



Earlytrade

Earlytrade attracts AUD6 million investment to solve late payments

Sydney, 1 May 2019: Earlytrade, an Australian fintech pioneering early payment of invoices from large corporates to their suppliers, today announced the newly formed venture fund Shearwater Growth Equity has become shareholders in the business. Shearwater, whose founding partners sit on the board of ASX-listed technology giant WiseTech Global, have invested AUD2.5 million out of the total capital raised for their stake in the business.

The Earlytrade platform enables corporates, and their suppliers to collaborate transparently to negotiate invoice terms in return for early payment. The new funding paves the way for Earlytrade to enhance its innovative early payments platform and further expand its enterprise clients and existing network of 27,000+ suppliers.

Established in 2016, by Guy Saxelby and Piers Symons, the Earlytrade platform is already widely used by leading corporate brands including Lion, Freedom Furniture, M&C Saatchi, Beston Global Foods, Amcor and Dairy Farmers.

"Earlytrade was founded to address the impact late payments have on all Australian businesses. At a macro-level, we estimate the cost of late payments to be about 1.5% of Australia's GDP every year," said Earlytrade CEO and Co-founder Guy Saxelby.

"Earlytrade is a complement to the regulatory and government efforts already addressing the impacts of late payments. Earlytrade is a market-based mechanism that can be used by the business community to alleviate the constraints long payment terms can have on the cash flow of small and medium businesses. We welcome the commitment of Shearwater and are confident they will bring enormous value to our business and growing client base."

Shearwater Growth Equity was founded in late 2018 by Charles Gibbon, Mike Gregg and Zac Zavos. Charles was Chairman of WiseTech Global (2006-2018), one of Australia's most successful technology companies, now worth over AUD7 billion. Together with Mike (who also remains a Director of WiseTech Global), Charles was the first non-founder investor in WiseTech in 2005 and saw its eventual listing on the ASX in 2015 for over AUD1 billion.

Charles Gibbon said: "Earlytrade excites us because it effectively prices time, and in the process solves a very real supply-chain finance problem in a low-risk and efficient manner. Unlike other solutions which price risk or introduce third-parties, Earlytrade elegantly solves numerous problems, not least of which is enabling cashflow for Australia's small businesses.

**Changing the way
businesses are paid**

"Shearwater looks to back founders who we like and trust and who are passionate about building great companies. We look forward to helping Earlytrade build into a generationally strong business."

A win-win for corporates and suppliers

Mr Saxelby explained that breaking the late payments cycle was a win-win for both corporates and suppliers.

"Here in Australia just 20% of ASX 200 companies have accumulated 82% of total cash reserves¹. That cash is trapped at the top of the supply chain" said Mr Saxelby. "Using Earlytrade, suppliers can now control when they get paid and that cash can be released to companies in lower tiers of the supply chain. Suppliers can use these early payments to invest back into their business instead of relying on high-cost debt in a tightening credit environment.

"On the flip side, corporates with cash can make the most of their working capital by going above and beyond to improve their supplier relationships by offering them an early payment option at better rates than anywhere else in the market."

Other investors in Earlytrade include Nev Power (ex-CEO Fortescue Metals Group), Bob McKinnon (Chairman of New Payments Platform, ex-CIO Westpac/CBA) and John Widdup (ex-COO Westfield).

"We're excited to be working with such high calibre investors. Our vision for Earlytrade is to change the way businesses are paid so the Australian and New Zealand economies can become more productive and competitive on the world stage, and this investment allows us to fulfil that mission", Mr Saxelby concluded.

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About Earlytrade

Earlytrade is a platform that enables corporates, and their suppliers to collaborate transparently to negotiate invoice terms in return for early payment.

¹ Source: Deloitte, "The Australian Cash Paradox" 2015
<https://www2.deloitte.com/au/en/pages/finance/articles/australian-cash-paradox.html>

Earlytrade partners with ASX100 corporates to provide greater flexibility around their working capital management. It has an expanding network of 27,000+ suppliers in Australia and New Zealand.

Earlytrade was founded in 2016 by Guy Saxelby and Piers Symons. Please visit www.earlytrade.com for more information.

About Shearwater Growth Equity

Shearwater Growth Equity is a \$50m venture fund that invests in passionate founders and high growth technology companies.

Established in late 2018, Shearwater's three founding partners are Charles Gibbon (ex-Chair and current Non-Executive Director of WiseTech Global), Mike Gregg (Non-Executive Director of WiseTech Global), and Zac Zavos (founder of Conversant Media, which is now owned by ASX listed HT&E).

Since inception, Shearwater has launched over five technology companies in Australia including mobile creative ad-tech company Playground XYZ and marketing platform for events and concerts, Audience Republic.