

17 January 2019

## **FGF SECURES AN AGREEMENT TO SELL LINCD TO HARRIS TECHNOLOGY LIMITED**

**Sydney, 17 January 2019** – First Growth Funds Limited (ASX:FGF) is pleased to announce it has successfully signed a binding Heads of Agreement to sell 100% of LINCD HQ Pty Ltd to Harris Technology Limited (ASX:HT8), subject to a Harris Technology General Meeting.

In 2018, FGF acquired 100% of LINCD, a software and services company that has developed a platform connecting legacy software to blockchain protocols, making it easy and cost effective for businesses to deploy blockchain solutions.

Harris Technology is a well-established brand selling consumer electronics, software and cloud computing services Australian wide. The company has revenue of over \$10M and a customer email database of over 70,000.

The acquisition of LINCD will provide Harris Technology with the opportunity to deploy blockchain solutions internally to improve the competitiveness of its ecommerce business including the possibility of launching a rewards program. Additionally, Harris Technology plans to bundle LINCD with its cloud service offering to create a new revenue stream for the group.

Anoosh Manzoori, Executive Chairman of FGF said that;  
“According to Australia Post, Australians spend \$21.3 billion buying goods online. We believe blockchain has a big role to play in ecommerce and the acquisition of LINCD by Harris Technology is highly strategic.”

The acquisition terms include 30,000,000 of HT8 shares to FGF plus:

- 20,055,334 of HT8 options with exercise price of \$0.025 to FGF, when LINCD generates no less than \$1.35M in revenue within 24 months of the Issue Date;
- 20,000,000 of HT8 options with exercise price of \$0.035 to FGF, when LINCD generates no less than \$1.05M in revenue within 24 months of the Issue Date.

If Harris Technology fails to obtain the relevant shareholder approvals for the Shares, and Options (as applicable), Harris Technology shall, at the option of FGF, make cash payment to FGF in lieu of those securities.

The shares and options, if exercised, would value the transaction at \$2.45M for FGF.

Garrison Huang, CEO of Harris Technology said that;  
“We are excited by the acquisition of LINCD to enable Harris Technology to leverage blockchain technology and the possibilities it provides our ecommerce business.”

Other terms of the acquisition include the repayment of FGF’s US\$250,000 loan to LINCD with repayments to be made as a priority from new revenue generated in the business. Also LINCD founder, Prasanth Kumar Rasam, will remain as the Managing Director of LINCD who will also receive an incentive package to assist with growing the company’s revenue.

FGF expects to continue to work with LINCD and HT8 via its newly created First Growth Advisory Pty Ltd by providing potential customer referrals from its portfolio companies and assisting with new strategic partnerships.

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