

ASX ANNOUNCEMENT

September 19, 2022

ENTITLEMENT OFFER CLOSURE AND NOTIFICATION OF SHORTFALL

HIGHLIGHTS

- **Entitlement Offer closed raising A\$23.7m with strong support from major shareholders and directors**
- **Funding in place as part of acquisition of Gumtree, Carsguide and Autotrader**
- **Shortfall placed with sub-underwriters**
- **Funding positions the Company to expand on its digital classified advertising growth plans**

The Market Herald Limited (ASX:TMH “**The Market Herald**” or “**Company**”) is pleased to release the results of the renounceable pro-rata Entitlement Offer to Eligible Shareholders (“**Entitlement Offer**”) announced to the ASX on 26 August 2022, which closed on 14 September 2022.

The Company received valid applications, on a pro-rata entitlement basis, to subscribe for 63,426,143 New Shares worth A\$21,564,888.62 from Eligible Shareholders. This represents approximately 81% of all New Shares offered under the Entitlement Offer. In addition, Eligible Shareholders applied, under the Shortfall Offer, for 6,276,236 additional New Shares worth A\$2,133,920.24.

The remaining Shortfall Shares totalling A\$2,909,401.08 have been subscribed for by sub-underwriters in accordance with the Company Shortfall dispersion strategy and the Underwriting Agreement executed between the Company and Capital Investment Partners Pty Ltd (“**Underwriter**”) as disclosed in the announcement on 26 August 2022 and the Entitlement Offer Booklet on 5 September 2022.

On completion of the Entitlement Offer, the Company is funded, through raising a total of approximately A\$26.6m (before costs), to pursue the acquisition of Gumtree, Carsguide and Autotrader, as part of the Company’s expansion into digital classified advertising.

The Market Herald’s Managing Director, Jag Sanger 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.”

Funds raised will be used to complete the acquisition of Gumtree, Carsguide and Autotrader which is our largest acquisition to date, and continues to build on our strategy of being the leading challenger to the \$6bn marcap automotive listings incumbent.

In addition, the funding will advance the short-term goals of launching The Market Herald Family Office and expanding The Market Herald Fancy.

This is an exciting stage in the growth of the Company and I thank all shareholders for their continued support of our strategic vision”

Renounceable Rights Issue Results

The Entitlement Offer was offered to all shareholders who were registered as a holder of Shares on 31 August 2022 (“**Record Date**”), which included shareholders with a registered address in Australia, Zealand, Canada, the United Kingdom and Hong Kong (“**Eligible Shareholders**”).

The offer was on the basis of two (2) new fully paid ordinary shares (“**New Shares**”) for every five (5) Shares held at an issue price of \$0.34 to raise up to A\$26.6 m.

Eligible Shareholders who applied for their entitlements in full were also able to subscribe for additional New Shares under the Entitlement Offer, which were not validly applied for by other Shareholders under their respective entitlements, under the shortfall offer (“**Shortfall Offer**”).

The remaining New Shares not applied for under the Shortfall Offer were placed in accordance with the shortfall allocation process outlined in the 26 August 2022 announcement and the shortfall and dispersion strategy outlined in Section 3.5(d) of the Entitlement Offer Booklet.

The total amount raised is A\$26.6m. The Company will issue 78,259,441 New Shares.

The final New Share allocation is set out in the table below.

	Funds Raised (A\$)	Shares
Entitlements taken up by Shareholders under the Entitlement Offer	\$21,564,888.62	63,426,143
Additional applications taken up by Shareholders under the Shortfall Offer	\$2,133,920.24	6,276,236
Remaining Shortfall Shares that have been placed under the Underwriting Agreement	\$2,909,401.08	8,557,062

Issue of New Shares

The New Shares are expected to be issued on Tuesday 27th September 2022.

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

The Market Herald

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