

## ASX ANNOUNCEMENT

February 17, 2023

### ENTITLEMENT OFFER CLOSURE AND NOTIFICATION OF SHORTFALL

#### HIGHLIGHTS

- **Entitlement Offer closed raising approximately A\$12.44 million with strong support from major shareholders**
- **Funding the repayment of debt associated with the acquisition of Gumtree Australia, Autotrader Australia and Carsguide**
- **Shortfall is fully underwritten and will be offered in accordance with the dispersion mechanism**

The Market Herald Limited (ASX:TMH “**The Market Herald**” or “**Company**”) is pleased to release the results of the fully underwritten renounceable pro-rata entitlement offer to Eligible Shareholders (defined below) (“**Entitlement Offer**”) announced to the ASX on 24 January 2023, which closed on 13 February 2023.

The Company received valid applications, on a pro-rata entitlement basis, to subscribe for 36,599,046 new fully paid ordinary shares (“**New Shares**”) worth A\$12.44 million from Eligible Shareholders. This represents approximately 80% of all New Shares offered under the Entitlement Offer.

In addition, Eligible Shareholders applied, under the Top-up Facility (defined below), for 1,599,097 additional New Shares worth A\$0.54 million. Participation in the Top-up Facility is subject to the bookbuild and allocation process as noted below (“**Bookbuild**”).

The New Shares not taken up by Eligible Shareholders under the Entitlement Offer totalling A\$3,085,678.50 will be placed into the Bookbuild in accordance with the shortfall dispersion mechanism and the underwriting agreement between the Company and Canaccord Genuity (Australia) Ltd (“**Underwriter**”) as disclosed in the ASX announcement on 24 January 2023 and the Entitlement Offer Booklet dated 2 February 2023.

On completion of the fully underwritten Entitlement Offer, the Company will raise a total of approximately A\$15.52 million (before costs), to fund the repayment of debt associated with the acquisition of Gumtree Australia, Autotrader Australia and Carsguide and the expenses of the Entitlement Offer.

The Market Herald’s Chief Executive Officer, Tommy Logtenberg commented:

*“On behalf of the Board of Directors, I wish to thank all shareholders for their ongoing support of the Entitlement Offer, including the support from our major shareholders.”*

*The Company is at an exciting stage of growth as we look to further our offering to end users. Funds raised will be used to repay the debt associated with the acquisition of Gumtree, Carsguide and Autotrader which will continue to position the Company as a leading challenger to the \$6 billion automotive listings incumbent.*

*I thank all shareholders for their continued support of our strategic vision.”*

## Results of the Entitlement Offer

The Entitlement Offer was offered to all shareholders on the register of members at the Record Date, being 7:00 pm (AEDT) on 30 January 2023 (“**Eligible Shareholders**”).

The Entitlement Offer was on the basis of one (1) New Share for every six (6) shares held at an issue price of \$0.34 to raise up to A\$15.52 million (before costs).

Eligible Shareholders (other than Restricted Persons) who submitted a valid application for their full entitlement were also able to apply for additional New Shares in excess of their entitlement at the same issue price of \$0.34 per New Share (“**Top-up Facility**”). As noted in the Entitlement Offer Booklet, shareholders who hold a relevant interest of 20% or more of the total number of issued shares as at the Record Date and related parties of the Company, being “Restricted Persons”, were not able to participate in either the Bookbuild or the Top-up Facility, and will not be issued any New Shares under the Bookbuild or the Top-up Facility.

The New Shares not applied for under the Entitlement Offer will be placed in accordance with the shortfall dispersion mechanism outlined in the 24 January 2023 ASX announcement and section 3.6(d) of the Entitlement Offer Booklet.

The Company notes that the Bookbuild will commence on 20 February 2023 and will be undertaken by the Underwriter prior to any New Shares being placed with sub-underwriters.

As the Entitlement Offer is fully underwritten, the total amount raised is A\$15,529,354.14. The Company will issue 45,674,571 New Shares.

The final results of the Entitlement Offer are summarised in the table below.

	Funds Raised (A\$)	New Shares
Entitlements taken up by Eligible Shareholders under the Entitlement Offer	\$12,443,675.64	36,599,046
Remaining shortfall shares*	\$3,085,678.50	9,075,525

\* This comprises the New Shares not taken up by Eligible Shareholders under the Entitlement Offer (including the 1,599,097 additional New Shares applied for by Eligible Shareholders under the Top-up Facility). These New Shares will be allocated in accordance with the shortfall dispersion mechanism.

## Issue of New Shares

The New Shares are expected to be issued on Friday 24 February 2023.

This announcement has been approved by the Board of The Market Herald Ltd.

# The Market Herald

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