

1 March 2019

FGF SECURES 15% OF E-COMMERCE PAYMENT BUSINESS

Highlights:

- **Highly Profitable E-Commerce payment business growing at 50% per Annum**
- **Transaction processing reached \$80M in 2018, first half of 2019 \$60M**
- **Large and Growing Market Opportunity**
- **Strong Management Team**
- **First Growth Advisory Appointed as Advisor for The Upcoming ASX Listing**

Sydney, 1 March 2019 – First Growth Funds Limited (ASX:FGF) is pleased to announce it has secured a **15% equity** in SQID Technologies Limited. SQID is a profitable approved payment aggregator connecting to the banking system via Westpac bank and providing ecommerce, in-store terminals and mobile payments.

Founded in 2006, SQID has built a patented solution with a fully automated business model that leverages strategic partners for its go to market strategy. It has delivered strong transactional growth and has a solid revenue and earnings profile.

FGF's initial investment includes \$500,000 with the payment held in trust and funds returned to FGF if the listing does not proceed. **First Growth Advisory** has also **secured a mandate** with SQID to provide corporate advisory services for the listing and also post listing. First Growth Advisory will receive **\$550,000 fee** prior to listing and held in trust and refunded if the listing does not proceed. First Growth Advisory will receive additional payments based on the performance of the business as detailed in the table below.

A further investment of \$500,000 will be made on successful listing. FGF will make additional payments based on the performance of the business as detailed in the table below.

According the Australian Post 2018 eCommerce Industry Paper, Australians spent **\$21.3 billion** buying goods online, growing 18.7%. The FGF board is delighted to have completed this private equity purchase, particularly as there is strong interest in this sector as demonstrated with recent listing **"Splitit"** and the success of **"Afterpay"**.

Further details and updates will be provided to all shareholders in due course.

<p>Performance Payments to First Growth Advisory</p>	<ul style="list-style-type: none"> • First Growth Advisory will receive performance payments of \$550,000 if, for the financial year ending 30 June 2020, the transactions value processed revenue for SQID exceeds \$150,000,000 in card transactions, as reflected in the SQID's audited financial statements for the year ending 30 June 2020; and • a further \$550,000 if, for the financial year ending 30 June 2021, the transactions value processed revenue for the SQID exceeds \$250,000,000 in card transactions, as reflected in the SQID's audited financial statements for the year ending 30 June 2021.
<p>Performance Payments by First Growth Funds</p>	<ul style="list-style-type: none"> • First Growth Funds will make performance payments of \$350,000 if, for the financial year ending 30 June 2020, the transactions value processed revenue for the SQID exceeds \$150,000,000 in card transactions, as reflected in the SQID's audited financial statements for the year ending 30 June 2020; and • a further \$350,000 if, for the financial year ending 30 June 2021, the transactions value processed revenue for the SQID exceeds \$250,000,000 in card transactions, as reflected in the SQID's audited financial statements for the year ending 30 June 2021.

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About SQID Technologies

SQID Technologies Ltd was founded in 2006 and is an approved payment aggregator connecting to the banking system via Westpac bank and providing ecommerce, in-store terminals and mobile payments. SQID has developed and patented multi-factor security technology to deliver the world's most secure remote payment and identification solutions for mobile and internet banking, shopping and e-Identity applications.

About First Growth Funds

First Growth Funds Limited is a diversified listed Investment Company which focuses on increasing shareholder value by making investments across a broad range of asset classes including listed equities, private equity, blockchain and token offerings.

For further information, please contact:

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