



SAVIC MOTORCYCLES PTY LTD CROWD-SOURCED FUNDING OFFER DOCUMENT

Offer of fully-paid ordinary shares in Savic Motorcycles Pty Ltd at
\$0.26 per share to raise a maximum of \$1,750,000

7th August 2024

This crowd-sourced funding (CSF) offer document relates to the Offer of fully-paid ordinary shares in Savic Motorcycles Pty Ltd.

This Offer is made under the CSF regime in Part 6D.3A of the Corporations Act 2001 (Corporations Act).



ISSUER – Savic Motorcycles Pty Ltd ACN 615 314 228

INTERMEDIARY – Birchal Financial Services Pty Ltd ACN 621 812 646 AFSL 502618

Always consider the general CSF risk warning and offer document before investing



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Section 1: Risk Warning

Crowd-sourced funding is risky. Issuers using this facility include new or rapidly growing ventures. Investment in these types of ventures is speculative and carries high risks.

You may lose your entire investment, and you should be in a position to bear this risk without undue hardship.

Even if the company is successful, the value of your investment and any return on the investment could be reduced if the company issues more shares.

Your investment is unlikely to be liquid. This means you are unlikely to be able to sell your shares quickly or at all if you need the money or decide that this investment is not right for you.

Even though you have remedies for misleading statements in the offer document or misconduct by the company, you may have difficulty recovering your money.

There are rules for handling your money. However, if your money is handled inappropriately or the person operating the platform on which this offer is published becomes insolvent, you may have difficulty recovering your money.

Ask questions, read all the information given carefully, and seek independent financial advice before committing yourself to any investment.



Section 2: Information about the Company

Letter from the Founder

Dear Potential Investors,

It is with great pleasure and excitement that the team and I invite you to participate in our second crowd-sourced funding (CSF) offer.

We are at an exhilarating point in our history as we have recently registered and dispatched our first two customer vehicles, which are now riding around on Australian roads. And with 230 more orders in the pipeline, this CSF campaign will help us move seamlessly from R&D and prototyping to serial production and profitability.

For those who haven't yet encountered our story, Savic Motorcycles was born in 2016 with the ambitious goal of revolutionising light mobility with reliable electric vehicles. Starting with no experience, no team, and one big idea, we have grown into a pioneering technology company on the brink of commercial production.

Our mission is to prioritise performance and experience for our e-mobility products by creating high-performance electric motorcycles that combine classic aesthetic styling with advanced vehicle technologies. We aim to lead the transition to sustainable two-wheeled transport, while pioneering uniquely interactive owner experiences.

Over the past eight years, we've developed six prototype vehicles, completed five successful funding rounds, manufactured production-ready tooling, and set up a robust international supplier network. Our facilities are now set for serial production, with 232 pre-orders and a community of 29,600 enthusiastic followers.

With the capital raised from this CSF campaign, we intend to:

- Unlock production by providing vital operational capital
- Meet growing demands by securing bulk parts orders, and
- Build momentum to position us for leadership in the local EV industry.

We expect this raise, alongside our newly-formed partnerships with Dutton Finance, Moto Logistix and NRMA, as well as other potential partners we're in discussions with, to secure our standing in the Australian market over the next 12 months.

Our vision is to become a global leader in high-end electric motorcycles by 2040, producing upwards of 40,000 vehicles annually. This raise is the start of our ambitious journey to secure market leadership in Australia and beyond.

Our company wouldn't have achieved what we have without an incredibly passionate group of customers, shareholders, investors, and supporters – and we greatly appreciate the time you're taking to review this offer document.

This is your chance to become a part of something truly exciting. With a clear path to leadership and a bold vision for the future, Savic Motorcycles is poised to become a global force.

I am delighted to invite you to join our journey towards a design-driven, performance-powered, and genuinely sustainable future.

Yours sincerely,

Dennis Savic
CEO and Founder



2.1 Company Details

This Offer of shares is made by Savic Motorcycles Pty Ltd ACN 615 314 228 (the **Company**).

Company name	Savic Motorcycles Pty Ltd
ACN	615 314 228
Date of incorporation	13th October 2016
Registered office	Level 2, 59 Wentworth Ave, Kingston, ACT 2604 (Maxim Chartered Accountants)
Principal place of business	17-19 Stanley Street, West Melbourne, VIC 3003
Directors	Dennis Savic Kelvin John Kearns
Company secretary	Shelby Linda Coleman
Subsidiaries	Savic Motorcycles VIC Pty Ltd ACN: 674 263 211 (100% Wholly-owned) Savic Motorcycles WA Pty Ltd ACN: 674 263 220 (100% Wholly-owned) Savic MC Racing Pty Ltd ACN: 674 258 452 (100% Wholly-owned)
Share registry	Cake Equity www.cakeequity.com
Website	www.savicmotorcycles.com



2.2 Our Business

2.2.1 Overview of the Business

Savic Motorcycles: Powering Riders, Designing The Future

Savic Motorcycles is a pioneering Australian manufacturer of high-performance electric motorcycles, which was founded by engineer Dennis Savic in 2016. After unveiling its first prototype at the Melbourne Moto Expo in 2018, the company has steadily evolved with government and investor support, seasoned industry advisors, and an exceptionally passionate team.

The company's SM1 powertrain and lithium-ion battery pack form the foundation of its flagship C-Series electric motorcycle, which has achieved full Australian Design Rules (ADR) certification, as well as honours at the Australian Good Design Awards and the Victorian Premier's Design Awards.

Savic Motorcycles isn't just building high-performance electric motorcycles; it's on a mission to revolutionise the global motorcycle industry and decarbonise light vehicles. The company's vision is to become a global leader, offering riders unmatched performance, experiences, and relationships – based upon a shared commitment to sustainability.

2.2.2 Vision Statement

Our vision is to disrupt the Electric Vehicle (EV) industry by having 5,000 electric riders on the road within five years.

2.2.3 Mission Statement

Our mission is to prioritise performance and experience for our Australian e-mobility and lifestyle products.

2.2.4 Impact Statement

Savic Motorcycles is on a mission to curb global emissions without compromising on performance or design. The company's high-performance electric motorcycles are designed to offset an estimated 71 tonnes of carbon dioxide (CO₂) annually for each 300 units sold.¹ This translates to a cleaner future and strong market positioning, as consumer and government incentives for sustainable transport continue to grow. By investing in Savic Motorcycles, you are not just investing in a company – but in the future of your whole community.

2.2.5 Core Strategic Advantages

Efficient Capital Deployment

Savic Motorcycles prioritises a capital-efficient approach to product development. By leveraging a lean manufacturing philosophy, the company has achieved a production-ready, high-performance electric motorcycle with under AU\$4.8m of equity financing over the past six years. This stands in stark contrast to the traditional automotive industry, where production-ready vehicles typically require an estimated US\$200-\$500 million in development costs.² This efficient use of capital underscores Savic Motorcycles' commitment to long-term financial sustainability, and its ability to deliver affordable products that are designed to promote scalability and future growth.

¹CO₂ offset estimate calculated using average motorbike emissions of 0.11337 kg CO₂e per km (CO₂ Everything, 2024) and an average annual distance of 15,530 km per motorcycle in Australia (Budget Direct, 2023). The Daily Telegraph (2023) reports that motorbikes have similar emissions to small cars, approximately 0.11 kg CO₂ per km. Actual results may vary based on riding conditions and specific motorcycle models.

²<https://investor.harley-davidson.com/news/news-details/2021/LiveWire-To-Become-The-First-Publicly-Traded-EV-Motorcycle-Company-In-The-U.S.-Through-Merger-With-AEA-Bridges-Impact-Corp/default.aspx>



Direct-to-Customer (D2C) Advantage

Savic Motorcycles leverages a direct-to-customer (D2C) sales model, which eliminates the burden of legacy infrastructure and traditional retail practices. This agile approach enables the company to be quick to market with new products, while maintaining and encouraging direct long-term customer relationships. The D2C model fosters a superior brand experience through a highly personalised service, and allows Savic Motorcycles to retain higher margins by eliminating intermediaries.

Furthermore, the reduced need for a physical footprint translates to lower long-term capital expenditure costs, providing a significant advantage over traditional manufacturers with their more cumbersome supply chains. This efficient structure allows Savic Motorcycles to deliver competitive pricing while prioritising exceptional customer engagement and outreach.

Modular Platform

Savic Motorcycles leverages a modular platform architecture for its emerging 'family' of electric motorcycles. This innovative approach offers several key advantages.

The modular platform allows for the rapid development of new vehicle models and variants by scaling or replicating their core components. This minimises the need for extensive re-engineering and reduces overall research and development (R&D) costs for each new model. This in turn translates to a faster time to market – enabling the company to capitalise on emerging trends and shifting customer preferences.

The modular platform facilitates entry into new market segments with minimal additional R&D investment. By easily swapping or adapting specific modules, Savic Motorcycles can develop electric motorcycles tailored to diverse customer needs – including the commuter, performance, and adventure touring segments. This adaptability allows the company to expand its market reach and capture a wider audience.

The SM1 platform promotes production efficiency by streamlining manufacturing processes and reducing component complexity. This approach also enhances scalability, allowing Savic Motorcycles to adapt and refine its production volumes as demand increases.

Overall, the modular platform architecture positions Savic Motorcycles for long-term success by enabling rapid product development, market expansion, and efficient production at scale.

2.2.6 Key Technologies

2.2.6.1 Proprietary Powertrain System

Savic Motorcycles' core innovation lies in its proprietary powertrain system, which forms the heart of the C-Series electric motorcycle. This bespoke system offers several key advantages, including:

- **Unparalleled control:** Our in-house designed motor, power inverter, battery, control electronics, and system architecture provide our engineering team with complete control over vehicle performance. This integration and attention to detail allow us to optimise every aspect of the riding experience, delivering exceptional power, handling, and rider feel.
- **Future-proof design:** The modular nature of the powertrain system is a significant strategic advantage, allowing for efficient future iterations and component communication across product lines. As the company expands its electric motorcycle offerings, the core powertrain system will be adapted to accommodate new models and performance specifications – ensuring efficient development and faster time-to-market for future product lines.

This commitment to proprietary powertrain technology directly aligns with Savic Motorcycles' mission to deliver premium electric motorcycles and play a leading role in the evolution of sustainable transport. By controlling every aspect of the powertrain design, the company ensures optimal performance and efficiency, as well as a unique riding experience. Furthermore, the modular design future-proofs Savic Motorcycles' technology – allowing for greater adaptation and innovation as the electric motorcycle landscape progresses.



Savic Motorcycles Proprietary Powertrain Design

2.2.6.2 Touchscreen Instrument Cluster

Savic Motorcycles offers advanced levels of rider control and connectivity through its proprietary instrument cluster software, which provides real-time cellular connectivity and intuitive touchscreen functionality.

An integrated 4G SIM card ensures that C-Series riders are always in touch with their motorcycles, allowing for real-time data access and future planned performance and maintenance updates. The touchscreen enables riders to personalise their vehicle's performance by adjusting power and torque limits to suit their riding style and local conditions. Users can also control their bike's regenerative braking power through the adjustable touchscreen interface.

Savic Motorcycles' innovative instrument cluster is a testament to the company's commitment to pushing the boundaries of interactive communications to optimise the riding experience. It represents a paradigm shift in how riders will interact with their motorcycles in the future.

2.2.6.3 Over-the-Air Updates

Savic Motorcycles is also redefining the ownership experience with over-the-air (OTA) updates that will ensure that each vehicle optimises its performance and functionality – eliminating the need for inconvenient dealership visits or service appointments.

The company has developed its own robust Internet of Things (IoT) backend, specifically designed to help riders track the performance and maintenance needs of their motorcycles. Powered by the Amazon Web Services (AWS) server, this custom system guarantees exceptional reliability and a secure platform for future updates and features.

By prioritising OTA updates, Savic Motorcycles is demonstrating its commitment to keeping riders at the forefront of electric motorcycle technology. It's a commitment to continuous improvement that your motorcycle delivers the best possible riding experience – constantly evolving to meet the rider's changing needs, and the evolving capabilities of IoT technology.



Integrated software across all platforms

2.2.6.4 Smartphone Technology

Part of Savic Motorcycles' ambition as a company is to be a trailblazer of new technologies. For this reason, the company decided against having a physical key for turning on its motorcycles.

Today's Savic Motorcycles pair to their owners' mobile device, and the vehicle will automatically unlock when the owner is in close proximity to it. Should your device's battery become depleted, a backup keypad will be available to type a designated code into the touchscreen to power up your vehicle.

iOS & Android App

The Savic Motorcycles Rider's App features a user-friendly interface with clear dashboards that display essential motorcycle data in an easily digestible format. The app provides access to a wealth of information, including battery charge/health, trip histories, and performance metrics – all at the rider's fingertips.

The Rider's App is designed to offer customisable capabilities to help riders fine-tune their data-gathering preferences and tailor various aspects of their riding experience. The app is a compelling testament to Savic Motorcycles' commitment to enable riders to personalise their journeys and 'stay in sync' with their motorcycles.

2.2.7 Strategic Partnerships

In the past year, as Savic Motorcycles has drawn closer to delivering customer vehicles, strategic partnerships have become increasingly imperative to the company's distribution and development goals. Since the start of 2024, the company has inked agreements with a number of new partners, including Dutton Finance, Moto Logistix and NRMA, and are currently in discussions with other potential partners.

2.2.7.1 Dutton Finance

Savic Motorcycles has entered into a strategic partnership with Dutton Finance, a strong and established player in the Australian luxury vehicle finance market. This collaboration extends beyond simple loans and financing options, signifying Savic Motorcycles' commitment to providing a seamless customer experience throughout the motorcycle purchasing journey.

Dutton Finance boasts a large team of experienced automotive finance professionals, whose dedication to exceeding customer expectations aligns with Savic Motorcycles' vision of providing a smooth and efficient buying process. Dutton's commitment to tailored financing solutions, access to diverse lenders, competitive interest rates, and streamlined processes, ensures customers can secure financing with confidence and ease.

This partnership will enable Savic Motorcycles to offer financing options at key points throughout the customer journey. Within the next six months, the company plans to launch an integrated financing platform on its website. Through a bespoke online vehicle configurator, we expect customers to be able to seamlessly access and secure financing options directly, while configuring the design and delivery of their own motorcycle.



The Dutton Finance partnership represents a significant step forward for Savic Motorcycles. It demonstrates the company's commitment to customer innovation by simplifying the financing process and creating a truly connected ownership experience.

2.2.7.4 Moto Logistix

Savic Motorcycles is proud to announce a strategic partnership with Moto Logistix, a leading Australian motorcycle transport company, for door-to-door delivery of the C-Series motorcycle to customers nationwide.

Moto Logistix brings long experience and an unwavering commitment to meticulous vehicle transport, ensuring that each motorcycle arrives safely and securely – with the guarantee of never leaving its custodians' sight. Unlike larger delivery companies, Moto Logistix prioritises a personal touch; all its personnel are experienced riders who share their clients' passion for motorcycles.

With extensive coverage across Australia, Moto Logistix's dedication extends beyond delivery to strong industry representation and advocacy for road and motorcycle safety.

2.2.7.5 NRMA

Savic Motorcycles has partnered with NRMA, Australia's largest roadside assistance network, to provide comprehensive technical support for C-Series motorcycle customers. The nationwide coverage of the National Roads and Motorists' Association (NRMA) guarantees rapid assistance, while their growing network of over 50 EV chargers will help provide C-Series riders with convenient charging options – including in regional areas.

As well as crucial peace of mind, the new partnership aligns closely with NRMA's 'electric mission', which includes comprehensive EV expertise, online information, and an expanding fleet of electric patrol vehicles.

2.2.8 Company Timeline



2.2.9 Company Milestones

Milestones Since Initial Development (2016):

- Developed and iterated the C-Series through six design and production prototypes.
- Established a robust global supply chain network, with strong supplier relationships.
- Secured Australian Design Rules (ADR) certification for the C-Series.
- Co-developed a custom Anti-lock Braking System (ABS) with Bosch.
- Achieved national design recognition for the C-Series, with the Victorian Premier's Design Award (Overall Winner) and Good Design Awards (Product Design Winner and Engineering Gold).
- Launched a user-friendly online vehicle configurator for customers' pre-order experience.
- Secured 232 pre-orders for the C-Series.
- Gained prestigious placement in three Australian museum exhibitions:
 - 2020 - 101 Most Influential Motorcycles in the World - QAGOMA, Brisbane
 - 2021 - Spark: Australian Innovations Tackling Climate Change - Australian Museum, Sydney
 - 2023 - Melbourne Now: Celebrating New and Ambitious Melbourne Projects - National Gallery of Victoria, Melbourne.



Milestones Since Last Equity Crowd-Sourced Funding Raise (2023):

- Granted our first Motor Vehicle Dealer Licence in Victoria.
- Maintained customer pre-orders, demonstrating strong market demand.
- Revenue increased from \$32k in FY23 to \$284k in FY24.
- Nearing completion of the flagship Melbourne showroom for the C-Series, scheduled for public launch in Q4 2024.
- Secured a site for a Perth retail and service centre, expanding the company's national footprint.
- Completed successful high-speed and thermal testing at Phillip Island.
- Launched a minimum viable product (MVP) of the Savic Motorcycles Rider's App.
- Developed an in-house suspension system tailored to the C-Series' unique characteristics in collaboration with a European motorcycle racing champion.
- Finalised production-ready tooling to efficiently scale manufacturing.
- Conducted successful durability testing at Melbourne's Lang Lang Proving Ground.

2.2.10 Company Next Steps

With successful funding, our goals will be as follows:

- With **minimum funding**, to initiate low-volume serial production of the C-Series, fulfilling existing pre-orders and validating market demand through initial sales.
- With **maximum funding**:
 - Scale serial production of the C-Series to meet current demands.
 - Secure larger batches of bulk parts for continuous production.
 - Establish a larger production facility to accommodate future growth.

2.2.11 Products & Services

2.2.11.1 C-Series

The Savic Motorcycles C-Series is a high-performance electric motorcycle designed to redefine the riding experience of today's 'electric generation'. Offered in two variants, the Alpha and the Delta, the C-Series caters to a range of rider preferences.

This landmark motorbike features a custom-built SM1 powertrain, combining a lithium-ion battery and a 3-phase AC Interior Permanent Magnet Synchronous Motor. These integrated technologies translate to instant torque, smooth power delivery, and breathtaking acceleration.

The elimination of gears and clutch provides an effortless 'twist and go' rider experience. Multiple ride modes, including customisable options, allow each rider to tailor their bike's performance to specific riding styles – as well as changing road conditions. A 'reverse mode' further enhances the vehicle's manoeuvrability, particularly in tight spaces.

The C-Series Alpha is equipped with a powerful 16.2 kWh battery pack, with the Delta at a respectable 13.4 kWh. Both bikes feature regenerative motor braking and a strong carbon belt drive system – all working in concert to deliver an impressive urban range exceeding 200 km on a single charge (with the Delta exceeding 150 km).³

The C-Series prioritises rider connectivity, with a bright 7-inch dash featuring a capacitive touchscreen that displays real-time ride information. It integrates with a dedicated smartphone app and offers over-the-air software updates for continuous improvements.

The C-Series blends seamless functionality with eye-catching café racer aesthetics. The smart design can be effortlessly converted to accommodate a passenger with an included pillion seat and footpegs. The unique

³ Combined estimated city and highway range. Actual range achieved may vary according to factors such as terrain, load and riding conditions.



single-sided swingarm and carbon belt drive add a touch of sophistication, while the liquid cooling system ensures optimal performance during extended rides.

The C-Series features high-performance Brembo brakes, a custom-designed suspension, an Optibelt carbon drive renowned for its durability, and a Bosch ABS system specifically designed for the C-Series.

The Savic Motorcycles C-Series is more than just an electric motorcycle. With its exceptional performance, user-friendly features, and innovative technology, this bike is poised to redefine the electric motorcycle experience.

ALPHA

Power	60kW
Range	200km+
0-100km	3.5s
Torque	200Nm+
Charge	4.5 Hours
Weight	280kg

DELTA

Power	40kW
Range	150km+
0-100km	4.5s
Torque	140Nm+
Charge	3.8 Hours
Weight	270kg



2.2.11.2 SM1 Platform

The C-Series is built on Savic Motorcycles' innovative SM1 platform, a high-performance electric powertrain designed for scalability and expansion. The decision to develop our vehicles around this versatile powertrain offers several strategic advantages.

Firstly, the modular design of the SM1 platform allows the company to leverage core components across multiple motorcycle styles, minimising the need for extensive re-engineering and significantly reducing R&D costs on new models.

By easily replacing or modifying specific modules, Savic Motorcycles expects to be able to expand its product offering to address the needs of various market segments and rider preferences – including commuter, performance-oriented, or design-focused segments such as café racers, streetfighters or scramblers. This strategic approach has the potential to quickly broaden the company's market reach and revenue channels.

The SM1 platform streamlines manufacturing processes and reduces component complexity, promoting multiple production efficiencies. In addition, the modular design has the potential to allow Savic Motorcycles to easily adapt its production volumes – developing a broader range of vehicles for different markets, and efficiently scaling production to meet growing demands. The company expects the SM1 platform to empower Savic Motorcycles to remain a leader in the rapidly-evolving EV landscape.



Savic Motorcycles SM1 Platform

2.2.12 Industry Overview

Market Size

Savic Motorcycles recognises the significant potential of the electric motorcycle market, not only in Australia but internationally. While this Equity Crowd-Sourced Funding (CSF) round prioritises establishing and solidifying our presence in the domestic market, the company has identified several high-potential export markets for future growth, including:

- **United Kingdom:** A rapidly-expanding market for electric motorcycles, driven by similar environmental concerns and urban mobility needs as Australia.
- **European Union:** Major markets within the EU, particularly France, Germany, Spain and Italy, present a significant opportunity, with a high concentration of potential customers and similar regulatory environments.

These countries, along with the United Kingdom, account for approximately 80% of motorcycle registrations in the EU + UK block, making them a strategic target for future expansion.⁴

Focus on Domestic Growth

The funds raised in this CSF round will be strategically invested in establishing Savic Motorcycles as a leading force within the Australian electric motorcycle market. This focus allows us to build a strong foundation, demonstrate market traction, and attract further investment to drive our global expansion plans.

2.2.12.1 Australian Market

Domestic Market Growth

The Australian motorcycle market is projected to experience an annual growth rate of 1.56% between 2024 and 2029, reaching a projected market volume of AU\$1.931 billion (USD\$1.3 billion) by 2029.⁵

Savic Motorcycles is well-positioned to capitalise on this growth with its premium electric motorcycle, the C-Series. Below is an overview of the market size specific to electric motorcycles.

Demand for Electric Mobility

⁴ <https://www.acem.eu/registrations/>

⁵ <https://www.statista.com/outlook/mmo/motorcycles/australia-oceania>, based on a \$1.48 exchange rate from USD to AUD.



Rising fuel prices and environmental concerns are driving preferences for more eco-friendly transportation, including electric motorcycles. Industry bodies recommend electric two-wheelers as a significant solution for urban congestion, paving the way for supportive government policies.⁶

There are several key trends driving the growth of electric motorcycles in Australia:

Environmental sustainability: There is an increasing demand for environmentally-friendly and eco-sustainable transport options, which are steadily driving interest in electric motorcycles.

Technology advancements: The introduction of charging station ecosystems, declining battery costs, improved battery technologies, and the development of rider assistance programs are all contributing to growth in the e-motorcycle market.

Performance improvements: Electric motorcycles are becoming more competitive in terms of performance when compared to Internal Combustion Engine (ICE) motorcycles, with high-performance models like the C-Series offering superior torque and acceleration.

Lower operating costs: Electric motorcycles generally have lower running and maintenance costs compared to their ICE counterparts, due to their reduced number of moving parts, improvements in Over-The-Air software updates, and cheaper sources of fuel.

Renewable energy integration: The potential to charge electric motorcycles using renewable sources such as solar power is making them more appealing to environmentally-conscious consumers. This also has a positive effect on the cost of ongoing ownership.

Global market growth: The global electric motorcycle market is projected to grow at a CAGR of 19% from 2023 - 2030, which is also likely to have a positive impact on the Australian domestic market.⁷

Strong Market Potential in Australia

Total Addressable Market (TAM): AU\$558m,⁸ illustrating the overall market size of the two-wheeled on-road motorcycle market in Australia, including both electric and Internal Combustion Engine (ICE) motorcycles.

Serviceable Addressable Market (SAM): AU\$274m,⁹ representing the portion of the TAM suitable for premium electric motorcycles like the C-Series, considering factors like consumer preference and pricing.

Serviceable Obtainable Market (SOM): AU\$7.168m,¹⁰ reflecting the estimated potential market share achievable by Savic Motorcycles within a 12-month sales period.

The thriving Australian motorcycle market presents a compelling opportunity for the development and production of electric motorcycles, and Savic Motorcycles believes it is in a strong position to benefit from the appetite for locally-made, high-performance electric motorcycles. Our market research to date indicates a strong opportunity for the Savic Motorcycles C-Series – which they believe will provide a robust foundation for future product development, and the company's long-term goals as a market leader.

2.2.12.2 Competitors

Competitive Landscape: Navigating the Electric Motorcycle Market

The electric motorcycle market is experiencing rapid growth, with established legacy manufacturers and emerging startups vying for market share. Savic Motorcycles faces competition from a range of players, each with distinct strengths and weaknesses.

⁶ FCAI releases motorcycle sales for 2021 <https://tinyurl.com/wmbirzer>

⁷ <https://www.grandviewresearch.com/industry-analysis/electric-motorcycle-market-report>

⁸ Based on an average price of US\$10,430 at an exchange rate of 1.48 USD to AUD and the average annual unit volume of the On Road segment in Australia over the past three years.

⁹ Based on the average unit price of the top 4 premium brands (Harley-Davidson, Ducati, BMW, Triumph) and their combined 2023 market share in Australia.

¹⁰ Based on the average unit price of the Savic C-Series and an estimated 3% market share of Savic pre-orders among electric vehicles sold in Australia (ABS, 2024).



Legacy Manufacturers:

Despite their late entry into the electric motorcycle segment, legacy manufacturers such as Harley-Davidson (LiveWire) possess strong brand recognition and established dealer networks. However, their focus on transitioning from internal combustion engines can hinder their ability to match the agility of pure-play electric motorcycle companies like Savic Motorcycles.

Emerging Competitors:

Companies like Zero Motorcycles from the United States (available in Australia through the Peter Stevens Group), Energica from Italy (available in Australia through numerous independent retailers), LiveWire from the United States (not yet available in the Australian market) and Verge Motorcycles from Finland (not yet available in the Australian market) have gained traction in the global and local e-motorcycle market.

While these manufacturers offer compelling products, Savic Motorcycles can differentiate itself through a combination of factors, including:

- **Vertical integration:** Control over the entire value chain enables faster product development, cost optimisation, and a competitive pricing strategy.
- **Customer focus:** A direct-to-consumer model allows Savic Motorcycles to build deeper customer relationships and gather valuable feedback for product refinement.
- **Performance and technology:** Savic Motorcycles' proprietary powertrain technology offers a unique value proposition.
- **Strategic partnerships:** Collaborations with industry professionals strengthen the company's position and help to accelerate growth.

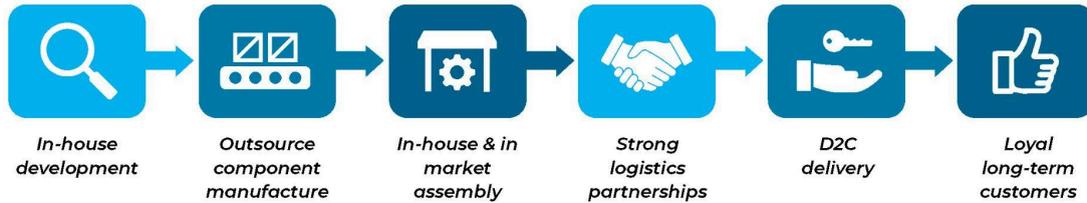
By leveraging our core strengths and understanding the competitive landscape, Savic Motorcycles has the potential to capture market share and establish itself as a competitive player in the electric motorcycle industry.

2.3 Business and Revenue Model

2.3.1 Business Model

Savic Motorcycles operates under a vertically integrated business model, strategically controlling the design, manufacturing, and sales of the company's electric motorcycles. This approach offers two key advantages:

- **Enhanced efficiency and cost control:** Vertical integration enables the management to directly and transparently control the entire value chain, from initial design concepts to final customer delivery. This control streamlines operations, facilitates cost optimisation, and delivers faster achievement of profitability.
- **Intellectual property ownership:** By controlling all aspects of production, Savic Motorcycles retains complete ownership of intellectual property (IP) developed by its vehicle programs. This includes not only the design and technology of the company's motorcycles, but the knowledge and processes embedded within its operational systems and supply chains. Owning this valuable IP strengthens the company's competitive advantage and future growth potential. This is outlined in more detail in section 2.3.4.



2.3.2 Revenue Model

2.3.2.1 Direct-To-Customer Sales Model

The traditional motorcycle industry relies on established distribution networks and supply chains. Original Equipment Manufacturers (OEMs) typically distribute their vehicles through third-party distributors and retailers, which then sell them on to customers. While this model has its advantages, it can lead to higher prices for consumers through markups at each stage.

Savic Motorcycles, committed to both product innovation and efficient operations, is adopting a lean direct-to-consumer (D2C) sales model to ensure a more profitable growth strategy and product competitiveness. This alternative approach eliminates unnecessary intermediaries, allowing them to streamline operations, reduce costs, and ultimately offer their premium vehicles at a competitive price point for the customer.

2.3.2.2 Software Subscriptions

Savic Motorcycles is currently developing tiered software subscription plans designed to enhance the C-Series' ownership experience. These plans cater to a range of rider preferences, allowing for individual customisation and the unlocking of features to elevate vehicle performance and rider enjoyment.

The tiered structure provides a choice between a basic package and progressively advanced functionalities for riders seeking a more digitally-engaged experience.

Subscribers will be able to gain access to detailed performance metrics through in-depth data analysis, enabling them to critically study their motorcycle's power output, torque delivery, and optimal lean angles for more comfortable and efficient riding. The planned Track Mode optimises performance parameters like throttle response, regenerative braking, and traction control – ideal for a controlled and exhilarating circuit experience. Savic Motorcycles' software will ultimately enable riders to fine-tune their power delivery, potentially boosting acceleration and increasing their top speed to match their riding style.

For maximum security and control, all software tiers – including the basic free version – offer real-time GPS tracking and remote diagnostics. Subscriptions also benefit from regular over-the-air updates that introduce new features and functionalities, ensuring that every C-Series motorcycle has the ability to remain at the leading edge of the company's software development.

The planned tiered subscription model will empower riders to choose the plan that best aligns with their individual needs and riding style. This flexibility will allow for personalisation of the C-Series ownership experience, and the delivery of features that matter most to each rider.

2.3.2.3 Savic Motorcycles Merchandise and Apparel

Savic Motorcycles recognises the potential of eye-catching and well-designed apparel and merchandise to generate additional revenue streams beyond its core motorcycle sales. The company's established clothing range offers a compelling opportunity to capitalise on the brand's growing popularity and expand its customer base.

By offering high-quality apparel and merchandise, Savic Motorcycles can attract not only existing motorcycle riders but a broader audience drawn to the ethos and lifestyle of Australia's premier electric motorcycle brand. This allows the company to:



- *Increase revenue per customer:* Existing customers who purchase motorcycles are more likely to also purchase branded apparel, increasing their overall lifetime value.
- *Attract new customers:* The merchandise line acts as a gateway for a new customer segment, who may not be ready to purchase a motorcycle but are interested in the brand identity. This creates a potential sales funnel, converting them into motorcycle buyers in the future.
- *Create recurring revenue opportunities:* Offering a variety of merchandise options allows for repeat purchases, generating recurring revenue streams beyond the initial vehicle sale.

The Savic Motorcycles apparel and merchandise line is a strategic investment in diversifying the company's revenue streams and fostering longer-term customer relationships.

2.3.2.4 Factory-Owned Servicing

Savic Motorcycles prioritises a diversified revenue model and exceptional customer service. To ensure comprehensive service coverage, the company has established a strategic service network combining authorised Savic Motorcycles Service Partnerships alongside strategically-located, factory-owned service centres. These company-owned facilities – particularly important in regions where partners' reach may be limited – ensure consistent, high-quality service for all C-Series riders countrywide. This diversified approach aims to foster customer loyalty, generate additional revenue through direct service operations, and strengthen the company's financial stability for continued innovation and expansion.

2.3.2.5 Engineering Services

Savic Motorcycles' core expertise in developing and diversifying electric powertrain technology is a valuable asset. The company intends to explore partnership agreements with other industry players in the future, further diversifying its revenue streams.

2.3.2.6 Complementary Products

Savic Motorcycles has partnered with Innotesco, a leading importer of premium European motorcycle apparel, to offer a wider range of products in its showrooms. Established in 2010, Innotesco prioritises rider safety and comfort through an industry-leading range of high-quality gear.

Savic Motorcycles expects this collaboration to benefit both companies. Savic Motorcycles gains an additional revenue stream and attracts Innotesco's customer base, while Innotesco expands its reach through Savic's showrooms. Both companies anticipate that riders will benefit from a convenient one-stop shop, with expert staff from both companies assisting with their motorcycle selection and gear fitting. This partnership positions Savic Motorcycles as a destination for riders – offering high-performance electric motorcycles, essential riding equipment, and informed advice.

2.3.3 Key Sales and Distribution Channels

Savic Motorcycles prioritises a data-driven marketing strategy designed to cultivate brand awareness and drive demand for its premium electric motorcycles. The company utilises a strategic mix of traditional and digital media channels to reach a broad audience and create a consistent and engaging brand experience.

2.3.3.1 Marketing Channels

Savic Motorcycles leverages a comprehensive marketing strategy to cultivate brand awareness, generate excitement for the C-Series, and drive sales across Australia.

Building a Digital Presence

- **Social media engagement:** Savic Motorcycles utilises core platforms including Facebook, Instagram and LinkedIn to build brand awareness, foster direct customer interaction, and promote the company through organic content and targeted advertising. This strategy, coupled with a planned expansion to YouTube and TikTok, ensures they reach a broad audience and engage with new demographics.
- **Strategic content creation:** The company's SEO-optimised website serves as a central hub, offering informative content including expert advice and educational blogs. This approach aims to position



Savic Motorcycles as a trusted resource for information on electric light mobility, while also driving organic website traffic.

- **Digital advertising:** Savic Motorcycles strategically leverages paid advertising channels like display ads to reach customers who are actively researching electric vehicles. This targeted approach has ensured that the company connects with potential buyers at a proactive time in their purchasing journey.

Securing Media Coverage

- **Targeted public relations:** A robust PR plan has helped Savic Motorcycles to secure placements in mainstream media outlets, trade journals, and with industry influencers. By actively participating in industry consultations and working groups, the company remains at the forefront of Australia's lively electric transport debate – and continues to gain exposure to a growing audience.

Building Community Engagement

- **Savic Motorcycles Rider's App:** The company's branded mobile app fosters a novel and dynamic customer ecosystem. This one-stop platform provides riders with valuable features, including service alerts, over-the-air software updates, and vehicle performance insights. Paid functionalities are due to be offered to enhance the ownership experience, while custom notifications will enable the Savic team to communicate directly with their customer audience.

Expanding Brand Identity

- **E-commerce apparel platform:** The e-commerce platform offers a curated selection of branded apparel and merchandise, enabling the company to connect with a broader audience beyond its riders, and to strengthen its brand identity.

2.3.3.2 Sales Channels

Savic Motorcycles has evolved a multifaceted sales approach to directly connect with riders and deliver their motorcycles. Here's how the company plans to get more riders on the road:

Seamless Online Sales

- **User-friendly website:** The Savic Motorcycles website serves as a central hub, showcasing the C-Series with support from an interactive online configurator. This smart feature enables consumers to explore customisation options, visualise their own motorcycle, and initiate the purchasing journey.

Direct-to-Consumer (D2C) Model

- **Direct sales:** Savic Motorcycles embraces a D2C sales model, eliminating unnecessary intermediaries and offering more competitive pricing. This allows for a more streamlined customer experience and fosters a direct connection, from the outset, with the Savic Motorcycles brand.

The company plans to support its direct customer sales through a strategic retail presence:

- **Flagship showroom:** The flagship retail showroom in West Melbourne, Victoria (opening late 2024), is designed to be a premier brand touchpoint. Consumers will be able to experience the C-Series firsthand, receive expert advice from the Savic Motorcycles team, take the motorcycle for a test ride, and explore a complementary range of accessories and apparel.
- **Boutique retail expansion:** Planned for early 2025, a new retail location in a high-traffic area of Perth is designed to expand the company's physical footprint and accessibility for Western Australian riders. This expansion marks the launch of plans to establish boutique retail stores across Australia from 2025 – bringing the Savic Motorcycles experience closer to riders nationwide.



Cultivating Relationships

- **Events and trade shows:** Over the past three years, Savic Motorcycles has enjoyed a growing presence at Australia's major automotive events and trade shows, where it has showcased the C-Series, connected with potential customers, and built new relationships across the motorcycle community.
- **Direct customer communications:** Through targeted email marketing efforts, Savic Motorcycles leverages direct customer communications as a cornerstone of its sales and retention strategies. The company's informative emails keep a growing number of subscribers and customers connected to the Savic Motorcycles community.

2.3.3.3 Distribution Channels

Savic Motorcycles prioritises a customer-centric approach to distribution – offering a seamless journey from online configuration to delivery of the customer's electric motorcycle.

Direct-to-Customer (D2C) Delivery

Savic Motorcycles' commitment to a seamless customer experience extends to our national distribution network, which is designed to deliver each customer's dream motorcycle directly to their door or to a convenient pick-up location.

Reliable Delivery Partnership

Savic Motorcycles has partnered with Moto Logistix, a trusted national motorcycle transport company with a proven track record of safe and efficient vehicle deliveries. Moto Logistix's expertise ensures that each motorcycle arrives in pristine condition – without spending a moment unattended en route.

Benefits of Direct-to-Customer Delivery

- **Convenience:** Customers can focus on the excitement of receiving their new motorcycle, while Moto Logistix handles the logistics – delivering their C-Series directly to their home or a designated nearby location.
- **Nationwide coverage:** This partnership ensures efficient deliveries across all Australian states and territories, eliminating any geographical barrier to owning a Savic Motorcycles C-Series.
- **Peace of mind:** Moto Logistix utilises experienced personnel, all motorcycle riders themselves, to guarantee the safe and secure transportation of each vehicle.

Retail Network as Distribution Hubs

In addition to direct-to-customer delivery, Savic Motorcycles' expanding retail network provides an alternative distribution channel. These strategically-located retail spaces serve a dual purpose:

- **Premier brand touchpoints:** Allowing consumers to experience the C-Series, explore customisation options, and receive expert advice from the Savic Motorcycles team.
- **Convenient pickup locations:** For customers who prefer a different collection experience, these retail locations offer convenient on-site pickups for individual purchases.

Future Expansion

The company is committed to expanding its retail presence across Australia from 2025 onwards. These additional retail locations are expected to further strengthen Savic Motorcycles' national distribution network, offering greater accessibility and convenience for customers to pick up their motorcycles or explore the company's brand experience.



2.3.4 Intellectual Property

While Savic Motorcycles designs and engineers production vehicles and there are some significant strategic advantages in the company, it is not a “deep tech” business.

The IP owned by Savic Motorcycles Pty Ltd includes:

IP Type	Reference Number	Description
Trademark	2117318	“Savic” word
Trademark	2117321	Savic Logo
Design Registration	201717134	C40 Design (superseded)
Design Registration	202016416	C-Series (Current)

What makes Savic Motorcycles so special are the company's supply chain, team capabilities, and in-house software systems. These are all protected via trade secret.

2.4 Business Strategy

Savic Motorcycles is a passionate innovator in the electric motorcycle industry, committed to delivering future-ready vehicles and playing a prominent role in advocacy for sustainable transportation. The company's overarching mission is to prioritise performance and experience for its Australian e-mobility and lifestyle products. This business strategy outlines the short-term objectives (ie. over the next 6-12 months) to advance the company's long-term vision of becoming a major player in the global motorcycle market.

2.4.1 Prioritising Growth and Scalability

2.4.1.1 Scaling manufacturing capacity

Securing funding is designed to enable Savic Motorcycles to invest in critical equipment, including end-of-line testing equipment and additional quality assurance tools. These funds will help facilitate the procurement of bulk parts to promote cost savings and production efficiencies. This comprehensive approach, coupled with a larger production facility, aims to increase the company's production capacity from 20 to 500 motorcycles per month – a significant step towards its medium-term goal of 5,000 units annually.

It is anticipated that the expanded capacity will initially allow Savic Motorcycles to fulfil its existing order book of 232 vehicles, before positioning the company to meet the anticipated demands generated by upcoming marketing initiatives.

2.4.1.2 Fulfilling customer commitments and building brand loyalty

Delivering the promised C-Series motorcycles to Savic Motorcycles' initial customers is paramount. Part of the current funding is proposed to be used to train partners and staff to ensure a seamless delivery and handover experience. This overriding focus on customer satisfaction is critical to foster brand trust and loyalty – both essential for building a thriving electric motorcycle brand.

2.4.1.3 Generating demand and expanding reach

A comprehensive marketing strategy has been developed to build further excitement around the C-Series and capture a wider audience. This includes a media launch, a national test ride tour, influencer partnerships, and the public opening of the company's first retail locations. Additionally, Savic Motorcycles plans to introduce new product offerings and vehicle options, to cater to a broader range of rider preferences. These initiatives are designed to generate additional orders, increasing profitability and enabling the company to reinvest in product innovation and international expansion.



This business strategy directly supports Savic Motorcycles' short-term mission to scale its manufacturing, fulfil customer commitments, and establish a reputation for excellence. Investing in marketing and expanding sales channels is designed to elevate brand awareness and drive demand, positioning the company as a leader in the electric motorcycle space. Ultimately, Savic Motorcycles anticipates that achieving these short-term objectives will pave the way for longer term success – allowing the company to compete on a global scale.

2.4.2 Use of Funds and Strategic Investment

It is proposed that the funds raised through this Offer are strategically allocated to support each of these critical initiatives. Investment in manufacturing equipment and a larger facility directly addresses the company's production bottleneck, enabling the team to meet its existing order book and build future demand. Funds allocated to training partners and staff are designed to ensure a smooth customer handover experience, in turn fostering brand loyalty. Finally, marketing and sales initiatives aim to generate additional orders and brand awareness, accelerating the company's growth trajectory.

Savic Motorcycles believes it is in a position to enjoy significant growth in the electric motorcycle market as it expands. This business strategy outlines a clear roadmap for achieving key milestones within the next 6-12 months. By prioritising manufacturing scale-up, efficient customer deliveries, and strategic marketing, Savic Motorcycles aims to establish itself as a leading electric motorcycle brand in Australia – and to lay the foundations for long-term success in the global marketplace.

2.5 The Team

2.5.1 Organisational Structure





2.5.2 Directors and Senior Managers

Dennis Savic	Kelvin (Kel) John Kearns
Role Director & CEO	Role Non-executive Director
Description of duties Oversee operational progress Ensure cash levels are managed Establish new partnerships and relationships	Description of duties Understand & provide suggestions on key strategies Oversee company solvency requirements Provide advice on all areas of operation
Skills and experience Bachelor of Mechanical Engineering MBA Corporate Finance Graduate of Australian Company Directors 8 years of automotive industry experience.	Skills and experience 30 years at Ford Motor Company Manufacturing background Previously CEO of Auto Alliance Thailand (JV between Ford and Mazda). Currently CEO of Amplify Cell Technologies.

Alexandra (Ali) Bromley	Adrian Vinovski
Role Chief Marketing Officer	Role Chief Technology Officer
Description of duties Brand marketing Customer experience Sales Distribution Aftersales warranty & servicing	Description of duties Product development Product strategy Technical specification oversight Oversees all systems on the vehicle (Powertrain, chassis, low voltage, software, etc)
Skills and experience 11 years at Porsche (Retail & OEM) 5 years at Harley-Davidson Motor Company 3 years at Savic Motorcycles.	Skills and experience 1 year at Bosch Rexroth 6 years at Savic Motorcycles.

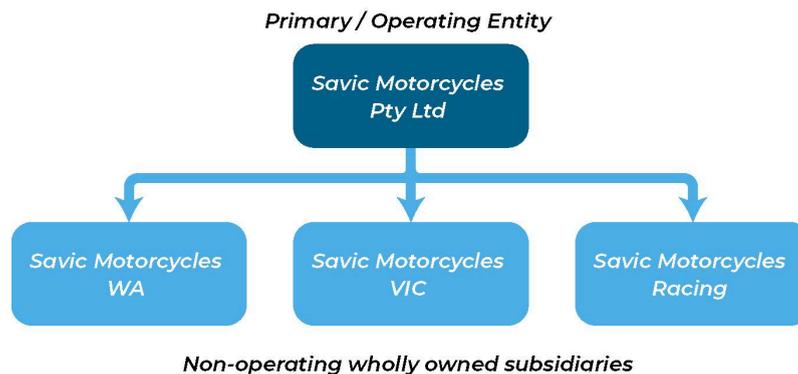
2.5.3 Advisors

Justin Hocevar	Nicholas Adamo
Role Sales & Distribution Advisor	Role Strategic Advisor
Description of duties Provide guidance and advice to assist with the company's growth with respect to sales and distribution of products.	Description of duties Assisting in the growth of Savic Motorcycles' operations Advising on capital raising strategy.
Skills and experience 12 years at BMW Group Australia 7 years MD Renault Australia 2 years at Jaguar / Land Rover 4 years Head of APAC at Ineos.	Skills and experience 10 years at Forensic Data (Founder & CEO) 3 years at Deloitte (Partner) 11 years at EY (Partner & APAC Representative) 5 Years at 70 North Various board & advisory roles.



Riccardo Pagliarella	Assaf Schevach
Role Engineering Design Advisor	Role Quality Advisor
Description of duties Provide assistance and guidance in engineering design and technology.	Description of duties Provide assistance and guidance in operations and quality management.
Skills and experience 1 year at Renault Formula 1 2 years at Tesla 2 years at Toyota 2 years at Telstra 3 years at Hydro Tasmania 2 years at Deloitte.	Skills and experience 20 years at Ford 6 years at Orbotech 3 years at Maxi Trans.

2.6 Capital Structure



2.6.1 Issued Capital (before and after the Offer)

As at the date of this Offer Document, the Company has 104,379,967 ordinary shares and \$603,000 of SAFE Notes on issue. The majority of shares (42%) are held by the Company's founder.

The Company also has the authority to issue shares or options under an employee share scheme established in accordance with the Constitution up to a total of 10% of the Company's issued share capital (including those already issued under the scheme).

Table 1 below sets out the issued capital of the Company before the Offer. Table 2 sets out the issued capital of the Company following the Offer on a fully diluted basis (i.e. presuming all options and convertible securities are exercised).



Table 1: Issued capital of the Company before the Offer

Shareholder	Share Type	Shares	Options
SADESA Pty Ltd (Dennis Savic)	Ordinary	48,500,000 (41%)	0 (0%)
Artesian Clean Energy Pty Ltd	Ordinary	12,836,253 (11%)	0 (0%)
Wynnaria Pty Ltd	Ordinary	6,684,783 (6%)	0 (0%)
#Shareholders holding <5%	Ordinary	38,980,671 (33%)	0 (0%)
#ESOP (Allocated and/or Vested)	Options	0 (0%)	10,914,375 (9%)
Total		107,001,707 (91%)	10,914,375 (9%)

Table 2: Issued capital of the Company following the Offer (on a fully diluted basis)

Shares	Minimum Subscription	Maximum Subscription
Existing Ordinary Shares	55,879,967 (47%)	55,879,967 (44%)
Existing Founder Shares	48,500,000 (41%)	48,500,000 (39%)
ESOP Shares (Allocated and/or Vested)	10,914,375 (9%)	10,914,375 (9%)
ESOP Shares (Unallocated)	1,000,000 (1%)	1,000,000 (1%)
SAFE Shares	2,621,739 (2%)	2,740,909 (2%)
Offer Shares	1,538,461 (1%)	6,730,769 (5%)
Total Shares	120,454,543 (100%)	125,766,020 (100%)

Note: Existing shareholders may elect to make an application for shares under this CSF offer.



2.6.2 Rights and Liabilities Associated with Securities

As at the date of this Offer, the only class of shares on issue are ordinary shares. Savic Motorcycles has also issued SAFEs and convertible notes. The company has also adopted an Employee Share Option Plan.

Set out below is a summary of the rights and liabilities associated with the securities in the company. A copy of the company's constitution is available on the Intermediary's platform.

Ordinary Shares

The rights and liabilities associated with the ordinary shares are set out in the company's constitution, including:

- All ordinary shares have the same voting rights and the same rights to receive dividends.
- Restrictions on the sale or transfer of shares, including drag along (clause 27.8) and tag along (clause 27.7) rights and exit provisions. The drag along and tag along provisions apply to CSF Shareholders.
- Non CSF Shareholders must first offer any non-CSF shares to be transferred (other than to an associate) to the other existing non CSF Shareholders (clause 27.2). That restriction does not apply to a disposal of CSF shares in accordance with the CSF scheme (clause 27.1) and the right to be offered shares does not apply to CSF Shareholders (in part, because those shareholders would not be CFS Shareholders in respect of those further shares, and this could cause the company to breach the 50 Shareholder limit for a proprietary company).
- The Board has the power to refuse a transfer of shares to a third party (clause 23).
- The constitution includes a definition of an Investor which means a shareholder other than a Founder or Founder entity, a CSF Shareholder, or a holder of shares issued under the ESOP.
- The Investor concept relates to:
 - Excluded issues – where a share split or issue in relation to a dividend must be approved by a Required Resolution of the Board and either at least one Investor or the Shareholders by Special Resolution;
 - If the ESOP is to issue shares in excess of 10% of the company's shares, that must be approved by the Shareholders by Special Resolution, and at least one Investor, and Investors must be issued additional shares to maintain its proportionate shareholding;
 - Shareholder reserved matters regime, ie. provisions requiring a "Substantial Shareholder Majority" which is a resolution approved by 75% or more of the votes cast on a resolution by the Shareholders and approved by at least one Investor.

The shares offered under this Offer are ordinary shares. A more detailed description of the rights and liabilities associated with the ordinary shares is set out in Section 3.3 below.

SAFE (Simple Agreement for Future Equity)

The Company has issued SAFEs to investors. The SAFE may convert to ordinary shares on the 1st of June 2026.

Key terms of the SAFE are as follows:

- Amount - \$603,000
- Discount Rate - 80% (i.e. the SAFE Note holder is required to pay 80% of the price of preference shares).
- Trigger - Date: 1st June 2026
- Use of funds - Operating expenditure in the lead up to the current CSF raise.

Employee Share Option Plan (ESOP)

The company has implemented an employee share option plan (ESOP) to attract, retain and incentivise key employees. The maximum number of options that can be issued under the existing ESOP is 10% of the share capital of the company. As at the date of this CSF Offer Document, the company has issued and allocated a total of 10,914,375 options under its existing ESOP, of which 6,728,125 options have vested. To date, none of the options have been exercised. Up to 1,000,000 additional options are unallocated and able to be issued for the purposes of recruitment and/or retention of employees.

Shareholders Agreement

Other than the Constitution, there is no shareholders agreement or other agreement between the existing shareholders of the company.



2.7 Key Risks Facing the Business

An investment in the company should be seen as high-risk and speculative. A description of the main risks that may impact the company's business is below. Investors should read this section carefully before deciding to apply for shares under the Offer. There are also other, more general risks associated with the company (for example, risks relating to general economic conditions or the inability to quickly or easily sell your shares).

RISK	DESCRIPTION
Operational Risks	<p>Supply Chain Disruptions: Dependence on suppliers for key components can pose risks if there are delays, shortages, or quality issues.</p> <p>Production Challenges: Scaling up production efficiently and maintaining quality control can be challenging and resource-intensive.</p>
Key Person Risk	<p>Dependence on Key Personnel: The company's success is significantly dependent on the skills, experience, and leadership of its key executives, particularly the CEO, who plays a crucial role in strategic decision-making, vision, and direction.</p> <p>Potential Impact of Loss: The departure, disability, or loss of any key personnel could adversely affect the company's ability to execute its business strategy, maintain relationships with key stakeholders, and continue innovating.</p>
Recall Risk	<p>Potential for Recalls: As with any vehicle manufacturer, there is an inherent risk of defects or issues in the design, production, or components of the motorcycles that could necessitate a product recall.</p> <p>Operational Disruption: Implementing a recall can disrupt normal business operations, diverting resources and focus away from growth and innovation activities.</p> <p>Financial Costs: Recalls can be costly, involving expenses related to repairing or replacing defective parts, providing compensation to affected customers, and managing the logistics of the recall process.</p> <p>Regulatory Compliance: Failure to identify and address vehicle defects in a timely manner could result in regulatory fines and sanctions, compounding the financial and reputational damage.</p>
Technological Risk	<p>Innovation and Development: Rapid technological advancements in the industry necessitate continuous innovation. Failure to keep up with technological trends could result in obsolescence.</p> <p>Intellectual Property: Protecting proprietary technology and intellectual property is critical, and there is a risk of infringement or challenges.</p>
Financial Risk	<p>Funding and Liquidity: The company may require additional funding to sustain operations and growth, and there is no guarantee that future financing will be available on favourable terms.</p> <p>Cost Management: Unexpected increases in costs (e.g. raw materials, labour) could impact profitability.</p>
Economic Risk	<p>Economic Downturns: Recessionary periods or economic instability can reduce consumers' purchasing power and impact sales.</p> <p>Currency Fluctuations: For international operations, fluctuations in currency exchange rates can affect profitability.</p>
Market Risks	<p>Competitive Landscape: The electric motorcycle market is competitive, with large players and new entrants constantly emerging. This may impact market share and profitability.</p> <p>Consumer Demand: Shifts in consumer preferences and economic conditions could affect demand for electric motorcycles.</p>



Market Expansion Risk	<p>International Expansion: Entering new markets involves understanding local consumer behaviour, establishing distribution channels, and navigating legal and regulatory landscapes.</p> <p>Partnerships and Alliances: Reliance on distribution partners carries risks if these partnerships do not perform as expected.</p>
Reputational Risk	<p>Brand Perception: Negative publicity or poor customer experiences can harm the brand and affect sales.</p> <p>Product Failures: Any defects or failures in the motorcycles could lead to recalls, legal claims, and damage to the company's reputation.</p>
Management Risk	<p>Leadership and Governance: The company's success is heavily reliant on its leadership team and their ability to execute the business plan.</p> <p>Talent Retention: Attracting and retaining skilled personnel is critical for sustained growth and innovation.</p>
Regulatory & Compliance Risks	<p>Legal and Regulatory Changes: Changes in regulations related to electric vehicles, emissions, safety standards, and environmental laws could impact operations.</p> <p>Compliance: Ensuring compliance with varying international regulations as the company expands globally is essential and can be complex.</p>



2.8 Financial Information

Below are the consolidated financial statements of the Company and its controlled subsidiaries for the financial years ended 30 June 2023 and 30 June 2024, which have been prepared in accordance with the Accounting Standards.

2.8.1 Balance Sheet



Statement of Financial Position

Savic Motorcycles Pty Ltd
As at 30 June 2024

	30 JUNE 2024	30 JUNE 2023
Assets		
Current Assets		
Cash and Cash Equivalents	96,120	472,739
Trade and Other Receivables	104,119	25,328
GST Receivable	33,026	43,038
Inventory	233,649	185,934
R&D Tax Incentive Refund Receivable	435,511	733,266
Total Current Assets	902,425	1,460,305
Non-Current Assets		
Property, Plant and Equipment	229,282	207,195
Intangible Assets	2,332,893	1,525,423
Total Non-Current Assets	2,562,176	1,732,618
Total Assets	3,464,600	3,192,923
Liabilities		
Current Liabilities		
Bank Overdraft	-	70
Trade and Other Payables	442,778	664,341
Provisions	94,048	81,904
Deferred Income	178,658	-
Other Financial Liabilities	286,764	349,225
Loan from Related Party	162,900	12,508
Total Current Liabilities	1,165,148	1,108,048
Non-Current Liabilities		
Deferred Income	1,597,601	1,330,764
Total Non-Current Liabilities	1,597,601	1,330,764
Total Liabilities	2,762,750	2,438,813
Net Assets	701,851	754,110
Equity		
Share Capital	4,303,873	3,573,859
Retained Earnings	(3,995,106)	(3,153,836)
Reserves	393,083	334,087
Total Equity	701,851	754,110

● Exchange rates used to convert foreign currency into AUD are shown below. Rates are provided by XE.com unless otherwise stated.

• 30 June 2024
4.84494 CNY (Chinese Yuan)
55.5700 INR (Indian Rupee)
0.666671 USD (United States Dollar)
• 30 June 2023
4.82250 CNY (Chinese Yuan)
54.5130 INR (Indian Rupee)
0.664315 USD (United States Dollar)



2.8.2 Profit and Loss Statement



Statement of Comprehensive Income

Savic Motorcycles Pty Ltd
For the year ended 30 June 2024

	2024	2023
Revenue		
Revenue	284,875	32,012
Total Revenue	284,875	32,012
Cost of Sales		
Cost of Sales	(1,370)	(86,862)
Total Cost of Sales	(1,370)	(86,862)
Gross Profit / (Loss)	283,505	(54,849)
Other Income		
Foreign Exchange Gains	5,670	(11,187)
Government Grants	7,457	211,000
Insurance Proceeds	17,355	-
Total Other Income	30,483	199,813
Expenses		
Accounting Fees	20,018	21,659
Advertising & Promotion	133,517	107,424
Bank Fees	4,125	5,994
Bank Revaluations	21	(360)
Bookkeeping Fees	18,335	10,278
Cleaning	3,507	-
Clients Gifts	693	155
Computer Expenses	586	571
Conferences & Events	11,114	8,613
Consultants	73,289	43,330
Cost of Obtaining Finance	26,308	86,592
Depreciation	57,709	1,870
Donations	42	620
Entertainment	1,532	1,714
Filing Fees	144	1,825
General Expenses	510	2,922
Hire of Plant & Equipment	545	-
Insurance	7,530	1,518
Interest Expense	7,425	-
Internet	5,661	5,550
Legal Expenses	14,906	11,279
Loss on Disposal of Fixed Assets	525	-
Meeting Expenses: Coffee/Meals	2,226	1,248
Memberships	14,288	3,789



Statement of Comprehensive Income



	2024	2023
Motor Vehicle Expenses	1,298	492
Office Expenses	1,824	12,154
Online Service Subscriptions	93,498	91,761
Postage, Freight & Courier	-	2,056
Printing & Stationery	566	1,445
Rates	7,108	-
Rent / Coworking	65,044	72,670
Repairs and Maintenance	1,171	390
Staff Amenities	674	1,813
Staff Medical Expenses	824	-
Staff Uniforms	370	-
Stripe Fees	129	-
Superannuation	37,021	38,425
Training, Conferences and Research Materials	3,091	13,092
Travel	139,198	88,985
Utilities - Electricity & Gas	3,973	1,946
Wages and Salaries	336,558	367,190
Water	2,296	11,472
Website/Software Development	1,576	30,957
Workcover Insurance	33,341	15,512
Employee Cost: Options Vested	8,996	10,870
Leave Expenses - Annual	7,827	10,358
Leave Expenses - Long Service	4,317	10,110
Total Expenses	1,155,258	1,098,287
Profit/(Loss) before Taxation	(841,269)	(953,324)
Net Profit After Tax	(841,269)	(953,324)



2.8.3 Cash Flow Statement



Statement of Cash Flows

Savic Motorcycles Pty Ltd
For the year ended 30 June 2024

	2024	2023
Statement of Cash Flows		
Cash Flows From Operating Activities:		
Receipts from Customers	229,110	30,816
Payments to Suppliers and Employees	(1,329,620)	(1,011,589)
Interest Paid	(18,711)	(9,570)
Net Cash Provided by Operating Activities	(1,119,221)	(990,343)
Cash Flows From Investing Activities:		
Proceeds from Government Grants	750,708	808,498
Purchase of Property, Plant and Equipment	(79,795)	(209,065)
Investment in Research and Development Activities	(796,185)	(1,317,045)
Movement in Loans to/from related parties	150,392	(24,130)
Net Cash Provided by (Used in) Investing Activities	25,120	(741,742)
Cash Flows From Financing Activities:		
Proceeds from Issue of Shares	430,014	1,711,534
Proceeds from Issue of SAFE Notes	350,000	300,000
Repayment of Borrowings	(62,461)	-
Net Cash Used in Financing Activities	717,553	2,011,534
Net Increase/(Decrease) in Cash and Cash Equivalents	(376,549)	279,449
Cash at Beginning of Financial Year	472,669	193,220
Cash at End of Financial Year	96,120	472,669



2.8.4 Statement of Changes in Equity (Maxim)



Statement of Changes in Equity

Savic Motorcycles Pty Ltd
For the year ended 30 June 2024

	SHARE CAPITAL	RETAINED EARNINGS	SAFE NOTE (UNCONVERTED)	SHARE-BASED PAYMENTS RESERVE	TOTAL EQUITY
Movement					
2023					
Balance at 1 July 2022	1,862,325	(2,200,513)	-	23,217	(314,971)
Comprehensive Income for The Year					
Profit for the Year	-	(953,323)	-	-	(953,323)
Other Comprehensive Income for The Year, Net of Tax	-	-	-	-	-
Total Comprehensive Income for The Year	-	(953,323)	-	-	(953,323)
Payment of Dividend	-	-	-	-	-
Issue of Shares	1,711,534	-	-	-	1,711,534
Issue of SAFE Notes	-	-	300,000	-	300,000
Conversion of Notes to Share Capital	-	-	-	-	-
Options Vested	-	-	-	10,870	10,870
Balance as at 30 June 2023	3,573,859	(3,153,836)	300,000	34,087	754,110
2024					
Balance as at 1 July 2023	3,573,859	(3,153,836)	300,000	34,087	754,110
Comprehensive Income for The Year					
Profit for The Year	-	(841,710)	-	-	(841,710)
Other Comprehensive Income for The Year, Net of Tax	-	-	-	-	-
Total Comprehensive Income for The Year	-	(841,710)	-	-	(841,710)
Payment of Dividend	-	-	-	-	-
Issue of SAFE Notes	-	-	350,000	-	350,000
Issue of Shares	430,014	-	-	-	430,014
Conversion of Notes to Share Capital	300,000	-	(300,000)	-	-
Options Vested	-	-	-	8,996	8,996
Balance as at 30 June 2024	4,303,873	(3,995,546)	350,000	43,083	701,411

2.8.5 Management Comments on Historical Performance and Outlook

Revenue Growth

Our total revenue for the financial year reached \$284,875, a significant increase from \$32,012 in the previous year. This growth is primarily driven by the increased progress towards production and customer payments being made in advance of their vehicle delivery.



Cost Management and Pathway to Profitability

Our gross profit improved to \$283,505 from a loss of \$54,849 last year. This was, however, due to the vehicles not being delivered by the end of the financial year. The cost per unit was however, also improved over the course of the financial year due to better cost management and economies of scale.

Our net loss for the year improved to \$841,269, from a loss the previous year \$953,324 in 2023. Key expenses included significant investments in advertising and promotion (\$133,517), consultants (\$73,289), and travel (\$139,198), which were crucial for our brand building, supply chain management, and preparation for serial production.

Investment and Asset Valuation

To date, we have invested heavily in both tangible and intangible assets. Our balance sheet reflects total assets of \$3,464,600, including \$2,332,893 in capitalised development costs for our innovative motorcycle technology. Additionally, we hold significant property, plant, and equipment valued at \$229,282.

Cash Burn and Runway

As of 30 June 2024, our cash and cash equivalents stand at \$96,120, down from \$472,739 last year. While our cash burn rate is a concern, we are actively pursuing additional funding through equity investments and crowdfund funding to ensure continued operations and growth.

Revenue Drivers and Sustainability

The primary driver of our revenue has been the strong market reception of the C-Series model. Robust growth in sales is expected to be sustainable as we continue to expand our market reach and brand presence. Our efforts in securing repeat customers through excellent service and quality products have shown promising results.

Strategic Initiatives and Future Plans

We are excited about several new initiatives, including:

- R&D and Product Development: Continued investment in R&D to enhance the performance and features of our electric motorcycles.
- Market Expansion: Efforts to enter new international markets through strategic partnerships, such as our ongoing discussions with Peugeot Motorcycles.
- Infrastructure Development: Establishing a new dealership hub in West Melbourne to serve as a central point for sales and customer service.

Events Subsequent to the Reporting Period

Since the end of the financial year, we have embarked on securing additional funding through private investments and crowdfund funding. This capital is intended to bridge the gap between our current R&D activities and the commencement of full-scale production.

Gross Profit Margin

Our gross profit margin has significantly improved. This, however, is expected to decrease as we begin production and the cost of goods is recognised as we scale our operations.

Balance Sheet Health

Our balance sheet remains strong, with a focus on maintaining a healthy cash flow and managing liabilities. We have deferred income of \$1,597,601 from future orders, which will be recognised as we achieve our production milestones.

Comments on revenue outlook are inherently uncertain and should not be solely relied upon as they are subject to change, uncertainty and unexpected events, many of which cannot be controlled. Accordingly, actual results are likely to differ from the forecasts. No representation or assurance is or can be given that the forecasts will be achieved. Past performance is no guarantee of future performance. This revenue outlook has been prepared by the Company and has not been validated by an independent third party.



2.8.6 Sources of Financing, including Debt Financing and Other Financing

To date, the business has been funded through a combination of operating income, equity, founder loans, and grants.

2.8.6.1 Equity

To date, the Company has raised approximately \$2,560,480 from professional investors. See section 2.6.1 for more information. This includes SAFE Notes prior to 30th June 2024, the most recent SAFE Note has not been included but is disclosed in section 2.8.6.4.

2.8.6.2 Founder loans

To date, the founding shareholders have not loaned funds to the company.

2.8.6.3 Debt funding

As at the date of this Offer, the Company has the following outstanding loans

Loan 1 - Shareholder Loan (Sanela Pilav-Savic)

- Description - Shareholder Loan
- Principal amount borrowed - \$70,000
- Committed limits where debt is undrawn - \$0
- Amount outstanding - \$70,000
- Interest - Interest Free
- Repayment date - December 2024
- Security - Unsecured

Loan 2 - Loan

- Description - Shareholder Loan (Wilbourne Investments)
- Principal amount borrowed - \$10,000
- Committed limits where debt is undrawn - \$0
- Amount outstanding - \$10,000
- Interest - Interest Free
- Repayment date - December 2024
- Security - Unsecured

Loan 3 - BIS Assets Pty Ltd

- Description - Loan
- Principal amount borrowed - \$92,600
- Committed limits where debt is undrawn - \$0
- Amount outstanding - \$92,600
- Interest - Interest Free
- Repayment date - December 2024
- Security - Unsecured

Loan 4 - Shareholder Loan

- Description - Shareholder Loan (NWKM Investments)
- Principal amount borrowed - \$150,000
- Establishment Date: 1st August 2024
- Committed limits where debt is undrawn - \$0
- Amount outstanding - \$150,000
- Interest - 12%p.a.
- Repayment date - September 30th 2024
- Security - Unsecured
- As this was established following 30th June 2024, this loan has not been included in the FY24 financial statements in section 2.8.1, 2.8.2, and 2.8.3.

Note: Loan's 1,2,3, and 4 add up to \$332,600 but the related party loans on the balance sheet are shown as \$162,900. The reason for this is;

1. \$10k sits under "other financial liabilities" and
2. \$150,000 was provided to the company on the 6th of on the 1st of August 2024.



2.8.6.4 SAFE Notes

The Company has issued SAFE notes to investors. The SAFE notes convert to ordinary shares on the 1st of June 2026 at a pre-money valuation of \$26.5m (or 80% discount).

Key terms of the SAFE notes as follows:

- Face value - \$603,000
- Maturity date - 1 June 2026 or earlier if agreed by SAFE Note holders.
- Valuation cap - \$26,500,000
- Discount - 80%
- Use of funds - Financing to assist in additional capital raising

2.8.6.5 Grant funding

The Company received \$657,481 in a Federal (AMGC) Government grant which assisted in the company obtaining ADR compliance and developing the ABS system with Bosch Australia. The Company has been granted \$20,000 in Local Victorian Government grants to which assisted in the fit out of our showroom.

2.8.7 Financing History

To date, Savic Motorcycles has received \$6,073,479.46 worth of funding. This has been a combination of equity, SAFE Notes, debt, and a grant as outlined in the table below.

Year	Funding Type	Funding Amount	Terms
2018	Equity	\$71,325	Founding Equity. Ordinary Shares Issued. Pre-money valuation of \$0.6m
2019	Convertible Note	\$61,000	Converted to Equity in 2020. Ordinary Shares Issued in Seed Round. Valuation cap of \$1.2m.
2020	Equity	\$400,000	Seed Round. Ordinary Shares Issued at a post-money valuation of \$3m.
2021	SAFE 1	\$80,000	Converted to equity in March 2023 at a valuation cap of \$5,000,000.
2021	SAFE 2	\$1,630,000	Converted to equity in July 2023. Ordinary shares issued. Valuation cap of \$7.5m.
2021	Debt	\$339,225	R&D Cash Flow Loan (Treasury Corp of Victoria). This was re-paid on 22nd November 2023.
2021	Grant	\$657,481	AMGC (Australian Manufacturing Growth Centre) grant provided by the Federal Government to assist with obtaining a fully ADR Compliant vehicle. This was completed on a milestone basis over five milestones all completed by December 2022.
2022	Equity	\$930,000	Series A1 Equity Round. Pre-Money Valuation of \$16m. Ordinary Shares Issued.
2023	CSF Raise	\$1,211,548.46	CSF Raise with the Equitise platform. Ordinary Shares Issued. Pre-Money Valuation of \$20m



2024	Grant	\$20,000	City of Melbourne Grant to assist with showroom fitout. \$10,000 has been received to date, another \$5,000 has been invoiced, and a final \$5,000 will be invoiced in November 2024.
2024	SAFE Note 3	\$603,000	As outlined in section 2.8.6.4
2024	Loan	\$150,000	As outlined in section 2.8.6.3
Ongoing	Loan	\$92,900	As outlined in section 2.8.6.3.
Ongoing	Shareholder Loan	\$70,000	As outlined in section 2.8.6.3.
Ongoing	Shareholder Loan	\$10,000	As outlined in section 2.8.6.3.



Section 3: Information About the Offer

3.1 Terms of the Offer

The company is offering up to 6,730,769 shares at an issue price of \$0.26 per share to raise up to \$1,750,000. The key terms and conditions of the Offer are set out below.

Term	Details
Shares	Fully-paid ordinary shares
Price	\$0.26 per share
Minimum Subscription	\$400,000
Maximum Subscription	\$1,750,000
Opening date	7 August 2024
Closing date	23 August 2024

A description of the rights associated with these shares is set out in Section 3.3.

To participate in the Offer, you must submit a completed application form together with the application money via the Intermediary's platform. The Intermediary's website provides instructions on how to apply for shares under the Offer at www.birchal.com.

The Intermediary must close the Offer early in certain circumstances. For example, if the Maximum Subscription is reached, the Offer must be closed. If the Minimum Subscription is not reached, or the Offer is closed but not completed, you will be refunded your application money.

Retail investors may withdraw their applications during the Cooling-off Period. Further information on investor cooling-off rights can be found in Section 4 of this CSF offer document.

The Offer is not underwritten and there is no guarantee that these funds will be raised.

3.2 Use of the Funds

The table below sets out the intended use of funds raised under this Offer, based on the minimum and maximum subscription amounts.

Intended use	Minimum Subscription	Maximum Subscription
Operating Expenditure	\$212,500	\$800,000
Inventory	\$100,000	\$600,000
Marketing	\$50,000	\$181,250
Offer costs	\$37,500	\$168,750
Total	\$400,000	\$1,750,000



Operating Expenditure includes overhead expenses and employee wages.
Inventory includes part costs, shipping, and import duties.
Marketing includes promotional and after sales activities or infrastructure.

The Offer costs include the Intermediary's fees under the hosting agreement between the company and the Intermediary. These fees are up to 7.5% of all funds raised by the company through Birchall Financial Services Pty Ltd (Intermediary). The Offer costs are exclusive of GST.

No CSF funds raised will be used in order to repay debts.

Other than as specified above, no other payments from the funds raised will be paid (directly or indirectly) to related parties, controlling shareholders, or any other persons involved in promoting or marketing the Offer.

We expect that the Maximum Subscription amount will be sufficient to meet the company's short-term objectives over the next 12 months.

If this CSF Offer is unsuccessful, or if only the Minimum Subscription amount is raised, the company will require further funding to be able to carry out our intended activities over the next 12 months. In such circumstances, the company may consider alternative sources of funding, such as undertaking a further CSF offer under the CSF regime or other debt or equity funding. Until additional funding is obtained, we will scale back marketing and production and continue to focus our cash resources on raising additional capital.

3.3 Rights Associated With the Shares

Immediately after issue, the shares under this Offer will be fully-paid ordinary shares. There will be no liability on the part of shareholders to contribute further funds and the shares will rank equally with the shares currently on issue.

The rights associated with the shares are set out in the company's constitution. These rights are summarised below. A copy of the constitution is available on the Intermediary's platform.

3.3.1 Voting Rights

Each shareholder has one vote on a show of hands and, on a poll, one vote for each share held.

3.3.2 Dividends

All shareholders have a right to receive any dividends declared and paid by the company in respect of their share class. Presently, ordinary shares are the only class that has been issued (or agreed to be issued). The directors have a discretion and may resolve to pay dividends, subject to their obligations under the Corporations Act (for example, they cannot pay dividends unless the company's assets are sufficiently in excess of its liabilities immediately before the dividend is declared and where it may materially prejudice the company's ability to pay its creditors).

The company does not have a dividend policy at this time.

3.3.3 General Meetings and Notices

Directors have the power to call meetings of all shareholders or meetings of only those shareholders who hold a particular class of shares. Shareholders who hold at least 5% of the votes which may be cast at a general meeting of the company have the power to call and hold a meeting themselves or to require the directors to call and hold a meeting.



3.3.4 Election and Removal of Directors

Shareholders may vote to elect and remove directors at a general meeting by way of ordinary resolution (50%).

3.3.5 Winding Up

If the company is wound up and there are any assets left over after all the company's debts have been paid, the surplus is distributed to shareholders after secured and unsecured creditors of the company. Holders of fully-paid ordinary voting shares rank [ahead/behind] other classes of shares (if any).

3.3.6 Restrictions on Sale and Transfer

Drag along and tag along rights:

The constitution contains drag and tag along rights, as follows:

- Drag rights - If Shareholders who together hold at least 75% of the shares on issue (and being at least 50% of the non-CSF Shareholders) propose to sell all of their shares to a third party, they can 'drag' the remaining Shareholders (up to 25%) to sell their shares on the same terms.
- Tag rights - If Shareholders who together hold at least 50% or more of the shares on issue propose to sell their shares to a third party under one transaction (or series of related transactions), the remaining Shareholders (up to 50%) may also 'tag' along and sell their shares on the same terms.

If the company has no CSF shareholders and becomes one that is regulated under Chapter 6 of the Corporations Act (i.e. it becomes a listed company or an unlisted company with more than 50 Shareholders), the the drag along and tag along provisions will in practice be superseded by the provisions of Chapter 6 of the Corporations Act).

Pre-emptive rights on transfer:

If a non-CSF Shareholder provides a notice to transfer its shares (other than as a permitted disposal), the company must first offer each non-CSF Shareholder the right to purchase those shares on a pro-rata basis.

Pre-emptive rights on issue of new shares:

If the board intends to issue new shares or securities (other than Excluded Offers, which include under the ESOP, CSF offers, under an IPO, or shares issued in consideration for an acquisition), it must ensure each non-CSF Shareholder has an opportunity to acquire their pro-rata entitlement to the Issue Securities.

Discretion to refuse to register a transfer of shares:

The Board has the power to refuse a transfer of shares to a third party (clause 23).

On-sale restrictions under the Corporations Act:

Shares acquired under the Offer may not be on-sold within 12 months of their issue without a prospectus or other disclosure document, unless an exemption under section 708 of the Corporations Act 2001 (Cth) applies (e.g. sales to sophisticated or professional investors) or unless ASIC gives relief from the requirement to provide such prospectus or other disclosure document.

3.3.8 Amendments to the Constitution

To vary the constitution or adopt a new constitution, the company must pass a special resolution at a general meeting. At least 75% of the voting members of the company (and one Investor (not being a Founder, CSF or employee share scheme member) must vote in favour of the resolution for it to pass.



3.4 What can I do with my Shares?

Shares in the company are considered illiquid as they cannot easily be transferred or sold.

However, there are numerous possible circumstances that may create an opportunity for shareholders to exit their investment in the company. These include:

- A trade purchase of the company
- A listing on a registered stock exchange (e.g. the ASX)
- A private equity investment in the company
- A share buy-back by the company.

There is no guarantee that any of the exit options will eventuate.

3.5 Details of Previous CSF Offers

On 28th April 2023, Savic Motorcycles Pty Ltd made a CSF Offer on the Equitise platform.

Under that CSF Offer, the company offered up to 8,696,000 ordinary shares at a \$0.23 share price. The CSF Offer was successfully completed and approximately \$1.22m was raised.

Under that CSF Offer, the directors of the company were Dennis Savic and Kelvin John Kearns.



SECTION 4. Information about Investor Rights

4.1 Cooling-off Rights

If you are a retail investor, you have the right to withdraw your application under this Offer and to be repaid your application money. If you wish to withdraw your application for any reason (including if you change your mind about investing in the company), you must do so within five business days of making your application (Cooling-off Period).

You must withdraw your application via the Intermediary's platform. You will be able to withdraw your application within the Cooling-off Period by following the link and the instructions within your portfolio on the Intermediary's platform.

After your withdrawal has been processed, the Intermediary will refund the application money to your nominated account as soon as practicable.

4.2 Communication Facility for the Offer

You can ask questions about the Offer on the communication facility on the Intermediary's platform. You can also use the communication facility to communicate with other investors, with the company, and with the Intermediary about this Offer.

You will be able to post comments and questions about the Offer and see the posts of other investors on the communication facility. The company and/or the Intermediary will also be able to respond to questions and comments posted by investors.

Officers, employees or agents of the company, and related parties or associates of the company or the Intermediary, may participate in the facility and must clearly disclose their relationship to the company and/or Intermediary when making posts on the facility.

Any comments made in good faith on the communication facility are not subject to the advertising restrictions in the Corporations Act.

4.3 Proprietary Company Corporate Governance Obligations

4.3.1 Annual Report

The company is required to prepare an annual financial report and directors' reports at the end of each financial year and lodge these with ASIC (within four months of the financial year end). The company has a 30th June year end and its financial reports must be lodged by 31st October each year.

Our financial reports are currently not required to be audited as we are a small proprietary company. This means that the company's financial reports will not be subject to auditor oversight and, therefore, there will be no independent assurance of the company's financial statements. However, the directors are still required to ensure that the financial statements give a true and fair view of the company's financial position and performance and that the financial statements comply with the accounting standards.

We may be required to have our financial reports audited in the future if we raise more than \$3 million from CSF offers (including this current offer and any future offers), or otherwise become a large proprietary company.



4.3.2 Distribution of Annual Report

The Company is not required to notify shareholders in writing of the options to receive or access the annual report. Shareholders will not be able to elect to receive a copy of the annual report by way of email or post. However, shareholders can access the annual report [on the Company's share registry website at the following address <https://app.cakeequity.com/documents/files/26ec0107-377b-4d07-b34c-7a288baead21>] (free of charge) or can purchase the report from ASIC.

4.3.3 Related Party Transactions

The rules on related party transactions in Chapter 2E of the Corporations Act will apply to the company (for so long as we continue to have CSF shareholders). This means that the company is required to obtain shareholder approval before giving financial benefits to related parties of the company (e.g. directors and their spouses, children or parents), subject to certain exceptions (such as reasonable remuneration provided to directors).

4.3.4 Takeovers

The takeover rules in the Corporations Act will only apply to the company in a very limited way. If someone wants to buy more than 20% of the voting shares in the company, they will be able to do so without complying with the takeover rules. This means a person may be able to get control of the company without making a formal takeover bid to all shareholders or without seeking shareholder approval.

Shareholders will not have the benefit of the full protections under the takeover rules, which means you may not have the right to vote on or participate in a change of control of the company. However, the general principles of ensuring shareholders have sufficient information and time to consider a change of control, and all have a reasonable and equal opportunity to participate in any benefits, will apply to the company. In addition, the Takeovers Panel has jurisdiction to hear disputes relating to control of the company.

4.4 Company Updates

The company will provide regular updates to investors to the email address provided in the purchase of shares.



Glossary

ABS means Anti-lock Braking System, which is a legal requirement for motorcycles over 125cc or the electric equivalent in Australia and New Zealand.

ADR means the Australian Design Rules, which are a set of mandatory product requirements required to meet Australian road compliance laws.

C-Series stands for Café Series - the first high-performance electric motorcycle manufactured by Savic Motorcycles.

CANBUS is a standard for communication systems technology commonly used in the automotive industry.

Cooling-off Period means the period ending five business days after an application is made under this Offer, during which a retail investor has a right to withdraw their application and be repaid their application money.

Company means Savic Motorcycles Pty Ltd ACN 615 314 228.

CSF means crowd-sourced funding under Part 6D.3A of the Corporations Act.

D2C means delivering goods from the company Directly to the Customer.

EV refers to any Electric Vehicle.

ESOP refers to the Employee Stock Ownership Plan, which provides employees with an ownership interest in the company through shares. Employees receive these shares as part of their remuneration package at no upfront cost.

Founder means Dennis Savic.

Founder Entity means a Founder (if Shares are held directly by the Founder) and/or an Affiliate of the Founder which holds Shares (if Shares of a Founder are held by a nominee) and includes SADESA Pty Ltd ACN 601 885 205.

ICE means Internal Combustion Engine.

Intermediary means Birchall Financial Services Pty Ltd ACN 621 812 646 AFSL 502618.

Investor means a Shareholder other than:

- (a) the Founder and Founder Entity;
- (b) in respect of CSF Shares; and
- (c) Shares issued under an ESOP.

IoT means the Internet of Things, a network of connected objects that exchange data over the Internet through sensors and software.

IP refers to Intellectual Property.

Maximum Subscription means the amount specified in this CSF offer document as the maximum amount sought to be raised by the Offer. The Maximum Subscription is subject to rounding based on the share price of the Offer.

Minimum Subscription means the amount specified in this CSF offer document as the minimum amount sought to be raised by the Offer. The Minimum Subscription is subject to rounding based on the share price of the Offer.

MNDAs refers to Mutual Non-Disclosure Agreements, which are bilateral contracts that obligate both parties to maintain the confidentiality of sensitive information exchanged between them for the purposes of doing business.

OEM means Original Equipment Manufacturer and is a common term used for automotive companies that produce original products.

OFFER means an offer of fully-paid ordinary shares by the Company under this CSF offer document.

POC means Point of Contact. These are the main points of contact between our supply chain team and our suppliers.

R&D means Research and Development.

Retail Investor has the meaning given to the term "retail client" under the Corporations Act.

ROW means Rest of World.

SMI refers to Savic Motorcycles 1, which are the modular technology platforms that our products are built upon.

SHAREHOLDER means a shareholder of the company.

VCU means Vehicle Control Unit, which is the technological 'brain' of the motorcycle, controlling the way that it operates.