

8 September 2021

Dear Shareholder

1st Group Limited (ACN 138 897 533 ASX:1ST) – Non-Renounceable Entitlement Offer

1ST Group Limited (ASX: 1ST) has today announced a 1 for 3 pro-rata non-renounceable entitlement offer to raise gross proceeds of approximately \$2.3million (Entitlement Offer) to provide working capital to ensure the Company can execute its FY22 strategy quickly and efficiently over the coming year.

The offer price is \$0.016 per new share (Offer Price), which is at an 11% discount to the closing price on 3 September 2021 (the last trading day before this announcement), on a 1 for 3 pro rata non-renounceable entitlement offer of fully paid ordinary shares.

The Offer will be open to eligible shareholders in Australia and New Zealand. Shareholders outside of Australia and New Zealand are not able to participate in the Offer unless 1ST, in its discretion, is satisfied that the Entitlement Offer may be made in compliance with all applicable laws (and not to shareholders in the United States).

The Entitlement Offer Price represents an 11% discount to the closing price of 1ST shares on 3 September 2021 and a discount of 18% to the Volume Weighted Average Price for the 30 trading days prior to the close of trade on 3 September 2021.

Under the Entitlement Offer, eligible shareholders will be able to subscribe for 1 New Share for every 3 existing shares held at 7.00pm (Sydney time) on 13 September 2021 (Record Date) at the Offer Price (Entitlements), fractions rounded up.

The Entitlement Offer is not underwritten.

The Entitlements are non-renounceable and will not be tradeable on ASX or otherwise transferable. Shareholders who do not take up their Entitlements will not receive any value for those Entitlements that they do not take up. Shareholders who are not eligible to receive Entitlements will not receive any value for the Entitlements they would have received had they been eligible.

It is expected that up to approximately 141,538,968 New Shares will be issued as part of the Entitlement Offer assuming no options are exercised. New Shares issued under the Entitlement Offer will rank equally with existing shares.

Eligible shareholders will be invited to participate in the Entitlement Offer, on 14 September 2021 and the Offer will close at 5.00pm (Sydney time) on 27 September 2021. Shareholders will be notified by the Company as to their eligibility to participate in the Entitlement Offer.

Eligible shareholders will be sent a copy of the Rights Issue Offer Memorandum (Offer Memorandum) including a personalised entitlement and acceptance form on 14 September 2021. The Offer Memorandum will provide the details of how to participate in the Offer. A copy of the Offer Memorandum will also be lodged with the ASX on 8 September 2021.

The proposed Timetable is included below, however the Offer may be extended at the Board's discretion.

| Event | Date |
|---|-----------------------------|
| Announcement of the Entitlement Offer, s708AA Cleansing Notice lodged, Appendix 3B Lodged with ASX together with information about the Offer. | Wednesday, 8 September 2021 |
| Trading resumes on an ex-entitlement basis | Wednesday, 8 September 2021 |
| Letters to Eligible shareholders, Ineligible shareholders and option holders | Wednesday, 8 September 2021 |
| "Ex" date | Friday, 10 September 2021 |
| Record date for Entitlement Offer (7:00pm Sydney time) | Monday, 13 September 2021 |
| Entitlement Offer opens and Offer Booklet dispatched | Tuesday, 14 September 2021 |
| Closing date for the Entitlement Offer (5:00pm Sydney time) | Monday, 27 September 2021 |
| Trading in New Shares commences on deferred settlement basis | Tuesday, 28 September 2021 |
| Announcement of results of Entitlement Offer | Monday, 4 October 2021 |
| Settlement of the Entitlement Offer | Monday 4 October 2021 |
| Allotment of New Shares issued under the Entitlement Offer | Monday 4 October 2021 |
| Trading for New Shares under the Entitlement Offer commences | Tuesday 5 October 2021 |
| Dispatch of holding statements for New Shares under Entitlement Offer | Wednesday 6 October |

This announcement does not constitute an offer to sell, or a solicitation or an offer to buy, securities in the United States, or in any other jurisdiction in which such an offer would be illegal. The securities referred to in this document have not been and will not be registered under the United States Securities Act of 1933 (the 'US Securities Act'), or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, within the United States, unless the securities have been registered under the US Securities Act or an exemption from the registration requirements of the US Securities Act is available. This document may not be distributed or released in the United States.

Yours faithfully

Stephe Wilks
Chair
1st Group Limited