

## HomeStay receives commitments for \$4 million for expansion of HomeStay Marketplace

9 October 2019

- HomeStay has received firm commitments for \$1,021,249 pursuant to a \$521,249 placement and a \$500,000 converting loan facility.
- HomeStay to also undertake a fully underwritten non-renounceable entitlement issue of three (3) fully paid ordinary shares (Shares) for every four (4) Shares held, at an issue price of \$0.005 per Share to raise up to approximately \$3 million (before costs).
- Funds raised will be used to expand the HomeStay Marketplace.

**HomeStay Care Limited** (ASX: HSC) (**HomeStay** or **Company**), the in-home care platform powered by IoT devices, is pleased to announce it has received firm commitments from sophisticated and professional investors to raise \$521,249 (**Placement**) and \$500,000 under a converting loan facility (**Facility**).

In addition, the Company is undertaking a fully underwritten non-renounceable entitlement issue which will offer eligible shareholders the opportunity to subscribe for three (3) Shares for every four (4) Shares held on the Record Date (as set out in the timetable below) at an issue price of \$0.005 per Share to raise up to approximately \$3 million (before costs) (**Entitlement Issue**). Together the Placement, Facility and Entitlement Issue are referred to as the **Capital Raising**.

Funds raised under the Capital Raising will be used for:

- expansion of HomeStay Marketplace including investment in existing and new verticals;
- investment in sales and marketing to expand growth pipeline;
- technology and business development; and
- working capital.

### Placement

The Placement will raise \$521,249 through the issue of 104,249,894 Shares to sophisticated and professional investors at an issue price of \$0.005 per Share.

The Company will issue the Shares under the Placement utilising its placement capacity under ASX Listing Rule 7.1.

### Facility

The Company has entered into a converting loan facility with various sophisticated investors, who are not related parties, under which the Company will shortly receive \$500,000 (**Facility**). All funds are expected to be received this week.



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The amounts owing under the Facility will be unsecured.

Subject to the Company obtaining shareholder approval, the amounts owing under the Facility will automatically convert into Shares at the same issue price as the Placement and Entitlement Issue. This would result in a maximum of 100,000,000 Shares being issued (~7.15% of the Shares on issue following completion of the Capital Raising assuming the full amount is raised). These Shares will not be issued prior to the Record Date for the Entitlement Issue.

If shareholder approval is not obtained, the amounts owing under the Facility will be repayable on 31 March 2020.

Interest accrues on the amount outstanding under the Facility at a rate of 1% per month and is payable in cash at the time of conversion or repayment. The total interest payable under the Facility assuming payment on the maturity date of the Facility is approximately \$30,000.

### Entitlement Issue

Eligible shareholders for the Entitlement Issue are those shareholders of the Company named on its register of members at 5.00pm (WST) on the Record Date, whose registered address is in Australia, New Zealand or Singapore (**Eligible Shareholders**).

All new Shares issued will rank equally with existing Shares on issue and the Company will apply for official quotation of the new Shares. A prospectus in relation to the Entitlement Issue (**Prospectus**) is intended to be lodged with ASIC in accordance with the timetable below. The Prospectus will be despatched to Eligible Shareholders with personalised entitlement acceptance forms shortly after the Record Date.

Existing option holders are not entitled to participate in the Entitlement Issue without first exercising their options to be registered as a shareholder in Australia, New Zealand or Singapore before the Record Date, in accordance with the terms and conditions of those options. As at the date of this announcement the vesting conditions attached to the performance rights currently on issue are not anticipated to vest prior to the Record Date and therefore will not be able to be converted into Shares in order to participate in the Entitlement Issue.

The Company has entered an underwriting agreement with Taylor Collison Limited (ACN: 008 172 450) (AFSL: 247083) (**Taylor Collison**) to act as underwriter to the Rights Issue. Taylor Collison has agreed to fully underwrite the Rights Issue and will be paid a total fee of 6% of the underwritten amount. Taylor Collison (or its nominee(s)) will also be issued, subject to shareholder approval, 10,000,000 options each exercisable at \$0.015 on or before the date that is 3 years from the date of issue.

Full details of the Entitlement Issue and the underwriting agreement will be contained in the Prospectus. Eligible Shareholders should consider the Prospectus in deciding whether to acquire Shares under the Entitlement Issue and will need to complete the personalised entitlement and acceptance form that will accompany the Prospectus.



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The proposed timetable for the Entitlement Issue is set out below:

Event	Date
Lodgement of Prospectus with the ASIC	9 October 2019
Lodgement of Prospectus & Appendix 3B with ASX	9 October 2019
Notice sent to Optionholders	10 October 2019
Notice sent to Shareholders	11 October 2019
Ex date	14 October 2019
Record Date for determining entitlements	15 October 2019
Prospectus despatched to Eligible Shareholders with personalised entitlement and acceptance form, and Company announces despatch has been completed	18 October 2019
Last day to notify ASX of an extension to the Closing Date	24 October 2019
Closing Date*	29 October 2019
Shares quoted on a deferred settlement basis	30 October 2019
ASX notified of under subscriptions	1 November 2019
Issue date/Shares entered into Shareholders' security holdings	5 November 2019
Quotation of Shares issued under the Prospectus*	6 November 2019
Settlement of underwriting	8 November 2019

*\* The above dates are indicative only and may change, subject to the Corporations Act and Listing Rules.*

## Board Changes

It is proposed that Damian Black will resign as non executive director of Homestay on completion of the Entitlement Issue.

## About HomeStay

The HomeStay Intelligent Home platform allows elderly Australians to live independently in their own home for longer. It uses data analysis, as well as human monitoring, to determine residents' routines and detect anomalies.



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These early insights allow for better decision-making by care providers and families, allowing more focused service, minimising unnecessary care and facilitating welfare checks in a more responsive manner.

HomeStay helps protect and connect our elderly and people with disabilities with a scalable healthcare technology platform that allows them to live in their homes for longer.

For more information, please visit, <https://homestay.care/products/> or <https://www.essence-grp.com/>



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