

ASX RELEASE

22 FEBRUARY 2021

\$18 MILLION PLACEMENT
STRONG VOTE OF CONFIDENCE TO UNDERPIN GROWTH STRATEGY

HIGHLIGHTS:

- Cirralto successfully received firm commitments to raise \$18 million
- Majority of commitments received by Institutional investors
- Proceeds will be used to accelerate the continued development of payments technology via the Spenda and SYNK'D platforms
- Cirralto is well funded to support the next phase of the Company's development, growth and maturity

Cirralto Limited (**ASX: CRO, "Cirralto" or "the Company"**) is pleased to advise that it has received firm commitments to raise \$18 million using its placement capacity pursuant to ASX Listing Rules 7.1 and 7.1A, through the issue of 200 million fully paid ordinary shares (**Shares**) to institutional, sophisticated and professional investors at an issue price of \$0.09 per share (**Placement**).

The strategic capital raise follows two other placements; one in August 2020 undertaken to recapitalise the Company, resulting in a debt free balance sheet, and the second, in November 2020, to support the Company's growth with various payment providers.

This most recent round signals a strong vote of confidence and welcomed support from institutional shareholders. The Company is now well positioned with a strong balance sheet, to drive growth through the adoption of its payments technology across multiple industry segments.

Cirralto's CEO and Managing Director, Adrian Floate commented:

"After the transformative year in 2020 with the significant restructuring of the Company's balance sheet, we are now in a financially strong position with the added firepower to focus on aggressive growth and accretive acquisitions that deliver shareholder value."

"It is our ambition to utilize this capital to enhance our growth trajectory and allow us to attract the talent and customers to grow our footprint both domestically and internationally, whilst also having sufficient operational runway funding to support us through the next phase of the Company's development and maturity."

"The completion of this transformational capitalization of the Company was managed by Kaai Capital and was largely supported by institutional investors, validating the market acceptance and positioning of the Company's and Appstablishment's Spenda and SYNK'D technology platforms."

Placement

The Placement received strong investor demand from local and international Institutional funds as well as sophisticated investors.

The Placement issue price of A\$0.09 per share represents:

- 6% premium to the 30-day Volume Weighted Average Price (**VWAP**) of shares of 8.52c prior to the Company entering into a trading halt ahead of the Placement on 17 February 2021;
- a 6.25% discount to the 15-day VWAP of Shares of A\$0.096; and
- a 21.7% discount to the Company's closing Share price of \$0.115 on 17 February 2021.

The Placement Shares will be issued using the Company's existing Listing Rule 7.1 placement capacity (35,502,236 Placement Shares) and Listing Rule 7.1A placement capacity (164,497,764 Placement Shares) on or around 25 February 2021.

Kaai Capital acted as sole Lead Manager to the Placement. In addition, Kaai Capital has advised the Company that it will donate \$90,000 of the fees it will receive to Australian registered charitable deductible gift recipients.

In addition, and subject to shareholder approval, Non-Executive Directors Peter Richards, Stephen Dale and Howard Digby have agreed to convert a combined amount of \$62,500 in director's fees payable into shares on the same terms as the capital raising at \$0.09 per share.

Use of Funds:

The Company intends to use funds for:

1. Accelerated commercialisation plan for the Company's products;
2. Potential synergistic acquisitions;
3. Commercialisation of pilot Business Payments solutions; and
4. Future working capital requirements.

Authorised by the Board of Directors.

- ENDS -

About Cirralto

Cirralto Limited (ASX:CRO) is a transaction services business supplying industries with a broad range of B2B payment services, digital trading software and integrated solutions. Our goal is to convert eft payments to card payments utilising our acquiring engagement, coupled with our payments collaboration framework. Our competitive advantages deliver customers end-to-end e-invoicing integration, rapid ordering, digital trust and automated reconciliation.

Cirralto supplies its customers a recipe of integrated software to create a vertical market standard operating environment (SOE) that enable the effective and seamless transfer of data from multiple, disparate software systems in one standardised technology solution, such as SpendRetail. Cirralto has licensing agreements with third party software vendors that enable it to provide integrated SOE solutions to its customers.

For investors seeking information on the Company's activities that relate to marketing, customer events and other acknowledgement of customer activities, this information will be posted to the Company's news section of the website and on social media channels with the handle #getSpenda, active on Twitter, LinkedIn, Instagram and FaceBook.

For more information, see <https://www.cirralto.com.au/>

Investor Enquiries

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Or

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