birchal

Funded!

Australia's crowdsourced funding industry year in review

FY 2024 / 2025

Welcome to Funded!

"Crowdsourced funding sits at the intersection of people power and financial power"

I'm excited to present the sixth edition of FUNDED! - the crowdsourced funding industry year in review - and my first as CEO at Birchal.

When I took on this role I did so because of the immense opportunity that I see for crowdsourced funding (CSF) to shape the world around us.

For investors, CSF sits at the intersection of people power and financial power - where each of us has the opportunity to decide which ideas and which businesses deserve funding. Even better, when investors choose wisely and the businesses they back succeed, then they get a slice of that success!

For founders and business owners, CSF provides a strategic source of capital for those who aren't otherwise well served by venture capital or private equity.

Particularly when we consider the limitations in venture capital funding when it comes to diversity - across industry, technology, and founder demographics - CSF has emerged as a vital alternative source of capital.

Not only that - when used effectively, CSF provides a brand and customer boost to turbo-charge growth - with none of the complicated conversion equations or tricky investor preference rights associated with other sources of capital.

The 2025 financial year was a tough one in the CSF market, but even still there are plenty of great stories to share, of passionate supporters backing incredible founders, connecting them with the capital that their businesses need to thrive.

Let's get into some of those stories.

Kirstin Hunter
Birchal CEO

Section 1

The big picture: FY25 in context

In Brief

Themes that shaped FY2025

CAPITAL MARKETS VOLATILITY

The broader investment ecosystem has experienced a lot of volatility since the end of the 2022 tech boom, with the Cut Through Quarterly Report for Q2 2025[1] observing that recent volatility "underlines just how patchy the post-2022 recovery remains". While crowdsourced funding has demonstrated relative stability in the years immediately following the boom, this volatility was evident in the FY2025 results - with the cost of living crisis putting pressure on retail investors, driving a contraction in the CSF market.

THE COST OF LIVING CONTRACTION

The 2025 financial year saw total funding volume (the amount raised across all campaigns) fall to $33.1 million, almost a 50% reduction compared to the previous year. This was due to both a smaller number of deals (63 vs 99 last year) and a smaller average deal size ($525k vs $660k last year).The number of investments made across all raises also fell from 35k to 15k.

1: https://www.cutthrough.com/insights/cut-through-quarterly-2q-2025;
2: https://www.cutthrough.com/insights/state-of-australian-startup-funding-2024 Numbers refer to most recent full year reported.

INVESTOR CONVICTION AT RECORD HIGH

Despite the overall market contraction, the average investment amount climbed to just under $2,200 - well above the historical average of $1,800. This suggests that even though the overall number of retail investors has fallen, those who have invested have demonstrated stronger conviction in their investments.

DIVERSITY WINS FOR FOUNDERS AND FUNDERS

Crowdsourced funding continues to be a bright spot amidst the failure of the broader investment ecosystem for women founders - with 32% of capital flowing to teams with at least one woman (compared to 15% in VC), and 5% of capital flowing to woman-only teams (compared to 2% in VC)[2]. The diversity of the investor crowd is investing behind diverse teams.

CONFIDENCE FOR THE LONG TERM

While 2025 was a challenging year, the continued investment by venture capital and angel investors in the Australian tech ecosystem demonstrates that Australia is still a great place to build a business. As cost-of-living pressures ease, we expect retail investor activity to rebound as investors flock to support the best and brightest Australian business leaders.

LONG TERM PERSPECTIVE - FROM INCEPTION TO TODAY (AS AT 30 JUNE 2025)

$347m+
Total funding raised

489
Successful offers

194k+
Individual investments

$711k
Average deal size

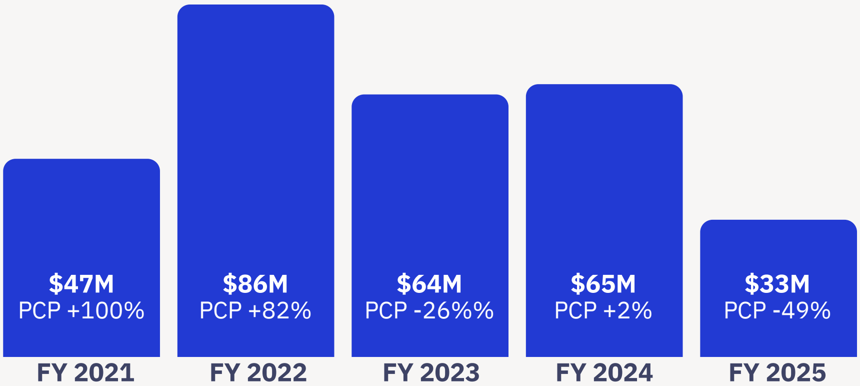
$1,794
Average investment size

93
Follow on CSF offers

Year in review

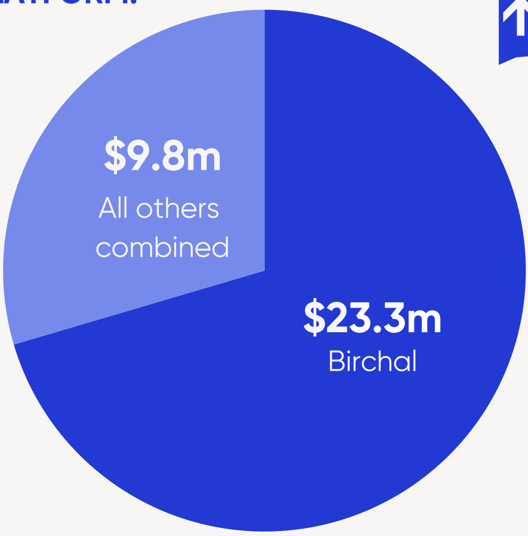
A year of highs and lows

MARKET:



STATE:

PLATFORM:



63 Successful crowdsourced funding campaigns

$33.1 Million funding raised

15.1k Individual investments

25% Returned for repeat raises

32% Teams with at least one woman founder

29% Raises completed by solo founders

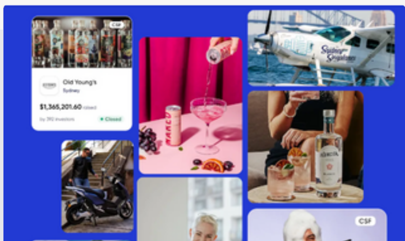
FAST FACTS:

Leading platform

Birchal with 46 deals

Biggest deal

$2.6m Prohibition Liquor Q3 (via OnMarket)



Greatest cumulative amount raised

$7.4m Birchal Q1 FY22, Q2 FY23, Q2 FY24 (via Birchal)

Section 2

The crowd in motion: Activity across FY25

Q1 FY2025: Stable volumes despite uncertainty

The financial year began with steady activity - 16 deals compared to 18 in the prior corresponding period. However, there was a noticable drop-off of total funding volume and average deal size due to the absence of larger deals. Despite the corresponding quarter in FY24 delivering eight deals raising more than $1 million, there were none in Q1 FY25. As a result, the average deal size fell to $320k and total capital raised was $5.1m, down from $16.8m in FY24.

This weaker start reflected challenging broader economic conditions, including soft GDP growth of just 0.2% in early 2025 and renewed global trade tensions, which weighed on investor sentiment. Despite this more cautious environment, stable deal volumes indicated a consistent level of founder and investor engagement to kick off the year.

AT A GLANCE

16
Successful Deals
↓11% PCP

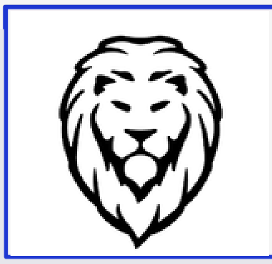
$5.1m
Funding Volume
↓70% PCP

Nexba
$741k Biggest Raise
392 investments

NOTABLE DEALS

Nexba

- $741k raised on Venture Crowd
- from 392 investors
- Food & Beverage category
- July 25



Savic Motorcycles

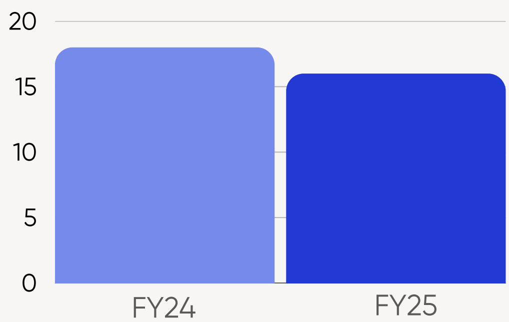
- $681k raised on Birchal
- from 220 investors
- Transportation category
- August 25

FlyOnE

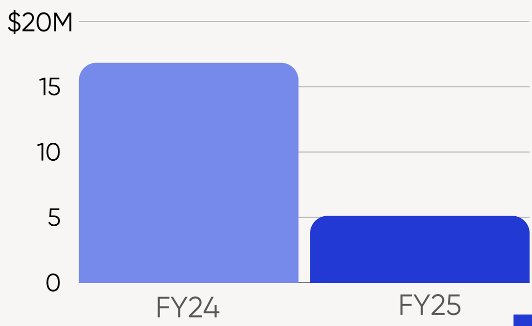
- $673k raised on Birchal
- from 236 investors
- Transportation category
- September 25

PRIOR YEAR COMPARISON

DEAL COUNT



FUNDING VOLUME



Q2 FY2025: Larger raises come back to the crowd

The second quarter of the financial year saw stronger raise performance across the crowdsourced funding market compared to Q1, with 27 deals raising $16.2m (vs. 35 deals raising $23.4m in the corresponding quarter last financial year). The average deal size increased to $599k.

This quarter saw an outperformance in the number of larger deals compared to the prior year, with seven deals achieving raises over $1m, compared to four in the same quarter last year.

Investor appetite for high-quality opportunities was clear, even as household budgets remained tight. While the pool of retail investors was smaller than the prior year, conviction among those participating remained strong.

AT A GLANCE

27
Successful Deals
↓23% PCP

$16.2m
Funding Volume
↓31% PCP

Birchal
$2.0m Biggest Raise
818 investments

NOTABLE DEALS

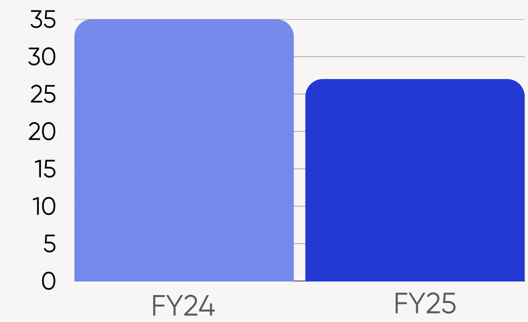
Birchal
- $2m raised on Birchal
- from 818 investors
- Financial Services category
- December 25

Pronto Pilates
- $1.64m raised on OnMarket
- from 484 investors
- Sports category
- November 25

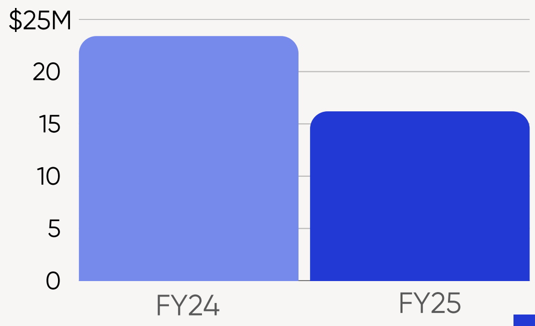
Volt Solar Tile
- $1.6m raised on Birchal
- from 464 investors
- Sustainability category
- December 25

PRIOR YEAR COMPARISON

DEAL COUNT



FUNDING VOLUME



Q3 FY2025: Strong performance in the historically quietest period

The third quarter of the financial year is traditionally the quietest period for crowdsourced funding due to seasonal fluctuations associated with the Australian summer holidays. However, in FY25 Q3 defied expectations and delivered stronger financial performance than the prior corresponding period.

Deal numbers softened slightly, with 8 raises completed compared to 9 in FY24, but funding outcomes improved significantly. Total capital raised reached $7.8m, up 45% on the $5.6m achieved in the same quarter last year. Further reinforcing this strength, three deals raised over $1 million, compared to just one in the same quarter last year. Contributing factors included a modest lift in household spending and greater political stability after the conclusion of the Australian federal election, which helped underpin stronger investor sentiment.

AT A GLANCE

8
Successful Deals
↓11% PCP

$7.8m
Funding Volume
↑45% PCP

Prohibition Liquor
$2.69m Biggest Raise
1180 investments

NOTABLE DEALS

Prohibition Liquor

- $2.69m raised on OnMarket
- from 1,180 investors
- Food & Beverage category
- March 25

Medigrowth

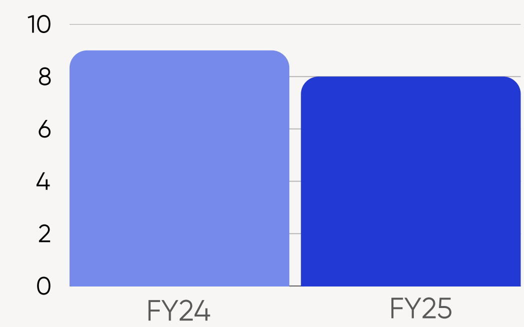
- $1.61m raised on Birchal
- from 852 investors
- Healthcare category
- March 25

People's Plant

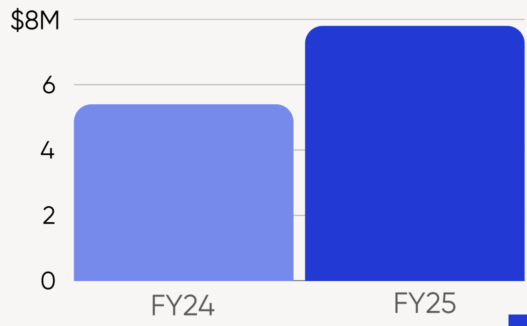
- $1.40m raised on Birchal
- from 798 investors
- Healthcare category
- March 25

PRIOR YEAR COMPARISON

DEAL COUNT



FUNDING VOLUME



Q4 FY2025: Major market contraction

Quarter 4 presented a challenging landscape, with a noticeable slowdown across all key performance indicators. This trend closely mirrored the broader downturn in private investment markets, as highlighted in the Cut Through Quarterly report for Q2 2025.[1]

Total funding came in just under $4m, compared with $19.8m in the prior corresponding period of FY24.

Only 12 deals were completed (vs. 37 in FY24), and the average deal size dropped to $340k, down from $535k the prior year. Unlike FY24, which featured five raises greater than $1 million, no campaign exceeded the million dollar milestone in Q4 FY25.

In a significantly subdued market, Birchal maintained clear market leadership. Of the 12 deals executed across the industry, Birchal hosted 11, achieving a record 97.5% market share.

1: https://www.cutthrough.com/insights/cut-through-quarterly-2q-2025

AT A GLANCE

12
Successful Deals
↓68% PCP

$3.9m
Funding Volume
↓80% PCP

Skyportz
$912K Biggest Raise
461 investments

NOTABLE DEALS

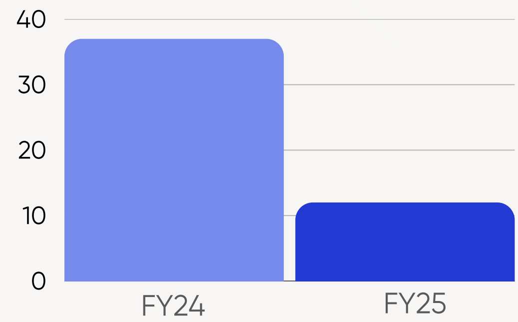
Skyportz
- $912k raised on Birchal
- from 461 investors
- Infrastructure category
- June 25

Unyoked
- $492k raised on Birchal
- from 215 investors
- Travel & Tourism category
- April 25

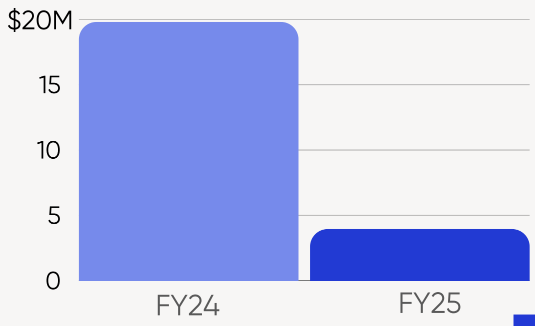
Indigo Power
- $432k raised on Birchal
- from 238 investors
- Sustainability category
- May 25

PRIOR YEAR COMPARISON

DEAL COUNT



FUNDING VOLUME



Platform power plays: Where the deals were happening

The competitive positioning within the Australian crowdsourced funding market has remained remarkably consistent over the past five years, with Birchal maintaining close to 70% market share year on year. However, 2025 has brought some interesting changes in the market dynamics.

OnMarket has strengthened its position over the last three years, and in FY25 it achieved its strongest performance yet - claiming around 20% of the market and clearly cementing itself in the #2 position. OnMarket's position was buoyed by a handful of standout campaigns, including Pronto Pilates, Phat Brew Club, and the largest raise of the year - Prohibition Liquor. By contrast, this year also saw Equitise exit the market, entering administration in October 2024 after holding the #2 position in the market until FY23.

Venture Crowd has also reduced its retail CSF activity compared to prior years, focusing instead on wholesale-only raises for the majority of the year.

The final quarter of the year was tough for all players. Only 12 deals were completed across the entire market, down sharply from 37 during the same period last year. Birchal ran 11 of those 12 campaigns, accounting for 97.5% of the funding volume for the quarter, with Swarmer making up the balance and no retail CSF deals from either Venture Crowd or OnMarket.

These competitor dynamics illustrate the business model challenges facing CSF platforms during times of macroeconomic headwinds.

MAJOR CSF PLATFORM PERFORMANCE IN FY25

birchal
46 Successful Deals
$23.3m funding volume

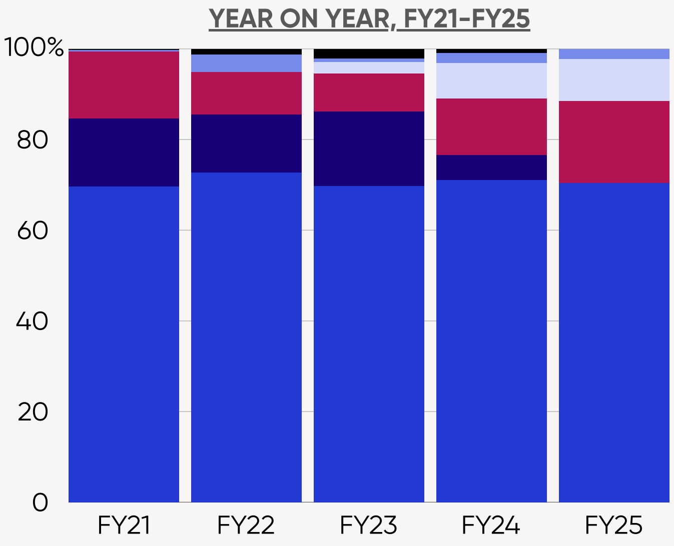
OnMarket
6 Successful Deals
$6m funding volume

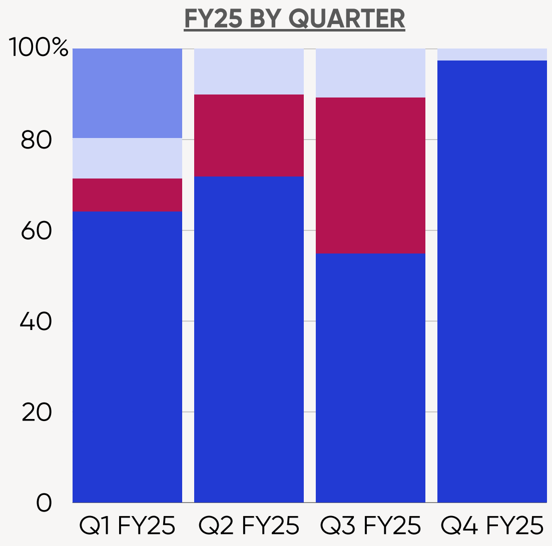
Swarmer
10 Successful Deals
$3m funding volume

Venture Crowd
1 Successful Deal
$740k funding volume

MARKET SHARE BY PLATFORM

Legend:
Birchal Financial Services
OnMarket Bookbuilds
Venture Crowd
Equitise
Swarmer
Others





Section 3

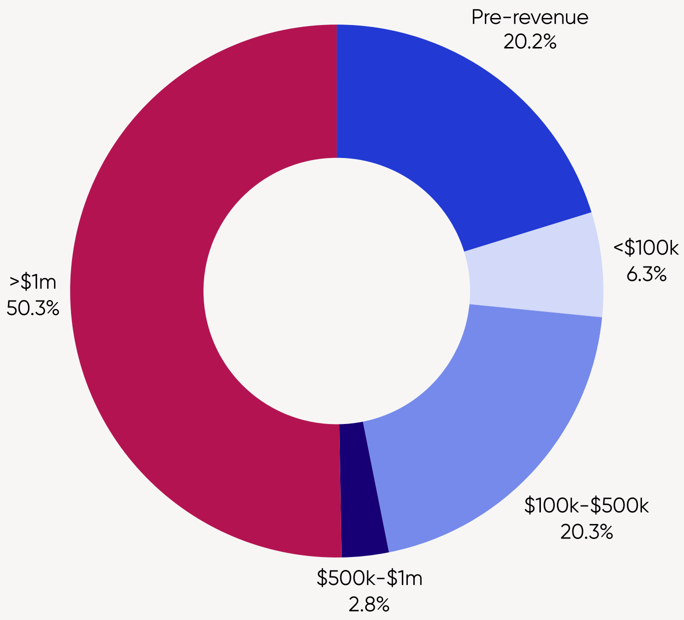
Inside the crowd: The who, what and where

By stage: from seed to scale

Crowdsourced funding provided a vital alternative source of capital for companies across all stages of maturity in 2025.

Growth businesses (defined as those with more than $1m in reported revenue) accounted for the largest share of successful CSF offers in FY25, making up just over 50% of all deals (up from 46% in FY24). However, the average raise size for these deals reduced from $809k in FY24 to $723k in FY25, reflecting the challenging market conditions.

Encouragingly, earlier stage businesses (pre-revenue and those with less than $100k revenue) have largely held their position compared to the previous financial year, suggesting that the challenging macroeconomic environment has not dampened investors' enthusiasm for the most innovative early stage companies.



FY25	% SHARE	% CHANGE	AVERAGE RAISE
Pre Revenue	20%	-3%	$478k
< $100k	6%	+1%	$233k
$100k - $500k	20%	+3%	$480k
$500k - $1m	3%	-6%	$313k
Growth ($1m+)	50%	+4%	$723k

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By sector: Where the crowd is backing bold ideas

The largest industry sectors raising from the crowd in the 2025 financial year were food & beverage, healthcare (bolstered by a surge in successful medicinal cannabis raises) and financial services sectors - representing just under 50% of the total funding volume from these sectors alone. The next largest sectors were sustainability, consumer goods, transportation and sport.

Compared to the previous financial year the major changes were a reduction in funding raised by deals from manufacturing and real estate industries, with software also falling in popularity.

This represents a far greater variety of industries funded by the crowd compared to venture capital. Unsurprisingly, software has a much stronger showing in venture capital, with the State of Australian Funding Report for 2024[1] including several sub-categories of software represented in the top 10 industries, including AI/big data, enterprise/B2B, cyber and devtech. Healthtech and sustainability both ranked in the top 5 industries for venture (#3 and #5 respectively), demonstrating alignment between professional and crowd investors.

1: https://www.cutthrough.com/insights/state-of-australian-startup-funding-2024

Food & beverage
15 Offers
$9.3m Funding
(28%)

Healthcare
5 Offers
$3.6m Funding
(11%)

FinTech
5 Offers
$3.4m Funding
(10%)

Sustainability
6 Offers
$2.8m Funding
(8%)

Consumer goods
3 Offers
$2.7m Funding
(8%)

THE LAUNCHPAD FOR THE NEXT WAVE OF HARDWARE INNOVATION

For founders building physical products, crowdsourced funding provides a pathway to capital that has historically proven challenging. Everyday investors *get* hardware.

And they love backing something they can actually hold in their hands (or see in action). Not to mention, hardware founders often have a strong community from the very beginning: early adopters who understand the problem and are ready to back innovative solutions.

There's a huge opportunity here: hardware is hot again - especially in areas like climate tech, agtech, healthtech, and clean energy, and CSF is one of the few avenues that matches the kind of capital and community these ventures need to get off the ground.

The Birchal First hardware investment syndicate (supported by LaunchVic) has provided a valuable opportunity for founders and investors to capture this opportunity.

Hardware deals supported by the crowd in FY25:

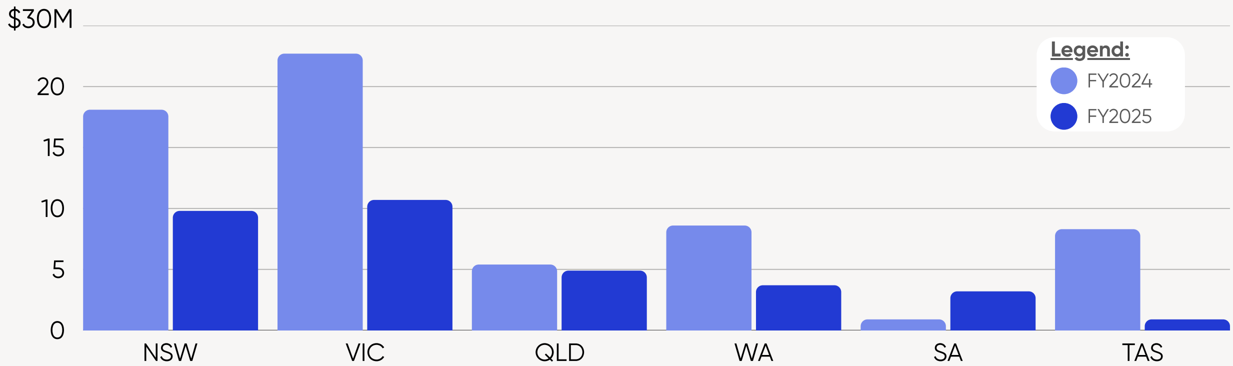
Volt Solar Tile ($1.57m from 460 investors, Birchal)
Cormagna ($713.5k from 22 investors, Birchal)
Dovetail Electric Aviation ($254.7k from 106 investors, Birchal)
Skyportz ($907.9k from 452 investors, Birchal)
Benzina Zero ($1.17m from 101 investors, Birchal)

By State: momentum beyond the East Coast

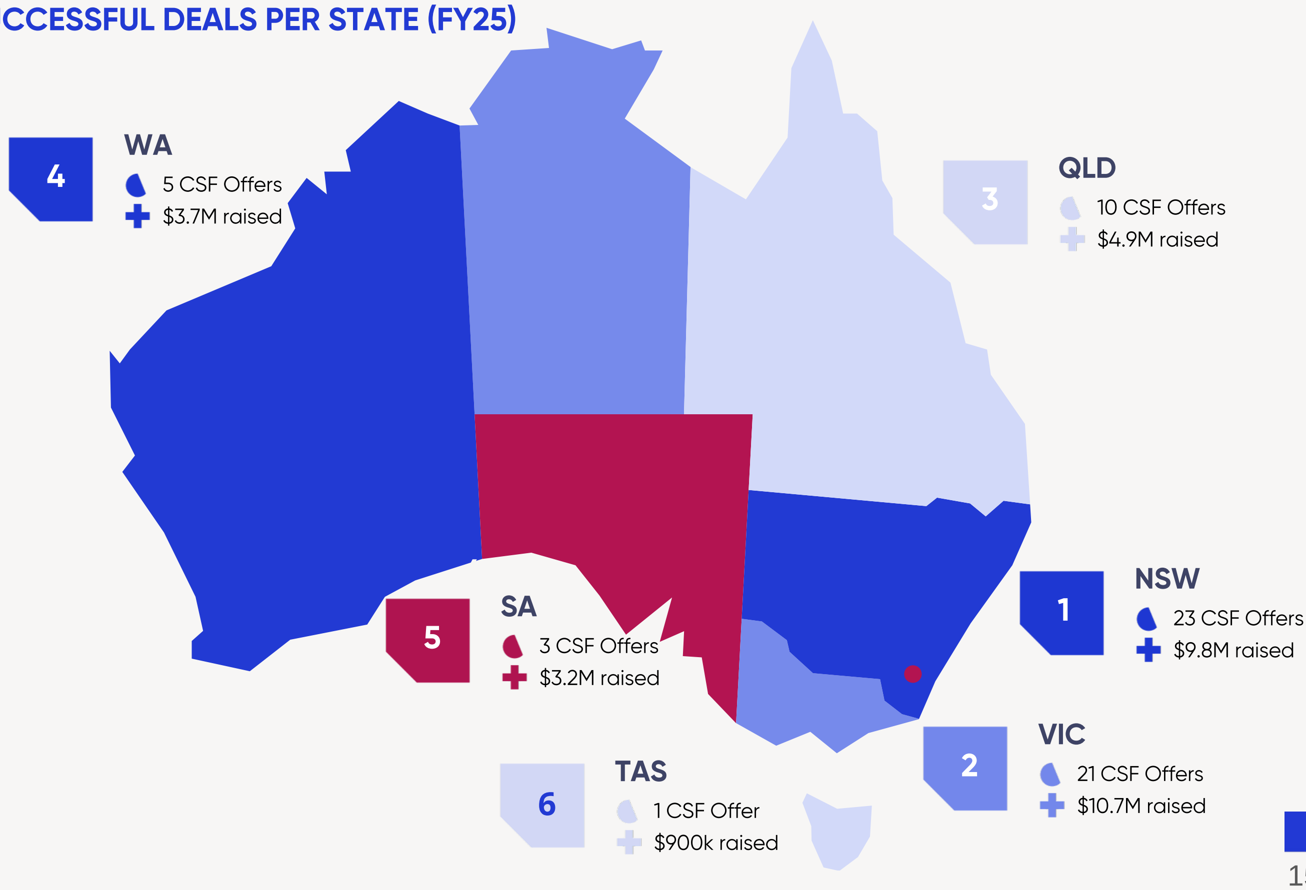
The crowdsourced funding market in FY2025 remained centred on the east coast, with NSW, VIC, and QLD accounting for the majority of both deal flow and funding volume. However, these more prominent CSF states saw a noticeable decline in FY2025 compared to the prior year. The decline was also strongly evident in Tasmania (90% lower funding volume compared to FY24) and the ACT (no funding volume in FY25).

South Australia delivered FY25's strongest growth story, with funding volumes increasing by 265% compared to the prior corresponding period. This growth came off a smaller base and was driven by a single large raise (Prohibition Liquor), highlighting a different profile to the more mature east coast markets.
Despite the challenging market conditions, CSF continues to have a national presence.

FUNDING VOLUME BY STATE (FY24 vs FY25)



SUCCESSFUL DEALS PER STATE (FY25)



By team: The people behind the raises

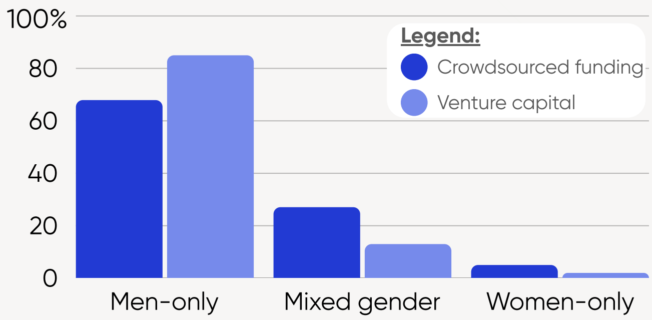
GENDER COMPOSITION OF FOUNDING TEAM

One of the strengths of crowdsourced funding is the diversity of the investor base. This means that it is often easier for diverse founder teams to access capital from the crowd than in the more homogenous venture capital field. FY25 has demonstrated this clearly.

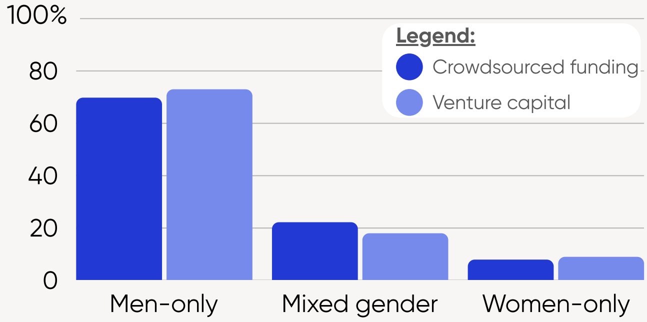
Teams with at least one woman cofounder secured 32% of funds raised through the crowd in FY25 - doubling their representation compared to the venture capital ecosystem in 2024. Within this, women-only teams took home 5% of the capital - more than double their representation in the venture capital ecosystem (2% funding in 2024 and dropping as low as 0.5% in Q2 2025).

While men-only teams still take home the majority of funds raised (68% in CSF; 85% in venture capital), mixed gender teams saw the strongest raise results for average deal size ($640k) and average amount per investor ($2.3k). These results suggest that when barriers to accessing capital are removed, investors back diverse founding teams with conviction.

SHARE OF FUNDS



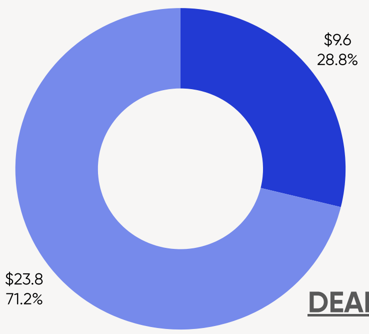
DEAL PARTICIPATION



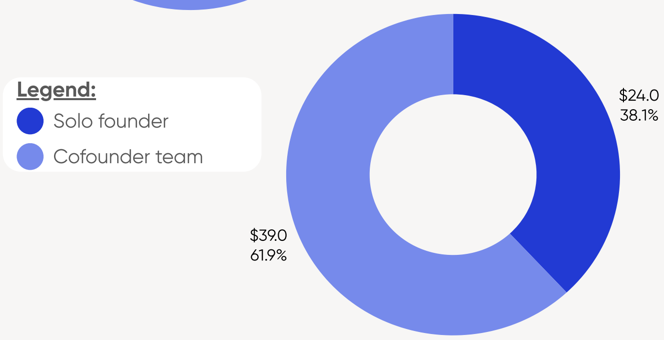
Note: Venture capital figures taken from the 2024 State of Australian Startup Funding report showing results for the 2024 calendar year, compared to the CSF numbers for the 2025 financial year. In the absence of results for the equivalent period we have chosen to compare the most recent full-year results.

SOLO FOUNDERS vs COFOUNDER TEAMS

SHARE OF FUNDS



DEAL PARTICIPATION



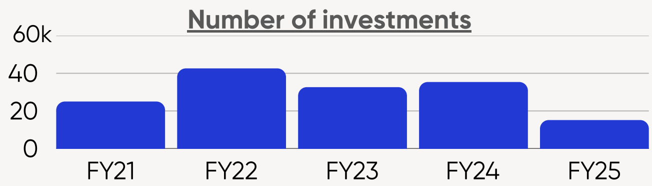
Venture capital has historically shown an aversion towards solo founders, however these founders are well-represented in CSF. Twenty-four solo founders raised $9.6m, representing 29% of all capital raised, with an average raise size of $402k. Co-founder teams still captured the majority of capital, raising $23.8m across 39 deals at an average of $601k per raise, but the strong showing from solo founders highlights investors' willingness to back a single visionary leader.

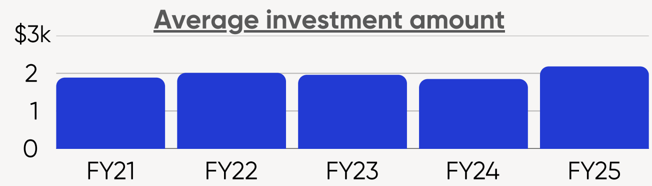
The data from FY25 reinforces a powerful truth: **solo founders, mixed gender and women-led teams are achieving a level of representation in crowdsourced funding well beyond the broader venture capital ecosystem**, suggesting that CSF investors are backing great ideas without the same bias against who is pitching those ideas.

By investor numbers: What's driving the crowd

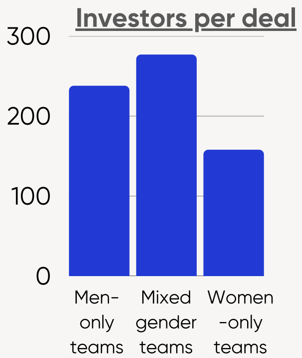
FEWER INVESTORS, GREATER CONVICTION

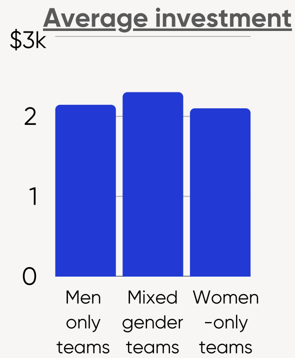
The cost of living pressures and global market volatility have resulted in fewer investors participating in FY25, with total investor participation dropping to 15,154 across all deals (down from 35,367 in FY24). However, those who have invested in FY25 appear to have done so with higher conviction, with the average investment size reaching a peak of $2,183.





NO GENDER PENALTY ON INVESTOR CONVICTION

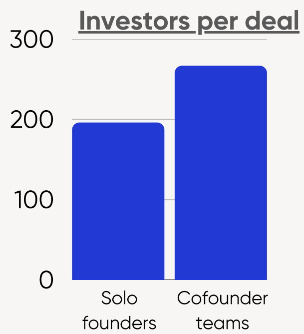


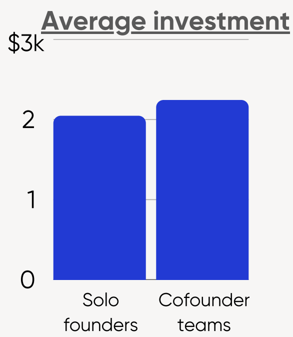


Deals led by women-only teams attracted fewer investors on average (158 per deal), compared to men-only (238) and mixed-gender teams (278). However, investor conviction was strikingly consistent: average investment sizes for women-only teams ($2.1k) was only marginally lower than for men-only ($2.14k) and mixed-gender teams ($2.3k). This suggests that the lower average raise for women-only teams is not investor conviction, but the size of the crowd they are reaching.

GREATER REACH FOR FOUNDER TEAMS

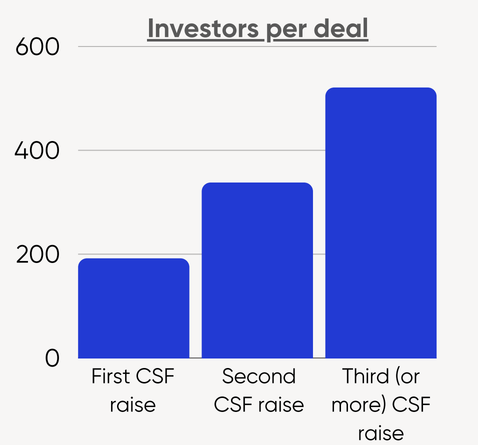
The contrast is sharper for solo vs. co-founder teams. Solo founders attracted smaller crowds (averaging 196 vs. 268) and lower average investments ($2.0k vs $2.2k) Investors still show confidence backing solo founders, but co-founder teams benefit from broader reach and higher total participation.





MOMENTUM BUILDS WITH REPEAT RAISES

Many companies are using crowdsourced funding as a recurring source of capital as they grow, with 25% of FY25 companies returning for their second or more raise.
Repeat raisers experience the compounding effects of investor loyalty: In FY25, first-time raises attracted an average of 192 investors. Second-time raises averaged 338, while those raising for the third (or more!) time achieved an average of 521 investors.
This pattern underscores how trust and familiarity translate into deeper participation over time: a structural advantage unique to CSF.



Section 4

Crowd pleasers: Stories behind the campaigns

SUCCESS STORIES

Prohibition Liquor

- $2.7m raised on OnMarket
- from 1,183 investors
- Food & Beverage category
- Mar 25

"These aren't just shareholders – as part owners they are now ambassadors for our brand, helping to spread the Prohibition story far and wide"

Adam Carpenter
CEO, Prohibition Liquor

A landmark moment for SA spirits in CSF - Prohibition Liquor

In March 2025, Prohibition Liquor Co. secured $2.69m from 1,183 investors through crowdsourced funding with OnMarket. It was the first South Australian liquor business to raise capital under the CSF regime, and the third-largest spirits raise in Australian crowdfunding history.

The offer generated unprecedented interest, with almost 4,000 people registering expressions of interest worth close to $15 million before launch.

The campaign's success was driven by a clear growth vision, strong brand positioning in the premium craft spirits market, and a marketing strategy that generated sustained momentum throughout the raise.

From an industry standpoint, Prohibition Liquor's result illustrates the potential of equity crowdfunding to scale well-established, consumer-led brands in regulated sectors, providing not only growth capital but also deepening brand advocacy and market presence.

Supporting regulated health - Medigrowth

In March 2025, **Medigrowth** raised **$1.59m** from 852 investors on Birchal, building on its landmark $3.44m raise in 2023 and cementing its reputation as one of Australia's foremost leaders in the medicinal cannabis sector.

Anchored in rigorous research with Deakin University and backed by GMP-grade manufacturing, Medigrowth combines a robust scientific base with a diverse product line.

The campaign's late surge - $1.3 million pledged by 743 investors in the final hours - underscored both the company's appeal and the growing sophistication of the crowd in supporting regulated health and biotech ventures.

A strong hardware raise - Volt Solar Tile

In December 2024, **Volt Solar Tile** raised **$1.57m** from 464 investors on Birchal, marking a breakthrough for clean-tech ventures in the crowdsourced funding space, demonstrating the crowd's willingness to support hardware innovation.

Backed by eight years of development, Volt's solar tiles integrate directly into standard roofing systems and are now distributed in 85 countries.

Volt's success highlights the ability for CSF to provide capital for complex, R&D-driven hardware businesses and globally scalable, design-focused clean-tech solutions while building a committed community of brand advocates.

Returning Favourites

FOURTH RAISE

Skyportz

- $908k raised on Birchal
- from 461 investors
- Transport category
- June 25

Building the infrastructure to unlock air mobility

Skyportz is pioneering urban air-mobility infrastructure, developing a network of vertiports for the emerging electric air taxi industry.

Since 2021, Skyportz has completed four CSF raises on Birchal, securing $2.4 million from a community of more than 1,000 investors. Each round has delivered not only capital but also a growing base of loyal shareholders, with the share price climbing from $0.75 in 2021 to $3.85 in 2025. This has created a strong network of advocates - a critical asset in a sector where community trust matters as much as capital.

In June 2025, Skyportz closed its largest raise to date, securing $908,346 from 461 investors. For Skyportz, the crowd is more than a funding source: it is a foundation for long-term growth.

THIRD RAISE

RecycleSmart

- $1.34m raised on Birchal
- from 999 investors
- Sustainability category
- July 25

Driving recycling behaviour change at scale

RecycleSmart is an Australian waste-tech company revolutionising how households and businesses recycle. Its “Power Pickup” service collects tricky items like soft plastics, e-waste, and clothing, while its digital platform tracks impact and connects users to a growing partner network. Since 2019, it has diverted more than one million kilograms of waste from landfill.

The company has now completed three CSF campaigns on Birchal: $1m in 2023, $1.1m in 2024, and $1.34m from 999 investors in its third and largest raise in 2025 - raising $3.4m in total and reinforcing its position as a leader in community-driven sustainability.

“Community is at the heart of who we are...The more people who believe in what we do, the bigger impact we can create together”

Giorgio Baracchi | CEO, RecycleSmart

SECOND RAISE

Unyoked

- $492k raised on Birchal
- from 216 investors
- Sustainability category
- March 25

The investment appeal of surrendering to nature

Founded in 2016 by brothers Chris and Cam Grant, Unyoked has built a distinctive brand around nature-based wellness. Its off-grid cabins offer an alternative to gyms and meditation apps, helping people reconnect with the outdoors. To date, Unyoked’s guests have spent more than 2 million hours in nature.

Unyoked first used CSF in late 2021, raising nearly $1m from 574 investors to fund brand growth and overseas expansion. In March 2025, the company returned to Birchal and secured a further $492k from 216 investors in a post-Series A round.

Unyoked draws on venture capital and debt funding alongside the crowd - demonstrating the value of CSF as a complementary funding channel to drive customer engagement.

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For questions or enquiries please contact
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