

## **NOTICE OF MATERIAL EVENT**

### **GROW CAPITAL INC.**

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**LAS VEGAS, NEVADA: December 16, 2024: Grow Capital, Inc. (OTC-PINK: GRWC) (the “Corporation” or “Buyer”)** announces entry into certain material agreements, including a convertible note agreement and asset purchase agreement as of December 12 and 13, 2024, respectively.

### **The Asset Purchase Agreement:**

On December 12, 2024, the Corporation’s Board of Directors approved the entry into an Asset Purchase Agreement (the “**Purchase Agreement**”) dated December 13, 2024 by and among the Corporation, FPS Services LLC (“**FPS**”) and Financial Processing Solutions Group, LLC (“**Parent**” and together with FPS, “**Seller Parties**”), pursuant to which, among other things, Seller Parties will sell, convey and assign to Buyer, and Buyer will purchase, accept and assume from Seller Parties, all of Seller Parties’ right, title, and interest in and to the Titan Software, the Titan Switchboard Version, the Titan Annuity Processing Portal Version and the other Purchased Assets (subject to the Retained Rights and the License Agreement (each as defined in the Purchase Agreement)) for consideration of an aggregate purchase price for the Purchased Assets of Three Million Five Hundred Thousand U.S. Dollars (U.S. \$3,500,000) (the “**Purchase Price**”) which shall be payable at Closing as follows: (i) a seller credit in the amount of One Million U.S. Dollars (U.S. \$1,000,000) (the “**Closing Credit**”) granted by Seller Parties to Buyer, and (ii) the balance of Two Million Five Hundred Thousand U. S. Dollars (U.S. \$2,500,000) (the “**Balance Purchase Price**”) remitted in cash at Closing by wire transfer of immediately available funds to an account designated in writing by Seller Parties. Buyer shall have no entitlement to the Closing Credit unless the Closing actually occurs.

On December 13, 2024, the Corporation paid Seller Parties the sum of \$1,000,000 in consideration for the right to extend the Closing until February 28, 2024, concurrent with the signing of the Purchase Agreement as provided therein.

The Closing, including the payment of the Balance Purchase Price, must occur no later than February 28, 2025.

### **Loan Agreements**

On December 12, 2024, the Corporation entered into a Note Purchase Agreement with Legacy III LLC (“**Legacy**”) whereby Legacy has funded the principal amount of \$1,000,000 to the Corporation, secured by way of a Convertible Promissory Note (“**CPN**”). The CPN carries an interest rate of 8% per annum and is payable on the maturity date of December 31, 2025 (“**Maturity**”).

Date”), along with the principal. The CPN is convertible, at the sole option of Legacy, at any time commencing five (5) days after the date of the Note and up to and including the Maturity Date. Legacy has the right to convert all or any portion of the Principal Amount of the Note, along with accrued and unpaid interest, into shares of common stock of the Company, par value \$0.001 per share ("Common Stock"), at a conversion price (the "Conversion Price") for each share of Common Stock equal to five cents (\$0.05) per share. The Corporation shall have the limited right, with Legacy’s written consent, to redeem any unconverted portion of the Note at any time prior to conversion, or prior to the Maturity Date, at a price equal to the then outstanding principal amount of this Note, plus all interest due on this Note at such time.

The managing member of Legacy is Mr. Matt Lovelady, an affiliate of the Corporation. Mr. Lovelady and the Corporation’s CEO and controlling shareholder, Mr. Terry Kennedy, are both members of Legacy and control approximately 2/3 of Legacy’s outstanding membership units.

### **About Grow Capital Inc.**

Grow Capital Inc. is a solution-oriented corporation that transitioned into a software, technology and financial services business (i.e. FinTech) in fiscal 2020. Our management team consists of consultants and entrepreneurs that have combined decades of experience in this sector. Our operating subsidiaries, Bombshell Technologies Inc., Pera LLC, and Public Employee Retirement Administrators LLC give the corporation a base for growing revenues along with resources to continue Grow's mission to acquire companies with a clear FinTech niche. We look to partner with like-minded investors who wish to share in the growth of this dynamic industry, and we believe there is significant investor interest and demand for such opportunities. The addition of the Titan Software to the Corporation’s existing technology portfolio will the allow the Corporation to become a full-service record keeper across several industry segments. Grow Capital is currently in the process of incorporating the Titan technology into its available product offerings.

### **Forward-Looking Statements Forward Looking Statements Disclaimer:**

*This release may contain statements that constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, many of which are beyond Grow Capital, Inc's ability to control, and that actual results may differ materially from those projected in the forward-looking statements as a result of various factors. Such forward -looking statements include the words "vision," "seek", "grow", "plan" and other expressions of a forward-looking nature. More information about the potential factors that could affect the business and financial results is and will be included in Grow Capital, Inc's filings with the OTC Markets, and/or posted on the Corporation’s website.*

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