

21 June 2019

## **SQID PROPOSES TO LIST ON THE CANADIAN SECURITIES EXCHANGE**

### **Highlights:**

- **IPO expected by mid October 2019**
- **SQID expects to process over \$150M in transactions by June 30, 2019**
- **Highly profitable business**
- **Intends to use listing in Canada as launchpad into North America**

**Sydney, 21 June 2019** – First Growth Funds Limited (ASX:FGF) is pleased to announce SQID Technologies Limited (SQID) has appointed investment banks in the US and Canada to assist the SQID with an IPO on the Canadian Securities Exchange and also create a pathway for a possible listing on NASDAQ in the future.

SQID is a profitable payment aggregator connecting to the banking system via Westpac bank and providing ecommerce and mobile payment solutions. SQID has been growing transaction volumes, revenue and profitability every year for the past few years. Its transaction volumes are expected to reach \$150 Million by June 30, representing a 100% growth rate for the past 12 months.

Listing in Canada and North America would provide SQID with access to capital and to new market opportunities to support its growth plans.

On 1 March 2019, FGF had announced the appointment of First Growth Advisory (FGA) to act as the lead manager for the IPO. Given that SQID have appointed local advisors in North America, FGA has terminated its previous agreement with SQID and have entered into a new agreement with SQID to help support the capital raise only by providing introductions to institutional investors. FGF will receive an additional 3.3% in SQID shares as part of this new engagement.

Additionally, FGF had previously announced a 15% shareholding from a tranche 1 investment of \$500,000 in SQID, and has now completed the tranche 2 investment of \$500,000 in SQID. SQID is expecting to list by mid October 2019 with a market capitalisation of approximately US\$14.4M (AUD\$21M). On a fully diluted basis FGF will hold 15.4% equity in SQID, which based on the current proposed initial market capitalisation referred to above will be valued at approximately AUD\$3.2M upon completion of the expected listing.

Since October 2018, SQID has been a client of Shape Capital, a corporate advisory firm affiliated with Executive Chairman, Anoosh Manzoori. Mr Manzoori has agreed to invest \$100,000, from personal funds, in SQID on the same terms and valuation as FGF. Shape Capital has been responsible for assembling the IPO team including negotiating mandates with investment bank, local legal advisors and an investor relation firm in North America. Shape Capital has received 3.3% equity in SQID and will not receive any cash remuneration from SQID's IPO and post listing. Given the complexity and

time commitment of this cross-broader transaction, Non Executive Director, Athan Lekkas was hired as a consultant by Shape Capital to assist with the IPO process. Mr Lekkas has also agreed to invest \$100,000 (either on his own behalf or through a nominee), from personal funds, in SQID on the same terms and valuation as FGF. Mr Lekkas has received 3.3% equity in SQID and will not any receive cash remuneration from SQID's IPO and post listing.

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

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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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