



ASX Announcement

BrainChip Holdings Announces Capital Call Notice with LDA Capital

- Company submits notice to LDA Capital to sell 8,750,000 shares
 - Available amount remaining under agreement of A\$34.2 million
 - Remaining commitment under agreement of A\$9.2 million
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Sydney – 16 August 2021: BrainChip Holdings Ltd (ASX:BRN, OTCQX: BRCHF), a leading provider of ultra-low power, high performance AI processor technology today announced that the Company has submitted a capital call notice to LDA Capital Limited and LDA Capital LLC (**LDA**) to subscribe for up to 8,750,000 shares.

The terms of the Put Option Agreement between the Company and LDA were announced to ASX on 13 August 2020 and 26 October 2020.

The issue price for the capital call shares will be 90% of the higher of the average daily VWAP of Shares in the ten-trading day period after exercise of the put option (subject to any applicable adjustments) and the minimum price notified to LDA Capital by the Company. The VWAP calculation is subject to adjustment as a result of certain events occurring, including trading volumes falling below an agreed threshold level or a material adverse event occurring in relation to the Company. This capital call will utilise existing shares held by LDA.

As of the date of the capital call notice, available funding under the agreement amounts to A\$34.2 million while the company is committed to drawing down a minimum of A\$9.2 million no later than 22 October 2021.

There are no additional fees or options associated with this capital call.

“The proceeds raised from the capital call will be used to strengthen the Company’s balance sheet and is intended to support ongoing efforts to commercialize the company’s groundbreaking Akida technology, said Brainchip Founder and CEO Peter van der Made. “Proceeds will also be used to strengthen the sales & marketing team in anticipation of the launch of Akida later this year, as well as increased focus on customer engagement and investor relations activities in Australia, the US and Europe”.

This announcement is authorised for release by the BRN Board of Directors.

About BrainChip Holdings Ltd (ASX:BRN)

BrainChip is a global technology company that is producing a groundbreaking neuromorphic processor that brings artificial intelligence to the edge in a way that is beyond the capabilities of other products. The chip is high performance, small, ultra-low power and enables a wide array of edge capabilities that include on-chip training, learning and inference. The event-

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based neural network processor is inspired by the spiking nature of the human brain and is implemented in an industry standard digital process. By mimicking brain processing BrainChip has pioneered a processing architecture, called Akida™, which is both scalable and flexible to address the requirements in edge devices. At the edge, sensor inputs are analyzed at the point of acquisition rather than through transmission via the cloud to a data centre. Akida is designed to provide a complete ultra-low power and fast AI Edge Network for vision, audio, olfactory and smart transducer applications. The reduction in system latency provides faster response and a more power efficient system that can reduce the large carbon footprint of data centres.

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