

ASX Release | Chapmans Limited (ASX:CHP)

Chapmans Invests in Rision (ASX:RNL) as Part of \$1.5 Million Capital Raising

Highlights

- Chapmans is raising \$1.5 million to fund Software-as-a-Service Company Rision Limited (ASX:RNL)
- Chapmans will directly invest \$300,000 in Rision Limited (ASX:RNL) giving it 7.2% of Rision
- Rision has agreed to issue Chapmans with additional shares and options that, if exercised, will make it Rision's largest shareholder with 19.8%
- Rision has three key platforms all with potentially significant upside
- The placement funds will be used by Rision as expansion and growth acceleration capital
- Chapmans will introduce Rision to its vast network of Asia Pacific prospective clients
- Chapmans will also be appointing a member to the Rision board
- Chapmans will fund this investment from existing working capital and from the disposal of readily saleable liquid investments

2 February 2018: Diversified investment company Chapmans Limited (ASX:CHP) ("Chapmans" or "the Company") is pleased to announce an investment in Software-as-a-Service (SaaS) company Rision Limited (ASX:RNL) ("Rision") as part of a \$1.5 million capital raising arranged by Chapmans.

Details of the Offer

Chapmans is raising a total of \$1.5 million from sophisticated investors to support Rision's growth.

Rision will issue shares and options utilising its placement capacity available under ASX Listing Rules 7.1 and 7.1A. Whilst elements of the raise are subject to shareholder approval, upon receipt of shareholder approval, the total funds raised will be \$1.5 million.

As part of the raising Chapmans has agreed to make the following direct investment in Rision:

- a purchase of 80 million shares at \$0.00375 totalling \$300,000

and the following, subject to Rision shareholder approval:

- a short-term loan of \$193,200 which will be converted to 64.4 million shares at \$0.003 per share;
- subscribe for 30.6 million shares at \$0.003 totalling \$91,800; and
- 175 million options at exercisable at \$0.003.

In addition, parties introduced by Chapmans have agreed to the following:

- subscribe for 153.873 million shares at \$0.003 totalling \$461,619;
- subscribe for 30.6 million shares at \$0.00375 totalling \$114,750

and the following, subject to Rision shareholder approval:

- subscribe for 112.877 million shares at \$0.003 totalling \$338,631.

If Chapmans is to exercise all these shares and options, it will become the largest shareholder in Rision with a 19.8% stake in the SaaS company. The extraordinary general meeting (EGM) to approve these measures will be held in March 2018.

Background

Rision is a SaaS company with platforms that allow organisations to manage their employees and contingent workers. Rision has three key platforms in its suite of products: RosterCloud; Core Platform; and the custom-built Bespoke Platform.

RosterCloud was acquired by Rision in July 2016 and is an active and competitive product in the roster-management marketplace. It is currently generating low levels of revenue for Rision but is a highly-marketable product. Proceeds of Chapmans' investment will be used to implement a heightened focus on sales and marketing of RosterCloud.

Rision's Core Platform has recently completed an upgrade and is now operating at a level suitable for trial use by customers with an ability to convert that trial into revenue. Core Platform has commenced a crucial on-boarding feature with a new client in the Australian healthcare sector. Rision is also in discussions to deliver Core Platform to a large business in the U.S hospitality sector in 2018.

Bespoke Platform is customer built software. Rision secured a trial with England-based company VCL in late 2016 which converted into an executed contract last March. Rision has been working closely with VCL to develop the Bespoke Platform and VCL plans to expand the rollout of the Rision product across additional sites in 2018. Rision is in the process of negotiating the expansion and scope of use of the Bespoke Platform, with discussions anticipated to conclude next month.

In order to facilitate Rision's growth, Chapmans has agreed to introduce Rision to its vast network of Asia Pacific prospective clients. Chapmans sees Rision as a significant opportunity to engage in its high conviction investment approach to technology company investments.

Chapmans Chairman Peter Dykes: "We are very pleased to announce our investment in Rision. We believe this investment fits our mandate of identifying technology investments with significant potential. Rision has made promising developments in all three of its key products, with strong growth in the U.K market and potential for expansion into the Asia Pacific healthcare sector and United States hospitality sector."

Rision CEO Megan Boston: "We welcome this initial investment from Chapmans and look forward to working with Chapmans to rapidly expand the existing business via its vast network of Asian Pacific prospective clients. These placement funds will be extremely valuable as expansion and growth capital for our business. Rision will use the funds for operating expenditure, talent acquisition, content production, marketing and further development of our company's offering."

Ends

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About Chapmans Limited

Chapmans Limited (ASX:CHP) is an ASX-listed diversified investment company engaged in special situation investments across a diverse range of industries, with a focus and expertise in the mobile and advanced industrial technology sectors. The Company seeks to be an active strategic investor in high growth areas of the market and to identify and work with emerging high growth companies. Chapmans' investment philosophy and approach are based on a unique mix of high conviction and special situation features, characterised by advisory and equity investments structured around specific events and assets for both public and large private corporates.

The Company made its first strategic investment into blockchain in 2017 and established the Blockchain Industry Advisory Board to identify and assess compelling blockchain investment opportunities. Chapmans' investment in blockchain technology aligns with its growth plans and commitment to investing in early stage technologies with reach into key international markets.

To learn more please visit: www.chapmansltd.com

About Rision Limited

Rision is a software-as-a-service company providing mobile technology platforms that help businesses to manage and support their employees. Rision's products have applications across a broad range of industries including hospitality, fast food, retail, event management, nursing, security, gaming, and government.

To learn more please visit: www.rision.com