

# Mentwell Pty Ltd

Australia's First Health & Wellness Gift Card



## Replacement Crowd-Sourced Funding Offer Document

Dated 5th June, 2024

**Offer of fully-paid ordinary shares in Mentwell  
at \$0.90 per share to raise maximum of \$800K.**

This replacement crowd-sourced funding (**CSF**) offer document, dated 5 June 2024, relates to the Offer of fully-paid ordinary shares in Mentwell Pty Ltd, and replaces the CSF offer document dated 5 June 2024. This Offer is made under the CSF regime in Part 6D.3A of the Corporations Act 2001 (**Corporations Act**).

### **Issuer**

Mentwell Pty Ltd ACN 664 607 390

### **Intermediary**

Birchal Financial Services Pty Ltd AFSL 502618 ACN 621 812 646

## TABLE OF CONTENTS

### Section 1: Risk Warning

### Section 2: Information About the Company

Letter from the Founders

2.1 Company Details

2.2 Our Business

2.3 Business Revenue Model

2.4 Business Strategy

2.5 Our Team

2.6 Capital Structure

2.7 Key Risks Facing the Business

2.8 Financial Information

### Section 3: Information About the Offer

3.1 Terms of the Offer

3.2 Use of Funds

3.3 Rights Associated with the Shares

3.4 What Can I Do With My Shares?

### Section 4: Information About Investor Rights

4.1 Cooling-Off Rights

4.2 Communication Facility for the Offer

4.3 Proprietary Company Corporate Governance Obligations

4.4 Company Updates

### Glossary



# 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 risk.

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 information given carefully, and seek independent financial advice before committing yourself to any investment.





**The MENTWELL MISSION**  
is to strengthen human  
connection through  
empowering individuals  
to support one another,  
and reach their greatest  
potential through  
access to health and  
wellness services.





# SECTION 2:

## Information About the Company



### LETTER FROM THE FOUNDER

Dear Investors,

On behalf of the entire team and the Mentwell community, I am incredibly excited to share this opportunity for you to become one of our early shareholders in Mentwell.

We look forward to sharing our successes with you as we develop and grow a network of investors who share our vision to build a sustainable business model that also has a positive impact on the world.

Mentwell grew from a simple problem: I couldn't find a secure way to help a friend pay for a therapy appointment. The solution to that problem is Mentwell – the first digital gift card that gives the receiver the power of choice of health and wellbeing provider, Australia-wide. Mentwell is an opportunity to soften the mental health crisis through the simple act of giving access to help.

By coming on board as one of our early investors, you demonstrate an understanding of the worldwide change towards being more connected and caring towards each other. You will be a part of a special group of people who will be creating a legacy of change for the better.

As a part of building Mentwell, 400 surveys were completed by HR Managers and our core customer demographic – the “conscious gift givers” who had a high rate of gifting per year and to the highest dollar value\*. These gifters also actively participated in alternative therapies more than any other demographic. The most commonly written opinion on the surveys was: “Why doesn't this already exist?” and so these results, along with the rest of our research, led us to the Mentwell model as you see it today.

After these initial results, I personally spoke with 100s of HR Managers, People Experience Managers, CEOs, Board members and the gatekeepers of corporate budgets responsible for allocations for Employee Assistance Programs (EAPs), health and wellness programs and gifting for staff and clients. As a direct outcome of these conversations, we now have 30 businesses intending to adopt Mentwell as their preferred method of gifting to staff and clients or have co-branded cards. These businesses range in size from 10 – 11,000 staff, as well as integrations with health insurers who have up to 2,000,000 Australian customers. Some businesses have conducted pilots using Mentwell cards with a view to full-scale deployment in the 2024/25 financial year.



This pipeline of sales has been achieved with zero spend on marketing. This capital raise will enable us to extend our business development and to scale the organic effort that has already occurred. It is anticipated that Mentwell will overtake general gifting companies because it offers choice to the receiver while giving businesses peace of mind knowing that they have improved their staff's access to wellbeing services. It became clear in the initial conversations with corporate clients that their efforts to satisfy individual employees' health and wellness needs has been a difficult task and that Mentwell is a simple and effective solution to this issue.

There are strong tail winds behind Mentwell including the \$5.6trillion USD global wellness industry\*. In addition to that, alternative and complementary therapies are on the rise and 2 in 3 Australians use these services already\*. As an initial investor, you will be ahead of the curve and represent leadership in this trend.

Finally, gifting is a part of our habitual nature at key times throughout the year, to family and friends. Other gifting services prioritise personalisation, choice and digital delivery of gift cards and we have been able to easily replicate this model for Mentwell. However, we add value to the purchase and redemption process and value to health and wellness service providers. We're excited to share what comes next in our product development launches.

The mental health epidemic is costing businesses \$39 billion per year\* and is also wreaking havoc on our interpersonal relationships. Mentwell represents a change

in the way we support one another. Current "solutions" in the marketplace appear to be ineffective. Every individual, business and organisation is looking for better ways to support one another without being intrusive. Mentwell is the solution.

General gift cards have a poor redemption rate with around 50% being unused by their 3-year expiry date while 30% of Mentwell gift cards have been redeemed within the first 6 months.

This equity crowdfund will give us the ability to accelerate our bulk-purchase sales pipeline so that Mentwell can become the preferred provider for business and corporate EAP -style programs. The funds raised will also be used for research and development into the US market in anticipation of launching into international markets in the next two years.

Over 50% of Australians have reported a mental or debilitating, painful physical condition lasting 6 months or more\*. One in six of us experiences suicidal thoughts at some time\* and over 2 million people are currently in some form of psychological treatment\*. The idea of Mentwell came from a simple need, but it's part of a much more complex problem, the solution for which we can be a part.

I warmly invite you to join us on our quest to improve access to health and wellbeing so that everyone can reach the services, tools and resources they want and need to lead happier, healthier lives.



Nikki Williams, CEO & Founder

\*Sources: Financial Association of Australia 2019, Australian Bureau of Statistics "National Study of Mental Health and Wellbeing" 2023 Release. [Bloomberg](#), [RACGP](#), [Black Dog Institute](#)





**The MENTWELL VISION  
is to create equitable  
and accessible channels  
to support services, and  
for people to be able to  
test and trial health  
and wellness modalities  
on their personal  
development journey.**



## 2.1 | COMPANY DETAILS

This offer of shares is made by: Mentwell Pty Ltd ACN 664 607 390

Company Name	Mentwell Pty Ltd
ACN	664 607 390
Date of Incorporation	20 December 2022
Registered Office	119A Broken Head Rd., Newrybar, 2479
Principal Place of Business	119A Broken Head Rd., Newrybar, 2479
Directors	Nikki Lecia Williams & Alex Tassone
Company Secretary	Annie Di-Guglielmo
Share Registry	Cake Equity ( <a href="https://cakeequity.com">cakeequity.com</a> )
Website	<a href="https://mentwell.com.au">mentwell.com.au</a>

## 2.2 | OUR BUSINESS

### 2.2.1 ABOUT THE COMPANY

We know there are some key issues with the way health and wellness is being handled, especially by businesses. Employee Assistance Programs (EAPs) have less than 5% uptake Australia-wide\*, there are no corporate health and wellness programs that satisfy the needs of every employee, and we're still gifting wastefully with tangible and perishable items, and unused generic gift cards.

Australian health insurers often have gaps in their coverage, and the cost of services - in addition to cost of living at large - is growing and taxing people more than ever.

Even charities spend ~60% of their revenue on administration\*, and as a result, many donors and those interested in giving are reluctant to give cash.

Mentwell is the solution to these gaps. It is a simple, accessible way to support friends, family, employees, causes. We are a gifting company, in the business of truly giving to one another, and giving back.

Society has moved past asylums and electroshock and straightjackets. It's time to move into the next phase of improving mental - and therefore physical - health. As a society, we are evolving to better understand our minds and bodies. At Mentwell, we are leading the evolution into how we leverage that knowledge and take it into our own hands.

We are a company providing access to personal health and wellness journeys through digital gift cards that give open empowerment to the receiver, and empathetic practice to those gifting.

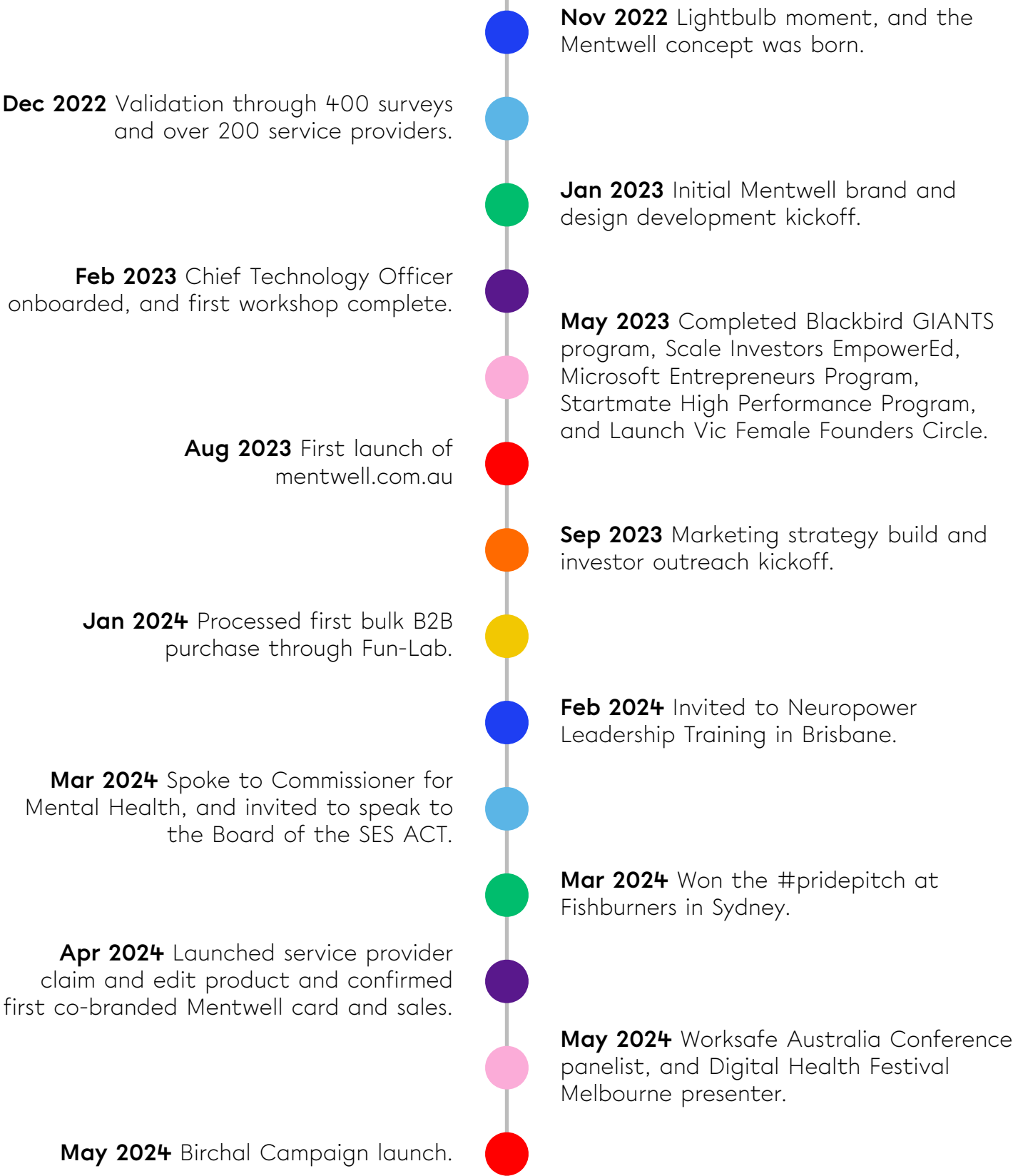
\*Sources: [Sonder](#), [Giving Guide](#)





2.2.2 | OUR BUSINESS

ACHIEVEMENTS & TIMELINE TO DATE



### 2.2.3 | OUR BUSINESS

#### MARKET OVERVIEW

The gift card business is huge in this country, even with it being generic and impersonal until now. It's a **\$2.5 billion business in Australia\***, but over half of that consumer investment goes unspent by recipients. In other words, despite it being a quasi-undesirable or uninspiring gift to give, it remains an industry **growing over 12% annually\***.



Prezzee for example - arguably one of our bigger "competitors" - **processes over \$1 billion in corporate gift cards\*** alone, despite being a generic gift solution, and prescriptive with its limited retailers. It is also not a gift that benefits the business as the giver in any way. Certainly not the traditional intent of gifting, but one businesses can - and should - arguably consider as a supplementary return on investment. A gift that gives back incentivises future and greater purchases, and as a result greater benefit to purchasers and receivers. It's a positive ball we simply needed to get rolling.

Until relatively recently, gift cards were predominantly limited to material goods, and remain limited to opted-in retailers (with the exceptions of masked cash such as Visa or MasterCard gift cards).

The newer trend of gifting experiences through digital cards gained almost immediate traction, but they are redeemed even more infrequently by the recipients. Why? A lack of personal connection to the gift itself, and therefore incentive to make use of it.

For consumers, there are an average of **6 gift-giving occasions per year\***. For employers, that increases or decreases, based on their level of employee engagement. The average amount spent on a gift card by **consumers is \$65**, while **corporates tend to spend over \$100 per gift card issued\***.

People are spending... and not just on each other. People care about themselves. They need to. We know that with the disconnect that comes from a constant attachment to our devices, and the fact that we are exposed to more negativity than ever through the same means, self care is also rightfully trending.



Gift Cards are a  
**\$2.5 Billion**  
**Business in Australia\***



Globalisation and content connectivity is facilitating exploration - sharing modalities. Aussies alone are spending **\$3.5 billion on alternative health every year\***, with that increasing annually.

We no longer simply visit a GP - and with wait times for some being months, it's not a feasible option anyway. We are recognising that humans are complicated, and unique. We are also seeing that there are many different tools available to us. But, we don't always have support to find them.

Being invested in health and wellness is good for us, but it's also good for business. Australian businesses alone **lose over \$7 billion annually\*** in employee absenteeism, and mental health is a nearly **\$40 billion cost to business\*** overall. Health spending **increases 4-6% every year\*** as well. It's getting worse.

It's also not just the loss. Businesses are missing opportunity for growth as well. For example, studies have shown that employee productivity increases by up to **30% with meditation, 20% with a healthy diet, and 13% with regular exercise\***.

People are spending money on gifting, and on health and wellness. They are caring about themselves, and for each other. Ignoring that costs us all. There is clearly a missing link in the chain, and Mentwell is poised to take that place.

It's a benefit to business, and therefore its employees - the customers, the community - for us to get engaged. Mentwell not only facilitates action in an accessible way, it encourages it.



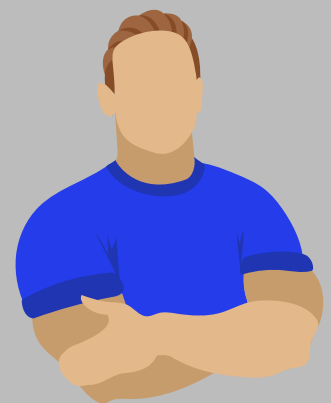
Wellness is a

**\$5.6 Trillion**  
Global Business\*



Australians Spend

**\$3.5 Billion**  
on Alternative Health\*



Employees are

**63% more**  
Likely to Remain  
Loyal to Employers  
Who Invest in Health & Wellness\*

\*Source: RACGP, Job access.gov, BeYou, Bloomberg, Employer News

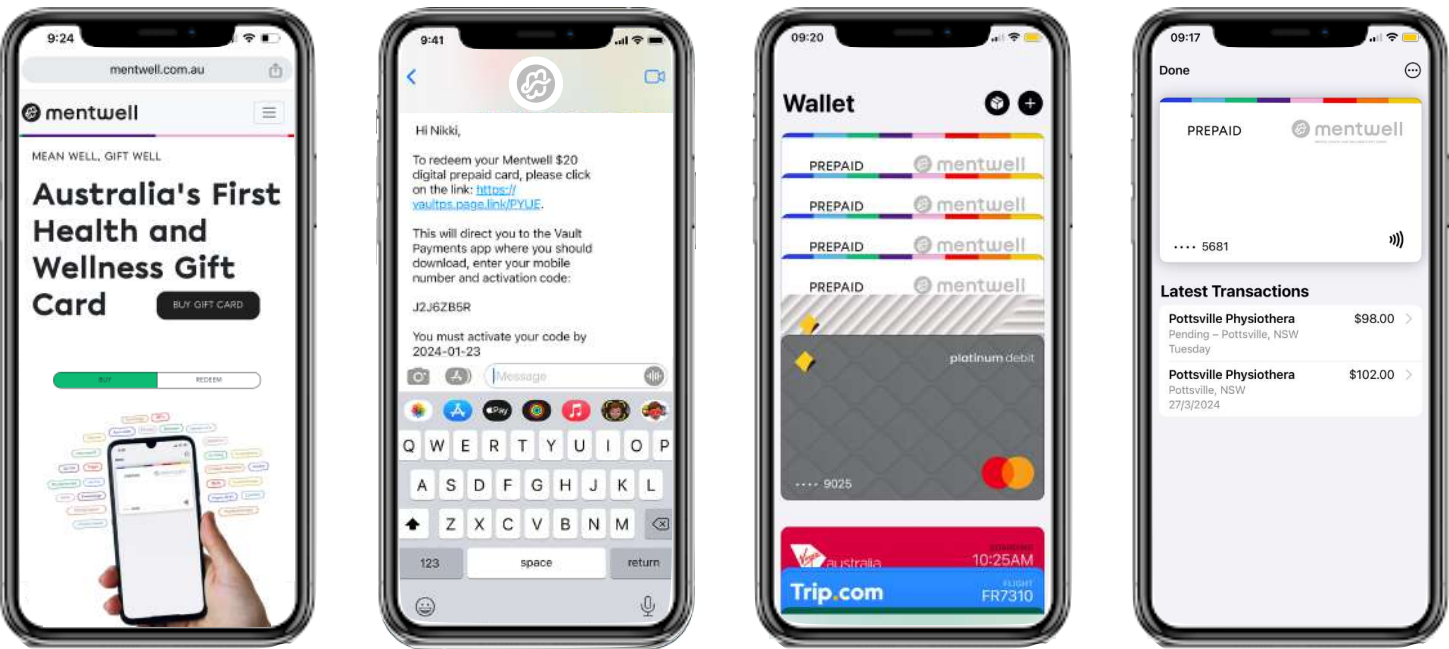


## 2.2.4 | OUR BUSINESS

### PRODUCT / SERVICE

Our product is simple and intuitive, as it leverages people’s existing digital and consumer behaviour. The gift card takes the same form as any other credit or debit card in their digital wallet, and can be used with tap-and-go methodology in person with the service provider of their choice, or with online purchase/payment.

The business is built on card sales (whether consumer, corporate or NPO), but also on its directory of service providers, promotional/ collaboration opportunities, R&D plans, product expansion, and active intent to expand into the global market. The card is simple, yet the opportunities to develop revenue streams and make an impact are varied.



### TO PURCHASE

1. Consumers visit [mentwell.com.au](http://mentwell.com.au) and select the dollar value they’d like to gift.
2. Businesses and organisations can purchase in bulk, or enter into a tiered subscription.
3. Enter the recipient’s contact information, including an email address and phone number.
4. Choose to personalise with a message, or send anonymously.

### TO REDEEM

1. Receiver gets a notification by email and text message and clicks a link
2. Receiver validates the card through the link provided
3. Receiver can search for services and providers through Mentwell, or on their own.
4. Receiver can use the digital card details to book online or by tapping their phone on an eftpos machine after the booking, appointment or session





2.3 | BUSINESS REVENUE MODEL

KEY PRODUCTS & SERVICES

- 1. Digital gift card sales direct to consumers.
- 2. Digital gift card sales to businesses/employees.
- 3. Co-branded sales.
  - >\$20,000 fee to set up.
  - Card fee revenue split between partner and Mentwell.
- 4. Health and wellness service provider subscription fee.
  - \$99 per year subscription + an addition 2 tiers.
- 5. Health and wellness service provider marketing packages.
- 6. B2B bulk purchase portal including reminders for key gifting times and statistics on category of use for staff cards.
- 7. AI generated questionnaire to help consumers choose which service to use.

PRODUCT & SERVICE EXPANSION

- 8. Physical card sales.
- 9. Market expansion, beginning with NZ and US.



Consumers

1.8-2.8% Commission  
Physical Product Add-On



Companies

1.8-2.8% Commission  
+3-Tier Subscriptions



Service Providers

Claim Fee Profile  
Advertising



Co-Branded Cards



Business Partners



Global Expansion





**MENTWELL IS the gift  
of empowerment, and  
for our futures. This is  
the era of conscious  
gifting.**



2.4 | BUSINESS STRATEGY

Over the next 12 months, Mentwell has set out a clear plan to scale within the Australian market. In our knowledge, we are the first product of its kind entering the market. As a result, it is imperative that we grow quickly and strategically, in order to own the market’s recognisability, familiarity, trust, and customer loyalty. In order to do this, we plan to:

Focus Sales and Business Development team in three areas:

- a) Service provider subscriptions and upsells
- b) Corporate bulk purchases for employees
- c) Corporate buying co-branded cards

And our Marketing team on:

- a) Sales funnel to secure corporate bulk purchases and sales as well as co-branded cards
- b) Ticketed events showcasing service provider modalities and in depth discussions around treatment plans of a patient, live on stage
- c) User acquisition through promotional channels (including but not limited to social media, traditional advertising, PPC, SEO, formal and digital PR) and B2B outreach

We also plan to layer our Sales, Business Development and Marketing strategy by creating further stickiness within the business and on our platform.

We will do this through:

- Product Diversification
- Expanding Service Provider Capabilities & Assets
- Expanding Service Provider Directory & Search Functionality Within
- Integrating AI Search for Directory (e.g., being able to search LGBTQ+ identified, specify gender preference)
- Software Platform Integrations (e.g., HR, healthcare)

These tasks are all part of our mission and vision, and are prioritised based on our team’s expertise and experience, alongside the targeted research and surveys to date. To achieve these objectives, our first full-time hires will be category teams of 2 or 3:

- MARKETING
- FINANCE
- LEGAL
- CUSTOMER EXPERIENCE & SALES
- TECHNOLOGY
- HR & OPERATIONS
- + Ad Hoc Contractor and Agency Support

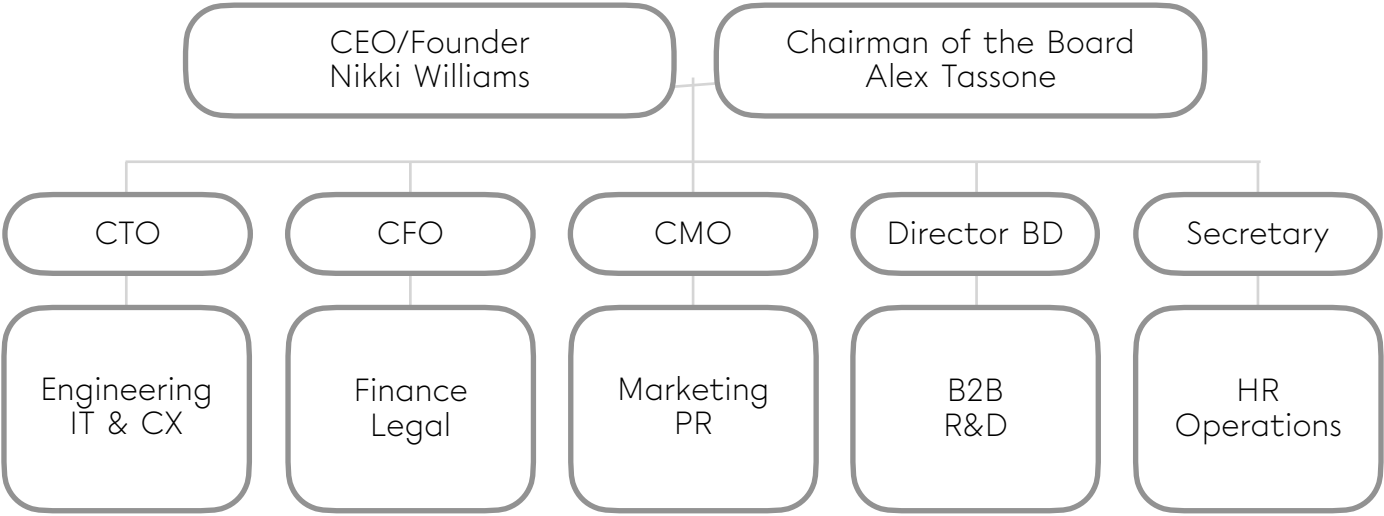
We are poised for rapid development and growth, and already down these paths. With the help of existing and new investors, we are able to become not only the innovator, but the global leader in this new business category.



## 2.5 | OUR TEAM

### 2.5.1 ORGANISATIONAL STRUCTURE

Our team is presently comprised of our leadership, with the new hires to fall within their departments for reporting and day-to-day operations to come.



### 2.5.2 DIRECTORS & SENIOR MANAGERS

#### Nikki Lecia Williams

##### Role

Founder/CEO, Director

##### Description of Duties

- Overseeing all operations across all departments
- Leading strategy and implementation with CFO, CMO, CTO
- Public facing representation of business at conferences, events, and formal occasions
- Client meetings and sales calls where required
- Onboarding, hiring and HR duties
- Managing outsourced teams such as agencies
- Reporting to investors alongside Chairman of the Board

##### Skills & Experience

- 13 Years owning a business and managing a team of 12; a PR & Digital Marketing Agency
- Repeat entrepreneur across a variety of sectors including F&B, hospitality, hotels, lifestyle companies, media and a product based business

#### Alex Tassone

##### Role

Chairman of the Board, Director

##### Description of Duties

- Communication point for investors
- Capital raise and deal flow management and implementation
- Investor updates and meeting management
- Reporting to investors alongside CEO
- Management of legal counsel
- Strategic advice specifically for product and US expansion

##### Skills & Experience

- Established product and finance driven director
- Held senior positions in both Australia and the US
- Dual operator and investor
- Scaled teams and business units internationally
- Experience focus on scaling, metrics, governance, and capital raising





## Annie Di-Guglielmo

### Role

Company Secretary, Senior Manager

### Description of Duties

- Overseeing operational management of finance, marketing and sales teams
- Administrative tasks
- Task management between departments
- Meeting and travel organisation
- Note taking and reporting for company and investor meetings

### Skills & Experience

- 20 years combined experience across Marketing, Sales, HR, Operations, Finance and Compliance
- Deep experience managing teams across multiple sectors
- Experience managing an array of CRM and Task Management software
- Highly experienced in compliance, finance and accounting software
- High business acumen and experience with acquisitions

## Anton Felich

### Role

CFO, Senior Manager

### Description of Duties

- Technology strategy and implementation
- Management of software engineer team
- Technical vision systems and processes
- Budget management
- Security and compliance
- Stakeholder communication
- Technology vendor management
- Performance monitoring

### Skills & Experience

- Over 26 years in the technology sector as Tech Lead
- Proven track record of building and leading high performance teams
- Experience writing code across various languages and platforms
- Experience designing and managing robust infrastructure
- Experience implementing comprehensive security measures
- Experience in performance analysis

## 2.5.3 OTHER TEAM

Chief Financial Officer	Charlotte Petris
Business Development Manager, NZ	Keith Ward
Marketing Manager	Lizzie Short
Content Manager	Ned Lucas
Senior Engineer	Ben Williams
Senior Engineer	Rav Sharma
Investment Assistant	Angela Reynolds
Lead Designer	Antonella Morelli
Marketing Assistant	Febbie Alacapa



## 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 8,300,000 shares on issue. The majority of shares are held by the Company's founders/directors. The Company also has authority to issue up to 18.5% of the Company's issued share capital under the Constitution/ Company's Employee Share Option Plan (ESOP). As at the date of the Offer Document, the Company has issued and allocated 3.92% options under the ESOP.

TABLE 1: Issued capital of the Company before the Offer

Shareholder	Share Type	Shares	Options
Nikki Williams	Ordinary	7,500,000 (90.36%)	Nil (0%)
Shareholders holding <5%	Ordinary	475,000 (5.72%)	Nil (0%)
ESOP Issued & Allocated	Ordinary	325,000 (3.92%)	Nil (0%)
<b>TOTAL</b>		<b>8,300,000 (100%)</b>	<b>Nil (0%)</b>

TABLE 2 sets out the issued capital of the Company following the Offer on a fully diluted basis.

Shares	Minimum Subscription	Maximum Subscription
Nikki Williams	7,500,000 (79.86%)	7,500,000 (74.16%)
Shareholders holding <5%	475,000 (5.06%)	475,000 (4.70%)
ESOP Shares (Issued & Allocated)	325,000 (3.46%)	325,000 (3.21%)
ESOP Shares (Unallocated)	925,000 (9.85%)	925,000 (9.15%)
Offer shares	166,666 (1.77%)	888,888 (8.79%)
<b>Total Shares</b>	<b>9,391,666 (100%)</b>	<b>10,113,888 (100%)</b>



## 2.6 | CAPITAL STRUCTURE

### 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. 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 sale or transfer of shares, including drag and tag rights and exit provisions.
- The Board has the power to refuse a transfer of shares to a third party.

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.

#### 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 18.5% 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 325,000 options under the Company's existing ESOP, 10% options under the ESOP remain unallocated.

#### Shareholders Agreement

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



## 2.6 | CAPITAL STRUCTURE

### 2.6.3 SOURCES OF FINANCING, DEBT FINANCING & OTHER FINANCING

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

#### Founder Loans

To date, the founding shareholders have loaned funds of \$76,209 in total to the Company.

The key terms of these loans are set out below. The founder loans will not be repaid with the funds raised under the Offer.

- Amount outstanding- \$64,203
- Interest - Interest-Free
- Repayment date - At the discretion of the Company

#### Debt funding

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

- Description - secured and unsecured loans
- Principal amount borrowed - \$100,000
- Amount outstanding - \$100,000
- Interest - 16% fixed on \$90,000, \$10,000 is interest free
- Repayment date - \$50,000 repayable upon Birchall capital raise, \$50,000 repayable once sufficient funds have been raised in the business to support the growth plan
- Security - business assets





## 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
<b>Funding Risk</b>	The Company is in the process of raising funds to achieve its strategic business objectives and to cover its projected operating expenses. The Company may not raise all of the required funding and therefore not achieve all of its business objectives.
<b>Competition Risk</b>	<p>There are some companies who could be seen as competitors to this business both domestically and internationally with moderate barriers to entry that could give rise to new and unknown competitors. There is a risk that existing competitors as well as new competitors, will have greater access to capital, economies of scale, resources and distribution compared to the Company.</p> <p>If the Company is unable to successfully compete with existing and/or new competitors, this would have a negative impact on the revenue, profitability, and future prospects of the business.</p>
<b>Business Model Risk / Limited Trading History</b>	The Company is at the proof-of-concept stage of the business cycle. As such, it carries the risks of a start-up business. Given the limited trading history of the company, no assurance can be given that the Company will achieve commercial viability through the implementation of its business plan.
<b>Cost of Customer Acquisition Risk</b>	The Company operates in the Wellness industry which is a highly competitive market. Competitive pressures may increase the cost of acquisition for each order. A significant increase in the cost of acquisition will substantially impact profitability and could even turn the company into a loss making enterprise.
<b>Dilution Risk</b>	If, in the future, the Company undertakes further funding activities, a shareholder's interest may be diluted (if they do not participate in future fund raising). This can be typical of a high growth technology company.



## 2.8 | FINANCIAL INFORMATION

### 2.8.1 BALANCE SHEET

Below are the financial statements of the Company for the financial year ended 30 June 2023, which have been prepared in accordance with the Accounting Standards.

Financial information for the 10 months ended 30 April 2024 has also been included. The information has been prepared on a consistent basis based on management accounts, and accordingly may be subject to change.

	As at 30 Apr 2024	As at 30 Jun 2023
<b>ASSETS</b>	\$	\$
Bank	59,535	197
Cash Float	5,957	0
<b>Total Current Assets</b>	<b>65,492</b>	<b>197</b>
Other Non-Current Assets	0	1,320
<b>Total Non-Current Assets</b>	<b>0</b>	<b>1,320</b>
<b>Total Assets</b>	<b>65,492</b>	<b>1,517</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Other	0	1
GST	(3,681)	0
Loans	100,000	50,000
<b>Total Current Liabilities</b>	<b>96,319</b>	<b>50,001</b>
<b>Non-Current Liabilities</b>		
Founder Loan	64,203	4,203
<b>Total Non-Current Liabilities</b>	<b>64,203</b>	<b>4,203</b>
<b>Total Liabilities</b>	<b>160,522</b>	<b>54,204</b>
<b>Net Assets</b>	<b>(95,030)</b>	<b>(52,687)</b>
<b>EQUITY</b>		
Ordinary Shares	300	300
Current Year Earnings	(42,342)	(52,987)
Retained Earnings	(52,987)	0
<b>Total Equity</b>	<b>(95,030)</b>	<b>(52,687)</b>



## 2.8 | FINANCIAL INFORMATION

### 2.8.2 PROFIT & LOSS STATEMENT

	For the 10 months ended 30 April 2024	For the year ended 30 June 2023
<b>TRADING INCOME</b>	\$	\$
Card Sales	60,325	0
<b>Total Trading Income</b>	<b>60,325</b>	<b>0</b>
<b>COST OF SALES</b>		
Cards Issued	54,502	0
Issuance Fees	3,500	0
<b>Total Cost of Sales</b>	<b>58,002</b>	<b>0</b>
<b>Gross Profit</b>	<b>2,323</b>	<b>0</b>
<b>OPERATING EXPENSES</b>		
General	9,173	1,714
Advertising & Marketing	26,507	26,797
IT Setup	0	21,700
Finance	1,000	0
Legal	7,318	2,775
<b>Total Operating Expenses</b>	<b>43,998</b>	<b>52,987</b>
<b>Earnings Before Interest &amp; Tax</b>	<b>(41,675)</b>	<b>(52,987)</b>
Interest Expense	667	0
Tax Expenses	0	0
<b>Net Profit After Tax</b>	<b>(42,432)</b>	<b>(52,987)</b>



## 2.8 | FINANCIAL INFORMATION

### 2.8.3 CASH FLOW STATEMENT

	For the 10 months ended 30 April 2024	For the year ended 30 June 2023
<b>OPERATING ACTIVITIES</b>	\$	\$
Receipts from customers	60,325	0
Payments to suppliers	(106,887)	(52,987)
Cash receipts from other operating activities	539	0
<b>Net Cash Flows from Operating Activities</b>	<b>(46,024)</b>	<b>(52,987)</b>
<b>INVESTING ACTIVITIES</b>		
Other cash items from investing activities	(4,337)	(1,620)
<b>Net Cash Flows from Investing Activities</b>	<b>(4,337)</b>	<b>(1,620)</b>
<b>FINANCING ACTIVITIES</b>		
Other cash items from financing activities	109,699	54,804
<b>Net Cash Flows from Financing Activities</b>	<b>109,699</b>	<b>54,804</b>
<b>Net Cash Flows</b>	<b>59,338</b>	<b>197</b>
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and cash equivalents at beginning of period	197	0
Net change in cash for period	59,338	197
Cash and cash equivalents at end of period	59,535	197

### 2.8.4 STATEMENT OF CHANGES IN EQUITY

EQUITY	Issued Capital	Retained Profits	Total Equity
<b>Opening 22 December 2022</b>	300	0	300
Profit (loss) after tax		(52,987)	(52,987)
Increase (decrease) in equity			
<b>Closing 30 June 2023</b>	300	(52,987)	(52,687)
<b>Opening 30 June 2023</b>	300	(52,987)	(52,687)
Profit (loss) after tax		(42,342)	(42,342)
Increase (decrease) in equity			
<b>Closing 30 April 2024</b>	300	(95,330)	(95,030)





## 2.8 | FINANCIAL INFORMATION

### 2.8.5 MANAGEMENT COMMENTS ON HISTORICAL PERFORMANCE & OUTLOOK

Mentwell commenced trading during FY24 with sales for the 10 month period to April 2024 of \$60,325. Sales comprise a mix of direct to consumer and business. The majority of the sales achieved to date are to the business channel, which is where we expect strong demand in our pipeline of sales going forward. This channel will provide a recurring revenue stream as businesses look to provide support for their employees on a frequent and ongoing basis. Our conversations with HR leaders and our pilot consumers highlight they are looking for new and innovative ways to provide health and wellness services to employees that provide for broad and regular service requirements. Revenue is recognised upon purchase of a card. The issuance of the card is made by a third party provider, which also holds the float for any unused funds.

With the funds raised under the CSF Offer, we plan to continue to invest in marketing and our technology development to reduce cost of sales per unit and increase our gross margin. By bringing more of the technology capability in-house and expanding our product offering to bulk business purchases and co-branding of cards, we will see an increase in expected gross margin to more than 30% with a reduction in issuance costs. Expenses to date have been on developing a minimum viable product, advertising and marketing to enable us to sell digital gift cards whilst building a recognisable and trustworthy brand. While we continue to scale the business, we do not expect to be profitable in the short term.

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.



# SECTION 3:

## Information About the Offer



### 3.1 TERMS OF THE OFFER

The Company is offering up to 888,888 shares at an issue price of \$0.90 per share to raise up to \$800,000. The key terms and conditions of the Offer are set out below.

TERM	DETAILS
Shares	Fully-paid ordinary shares.
Price	\$0.90 per share.
Minimum Subscription	\$150,000
Maximum Subscription	\$800,000
Opening Date	5th of June 2024
Closing Date	20th of June 2024

A description of the rights associated with the 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](http://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 application 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 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
Salary: CEO	\$50,000	\$150,000
Salary: Snr. Developer	N/A	\$170,000
Salary: BDM	N/A	\$90,000
2x PT Sales & Customer Service Salary	N/A	\$120,000
Tech & IP	N/A	\$40,000
Software / Automation	\$15,000	\$30,000
Conferences	\$9,100	\$10,000
R&D	N/A	\$20,000
Marketing	N/A	\$32,000
Legal / Admin	\$15,000	\$38,100
Loan Repayment	\$50,000	\$50,000
Offer Costs	\$10,900	\$49,900
<b>TOTAL</b>	<b>\$150,000</b>	<b>\$800,000</b>

The Offer Costs includes the Intermediary's fees under the hosting agreement between the Company and the Intermediary. These fees are 6% of all funds raised by the Company through Birchal Financial Services Pty Ltd (Intermediary), plus \$1,900 for administration and setup costs. The Offer costs are exclusive of GST.

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 - in addition to the funds being raised outside Birchal CSF - will be sufficient to meet the Company's short-term objectives over the next 18 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 18 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 our staffing and marketing costs and continue to focus our cash resources on automated B2B lead generation and nurturing existing corporate relationships for bulk purchases as well as service provider subscriptions.



### 3.3 | RIGHTS ASSOCIATED WITH THE SHARES

#### 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. 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).

#### 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 require the directors to call and hold a meeting.

#### 3.3.4 ELECTION AND REMOVAL OF DIRECTORS

The shareholders of the Existing Founder Shares may appoint a director, for so long as it holds a share. The board of directors may appoint additional directors, 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 behind other classes of shares (if any).



### 3.3 | RIGHTS ASSOCIATED WITH THE SHARES

#### 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 75% of the shares on issue propose to sell all of their shares to a third party, they can 'drag' the remaining 25% to sell their shares on the same terms. The pre-emptive rights process does not need to be undertaken in order for the drag along to be triggered.
- Tag rights - If Shareholders who together hold 75% or more of the shares on issue propose to sell their shares to a third party under one transaction (or series of transactions) the remaining 25% may also 'tag'-along and sell their shares on the same terms.

If the Company has no CSF shareholders and is regulated under Chapter 6 of the Corporations Act, the Constitution contains a mechanism to 'turn off' the drag along and tag along provisions (as these provisions cannot functionally apply if the Company is regulated by Chapter 6 of the Corporations Act).

Pre-emptive rights on transfer:

If a Shareholder provides a notice to transfer its shares (other than as a permitted disposal), the Company must first offer each other Shareholder which holds at least 3% of the shares (Substantial Shareholder) the right to purchase those shares. The Board may vary this procedure, provided that each Substantial Shareholder has an opportunity to acquire their pro rata entitlement to the Sale Shares and there is no material adverse impact on a Substantial Shareholder.

Discretion to refuse to register a transfer of shares

The Board has the power to refuse a transfer of shares to a third party.





### 3.3 | RIGHTS ASSOCIATED WITH THE SHARES

#### 3.3.7 PRE-EMPTIVE RIGHTS / ANTI-DILUTION ON ISSUE OF SHARES

If the Board resolves to issue new Equity Securities (which includes shares, options, warrants, convertible notes or any other instrument convertible into shares), it must first offer the new Equity Securities to Substantial Shareholder holding at least 5% of shares unless one of the following exceptions apply:

- The issue of Equity Securities is a public offer of securities
- The relevant Shareholders waive the pre-emptive rights provisions related to the issuance of new Equity Securities
- The Equity Securities are issued as part of an approved ESOP
- The Equity Securities are issued in connection with a share split or the issue of dividends which has been approved in accordance with the Constitution
- The Equity Securities are issued upon conversion or exercise of a security previously issued by the Company in accordance with the Constitution
- The Equity Securities are issued upon conversion or exercise of the simple agreement for future equity between the Company and Anchored Advice Limited (Company Number 8460836) dated prior to the date of the Constitution. Please note, this agreement has not been entered into at the date of this Offer Document.
- The Equity Securities are issued as part of an Exit Event approved in accordance with the Constitution
- The Equity Securities are issued as part of the consideration for an acquisition of an interest in any business, entity or company approved by the Board by Special Resolution Vote
- The Equity Securities are issued upon conversion or exercise of the simple agreement for future equity between the Company and Kristy Chong dated on or about the date of the Constitution. Please note, this agreement has not been entered into at the date of this Offer 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 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.



# 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 available 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

While the Company is currently a small proprietary company that is not required to prepare annual financial reports and directors' reports, if we successfully complete this Offer, then we will be required to prepare and lodge these annual reports with ASIC (within four months of the financial year end). The Company has a 30 June year end and its financial reports must be lodged by 31 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 website [Investor Information](#) page (free of charge) or they can purchase the report from ASIC.

### 4.3.3 RELATED PARTY TRANSACTIONS

If we successfully complete this Offer, 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

If we successfully complete this Offer and have more than 50 shareholders, 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 on the Company's website at [mentwell.com.au](http://mentwell.com.au) through the "Business" menu bar.



## GLOSSARY

**Company** means Mentwell Pty Ltd ACN 664 607 390

**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.

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

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

**Maximum Subscription** means the amount specified in the 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.

**Offer** means an offer or fully-paid ordinary share by the Company under this CSF offer document.

**Retail investor** has the meaning given to the term “retail client” under the Corporations Act.

