

An aerial photograph of the Sydney Opera House and the surrounding city skyline. The Opera House is on the left, with its iconic white, shell-like roof. The city skyline is on the right, featuring numerous skyscrapers. The water of the harbor is in the foreground, with a few boats visible. The sky is filled with large, white clouds.

EQUITISE

FUNDING THE FUTURE

“FUNDING AUSTRALIA’S, NEW ZEALAND’S AND SINGAPORE’S NEXT WAVE OF INNOVATIVE COMPANIES THROUGH EQUITY CROWDFUNDING”

INTRODUCTION



Chris Gilbert



Previously



Jonny Wilkinson



Previously



INTRODUCTION



INTRODUCTION



■ Stage 1: **New Zealand**

- ✓ Status: Current
- ✓ Office: Auckland
- ✓ Full time employees: 3

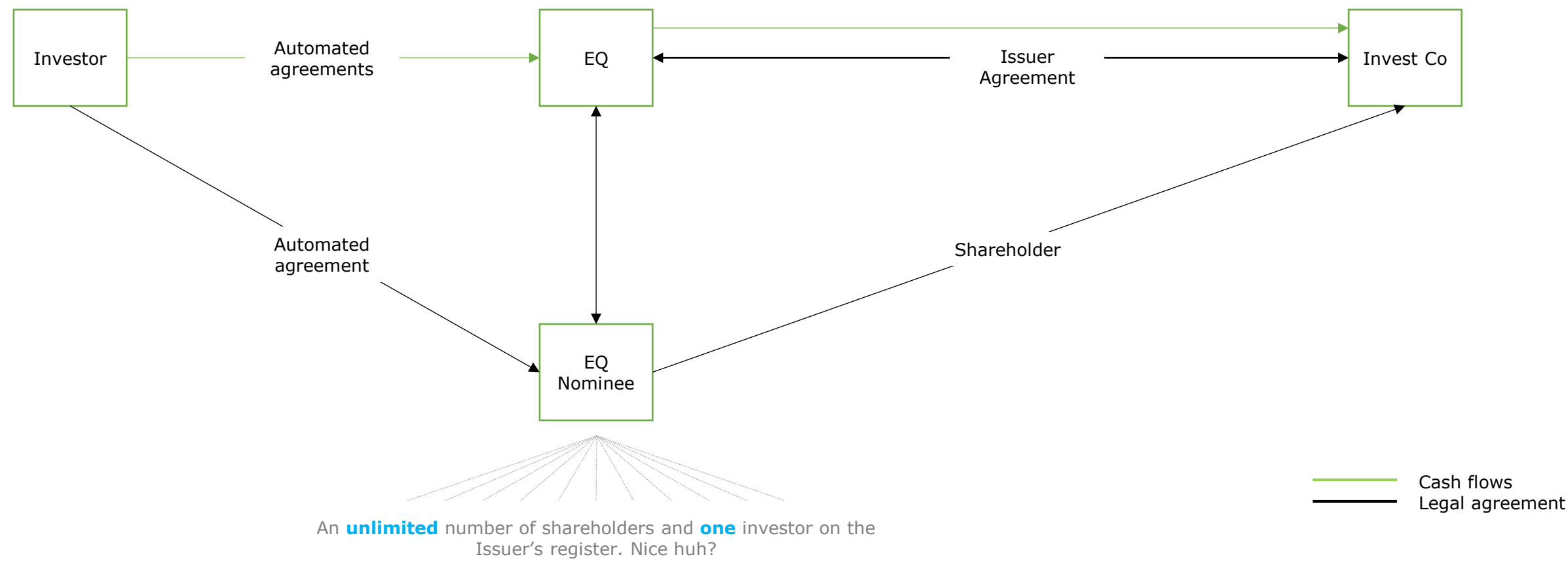
■ Stage 2: **Australia**

- ✓ Status: Current
- ✓ Office: Sydney
- ✓ Full time employees: 3

■ Stage 3: **Singapore/ASEAN**

- ✓ Launch date: 2016/2017
- ✓ Office: Singapore
- ✓ Full time employees: 3

WHAT IS IT



WHAT IS IT



Equality of opportunity

- Equity crowdfunding empowers the public to invest alongside sophisticated investors in Companies seeking to raise capital

Like the ASX but for private company investment

- Equity crowdfunding takes place through licensed intermediaries (or platform providers) and is completed through online platforms (similar to Comsec for trading public securities)

A more effective tool for companies to activate their fans to raise capital

- It allows Companies to raise capital from a large pool of investors and enables a broad community and network of investors to acquire shares of Companies and high growth businesses, previously inaccessible
-

HOW DOES IT WORK



Overview

- All or nothing funding approach
- The traditional capital round involves roadshows, complex legal negotiation, and extended deadlines
- At Equitise the money is raised from the public, credited into the Equitise trust account, and then transferred to the Investee Company at the end of the raise

Fees

- Equitise charges Issuers a 7.5% fee of successful capital raised
 - We also charge a Carry of 5% for managing the SPV which holds the crowd investors
-

THE EQUITISE APPROACH



Our target clients have the following attributes

- ✓ A well developed business plan / offer document (IM)
 - ✓ Good management team and principals with track record and core expertise
 - ✓ Company has the ability to scale into the domestic market and offshore
 - ✓ We are agnostic on sectors and size of rounds
 - ✓ Prefunding of 10 – 20%
-

THE EQUITISE APPROACH



We are focused on transactions involving

- ✓ Future listing, public offering or liquidity event
- ✓ Potential to scale or are high growth
- ✓ Realistic valuation
- ✓ Market validation

High standards of governance and compliance including

- ✓ Independent advisors (advisory board) or for more developed companies a formal board of directors
 - ✓ Independent financial advice or accountants
-

THE EQUITISE APPROACH



The best companies suited to crowdfunding

- ✓ Product focused
 - ✓ Large database of customers / clients for distribution
 - ✓ Customers have a emotional connection with the business (i.e. accounting firm VS MJ Bale)
 - ✓ Large social footprint (Socialisation)
 - ✓ No directors loans (we usually convert these to equity)
-

A high-angle, wide shot of a bustling floating market on a river. In the center, a woman in a blue shirt is cooking in a large pot on a gas stove inside a wooden boat. The boat is filled with various food items, including bowls of soup, baskets of noodles, and a large blue lid. To the left, a woman with long brown hair is sitting on the riverbank, looking towards the boat. In the foreground, the backs of several people are visible as they sit on the bank, watching the vendor. The river is filled with other boats, some carrying goods like coconuts and bananas, and others with people. The water is a murky green color, and the overall atmosphere is one of a busy, traditional market.

THE MARKET

THE PROBLEM OF ACCESSING CAPITAL IS SUBSTANTIAL



The number of SMEs and Start-up companies are increasing...

>300,000

were founded in CY2014

Number of VC deals has been decreasing...

-1.5% CAGR

from CY2010 – CY2014

SMEs are in need of funds

In CY2014, >210,000

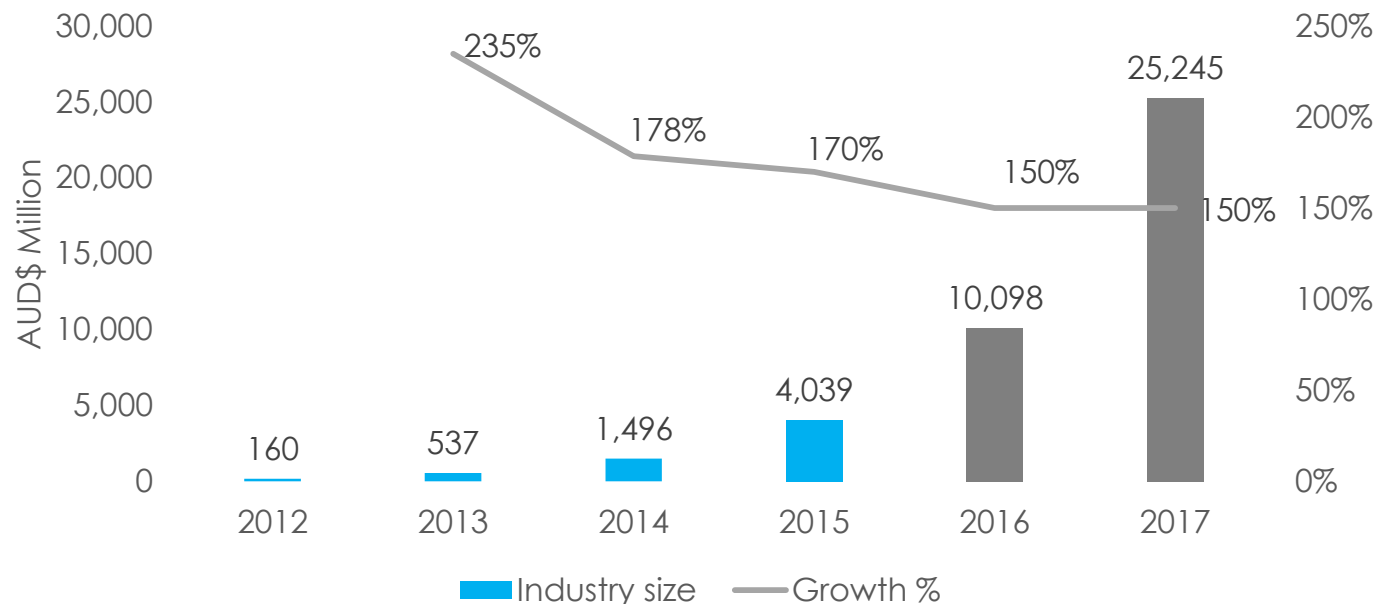
reported difficulty in finding funds

MARKET SIZING



Global equity crowdfunding market

- The industry has experienced steady growth since 2011
- Sydney, already a financial hub, will pave the way for equity crowdfunding in Australia with Equitise in the lead



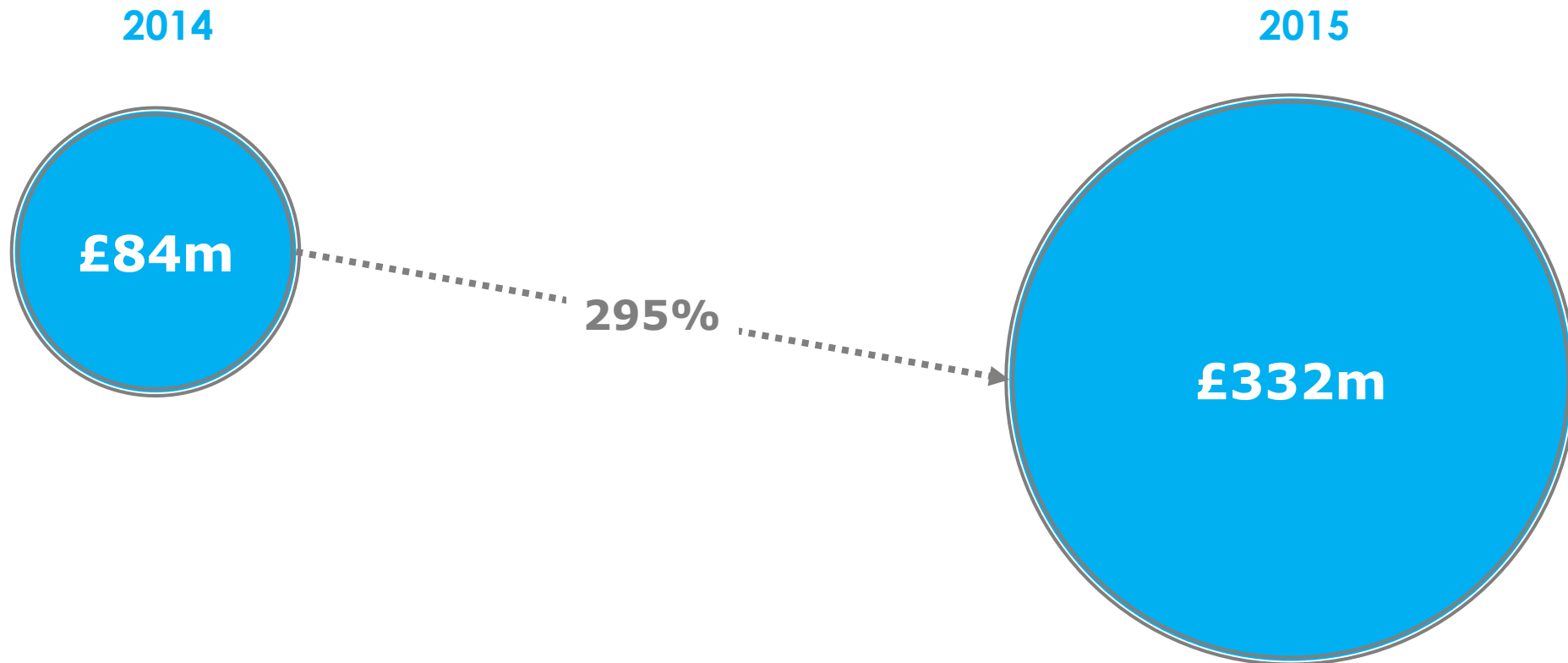
\$4bn

MARKET SIZING



The UK in 2015

- Equity crowdfunding was the second fastest growing sector in 2015 within the UK fintech industry
- This was up by 295% from GBP84 million raised in 2014 to GBP332 million in 2015



A vibrant scene from a floating market. In the center, a woman in a blue shirt is cooking in a large pot on a gas stove inside a wooden boat. The boat is filled with various food items, including bowls of prepared dishes, baskets of fresh produce like bananas and coconuts, and several large blue and green plastic lids. To the left, a young woman with long blonde hair is sitting on the edge of the boat, looking towards the vendor. In the foreground, the backs of several other people are visible as they sit on a wooden platform, watching the activity. The background shows other boats on the water, some carrying more goods and others with people. The word "REGULATION" is superimposed in large, white, sans-serif capital letters over the central part of the image, partially obscuring the vendor and the food items.

REGULATION

REGULATION SUMMARY: AUSTRALIA



The Corporations Amendment (Crowd-sourced Funding) Bill 2015

- Bill introduced to Parliament in December 2015
 - Bill passed through the House of Representatives in February 2016
 - Summary of the Bill
 - Unlisted public companies only
 - A\$5 million limit on capital raised for a company in a 12 month period; and
 - Retail investor caps of A\$10,000 per offer and A\$25,000 in aggregate, in a 12 month period
-

REGULATION SUMMARY: AUSTRALIA



Senate update and process from here to licensing

- Likely to be amended by the Senate
 - Likely changes include amendments to the size of the companies eligible to raise capital
 - To include private companies (pty ltd)
-

REGULATION SUMMARY: NEW ZEALAND



Groundbreaking Legislation

- A part of the Financial Markets Conduct Act (2013)
 - New Zealand was one of the first to have specific legislation following the UK
 - Able to raise up to \$2m in a 12 month period, in addition to any Wholesale funds
 - Allows for a light disclosure and a more efficient way to source capital
-

THE FUTURE OF CROWDFUNDING



SYNDICATED INVESTMENT



Introduction

- The syndicated investment model sits within our equity crowdfunding technology and streamlines the traditional investment process for private investment groups
 - A “syndicated group” is an umbrella term it covers VC’s, Angel Groups and Investment clubs
 - Syndicates enable private investment groups to fund their investments whilst accessing the benefits of our technology
-

SYNDICATED INVESTMENT



Benefits

- Automated AML / KYC checking
 - Transaction management
 - Both public and private data room facilities for investors to perform due diligence
 - Digital execution of documents
 - Direct debit funds transfer facilities
 - Independent trust accounts to collect funds
 - Issuer reporting facilities (much like Computershare provides to its public company clients)
-

SYNDICATED INVESTMENT



Syndicate

VC or angel group
forms a syndicate



Investors

Investors agree to co-
invest with the
syndicate



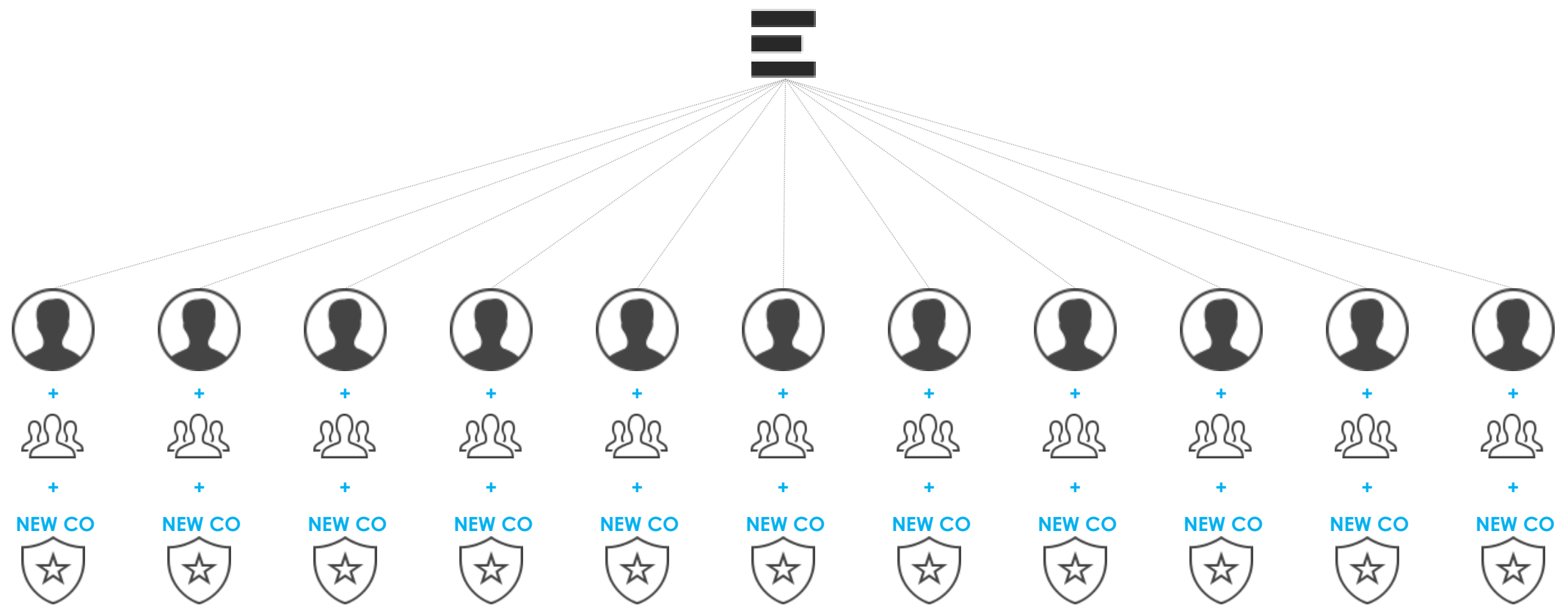
Deals

Investors get access to
future syndicate deal
flow

SYNDICATED INVESTMENT



Syndicates on Equitise will become the main source of quality deal flow and will enable our platform to scale faster than our competitors



THE PROCESS OF A SYNDICATED INVESTMENT



The process of a syndicated investment



1. Join Equitise



4. Share with syndicate members



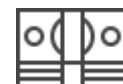
2. Create a syndicate group



5. Members perform DD



3. Upload a deal



6. Members sign docs and invest



THANK YOU

Contact

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