

24 March 2017

## ASX Announcement

### \$16.0m Placement and Earnings Guidance

- **Oversubscribed Placement raising \$16.0 million**
- **Proceeds to be used to reduce net debt and balance sheet risk**
- **Full year FY17 EBITDA guidance of \$15.0m to \$16.5m**

Empired Limited (ASX: EPD) is pleased to announce the successful completion of a placement of approximately 36.3 million new ordinary shares ("**Shares**") to raise \$16.0m (before issue costs) ("**Placement**"). The Shares will rank equally with existing shares.

The Shares will be issued at \$0.44 per share ("**Placement Price**"), representing a discount of:

- 6.4% to EPD's closing price of \$0.47 per share on 21 March 2017
- 6.0% to EPD's 5 trading day VWAP of \$0.4683 per share as at 21 March 2017

The Placement is being made to new and existing institutional and sophisticated investors in two tranches:

1. **Tranche1:** Approximately 30.4 million Shares to raise \$13.4m under EPD's available 25% placement capacity pursuant to ASX Listing Rules 7.1 and 7.1A. Tranche 1 is expected to settle on Thursday, 30 March 2017, with the Shares to be issued the following day.
2. **Tranche 2:** Approximately 5.9 million Shares to raise \$2.6m subject to shareholder approval at a general meeting of shareholders expected to be held on or around 4 May 2017.

Funds raised from the Placement will be applied to:

- Reduce net debt and balance sheet risk;
- Provide certainty of funding for deferred vendor payments (\$1.0m due 31 May 2017, and \$6.7m due 1 July 2017); and
- Working capital

The Company is also providing guidance with respect to the following:

- FY17 EBITDA of between \$15.0m to \$16.5m
- FY17 Net Debt to EBITDA to be approx. 0.60 times
- FY18 Forecast Net Debt to be low single digits

Empired's Managing Director, Russell Baskerville, said "We are delighted with the overwhelming support received from both existing and new shareholders. The Placement significantly de-risks our balance sheet, and we look forward to delivering a strong financial result in the second half of FY17."

Euroz Securities Limited was the Sole Lead Manager to the Placement.

The Company is not aware of any reason why ASX would not allow trading in the Company's securities to recommence immediately.

For more information, please contact:

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**About Empired Limited**

Empired Limited is an international IT Services Provider with a broad range of capabilities and a reputation for delivering enterprise class IT services and solutions. Established in 1999, Empired is a publicly listed company (ASX: EPD) formed in Western Australia.

With a team of over 900 people located throughout Australia, New Zealand, North America and Asia, Empired has built a reputation for service excellence and is a leading provider of business technology solutions to both government and private sectors. We work with clients, leveraging technology solutions to deliver their organisations improved efficiency, productivity and competitive advantage.

Empired provides a broad range of services enabling 'end-to-end' advice and solutions assisting our clients through their digital transformation journey and ensuring robust ongoing lifecycle management.

Our flexible service delivery approach and "can do" attitude has enabled Empired to secure clients that range from medium size entities through to some of the world's largest long standing enterprise's accounts with services delivered across Australia, New Zealand, South East Asia and beyond.

### **Important notice re forward looking statements**

Certain statements made in this communication, may contain or comprise certain forward-looking statements. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government actions, and business and operational risk management. The Company undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events.