

19 May 2021

Tymlez Group Limited Renounceable Pro-Rata Rights Issue

Tymlez Group Limited ACN 622 817 421 (ASX:TYM) (**the Company**) is pleased to provide an opportunity for holders of shares in the Company (**Shareholders**) as at 7 p.m. AEST on 28 May 2021 (**Eligible Shareholders**) to participate in a renounceable pro rata rights issue (**Rights Offer** or the **Offer**).

Pursuant to the Rights Offer, the Company will issue up to approximately 584,073,742 fully paid ordinary shares in the capital of the Company (**New Shares**) at an issue price of A\$0.01 (1 cent) per New Share (**Issue Price**), on the basis of two (2) New Shares for every fully paid ordinary share (**Share**) held in the Company as at 7 p.m. AEST on 28 May 2021 (**Record Date**). The Rights Offer is open to all Eligible Shareholders and will not be underwritten.

The Issue Price represents a discount of:

- 61.5% to the Company's last close of \$0.026 on the ASX (as at 14 May 2021); and
- 57.3% to the Company's 15 day VWAP of \$0.023.

The Rights Offer will open for acceptance on 2 June 2021 and will close on 15 June 2021 (unless extended) (**Offer Closing Date**).

Eligible Shareholders may trade their entitlements under the Rights Offer from 27 May 2021.

The New Shares will rank equally with the Company's existing issued Shares and the Company will make an application to the ASX for official quotation of the New Shares.

Purpose of the Rights Offer

During the period from 1 January 2020 to 31 December 2020, the Company realigned its efforts to focus on the strategy of selling its software solutions in its key markets, completing important product development stages and building new customer pipeline in the green energy industry (**Refined Strategy**).

The Refined Strategy has gained early traction with customers, resulting in the execution of a consortium agreement with leading Dutch Enterprises and Institutions to develop an 'Internet of Energy' solution, and the execution of memorandums of understanding to explore potential opportunities to leverage the Tymlez Technology.

The Company's plan is to continue to drive its Refined Strategy including ongoing product research and development, sales expansion and pipeline development, and leveraging the Tymlez Technology in delivering enterprise grade software solutions to our key markets.

The Rights Offer is being made principally for the purpose of raising additional funds required to enable the Company to drive its Refined Strategy.

If fully subscribed, the Offer will raise up to approximately A\$5,840,737 before the costs of the Rights Offer. The funds raised from the Rights Offer are planned to be used in accordance with the table set out below:

Funds¹	A\$	%
Funds raised under the Offer	\$5,840,737	100%
Items of Expenditure	\$	%
Product Development and Research		
Technology and Architecture	\$550,000	9%
Software Developers	\$2,200,000	38%
Program office and testing	\$725,000	12%
Sub-total	\$3,475,000	59%
Marketing and Sales Expansion		
Brand awareness	\$170,000	3%
Events & conferences	\$160,000	3%
Energy industry engagement	\$130,000	2%
Sales and business development executives	\$625,000	11%
Subtotal	\$1,085,000	19%
Working Capital	\$900,000	15%
Cost of the Offer	\$380,737	7%
Total	\$5,840,737	100%

Note 1: The above table is a statement of current intentions as at the date of this Offer Document and is based on the assumption that the Entitlements are fully subscribed under this Offer Document and no additional Shares are issued (whether by way of new issuance or as a result of the exercise of any Existing Options) from the date of this Offer Document. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied. If the Entitlements are not fully subscribed under this Offer Document and as a consequence, Company raises less than the maximum amount offered under this Offer then the budgets set out above may be reduced proportionately.

Shortfall Offer

The Rights Offer will include a shortfall offer under which the Directors may place any New Shares not taken up by Eligible Shareholders (Shortfall Shares) within 3 months after the Offer Closing Date in accordance with the Corporations Act 2001 (Cth) and the ASX Listing Rules, and at the Issue Price (**Shortfall Offer**).

Eligible Shareholders, who take up their full Entitlement, may apply for Shortfall Shares under the Shortfall Offer; however there is no guarantee that they will receive all or any of the additional New Shares they apply for under the Shortfall Offer.

Directors may, at their discretion, place any New Shares offered under the Shortfall Offer to sophisticated and professional investors, in consultation with the Lead Manager (Sequoia Corporate Finance Pty Ltd ACN 602 219 072).

In this regard, the Lead Manager has procured firm advance contingent commitments under the Shortfall Offer for the maximum Offer amount from sophisticated and professional investors.

The Directors (in consultation with the Lead Manager) will allocate the Shortfall Shares applied for under the Shortfall Offer (if any) in accordance with the allocation policy detailed in the Offer Document.

Offer Document

An Offer Document in relation to the Rights Offer will be lodged with ASX today, and together with a personalized entitlement acceptance form, will be sent to Eligible Shareholders shortly after the Record Date.

Eligible Shareholders should consider the Offer Document in its entirety in deciding whether to take up part or all of their entitlements under the Rights Offer. An Eligible Shareholder, who wishes to take up any or all of its entitlements under the Rights Offer, must ensure that the completed entitlement acceptance form and the application money for the New Shares applied for is received by the Company's share registry, Automic, by 5pm AEST on the Offer Closing Date.

Indicative timetable

The proposed timetable and important dates of the Rights Offer are set out below.

ACTION	Date*
Announcement of the Offer	19 May 2021
Cleansing Notice and Lodgement of Offer Document and Appendix 3B with ASX	19 May 2021
Ex Date (Date from which Shares commence trading without Entitlement to participate in the Offer)	27 May 2021
Entitlement trading commences on a deferred settlement basis	27 May 2021
Record Date for determining Entitlements of Shareholders to participate in the Offer	28 May 2021 at 7pm (AEST)
Offer Document and Entitlement and Acceptance Form sent to Shareholders	2 June 2021
Opening Date of the Offer	2 June 2021
Last day of Entitlement trading	7 June 2021
New Shares quoted on a deferred settlement basis	8 June 2021
Last day to extend the Closing Date	9 June 2021
Closing Date (Last day for acceptance and payment of Entitlements in full or in part)	15 June 2021 at 5pm (AEST)
Announcement of results of the Offer and ASX notified of Shortfall	16 June 2021
Expected date of allotment of New Shares applied for under the Offer	18 June 2021
Quotation and trading of New Shares starts	21 June 2021
Expected date of despatch of Holding Statements (for New Shares)	21 June 2021

**The above timetable is indicative only and subject to change. Subject to the ASX Listing Rules, the Directors reserve the right to vary these dates, including the Closing Date, without prior notice. The Directors may extend the period of the Offer or bring forward the Closing Date at their discretion. Any change to the Closing Date will have a consequential effect on other dates. If the Offer is withdrawn, Application Money will be returned without interest.*

Justyn Stedwell
Company Secretary
On behalf of the Board of Directors
Tymlez Group Limited

Authorised by the Board of Directors.

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