

Hydrix Completes A\$2.82M Placement to Sophisticated Investors

Highlights

- A\$2.82 million Placement strengthens balance sheet to support growth strategy
- Placement price was \$0.10 for each new share to be issued, which comes with a 1-for-1 attaching option at an exercise price of \$0.18 expiring 31 March 2024; and
- Uses of funds to include market development of cardiac devices, business development to grow client Services revenues and general working capital to support strategy.

Hydrix Limited (ASX: HYD) ('Hydrix' or 'the Company') is pleased to announce the successful completion of a placement of fully paid ordinary shares (**Shares**) to sophisticated investors at an issue price of 10 cents per Share, to raise A\$2.82 million (**Placement**). For every 1 Placement share subscribed, subscribers will be entitled to receive 1 free attaching option in the capital of Hydrix exercisable at 18 cents on or before 31 March 2024 (**Attaching Options**). Hydrix intends to apply for quotation of the Attaching Options.

Hydrix's Executive Chairman, Gavin Coote, commented:

"The funds from the Placement provide additional capital to ensure we can continue to accelerate our strategic growth objectives. This is a particularly important juncture for the company as we pursue several regulatory approvals to pave the way for us to commence sales and implants of the AngelMed Guardian. It is also important we maintain a strong balance sheet to capitalise on the reopening of global commerce as we build a stronger client services business outside Australia".

Use of Funds

The funds raised, net of costs, will be primarily used to support the following business objectives:

- Market development and expansion of cardiac devices portfolio
- Expand global business development and marketing of product design and engineering services
- Venture investments in high potential early stage medtech device clients; and
- Group working capital in support of strategic objectives.

The Company is also evaluating several other distribution and product acquisition opportunities in support of Hydrix becoming a global medtech company.

Cash on hand on 31 December 2021 was \$2.73 million. In addition, net funds raised from the Placement were \$2.82 million. Further, the Company has approximately 19 million listed 12 cent options which expire on 31 July 2022, which if exercised, provides further funding of \$2.25 million.

Placement details

The Placement will be conducted in two tranches:

- **Tranche 1:** 22,280,000 Shares will be issued to raise \$2,228,000, utilising the Company's available placement capacities pursuant to ASX Listing Rules 7.1 and 7.1A. Specifically, 16,485,606 Shares will be issued under the Company's Listing Rule 7.1A capacity, and 5,794,394 Shares will be issued under its Listing Rule 7.1 capacity. Settlement of Tranche 1 is expected to occur on Friday 4 March 2022, with allotment to occur on Monday 7 March 2022.

- **Tranche 2:** Tranche 2 will comprise the following issues:
 - 6 million Shares to be issued to related parties of the Company to raise \$600,000; and
 - 28,280,000 Attaching Options to be issued as free attaching options on a 1-for-1 basis.

Completion of Tranche 2 is subject to shareholder approval under ASX Listing Rule 7.1 (in respect of the Attaching Options) and ASX Listing Rule 10.11 (in respect of the Shares), which the Company intends to seek at an extraordinary general meeting to be convened shortly. Allotment of the Tranche 2 securities will occur after the general meeting.

The new Shares issued under the Placement will rank equally with Hydrix's existing fully paid ordinary shares. The Company will apply for quotation of both the Placement Shares and Attaching Options on ASX.

The Placement Share issue price of \$0.10 was a 20% discount to the last closing price of Hydrix Shares.

Bell Potter Securities Limited and Baker Young Limited acted as joint lead managers and bookrunners to the Placement. Holding Redlich acted as legal adviser to Hydrix.

This announcement was authorised for release by the Board of Directors of Hydrix Limited.

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About Hydrix Limited

Hydrix Limited (ASX: HYD) is a powerful product innovation company. Hydrix purpose is to enhance the health, safety, and wellbeing of 1 billion lives. The company leverages its powerful product innovation capability across multiple growth platforms. These platforms include **Hydrix Services** design and engineering to create products which transform markets; **Hydrix Ventures** to pick winning investments in high potential innovative products; and **Hydrix Medical** to create new product revenue streams bringing cardiovascular technologies to market which improve patient mobility and quality of life.