

A woman with dark hair is wearing a white VR headset and looking down at a desk. In the background, there is a model of a tall skyscraper and some potted plants. The scene is lit with warm, indoor lighting.

A NEW WORLD OF INVESTING & CAPITAL RAISING

AN EFFICIENT & COST-EFFECTIVE SME FUNDING MODEL

INVESTORS CAN INVEST IN ESTABLISHED SMEs LOOKING TO GROW

THE OPPORTUNITY

Many companies are looking to grow, accelerate and maximise the value of their business as they seek to reach full potential, therefore, Equity Crowdfunding provides a viable option for them.

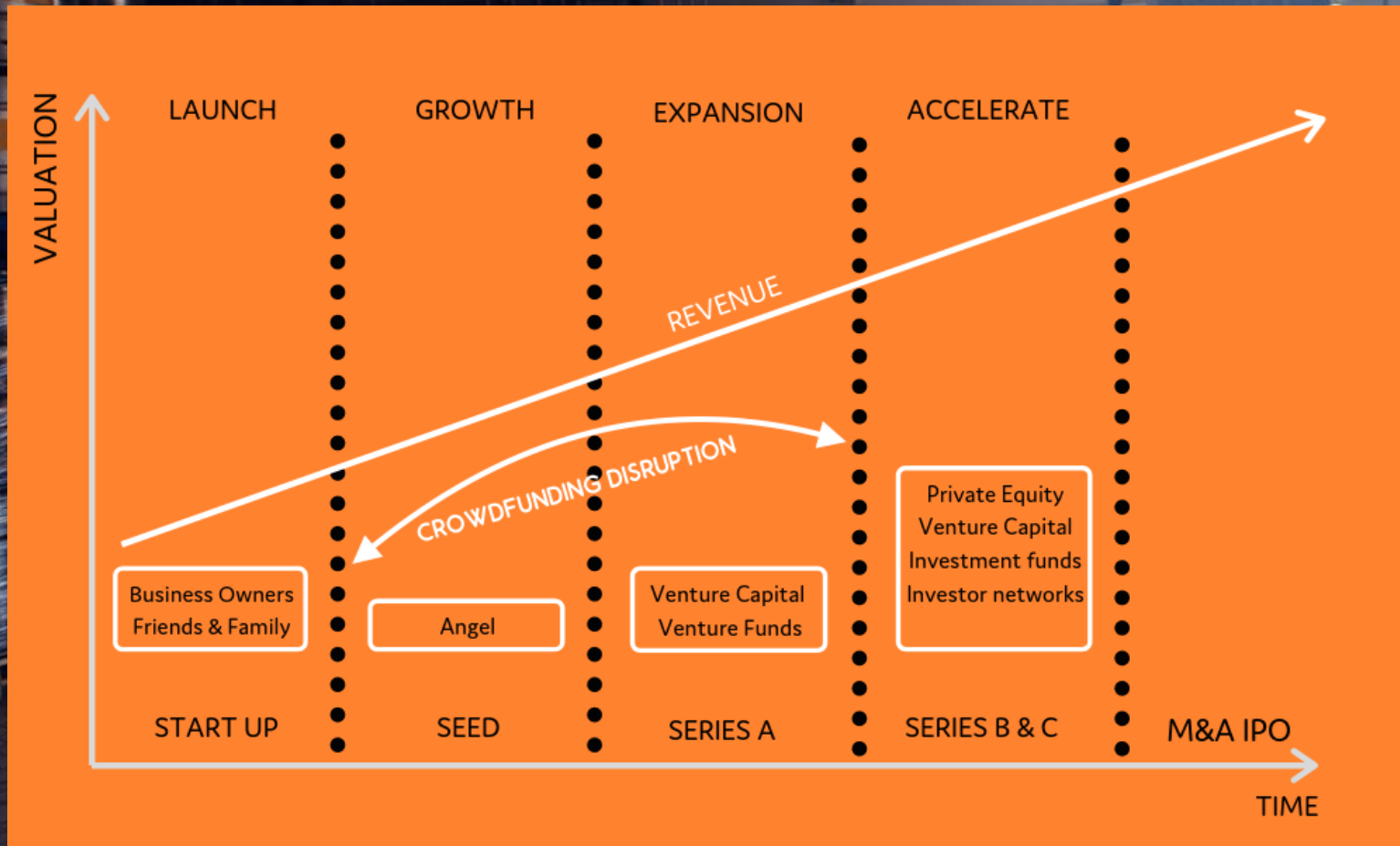
Equity Crowdfunding Snapshot

- SMEs can raise up to \$5M per annum
- Retail investors - \$10K per Offer company per annum
- No restrictions for sophisticated investors
- Can advertise
- Foreign investment allowed

SMEs



WHERE DOES EQUITY CROWDFUNDING FIT ?



CF REQUIREMENTS FOR SMEs – IS IT RIGHT FOR YOUR BUSINESS ?

For SMEs to qualify with raising up \$5M p.a. via CSF, they need to ensure the following:

- Under \$25m revenue and \$25m net tangible assets
- Two Director minimum and a majority Australian (if only two, then one must be Australian)
- Publish financial and Directors reports – Investor relations
- Annual financial reports audited when they have more than \$3m in CSF capital
- Unlimited employee and CSF shareholders
- Set a minimum subscription and determine the duration within the 90-day period
- 5 day cooling off period

Importantly, the above represent “good governance” and are also important to de risk the SME for new investors



IMMEDIATE OPPORTUNITY

Importantly, staff, suppliers, channel partners and customers who know the SME, can easily invest:

- They have conducted their due diligence over time and recognise the inherent goodwill of the SME
- This allows SMEs to turn their customers into investors and vice versa, creating loyalty
- Increased share of wallet and advocacy in the SMEs ecosystem
- 500 lifetime customers investing \$2,000 each creates \$1M in equity capital

FUNDSTION ECOSYSTEM



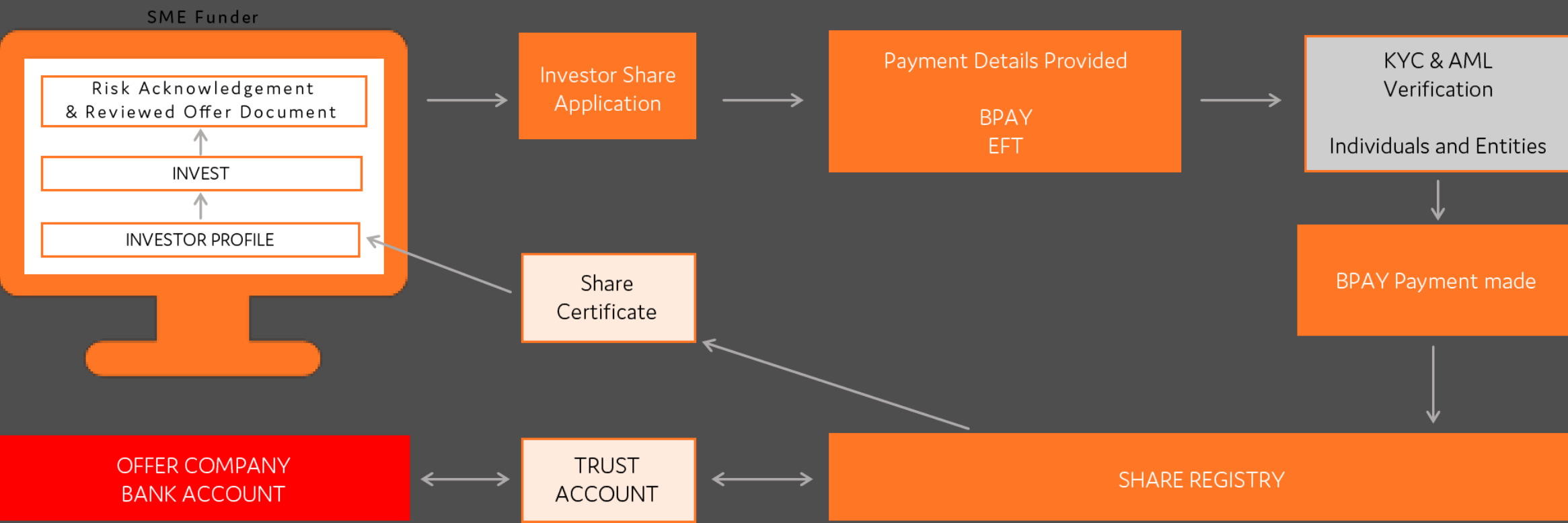
INVESTOR MARKET



INVESTOR OPPORTUNITY

- Retail investors - \$10K per issuer, per annum (no cap on number of investments)
 - SMSF trustees
 - Sophisticated investors (no cap)
 - Can advertise
 - 5 day cooling off period
 - Funds returned when Offer hasn't met minimum subscription
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INVESTORS PROCESS



INVESTORS – A NEW WORLD

CF enables investors to choose businesses they feel passionate about and be part of their progress as it grows – it's the simplest way to gain part-ownership of a business.

It's investing for returns, if the business succeeds, the share price increases.

Investment crystallises when business achieves an exit event.

FUNDSITION:

- A Funding platform that provides a unique opportunity for investors to invest in companies that matter to them
 - Aligns to an investor mandate that focuses on growing SMEs and achievable returns
 - Provides educational content for investors, giving them the knowledge and confidence to invest
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A NEW WORLD OF CAPITAL RAISING & INVESTING

