FirstWave Completes a $2.85M Capital Raise

FirstWave Cloud Technology Limited (ASX: FCT) ("FirstWave" or "the Company") has successfully completed a $2.85M capital raise, to support growth initiatives, following a corporate restructure that delivered an operational cash flow positive FY25.

The Capital raise was cornerstoned by leading technology investor Roger Allen underscoring the strong demand for the raise which was led   Led by Red Leaf securities.
The raise will fund the Company's shift to AI powered compliance management which will play a key role in monetising the estimated 150,000 organisations using its open source software creating a $30M+ ARR opportunity.

The offer was conducted at $0.01 per share, representing a 37.5% discount to the closing price on Tuesday, 23 September 2025 and had one option attached for every 3 shares. The options have an exercise price of 1.8 cents and an 18 month expiry representing a further $1.71M if exercised bringing the total raised to 4.56M upon exercise of options.
This successful raise shows strong investor demand for FirstWave's global scalability and strategy to achieve growth.

The placement is led by Red Leaf Securities Pty Ltd ("RLS"), in consideration for services provided in connection with the Offer, the Company has agreed to:

- pay the Lead Manager a Management and Selling Fee of 6% of gross proceeds from the Offer (excluding GST);and
- issue 6 million unquoted options to the Lead Manager as a success fee, exercisable at $0.018, each with 18-month expiry from the issue date, using the Company's existing Listing Rule 7.1 capacity.

Growth Strategy:

- Launch of NMIS Cloud with Telmex, representing a $15M+ ARR opportunity with expansion potential across América Móvil subsidiaries.
- Monetisation of the 150,000+ Open-AudIT user base, supported by the release of new AI compliance features, creating a $30M+ ARR opportunity.
- Expansion of global distribution channels through a newly signed relationship with AWS and Ingram Micro, providing reach into more than 170 countries and 200,000+ resellers.

Positioned for Growth

Over the past 24 months, FirstWave has undergone significant transformation:

- Achieved operational cash flow positivity in FY25.
- Reduced operating expenditure through a successful restructure that management projects show will $5.5M+ in annualised savings from October 2025 onwards (versus FY24), positioning the business to scale efficiently.
- The restructure simplified operations into four core divisions – Engineering, Sales, Products & Marketing, and Commercial (Corporate & Finance).
- Secured renewals and uplifts with key customers including Microsoft, Telmex, Claro, NASA, Macquarie Cloud, and Services Australia.
- Released new AI-powered compliance features into testing in September 2025, with early adopter client rollout commencing in October.
- In FY25 96 percent of revenues were recurring and are expected to renew in FY26.

These initiatives align with FirstWave's strategy of converting its extensive global footprint into sustainable, high-margin ARR.

FirstWave Cloud Technology Limited ABN: 35 144 733 595
Level 13, 50 Cavill Avenue, Surfers Paradise QLD 4217, Australia
T +61 02 9409 7000 W Firstwave.com

Commenting on the raise, Managing Director and CEO Danny Maher said:
"FirstWave has completed its transformation and is now positioned at the intersection of AI, cybersecurity, and compliance management.
This raise provides the capital to accelerate monetisation of our 150,000-strong Open-AudIT user base, scale NMIS Cloud with Telmex, and leverage our new global distribution partnerships with AWS and Ingram Micro. The strong investor demand for this raising highlights confidence in FirstWave's growth strategy and I am pleased to welcome new investors in to the company."

Offer Structure

Section	Details
Last Close Price	A$0.016[1]
New Placement Securities[2]	386,000,000 million securities including 185,683,352 Shares, 61,894,451 free attaching options and 6,000,000 brokers' options to be issued using the Company's current Listing Rule 7.1 capacity (Tranche 1); and 99,316,648 Shares, 33,105,549 free attaching options to be issued Shareholders' approval at an EGM to be held in November 2025 (Tranche 2). If shareholder approval is not obtained, Tranche 2 will not proceed.
Securities on issue post the Offer[2]	1,998 million fully paid ordinary shares[1]
Market capitalisation post the Offer	A$19.6 million (at Offer Price)
Lead Managers	Red Leaf Securities Pty Ltd ("RLS") as Lead Manager and Bookrunner to the Offer
Transaction	• The Company will place 285M new shares at $0.01 each to raise $2.85M, with 1 free option per 3 shares (exercise $0.018, 18-month expiry). • The Placement will occur in two tranches: • New shares represent 12.7% of issued capital and rank pari-passu.
New Securities	Fully paid ordinary shares in the Offer and unlisted and unquoted options. Shares issued on exercise will rank equally with existing fully paid ordinary shares.
Offer Price	A$0.01 with attached unlisted option (1 option per 3 shares, exercise price $0.018, 18-month expiry)
Offer Pricing	37.5% discount to last close of A$0.016

Use of Funds	• Launch NMIS Cloud with Telmex (~A$300k) • Monetise Open-AudIT user base • Expand sales & marketing (~A$1m) • Grow distribution partnerships (~A$300k) • Develop AI & network compliance software (~A$400k) • General working capital
Timetable	• Trading Halt: Wednesday, 24 September 2025 • Launch of Offer: Wednesday, 24 September 2025 • Announcement of completion of Placement: Friday, 26 September 2025 Normal trading resumes on ASX: Friday, 26 September 2025 Settlement of Placement shares: Monday, 29 September 2025 Allotment of Placement shares and lodgment of Appendix 2A and Cleansing Notice in respect of shares issued: Tuesday, 30 September 2025. (The Company will also lodge a cleansing notice in respect of the options issued under the Placement.) • Indicative Shareholders meeting date to seek approval for Tranche 2 of placement: 11 November 2025 (to be confirmed)

[1] At last close on Tuesday, 23 September 2025.
[2] Issuance of Tranche 2 shares will be subject to shareholders' approval in November 2025.
[3] Lead Manager and Company may amend timetable at discretion.

ENDS

Authorised for release by the Board.

For media inquiries, please contact:
Angus Kennelly
Massive Intelligence
0413 541 301
angus@massiveintelligence.com.au

About FirstWave
FirstWave is a global software company formed in 2004. The company is a leading provider of enterprise-grade network management, automation, audit and cybersecurity software with an estimated 150,000 organisations using Firstwave software across 178 countries. Clients include Microsoft, Telmex, Telstra, Claro and NASA.