human platform as a self-service product, increasing Unith's commercial team and marketing spend, improving user experience, enhancing conversational AI capabilities and analytics and working capital.

Unith Ltd (ASX: UNT | FWB: CM3) (“ÜNITH” or “the Company”) is pleased to announce that it has received firm commitments to raise \$2 million (gross proceeds) via a strongly supported share Placement to institutional, sophisticated and professional investors (**Placement**). The Board is also offering eligible shareholders the opportunity to participate at the same Offer Price via a pro rata non-renounceable entitlement offer (**Entitlement Offer**) to raise a further \$2 million with the ability to take oversubscriptions of up to \$500,000.

ÜNITH CEO Idan Schmorak said: “2024 shapes as an incredibly exciting year for ÜNITH with the general public launch of our Digital Human platform where users will be able to generate their own digital human and deploy them online for a multitude of purposes. By strengthening our balance sheet, these funds provide ÜNITH with the flexibility to increase marketing and commercial activities at the appropriate time to position ÜNITH as an industry leader.”



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Placement details

ÜNITH has successfully secured firm commitments to raise \$2.0 million (gross proceeds). The share placement comprises an offer of 137,931,034 new fully paid ordinary shares in the Company (Shares) at an issue price of \$0.0145 per share (**Offer Price**), with attaching unlisted Options on a 1:2 basis exercisable at \$0.023 per option expiring 30 September 2024 (being non-transferable) (**Unlisted Options**) and attaching options (to be listed) on a 1:2 basis exercisable at \$0.30 per option expiring 31 March 2026 (**Listed Options**).

The Offer Price is at a 23.7% discount to ÜNITH's 15-day volume weighted average price (\$0.019) at close of trading on 31 January 2024.

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 137,931,034 shares, will fall within the Company's placement capacity under ASX Listing Rule 7.1 and 7.1A (7.1A – 90,071,417 and 7.1 – 47,859,618 (“Tranche 1”). Tranche 1 will also consist of 68,965,517 unlisted options exercisable at \$0.023 and expiring 30 September 2024 that will also fall within the Company's 7.1 capacity.
- Tranche 2 of the Placement, comprising 68,965,517 attaching options (to be listed) exercisable at \$0.03 and expiring 31 March 2026 will be issued subject to shareholder approval at a general meeting of shareholders expected to take place in March 2024 (“Tranche 2”). In addition, 20,000,000 Broker Options will be issued subject to shareholder approval at the same general meeting.

Evolution Capital Pty Ltd (“Evolution”) acted as Lead Manager to the placement and will receive a 6% fee on funds raised, along with 10,000,000 Unlisted Options and 10,000,000 Listed Options.

Pro Rata Non-Renounceable Entitlement Issue details

ÜNITH will also offer the opportunity to Eligible Shareholders to subscribe for fully paid ordinary shares in a non-renounceable Entitlement Offer at the same terms as the Placement (i.e. A\$0.0145 per share and options) to raise up to approx. \$2,100,000 with oversubscriptions of up to \$500,000.

‘Eligible Shareholders’ will be registered ÜNITH shareholders, as at 5PM AEDT on 16 February 2024 who have a registered address in Australia, New Zealand or The Netherlands and do not hold ÜNITH shares on behalf of another person who resides outside Australia, New Zealand or The Netherlands 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 Entitlement Offer at its absolute discretion. Entitlement Offer shares will rank equally with the Company's existing ordinary shares on



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issue.

No brokerage or commissions are payable in respect of subscribing for shares under the Entitlement Offer.

The Company will prepare a Prospectus for the entitlements issue in the coming weeks which will set out full details in relation to the Entitlements Offer.

Entitlements Issue Timetable

Action	Date
Lodgement of Appendix 3B	5 February 2024
Ex-Date	15 February 2024
Record Date	16 February 2024
Lodgement of Prospectus with ASIC and ASX	20 February 2024
Date on which offer documents will be sent to security holders entitled to participate in the pro rata issue	21 February 2024
Last day to extend the offer closing date	12 March 2024
Offer closing date	15 March 2024
Trading in new securities commences on a deferred settlement basis	18 March 2024
Issue date and last day for entity to announce results of pro rata issue	22 March 2024
Date trading starts on a normal T+2 basis	25 March 2024
First settlement date of trades conducted on a deferred settlement basis and on a normal T+2 basis	27 March 2024

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.



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Use of Funds

The funds will be used towards:

- The general public launch of the Digital Human platform as a self-service product;
- Increasing UNITH's commercial team and marketing spend to position UNITH as an industry leader;
- Further developer capabilities aimed at improving user experience, seamlessness and reducing latency;
- Enhancing conversational AI capabilities and analytics; and
- Working capital.

Appendix 3B

An Appendix 3B in relation to the proposed issues of securities will be lodged on ASX.

Notices of Intention to Remove Directors and Section 249D Notice:

The Company has received the following notices of intention to remove directors:

- Section 203D Notice giving notice of intention to remove Matthew Blake as a Director of the Company;
- Section 203D Notice and Section 249CA Notice giving notice of intention to remove and replace Mathew Blake as a Director and to call a general meeting for those purposes;
- a replacement Section 203D Notice giving notice of intention to remove Sytze Voulon and Justin Baird as Directors of the Company; and
- a replacement Section 249D Notice requesting that resolutions be put to shareholders for the removal of Sytze Voulon and Justin Baird as Directors of the Company and the election of Andrew Derek Cotterill as a Director of the Company, (together, the **Notices**).

The Company intends to hold single general meeting of shareholders to give effect to all of the above-mentioned notices. The Company expects to provide a Notice of Meeting to shareholders in due course.

Requisitioning parties

The Section 249D Notice relating to the request to put resolutions for the removal of Sytze Voulon and Justin Baird as Directors and the election of Andrew Derek Cotterill as a Director was received from:

- Mr Roger Blake & Mrs Erica Lynette Blake (1,709,091 shares);
- Mr Roger Blake & Mrs Erica Lynette Blake as trustees for The Mandy Super Fund (31,909,091 shares);
- Mr Noel Russell Cameron & Dr Belinda Caroline Goad as trustees for the Noel Cameron Super Fund (5,007,843 shares);
- Accumcompany Pty Ltd (4,000,000 shares); and
- KZ 6 Pty Ltd as trustee for KZ 5 Trust (4,400,000 shares).



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Under a valid request pursuant to section 249D of the Corporations Act, the directors of the relevant company are required to call the meeting within 21 days after the request is given to the company and the meeting is to be held not later than 2 months after the request is given to the company. The Company notes that the previous section 249D Notice was invalid, as Accumcompany Pty Ltd was not a shareholder of the Company at the requisite time.

The Section 249CA Notice was given by the remaining directors of the Company, other than Mr Blake. This allows the Company to hold a single general meeting of shareholders to consider all of the requested resolutions contemplated by all Section 203D Notices, including the earlier Section 203D Notice received by shareholders relating to the intention to remove Mr Blake as a director.

This announcement is intended to lift the trading halt currently in place.

This announcement has been authorised for release by Director Scott Mison.

(ENDS)

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About ÜNITH

ÜNITH is a leading digital human software developer. It unifies the research and development of facial movement deep learning, audio machine learning, and conversational design 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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