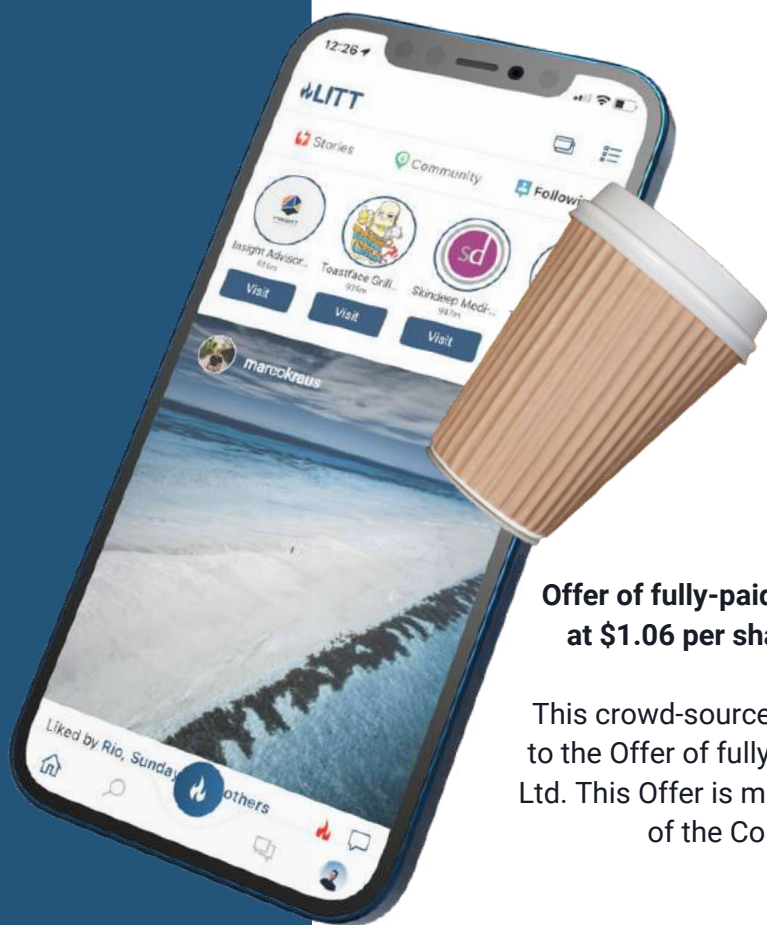




# Crowd-sourced funding offer document

9 March 2021



**Offer of fully-paid ordinary shares in LITT Global Pty Ltd  
at \$1.06 per share to raise a maximum of \$1.5 million.**

This crowd-sourced funding (CSF) offer document relates to the Offer of fully-paid ordinary shares in LITT Global Pty Ltd. This Offer is made under the CSF regime in Part 6D.3A of the Corporations Act 2001 (Corporations Act).

**Issuer**

LITT Global Pty Ltd ACN 631 851 511

**Intermediary**

Birchal Financial Services Pty Ltd AFSL 502618



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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 this offer document or for 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.



Section 2

# INFORMATION ABOUT THE COMPANY



# Dear Investors,

We, along with our dedicated team, are thrilled to invite you to become a shareholder in LITT.

Being a part of the LITT family, you will not only be at the forefront of our success as one of the most innovative community apps in Australia, but you will also help play a role in getting communities across Australia to thrive.

As you might have seen, LITT was recently featured in media across Australia, as an alternative to the incumbent social media platform. As a result, we have had an exhilarating month with a surge in both members (80%+) and businesses (80%+) on our platform.

LITT (Live, Interaction, Trust and Tribe) has been created to connect like-minded people in local communities by combining the power of social media, e-commerce, digital payments and augmented reality advertising. Further, we created LITT with the goal of rewarding all our members for their engagement and enabling them to seamlessly spend their LITT rewards with local businesses in the community, thereby enabling the entire community to thrive once on LITT.

After three years of development, LITT was launched in May 2020 in Perth. In the few months since our launch, we have managed to attract a sizeable audience that includes 17,000 members, 400 plus

businesses, local tourism organisations and positive social causes who now all digitally connect with one another on LITT.

Since launching, we have tested out several aspects of our platform and business model to great success. The social media features drive member engagement and the innovative advertising modules (like our geo-fenced augmented reality ads) provides businesses with a gamified approach to reaching potential customers. Further, our unique “Watch & Earn ads” and “AR cash drops”, have resulted in LITT members earning \$40,000, of which \$31,000 has been spent back in the local Western Australian economy! Being true to our digital DNA, members spend this money via an exclusive built-in digital VISA card that is linked to their LITT Pay, resulting in a seamless tap and go experience for both members and businesses alike.

**To the best of our knowledge, there is no other community-based platform that rewards its members to watch ads.**

Having proved that our platform works end-to-end has gone down well with several high profile organisations. As of January 2021, we have developed trusted corporate partnerships with the AHA WA (Australian Hotels Association Western Australia), The Busselton Jetty (in-trial) and are in advanced discussions with the City of Joondalup and Hungry

Jack's. We are also in talks with other exciting partners for various opportunities.

LITT earns most of its revenue from digital advertising. As advertisers follow customers, our immediate goal is to build our member base in key cities and then get local businesses to advertise on the platform to engage with them.

At LITT, we have a world-class team of experienced executives, developers, and marketing personnel who have successfully built previous businesses and bring together a range of complementary skills and networks, to take us to the next level. Importantly, the entire team is driven by our shared mission, which is to enable key stakeholders in communities across Australia to benefit from and contribute positively to one another in a safe, rewarding and engaging environment.

With our member base and brand recognition growing, we are finally ready to take LITT across Australia and **this is where you come in!**

As an owner in LITT, we will welcome your participation in shaping LITT's future, accelerating our national rollout strategy and helping our mission. We built LITT because we simply could not find a positive community platform that not only brings us all together, but rewards stakeholders while doing so. Having you on board will be invaluable in us realising this dream and we look forward to sharing this journey with fellow Australians like you.

We would like to close by committing that we will listen to all stakeholders and that we will treat our members, businesses, colleagues and communities with transparency and respect. As importantly we will run our business with passion, humility and integrity.

Thank you for your interest in LITT and if you haven't already, please download the app and see what the buzz is about before you dive into the Offer Document.

Sincerely,

Brent Thompson and Peter Salom



## 2.1 COMPANY DETAILS

*This offer of shares is made by LITT Global Pty Ltd ACN 631 851 511 (the Company). The Company was incorporated on 22 February 2019.*

Company Name	LITT Global Pty Ltd
ACN	631 851 511
Offer Type	Crowd-sourced funding
Offer Date	March 9th, 2021
Offer Details	Offer of fully-paid ordinary shares in LITT Global Pty Ltd at \$1.06 AU per share to raise a maximum of \$1.5 million
Registered Office and Contact Details	Unit 3 Level 1, 124 Stirling Highway, NORTH FREMANTLE WA 6159
Principal Place of Business	L1, 1109 Hay Street, WEST PERTH WA 6005
Related Companies	Photo Connect Pty Ltd

**17,000+**  
registered members

**400+**  
Australian businesses onboard

**4.3/5**  
App Store and Google Play  
review rating from a total of  
165 reviews (as of 24/02/21)



# OUR MISSION

**To digitally enable key stakeholders in local communities to benefit from and contribute positively to one another in a safe, entertaining and rewarding environment.**



## 2.2 DESCRIPTION OF THE BUSINESS

### What is LITT?

LITT is an Australian born and bred community focused super app<sup>1</sup>, that connects like-minded people, businesses and other key stakeholders in local communities. Once onboard, stakeholders can **learn** and **earn** from one another as well as **share** and **support** each other.

We launched LITT because we believe in the power of positivity to grow every community. We believe all communities have good people who want to support one another and help their communities to thrive. However, we could not find a safe, positive, engaging and rewarding digital platform that delivered on this simple goal.

And thus began our quest for launching LITT.



LITT combines elements of social media, e-commerce and digital payments all rolled up into one seamless, safe and trusted experience. With new technology like augmented reality at the centre of our offering, we not only achieve the goals mentioned above, but we do so in an entertaining and engaging manner (see section 2.4 for details on our augmented reality capability and uses).

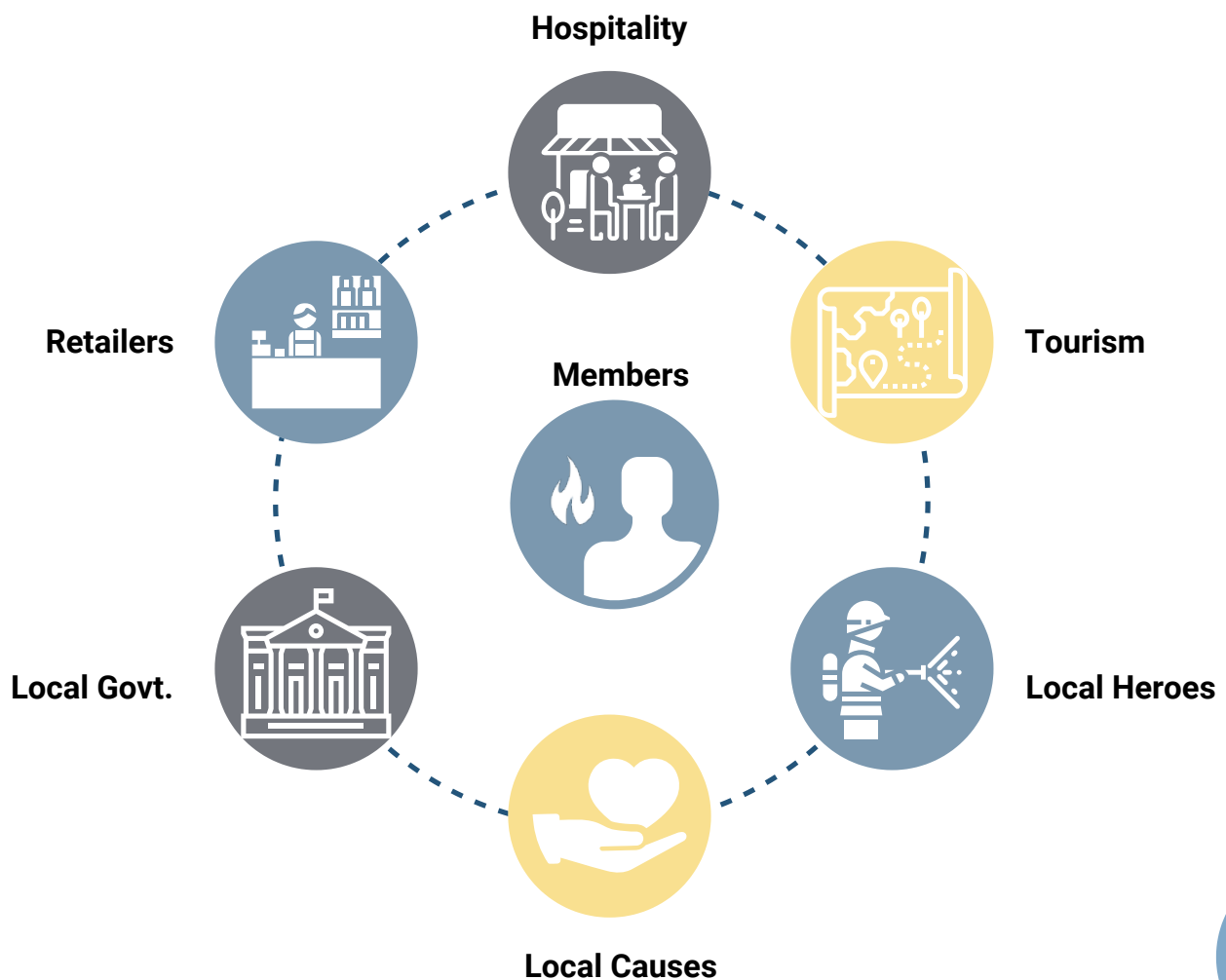
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<sup>1</sup> An app with multiple capabilities (e.g. social media + e-commerce + payments + augmented reality ads and games)

Our unique business model enables LITT members to **earn rewards that can be converted to digital cash as they watch ads** put out by local businesses on their newsfeed. In effect, unlike other platforms, **we share a part of our ad-revenue with members**. This digital cash earned by members sits in their built-in LITT digital wallet<sup>2</sup> and can be spent by the member at any of the local businesses<sup>3</sup> on the LITT platform.

We refer to this unique circular flow of money within the LITT community (from businesses to members and then back to businesses), as the **LITT circular economy** (details including a visual graphic available in section 2.5).

### Connecting Key Community Stakeholders



Apart from connecting businesses to members and vice versa, we also aim to connect several other community stakeholders like local councils, local heroes and local causes to one another.

<sup>2</sup> The LITT app has a built in digital wallet tied to a VISA card for easy tap and go payments at LITT businesses

<sup>3</sup> LITT currently has over 400 businesses on the platform

By bringing together and celebrating key community stakeholders on our Australian domiciled platform, we harness the power of positivity within local communities.

Having launched less than one year ago, we have achieved several significant milestones (details on page 14). We are also proud to have received significant national and international media coverage in 2021. This includes being recognised as one of the "Start-Ups to Watch in 2021" in WA by the West Australian, as well as being touted as an "Australian rival to Facebook" by the Daily Mail Australia in February 2021.

### The WA start-ups to watch in 2021

**Meilin Chew** | The West Australian  
Tue, 5 January 2021 2:00AM



Pictured are Tim Brewer (Functionly), Lorena Sumich (KOOKFIT), Bud O'Shannessy (LiveMine), Vanessa Razland (Climate Clever), Mike O'Hanlon (Switch Batteries) and Peter Salom (LITT) at FLUX in Perth. Credit: Justin Benson-Cooper/The West Australian

### The Aussie Facebook rival app enjoying growth following the news ban debacle

**Dahlia Jovic** February 25, 2021



LITT Co-founders Brent Thompson and Peter Salom | Image credit: LITT

**Daily Mail**

### Australian rival to Facebook slams social media giant's 'bullying' tactics

Brent Thompson and Peter Salom, from Perth, woke up on Thursday morning to find users for their social media app LITT surged by almost 40 ...

WOMEN LOVE TECH

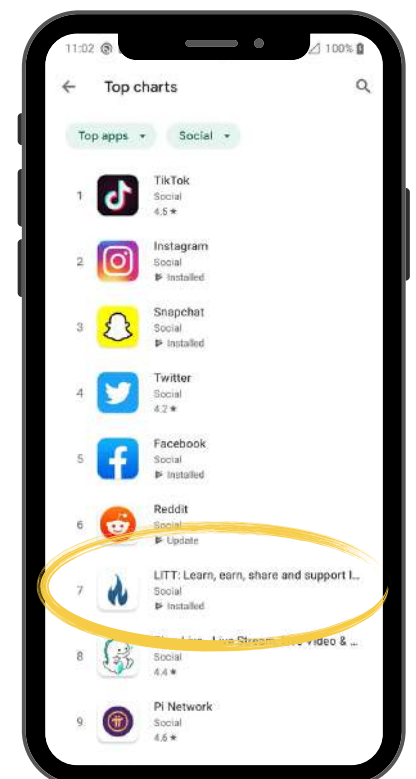
#### An alternative to Facebook called LITT is booming!



An Australian company called LITT is an alternative to Facebook and its been booming over the past week. Since the Facebook ban was announced last Thursday, the LITT app has surged with an 83% increase in Australians downloading the app.

LITT Co-founder Brent Thompson says: "Having received messages from loyal Facebook users and businesses, it is abundantly clear they are very eager on migrating to an alternative like LITT."

### #7 on Google Play 22.02.21





## Why now?

***LITT is riding on the back of six major global trends, resulting in a global opportunity.***

### **Power of community**

The growing realisation of the importance and power of community. Experts believe that one of the positive results of the ongoing COVID-19 pandemic is that we might be seeing a grassroots redefinition of the meaning of community with people around the world valuing their local community more today.<sup>4</sup>

### **Social media backlash**

The dominance of and growing backlash against some social media incumbents, not just from users, but advertisers too. According to a 2019 ABC report, advertisers are contemplating removing their ads from Facebook due to the worldwide retaliation against hate speech experienced on the platform.<sup>5</sup>

### **Reduced tax revenue**

The loss of tax revenue for governments around the world due to the off-shore structures of incumbent social media players. By way of example, it is reported that Facebook earned an estimated \$674 million in advertising revenue in Australia in 2019, but paid only \$17 million in taxes to the Australian government the same year.<sup>6</sup>

### **In-store shopping**

The desire to shop in-store despite the growth in e-commerce. A 2019 study reports that despite a common belief that more shopping is happening online, 79% of Australians say they would prefer shopping in a store with an enjoyable atmosphere, over an online one.<sup>7</sup> Similarly, in the UK, 80% of retail shopping was offline (pre-COVID-19).<sup>8</sup>

### **Digital marketing growth**

The rapid growth in businesses reaching consumers via digital channels (53% of global ad spend is now digital with search engines and social channels accounting for the lions share).<sup>9</sup>

### **Augmented reality (AR) advertising growth**

The growth of augmented reality advertising. Industry experts have stated that a majority of advertising executives are excited to use AR in the future.<sup>10</sup>

***Independent of these trends, LITT is also a solution to a range of problems faced by key community stakeholders, who engage on social media channels.***

<sup>4</sup> <https://theconversation.com/coronavirus-is-revitalising-the-concept-of-community-for-the-21st-century-135750>

<sup>5</sup> <https://www.abc.net.au/radionational/programs/breakfast/advertisers-retreating-from-facebook/12408730>

<sup>6</sup> <https://www.afr.com/companies/media-and-marketing/facebook-pays-less-than-17m-in-tax-in-australia-20200531p54y1z#:~:text=Facebook%20Australia%20was%20paid%20nearly,30%20per%20cent%20in%20Australia and https://fairtaxmark.net/wp-content/uploads/2019/12/Silicon-Six-Report-5-12-19.pdf>

<sup>7</sup> <https://insidesmallbusiness.com.au/sales-marketing/australian-shoppers-prefer-a-brick-and-mortar-store-over-online>

<sup>8</sup> <https://www.ons.gov.uk/businessindustryandtrade/retailindustry/timeseries/j4mc/drsl>

<sup>9</sup> <https://www.raconteur.net/infographics/ad-evolution/> and

<sup>10</sup> <https://www.citrusbits.com/stats-and-facts-about-augmented-reality>

## PROBLEM AND MARKET GAPS

Members	Advertisers (businesses)	Government
<ul style="list-style-type: none"> <li>Limited positive and local community focused social platforms</li> <li>Attention drained for no direct financial benefit</li> <li>Can be damaging to mental health<sup>a</sup></li> <li>Lack of safety (e.g. cyber bullying)<sup>a</sup></li> <li>Personal data and privacy is at risk of being violated<sup>b</sup></li> </ul>	<ul style="list-style-type: none"> <li>Mis-aligned values (e.g. ad popping up in hate speech videos) on some platforms<sup>c</sup></li> <li>No guarantee in building an ongoing rapport with users who view the ads</li> </ul>	<ul style="list-style-type: none"> <li>Citizen's data is misused by some platforms<sup>d</sup></li> <li>Civil discourse is poorly managed<sup>b</sup></li> </ul>

<sup>a</sup> <https://www.rsph.org.uk/static/uploaded/d125b27c-0b62-41c5-a2c0155a8887cd01.pdf>

<sup>b</sup> <https://www.oaic.gov.au/updates/news-and-media/commissioner-launches-federal-court-action-against-facebook/#:~:text=The%20Australian%20Information%20Commissioner%20has,contravention%20of%20Australian%20privacy%20law.>

<sup>c</sup> <https://www.theguardian.com/technology/2020/jun/30/third-of-advertisers-may-boycott-facebook-in-hate-speech-revolt>

<sup>d</sup> <https://www.orfonline.org/research/43665-digital-hatred-real-violence-majoritarian-radicalisation-and-social-media-in-india/>

## LITT'S SOLUTION

Members	Advertisers (businesses)	Government
<ul style="list-style-type: none"> <li>A positive platform which connects likeminded stakeholders locally</li> <li>Rewards members for watching local ads</li> <li>Enhanced automated safety tools</li> <li>Empowers members to give back to the community</li> <li>Does not sell data</li> </ul>	<ul style="list-style-type: none"> <li>Reach customers on a positive platform that aligns with their values</li> <li>Guaranteed engagement (if their ad is watched by members who currently aren't following them)</li> </ul>	<ul style="list-style-type: none"> <li>Stringent safety practices around citizens' data</li> <li>Negative members potentially blacklisted</li> <li>Community managed automatic post removal system to limit offensive content (supported by platform mediation)</li> </ul>

## Milestones

**OVER  
17K  
MEMBERS**

Growing at an average rate of 65% quarter on quarter (as of 31 Dec 2020)  
80%+ growth in Feb 2021

**400+ LOCAL  
BUSINESSES**

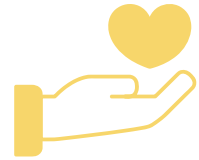


With a presence across all states

**4.3 STAR  
RATING**

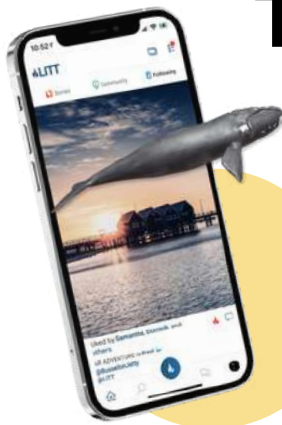
from 165 reviews on the App Store and Google Play as of 24 Feb 2021

**2 LOCAL CAUSES  
ON BOARD**



Happiness Co  
Blue Tree Project

## TWO LARGE AR ADVENTURES



with MERC and  
Busselton Jetty  
and 30 AR ads  
via businesses



### DIGITAL VISA CARD CAPABILITY

Released in-app  
VISA card resulting  
in a great 'tap & go'  
user experience  
for both members  
and businesses\*

## MAJOR PARTNERSHIPS & TRIALS



Australian Hotels Association  
WESTERN AUSTRALIA

**(AHA WA)**

The umbrella organisation  
for 800 bars, cafes and  
restaurants in WA



A Sea of Discovery

AR adventure  
(in trial)



In the process of reaching  
120 businesses

\*In March 2021, The Company entered into an agreement with an initial term of 5 years with Novatti Group Limited (Novatti). Under the Agreement, Novatti has agreed to provide various services to the Company which have enabled the LITT VISA pre-paid card to be offered to users on LITT's Platform. As a licensed holder of an AFSL license for non-cash payments and a principal member of the Visa card scheme, Novatti is able to act as the Company's sponsor with respect to the Visa card scheme. Services are provided through Flexewallet Pty Ltd, a member of the Novatti Group. In exchange for providing the services, the Company is required to pay an ongoing monthly fee of \$6,500 as well as fees charged by Visa (which are passed on through Novatti) and a small card management service fee for each LITT Visa card. The agreement has a break-fee if the Company seeks to terminate it prior to the end of the initial 5-year terms.



# Timeline

## Top Charts

18/02/2021

	1 Messenger Text, audio and video calls	UPDATE
	2 Facebook Social Networking	
	3 WhatsApp Messenger Simple. Reliable. Secure.	UPDATE
	4 Discord - Talk, Chat, Hang Out Friends, Communities & Gam...	GET
	5 Telegram Messenger Fast. Secure. Powerful.	OPEN
	6 Clubhouse: Drop-in audio chat Social Networking	
	7 Signal - Private Messenger Say "hello" to privacy.	UPDATE
	8 LITT Connecting Local Communities	OPEN



## FEBRUARY 2021

- Global news coverage
- 80%+ increase in registered members
- 80%+ increase in registered businesses
- Ranked in the top ten social media apps on App Store and Google Play

## JANUARY 2021

- Named as a WA startup to watch
- LITT VISA digital payment launched

## DECEMBER 2020

- AR technology v2 implemented

## NOVEMBER 2020

- 200 businesses on LITT

## OCTOBER 2020

- LITT app v2.0 released

## SEPTEMBER 2020

- 5,000 members on LITT

## JUNE 2020

- 100 businesses on LITT

## MAY 2020

- LITT app v1.0 launched

## APRIL 2020

- \$550,000 raised

## SEPTEMBER 2019

- LITT Global Pty Ltd established

## JULY 2018

- \$2 million raised

## APRIL 2016

- Photo Connect Pty Ltd established



## Stakeholder Feedback

Like all new digital businesses, we are rapidly learning, optimising and improving on all fronts. Encouragingly though, the initial response from various community stakeholders in Western Australia has been both inspiring and humbling and has given us the confidence to roll out nationally in 2021.



**@Caris, Dec 2020\***

"Thank you @LITT for engaging the community, for the competitions, for the AR feature, and the fun of the search for #LITTcash. I honestly love this app. I think I'm your biggest fan :) :)"

**@Harboursurf, Aug 2020\***

"We have had a bunch of LITT members coming through and transacting with LITT Pay weekly. This is the start of something exciting and we are happy we have come on board early"



**Lisa Shreeve, CEO @BusseltonJetty, Dec 2020\***

"It's a fun new way to explore the jetty and we hope to be able to add our audio tours to (the LITT app) in the coming weeks so people can hear the stories of the jetty too as they go for a walk".

**Julian Pace (CEO) & Robbie Figg (GM) @HappinessCo,  
Jan 2021\***

"It's an incredible thing when you get the support of someone like LITT. One of the hardest things is finding a way to connect with people with the same passions, same views, same beliefs and the LITT app has been a perfect place to build a community of like-minded people in WA, whilst trying to support WA business owners and NGOs like us."



*\*Each individual has provided consent to the inclusion of their statement.*

## 2.3 MARKET OVERVIEW

Our market comprises of urban communities that have various stakeholders including local residents (members), businesses, government organisations (local councils and tourist boards) and local causes.

We have identified three distinct target areas to build new LITT communities in Australia.

- Urban centres with populations of > 500,000 residents (our primary focus).
- Cities and towns with populations of 100,000 to 500,000 will be a secondary focus.
- Tourist destinations with high tourist traffic (e.g. Busselton, which has a population of 25,000, but attracts 1 million tourists<sup>11</sup> annually, many of whom are from Perth, is one of our target markets).

### Market Size by Key Stakeholder in Australia (Total Addressable)

Stakeholder	Numbers
Members (15-60, urban, smartphone owners)	12 million
Retailers	130,000
Tourism businesses	300,000
Hospitality businesses	85,000
Local councils	300
NGOs (social causes)	56,000

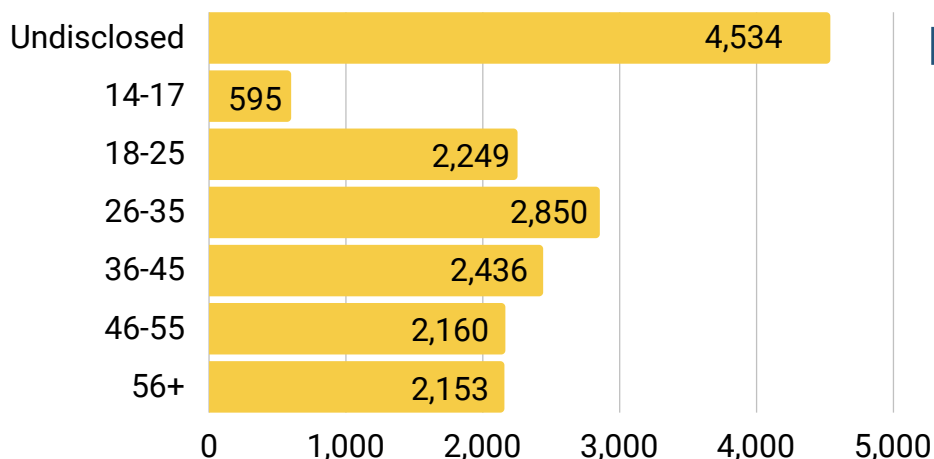
Sources for all the above are in the pages that follow.

<sup>11</sup><https://www.busseltonmail.com.au/story/6198354/busselton-experiences-highest-visitor-numbers-on-record-tourism-minister/>



## Members (Not Including Businesses)

Our primary target audience within these communities is the smartphone-using, community-conscious, 20-45-year-olds (an attractive audience for businesses in the area). We do expect younger (15-20) and older (45+) members too, as is currently the case.



## LITT Members By Age Group

(As of 24 Feb 2021)

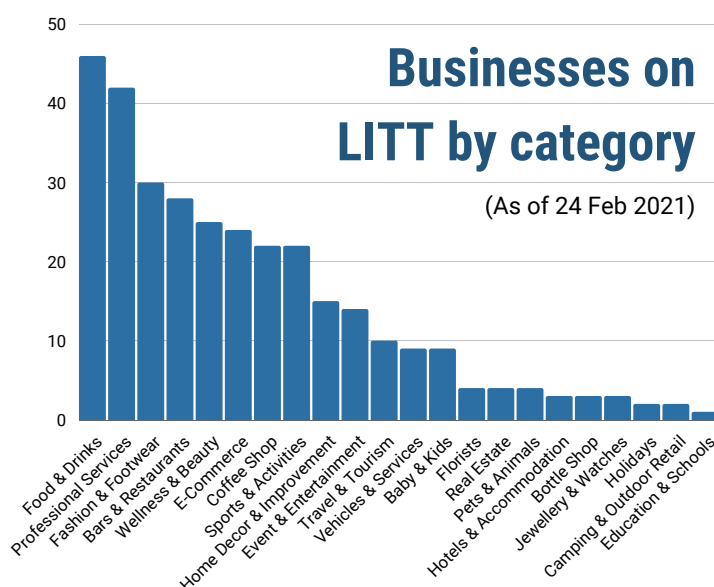
Given the fact that Australia is one of the most urbanised countries in the world, with 90% of individuals living in major cities,<sup>13</sup> the LITT Board considers Australia to be an ideal place to launch and scale. According to our estimate, the addressable market of members in communities across Australia is roughly 12 million.<sup>14</sup>

While our primary focus is to build our membership base in Australia, we are also exploring the global opportunity for LITT in the future (see section 2.5 regarding *International Expansion Potential*).

## Businesses

Businesses are our lifeline as we expect 90% of our revenue from businesses advertising on the LITT platform. We currently have over 400 businesses (as of February 2021) across Australia signed up on LITT. These businesses are from a wide range of industries as depicted in the chart to the right (**not included are 67 uncategorised businesses**).

As 66% of Australians live in the capital cities,<sup>15</sup> we will focus on businesses in these cities first.



## Businesses on LITT by category

(As of 24 Feb 2021)

<sup>13</sup> <https://www.abs.gov.au/statistics/people/population/historical-population/latest-release>

<sup>14</sup> Smartphone owning / urban dwelling / 15 – 60 year old and <https://profile.id.com.au/australia/five-year-age-groups> (this is 2016 data when the total Australian population was 23.4 million and today it stands at 25.7 million)

<sup>15</sup> <https://mccrindle.com.au/insights/blog/australias-capital-cities/>

Australia has approximately 300,000 tourism businesses,<sup>16</sup> 85,000 restaurants, bars and pubs<sup>17</sup> and 130,000 retailers<sup>18</sup> and we believe LITT will be a great customer acquisition and engagement channel for many of them. Our aim is to grow our business advertiser base in sync with the growth of our member base.

## Other Community Stakeholders

While members and businesses form an important part of our user base, we also expect local government councils, tourism organisations (TOs) and non-profits to add value to the LITT community. With approximately 2,000 TOs<sup>19</sup> (including local and state), 300 local councils<sup>20</sup> and 56,000 non-profit organisations and charities<sup>21</sup> in Australia, looking to connect with locals, we are keen to get these organisations on board too.



**Matt Gollan**  
**Our First Local Hero**



*Some of the positive  
local causes on LITT!*

We are particularly excited about the prospect of members being able to support their local heroes and causes on LITT. For example, if a member wants to thank the local fire department or health workers for their enduring community work the member can:

- Buy them gift vouchers as a show of their appreciation
- Treat them to a coffee, meal or drink at a restaurant or café near them
- Follow them and give them a shoutout on the platform

While LITT makes for an exciting business proposition, we believe LITT offers a lot more as is highlighted by our focus on local heroes and social causes.

<sup>16</sup> [https://www.tra.gov.au/ArticleDocuments/254/Tourism%20businesses%202017\\_FINAL.PDF.aspx](https://www.tra.gov.au/ArticleDocuments/254/Tourism%20businesses%202017_FINAL.PDF.aspx)

<sup>17</sup> [http://www.the-drop.com.au/wpcontent/uploads/2016/11/EatingOutinAustralia\\_2017\\_RespondentSummary.compressed.pdf](http://www.the-drop.com.au/wpcontent/uploads/2016/11/EatingOutinAustralia_2017_RespondentSummary.compressed.pdf)

<sup>18</sup> <https://www.statista.com/statistics/932646/australia-number-retail-trade-businesses/>

<sup>19</sup> <https://www.tra.gov.au/regional/tourism-regions/tourism-regions>

<sup>20</sup> <https://alga.asn.au/facts-and-figures/>

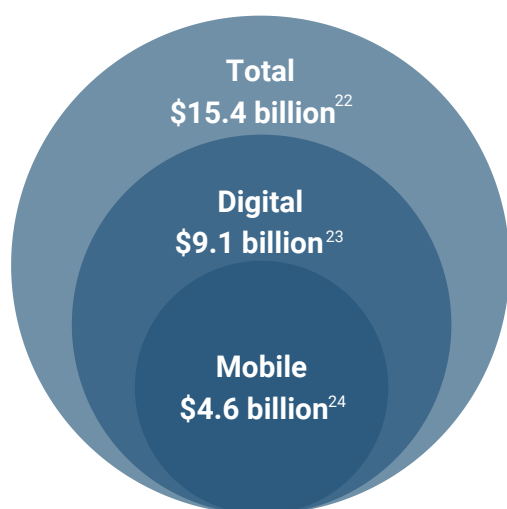
<sup>21</sup> <https://www.acnc.gov.au/for-public/understanding-charities/are-there-too-many-charities-australia>

## The Advertising Market

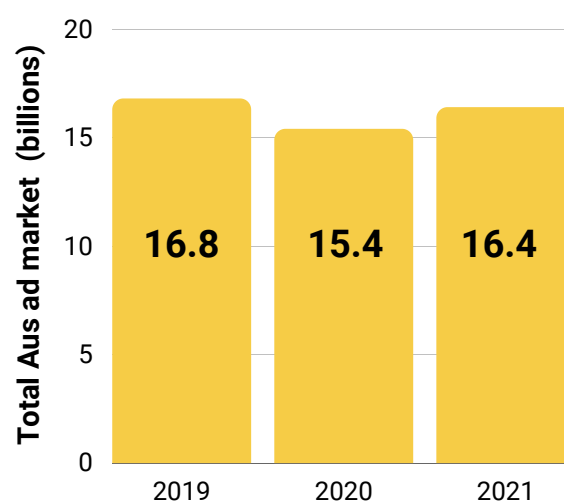
As LITT is an advertising-driven business, it is important to understand the ad market landscape in Australia as well as the innovations in the advertisement world globally.

### Australia Ad Market Size 2020

Digital advertising comprises of advertising on the mobile and desktop platforms.



### Australia Ad Market Size Forecast (MAGNA IPG Mediabrands)



According to a MAGNA IPG Mediabrands report,<sup>22</sup> while the total ad spend in Australia is expected to decline by 8.4% from \$16.8 billion in 2019 to \$15.4 billion in 2020 (as shown above), digital ad spend is expected to drop only 2%, while social media ad spend (which is where LITT operates) is expected to instead rise by 5%. This highlights the resilience of social media as an advertising channel.

The report further highlights 3 important points that are relevant to our business:

1. Digital advertising represents almost two-thirds (64%) of total Australian ad budgets, one of the highest global ratios;
2. In 2021, digital advertising is forecast to rebound by 11% to surpass 2/3 of total ad budgets; and
3. Brands in Australia, like many across the world, prioritised channels that supported e-commerce as the COVID-19 recession set in.

Therefore, we believe that our business model is secure, as it is driven by a large, growing and resilient industry (i.e. social media advertising).

<sup>22</sup> <https://www.adnews.com.au/news/magna-australia-s-advertising-market-to-fall-8-3-in-2020#>

<sup>23</sup> <https://www.cmo.com.au/article/682375/australia-online-advertising-spend-drops-12-per-cent-during-april-june-quarter/>

<sup>24</sup> <https://www.cmo.com.au/article/682375/australia-online-advertising-spend-drops-12-per-cent-during-april-june-quarter/>



## 2.4 THE PRODUCT

A majority of our resources and time to date have been spent on developing the LITT platform. Our primary focus has been to build an engaging product with a high-quality user experience that enables multiple community stakeholders to avail of four key benefits, which are: to **learn** and **earn** from one another and to **share** with and **support** each other. Further, one of our core goals is to enable stakeholder engagement in a safe, secure and trusted environment.

Having worked tirelessly on our ever-evolving platform, we are thrilled to have achieved our primary goals with innovative features and tools.

LITT has been designed and developed by our internal team of highly experienced designers and software developers. The app has been developed utilising the Google Flutter open-source UI framework which has allowed us to create the iOS and Android native applications on a single code base. The single code base significantly reduces the cost of development and reduces development time whilst still allowing the integration with native Java, ObjectiveC and Swift.

Our backend systems and architecture have also been developed in-house and are **securely hosted on the Amazon Web Servers (AWS) servers in Australia. As the safety of our member data and security of our systems are of paramount importance, we have had an external security audit conducted and have implemented the recommendations of that audit. We continue to implement system-wide best practices to minimise the risk of data breaches.**

We have also taken adequate steps to protect the intellectual property that has been developed by us, and have IP trademarks and copyrights in Australia.



## Features and Capabilities

LITT is available on the Australian Apple App Store and Google Play. LITT brings the best of social media, AR advertising, e-commerce and digital payments into a complete offering. Our circular economy and safety goals are made possible by seamlessly combining the following features:

### Stories

Members can post stories that are available for 24 hours to their followers. Stories can feature up to 5 tags. AR stories can be uploaded and are only available within a geofence.

### ●●● Safety Moderation

Community members can report posts that are inappropriate, spam or infringe copyrights. We are aiming for our emergency report function to directly link to emergency services to instantly report serious matters.

### Upload

Enables members to share their photos and videos to either the entire community or to only their approved followers by setting their account to 'Private'.

### My LITT

My LITT is the repository of a member's gift vouchers, coupons, promotions and transaction history.

### Chat

Members have the ability to message privately between themselves, create group chats and also send photos and videos to one another.

### Newsfeeds

View content from only those the member has chosen to follow or view all posts from LITT users with a public profile. Scrolling through, members will find Watch & Earn ads they can view for rewards.

### LITT Pay

The LITT Pay feature is the repository of the member's cash balance, transactions history, reward points balance, QR code scanner for payments and the LITT Visa pre-paid card.

### Notifications

Push notifications and in-app notifications are provided to alert members. Notifications include post updates, likes and comments received and geofence ads to increase advertiser engagement.

### Store Locator

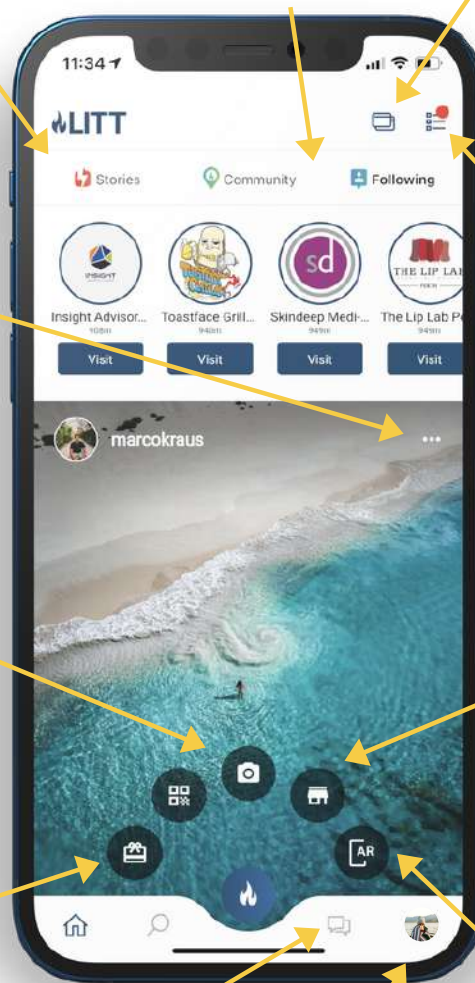
The store locator provides a map and directory listing of LITT business partners that accept LITT Pay and the vouchers and coupons available for purchase. Members can search the store locator by name, location and product category.

### AR ads

Members earn rewards by using the augmented reality (AR) feature to watch video ads.

### Profile

A member can update their personal details and preferences in their profile settings.





## Advertising Modules for Businesses

We offer businesses a range of relevant advertising options including exciting AR ad tools. The table below describes our various ad modules as at the date of this document.

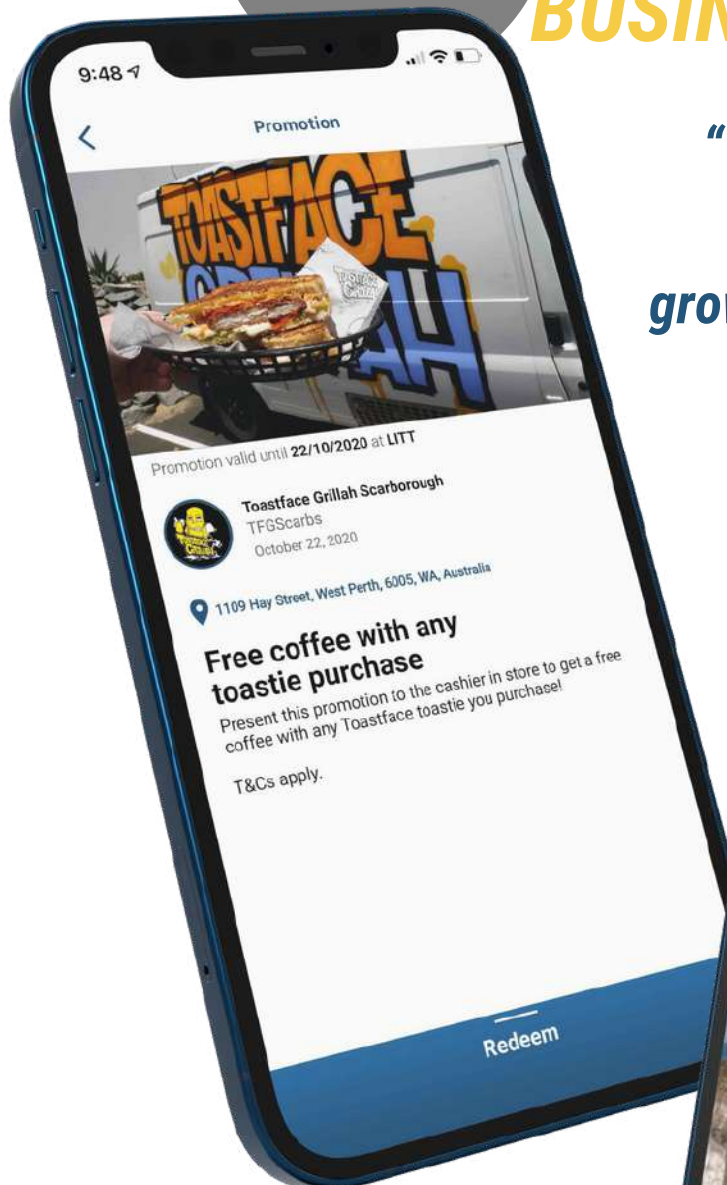
Ad Module	How it Works
Augmented Reality (AR) Local Promotion Ad	Ads are limited by time or number of deals available and they are available to members who enter the geofenced area. Members who receive the AR notification can find and tap on an AR image to claim the promotion.
Newsfeed Watch & Earn Ad	We have 3 budget-friendly package options available and ads are displayed for a limited number of views. A static image (displayed for 7.5 sec) or a 15-sec video and advertisers automatically get new followers*. <b>LITT provides 40% of the ad revenue as reward points to members.</b>
Store Vouchers	Store vouchers are listed for sale to members in the store locator. There is no upfront cost and LITT earns commission on transactions when a voucher is redeemed.
Coupon Deals	Businesses creates a coupon offering a significant discount on a product or service. LITT earns a commission on the sale of the coupon. Members have a limited time to redeem the coupon in-store.
Rewarded Video Banner Ads	Banners are displayed on the AR rewards video page. Advertisers pay for a selected number of impressions and a variable portion of the earned cost per mille (CPM) (per 1,000 views) is used by LITT to provide reward points to member.
Push Notification Local Promotion Ad	Three budget-friendly options are available. Ads are limited by the time or number of deals available to members who enter the geofenced area members can select to accept or ignore the deal, which is then sent to their My LITT promotion section.

*\*If the ad is watched and the member **isn't** already following the advertiser*

## BUSINESSES LOVE LITT!

***"We have been active on LITT, posting content and we are growing followers faster on LITT than we do on Instagram"***

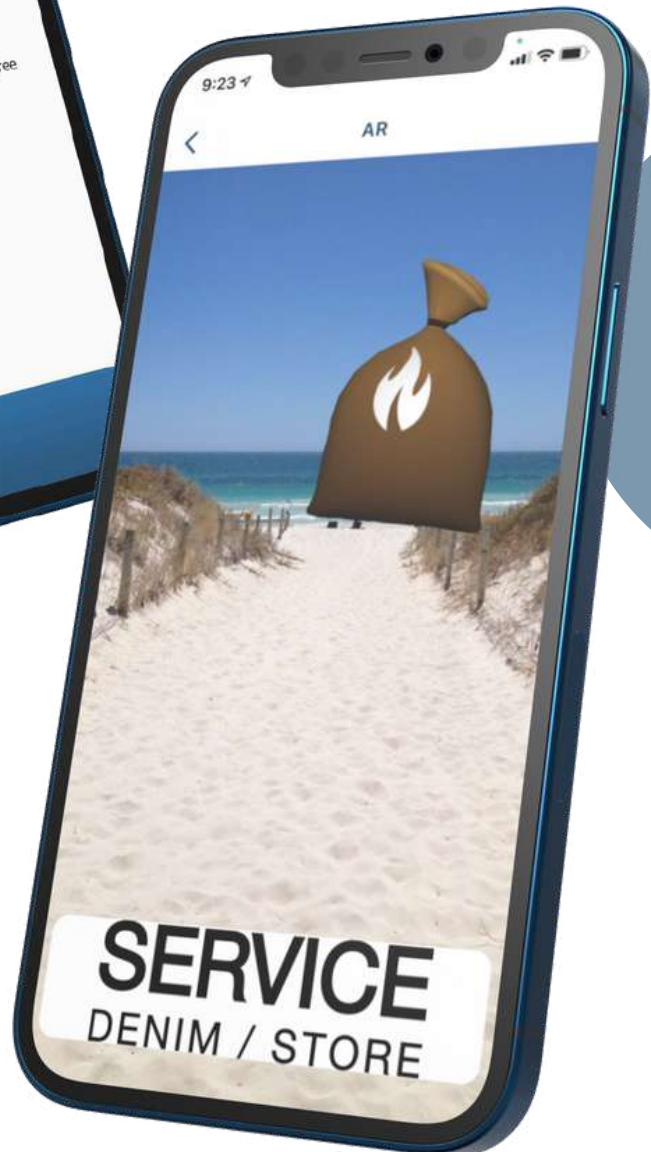
**Sam, @ServiceDenim**



***"We have had a bunch of LITT users coming through and transacting with LITT weekly..."***

***This is the start of something exciting and we are happy we have come on board early!"***

**Cory, @TFGScarbs**



\*Each individual has provided consent to inclusion of their statement.



## 2.5 BUSINESS MODEL & STRATEGY

We have two core revenue streams:

- Advertising (estimated to be 90% of our revenue)
- Commissions from purchases made via LITT digital payments (LITT cash/vouchers/coupons)

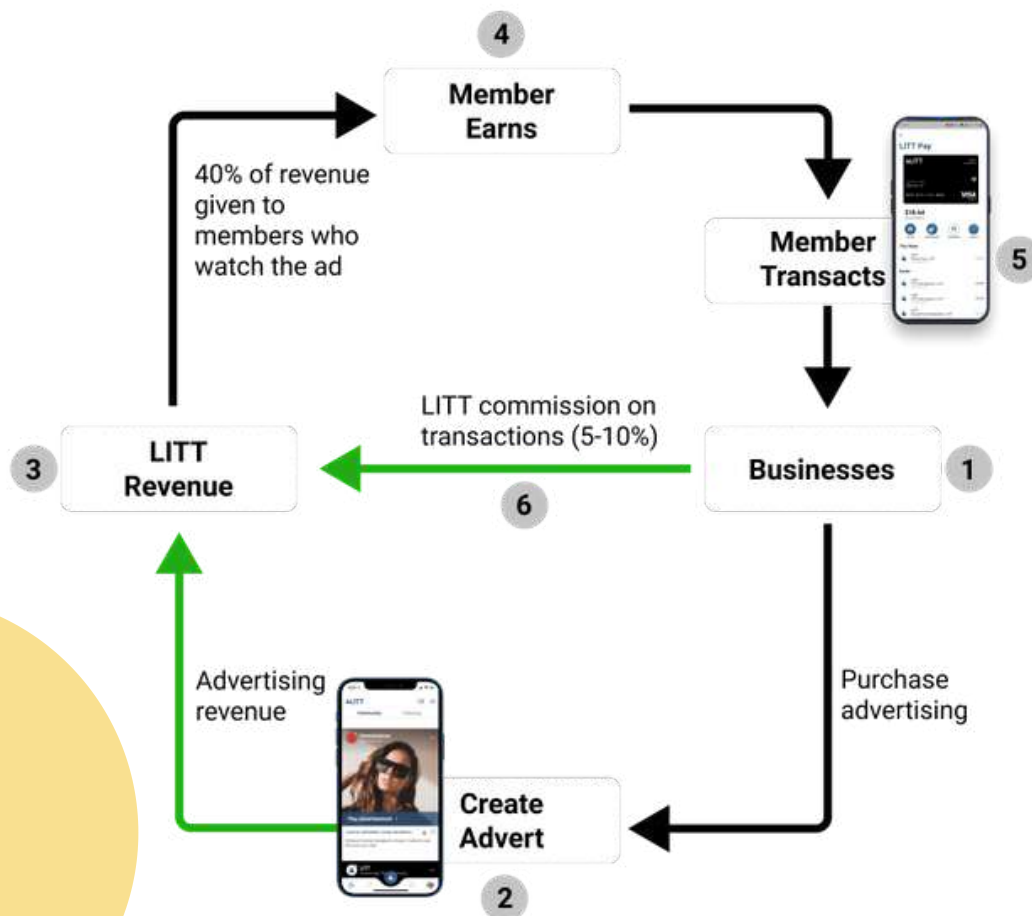
However, **unlike most advertising led platforms, we put a portion of our ad revenue in the hands of the viewer**, resulting in a powerful circular economy that benefits both members and businesses while keeping the LITT business model churning. As of Dec. 31st, 2020, members have earned \$40,000 on LITT, of which \$31,000 was from ad revenue share (with the balance being from cash drops).<sup>25</sup> These members have then gone on to spend \$32,000 at LITT businesses.

### How LITT Rewards Members and Fuels a Circular Economy

(applies to newsfeed, banner and rewardable video ads – see page 26 for definition)

### LITT Circular Economy

*Figures current as at date of this document.*



<sup>25</sup> We occasionally drop augmented reality "bags" of cash and other offers to keep the members engaged.

As advertising accounts for the majority share of our revenue,<sup>26</sup> we have created six different advertising modules to ensure businesses of all sizes can benefit from our platform. This not only provides a level playing field for local businesses of all sizes, but it also widens the pool of potential advertisers (and therefore revenue) on LITT.

#### LITT Ad Modules and Revenue Share Summary

Ad Module	Ad Revenue Shared with Viewers
Newsfeed Ad	Yes
Banner Ad	Yes
Reward Video Ad	Yes
Geofenced AR Ad	No
Geofenced Push Ad	No
Coupon	No

Our expectation is that as the LITT member base grows, and as we improve our ad targeting capability, we will be able to increase the ad rates charged out to advertisers. However, our primary goal will be to ensure that advertisers get an adequate return on their investment, so we will gauge our pricing accordingly.

<sup>26</sup> Estimated at > 90% of our total revenue from all sources including commissions



**universalbar**  
Perth, Western Australia

**UNIVERSAL**  
BAR  
terracebar

**One of over 100 hospitality  
businesses on LITT**

## National Member Growth Strategy

Perth, WA	2020
Darwin, NT	2020
Brisbane, QLD	2021
Sydney, NSW	2021
Melbourne, VIC	2021
Adelaide, SA	2021
Hobart, TAS	2021



As our research indicates,<sup>27</sup> advertisers are keen on seeing members in their area before they invest in advertising on LITT. Accordingly, our primary goal is to build a core base of members in each key city and region. As mentioned earlier, 66% of Australians live in capital cities. We will begin our rollout by targeting the densest neighbourhoods in these capital cities first. The table below highlights our intended 12-18 month strategic roll-out plan from March 2021 onward.

Quarter	Region Focus
Q2 2021	Sydney Brisbane Gold Coast
Q3 2021	Melbourne Newcastle Adelaide
Q4 2021	Tasmania Regional NSW/ACT
Q1 2022	Regional QLD

However, if we see a member base growing in other urban and regional centres in Australia, we will analyse the opportunity and direct resources as management sees best.



<sup>27</sup> Based on LITT's primary research in Perth, Western Australia

## Member Acquisition Channels

We have experimented with various tactical channels for member acquisition in Perth since mid-2020. We continue to test and learn based on data-driven insights.

### Approximate Customer Acquisition Channel Results\*

Channel	Members Acquired (approx %)
Word of Mouth	25%
Content, PR & Media Partnerships	15%
Google Ad Network	15%
Social Media Marketing	10%
Partnerships	10%
LITT Business Partnerships	7%
Competitions, Giveaways	5%
Unknown	5%
Influencer Marketing	5%
Local Street Teams/Letterboxing	3%

To build our member base in 2021, LITT will focus on the following channels:

- **Content Marketing, Media Partnerships, Public Relations (PR)** to build brand equity, credibility and grow our membership base within target areas.
- **Word of Mouth** including referrals from new potential investors.
- **LITT Business Partnerships** in target suburbs by leveraging their databases, shop fronts and counter spaces.
- **Social Media Marketing + Google Ads (combined approach)** targeted at the hyper-local level to drive new memberships, engagement and retention.
- **Influencer Marketing** focused on local micro-influencers, to help build awareness and member acquisition.

\*Pre-Feb 2021 - in Feb 2021 our member base increased by over 80% due to a surge in media coverage across Australia and therefore, we have not included this in our results.



## Business Acquisition Channels

In parallel to member acquisition initiatives, we will also onboard businesses in our target neighbourhoods in order to generate advertising revenue and activate the local circular economy. Our primary business sector targets in each of the member-heavy areas will be:

- Food and Drink
- Professional Services
- Retailers
- Wellness and Beauty

LITT has experimented with multiple channels to attract businesses to our platform. As we are a new brand, our initial strategy has been to introduce our platform to businesses in high-density areas via street teams led by experienced sales managers. This has resulted in our first 200+ business sign-ups. Since the phenomenal media coverage we received in mid-Feb 2021, an additional 200 across Australia businesses have also signed up.

In order to scale our business base, we will focus on:

- 1. Strategic partnerships** with major industry associations. As an example, AHA WA has partnered with us to roll LITT out to their 800 members.
- 2. City councils** like the City of Joondalup, where we are in discussions with the Economic Development Management Team to bring all of their 120 members on to our platform.
- 3. Tourism organisations**, which, as mentioned earlier, represent over 300,000 tourism-related businesses.
- 4. Marketing agencies** that represent relevant businesses in select cities.





## International Expansion Potential

While our 2021 goal is to scale across Australia, we are also excited about the international growth potential.

According to the United Nations, 55% of the world's population (4.2 billion people) lived in an urban setting in 2018. Further, approximately 2 billion of these urban citizens lived in one of the 1,146 cities with populations > 500,000 people. The other 2 billion lived in an undeclared number of smaller urban communities.<sup>28</sup>

We believe that some of these urban communities could make for potential new markets for LITT in the future.

We have undertaken an initial analysis of the ideal growth countries based on various criteria including language, the local ad market size, smartphone usage and demographics. As a result, we have identified potential international launch markets.

We have also given thought to potential roll-out strategies including a partner/licensee led model whereby LITT enters new countries with strong local partners in order to expedite international expansion in a capital-light manner.

We will assess the international opportunity further in due course.

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<sup>28</sup> [https://www.un.org/en/events/citiesday/assets/pdf/the\\_worlds\\_cities\\_in\\_2018\\_data\\_booklet.pdf](https://www.un.org/en/events/citiesday/assets/pdf/the_worlds_cities_in_2018_data_booklet.pdf)

## 2.6 THE COMPETITIVE ENVIRONMENT

As a local community super app offering a range of benefits to multiple stakeholders in urban areas, we believe we are creating a unique new category here in Australia.

As mentioned earlier, LITT stakeholders include residents, businesses, local governments and local causes in defined urban areas and our platform has been built to benefit these stakeholders in mind.

Once on LITT, the core benefits to the stakeholders in these communities are the ability to **learn** and **earn** from, as well as **share** and **support** one another.

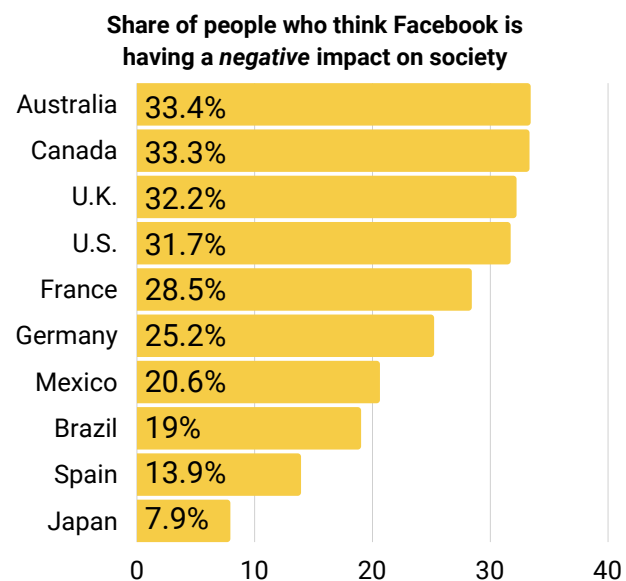
Importantly, we endeavour to do this in a **safe, trusted and positive environment**.

Our potential competitors fall into two categories (as both have similar ad-driven business models):

1. Hyperlocal (neighbourhood level) community focused apps
2. Global social media platforms

We believe that the hyper-local community focused apps are closer competitors, as their goal, like ours, is to serve local communities. While some of the global social media platforms offer a few local community benefits, they are in LITT's view, simply not built with local communities in mind. In fact, they are often perceived to have negative and detrimental effects on societies around the world.

According to Vox Media (and based on a poll conducted by Facebook founder Mark Zuckerberg's ex personal pollster Tavis McGinn), **Facebook is not well regarded in large parts of the globe (as evident from the survey on the right).**<sup>29</sup>



<sup>29</sup> <https://www.vox.com/2018/4/12/17215142/facebook-negative-impact-society-mark-zuckerberg-poll>



## Hyperlocal (Neighbourhood) Community Apps

The two prominent hyperlocal community apps LITT has identified are:

- Nextdoor
- Nebeban.de

While Nextdoor launched in Australia in 2018, most of Nextdoor's members are US-based. Nebeban.de is only available in Germany and France. Therefore, we have focused only on Nextdoor for the analysis.<sup>30</sup>

### Summary of Nextdoor

Purpose	Nextdoor connects neighbours to each other - and to everything nearby.
History	Founded in San Francisco in 2008, the app has since launched across the US and is now in 11 countries (265,000 neighbourhoods).
Funding	Raised \$408 million to date and has a current estimated value of is USD 2.1 billion.
Reach	11 countries including Australia / 265,000 neighbourhoods globally / 50 million local business recommendations from neighbours.
Member Benefits	Peer-led recommendations, peer to peer commerce, local news, social media, peer to peer groups, public service updates, practical live data on parking availability, public agencies (e.g. Police), messaging, local business to local resident connections.
Key Features	Social media, chat, interest groups.



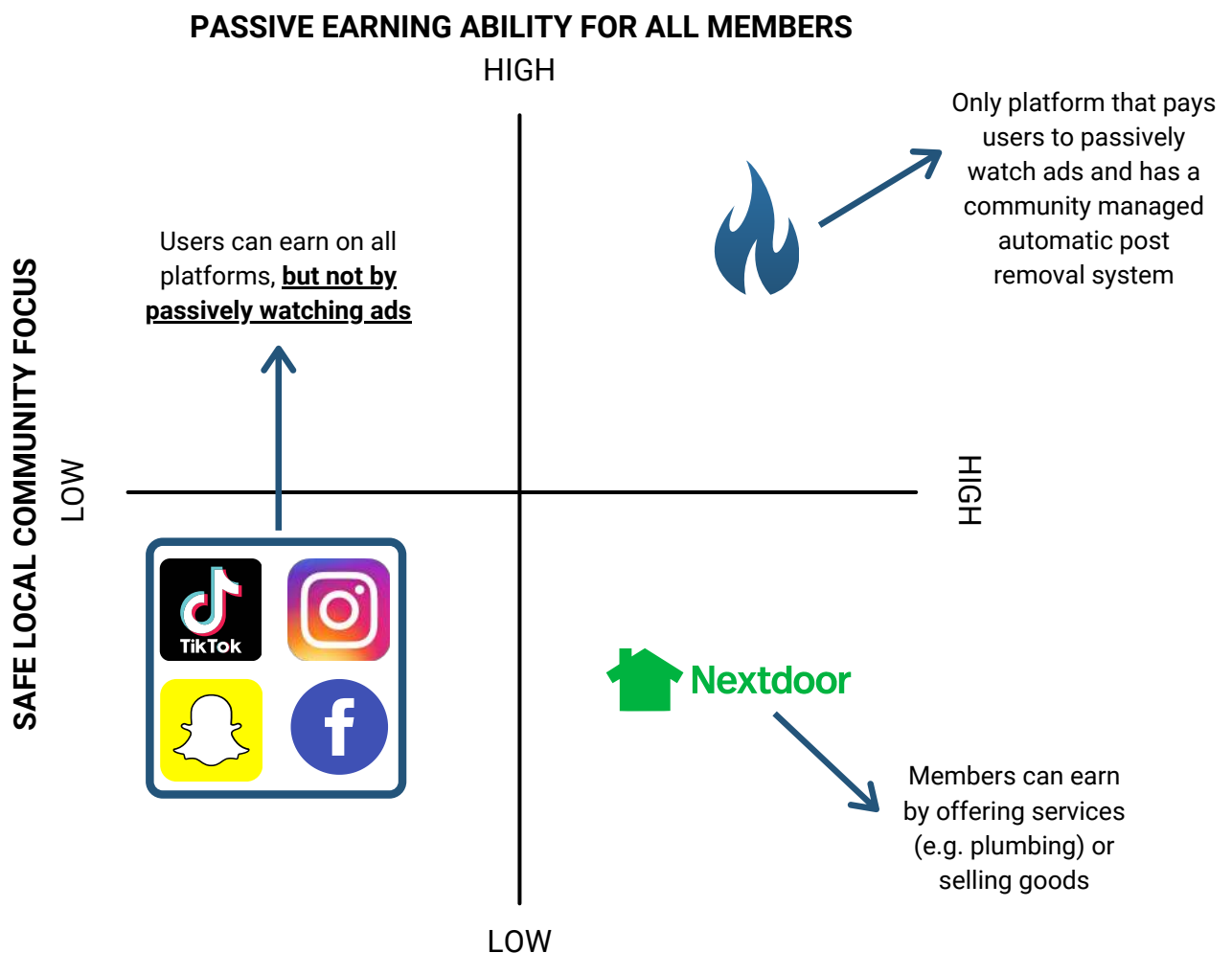




When compared to both categories of competitors (the hyperlocal community focused apps like Nextdoor and the global social media platforms), we believe LITT has a combination of advantages that puts us in a unique position:

As seen below, LITT is the only platform that not only rewards members for their valuable attention but does so in a safe, positive and trusted environment.

We believe LITT's simple, yet powerful combination of benefits will drive members to our platform and encourage them to engage with the community once on.

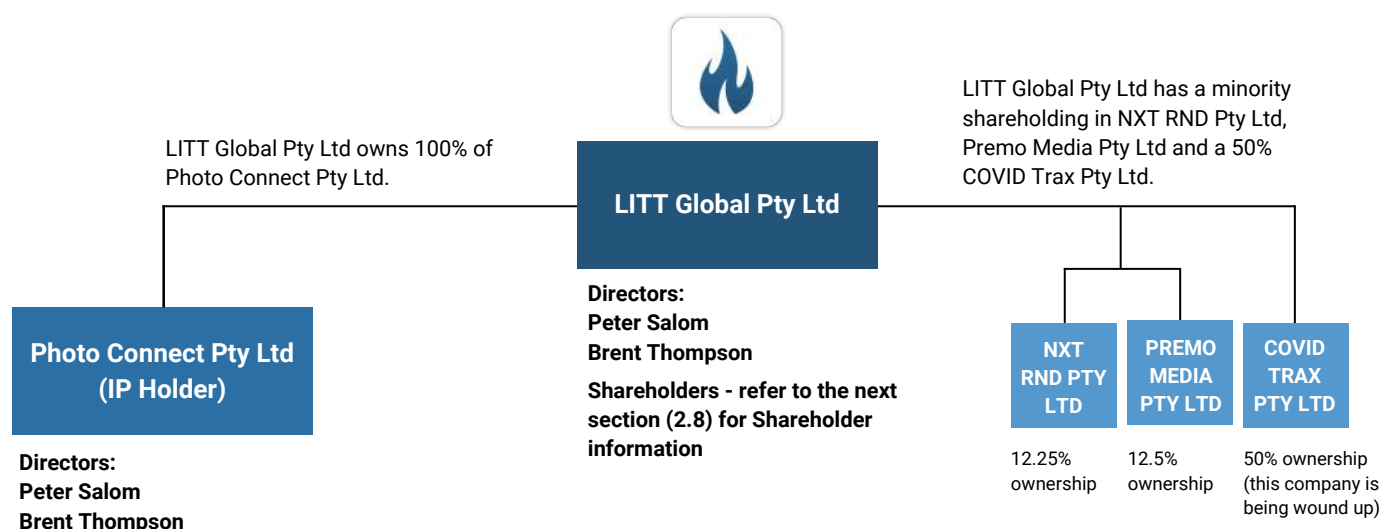


By building and engaging a sizeable member base, we believe we will become a valuable channel for local businesses to attract new customers and engage with them on an ongoing basis. Our members, in turn, will learn about relevant new businesses and **earn as they learn**. This mutually beneficial relationship should keep stakeholders both vested in and engaged with our platform, resulting in a long-term, network-effect-led competitive advantage (**as is the case with successful social networks**).

*NB: We have not provided a summary of the larger social media players covered here (Facebook, Instagram, Snapchat and Tik Tok), as they are relatively well-known public entities.*

## 2.7 THE ORGANISATIONAL STRUCTURE

### Company Structure



LITT Global Pty Ltd owns 100% of Photo Connect Pty Ltd (making Photo Connect Pty Ltd a 100% owned subsidiary of LITT Global Pty Ltd). Therefore, an investment in LITT Global Pty Ltd will result in 100% ownership of Photo Connect Pty Ltd.

Photo Connect Pty Ltd was established in 2016 (as the original development company for the platform). Thereafter, LITT Global Pty Ltd was established in 2019 for investment, commercial and operating purposes and Photo Connect became a subsidiary of LITT Global Pty Ltd.

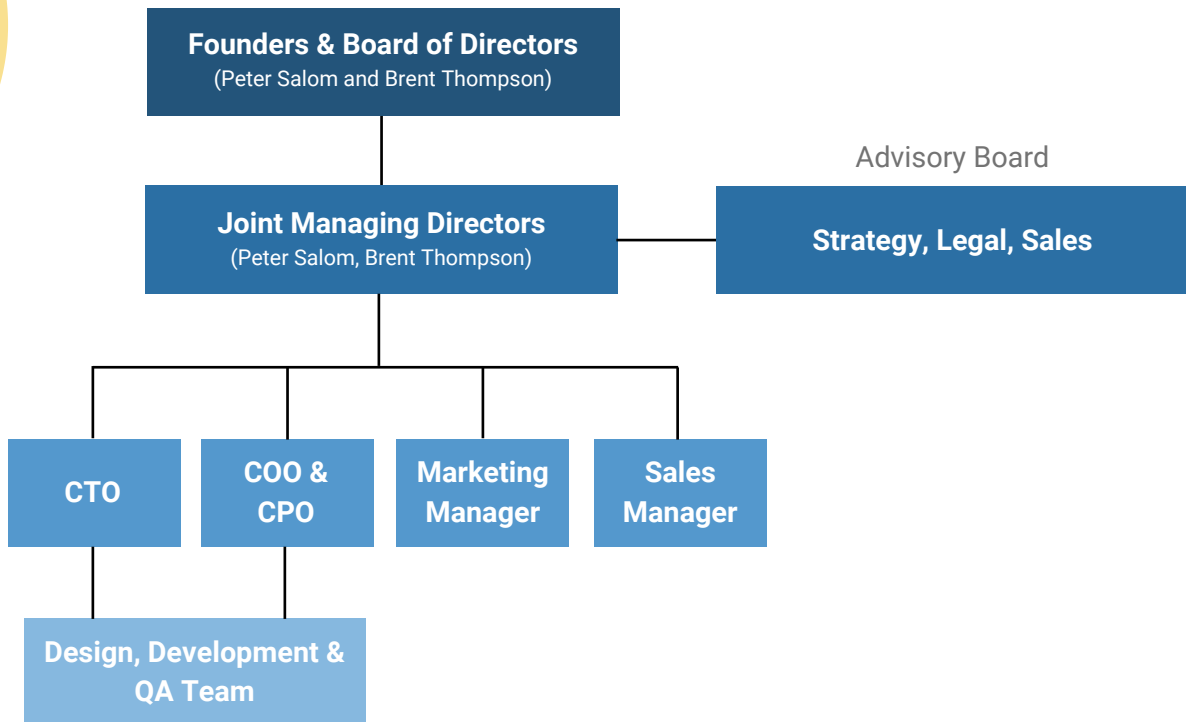
Photo Connect Pty Ltd continues to lead the development of the app (with support from LITT Global Pty Ltd), own the intellectual property and avail of the annual government R&D credits<sup>30</sup> (a part of which is passed on to LITT Global Pty Ltd).

LITT Global Pty Ltd also owns a 50% shareholding in COVID Trax Pty Ltd (this company is dormant and in the process of being wound up) and a minority holding in NXT RND Pty Ltd and Premo Media Pty Ltd, which are related parties. Therefore, an investment in LITT Global Pty Ltd will result in a proportional holding in these businesses.

<sup>30</sup> The Australian government annually credits (i.e. pays back) technology companies like ours the annual amount spent toward research and development of the product. As the development of our technology was carried out by Photo Connect PTY, LTD, the R&D credits from the government was paid to Photo Connect PTY, LTD. This is reflected in the Photo Connect PTY, LTD Profit & Loss Statement.

## Team Structure

We have a lean team that is split between technical front and back-end development, marketing, sales and administration. We are also supported by an experienced team of advisors who bring strong strategy, start-up, legal and customer acquisition knowledge.



Our focus for the next twelve months is mostly on establishing our presence across Australia. As a result, we will add new regional sales managers to the existing sales team and also add an experienced UX (user experience) designer to fine-tune the product for both members and businesses.

We will continue to operate with a lean team and expect the team size to be between 15 and 18 members over the next 12 months.

## 2.8 CAPITAL STRUCTURE

As at the date of this Offer Document, the Company has 15,759,044 ordinary shares on issue. The Company has also allocated (but not issued) 3,151,808 performance rights and/or options under the Company's Performance Rights and Share Options Plan summarised below. The majority of shares are held by the Company's Founders/Directors.

**Table 1: Issued capital of the Company before the Offer**

Shareholder Name	No. of Shares	Options
Next Generation Trust Fisheries Pty Ltd as trustee for the Next Generation Fisheries Trust - (Founder - Brent Thompson)	6,107,527	
Joshua Ryan O'Byrne as trustee for the Gisele Trust - (Founder - Josh O'Byrne)	4,300,000	
Thomahawk Investments Pty Ltd (DD & M Thompson)	2,205,882	
Wisestyle Investments Pty Ltd as trustee for the Wisestyle Trust (Founder - Peter Salom)	2,200,000	
Dogga Downs Pty Ltd (DG Thompson)	538,270	
Next Generation Fisheries Pty Ltd (Founder - Brent Thompson)	164,838	
Wongs Way Out Pty Ltd (DE & S Thompson)	107,527	
DT3 Fisheries Pty Ltd as trustee for the DT3 Family Trust	55,000	
Bradley Michael Norris as trustee for the Brad Norris Family Trust	55,000	
Benjamin Samuel Allen as trustee for the Ben Allen Family Holdings Trust	25,000	
Allocation under Performance Rights and Share Options Plan		3,151,808
<b>TOTAL</b>	<b>15,759,044</b>	<b>3,151,808</b>



Table 2 sets out the issued capital of the Company following the Offer on a fully diluted basis (i.e. presuming all performance rights vest or options are exercised, as applicable).

**Table 2: Issued capital of the Company following the Offer**

Shares	Min. Number of Shares Issued	Max. Number of Shares Issued
Existing Shares incl. Options	18,910,852	18,910,852
Offer Shares	471,698	1,415,094
<b>Total Shares and Options</b>	<b>19,382,550</b>	<b>20,325,946</b>

The only debt funding is a non-interest bearing loan of \$458,840 from the founders. The current crowdsourced funding capital will not be used to make repayments to the founders. The founder's loans will be paid back in the future when the Company is either well capitalised or generating operational cash flow to support the repayment.

## **The Rights and Liabilities of the Securities**

As of the date of this Offer, the only class of shares the Company has on issue are ordinary shares. There is presently no shareholders agreement between the existing shareholders of the Company and, as such, the rights and liabilities associated with the shares are as set out in the Company's Constitution.

Under the Constitution, the Board of Directors of the Company have the right to decline to register any transfer of shares, without being required to give any reason. In addition, any shareholder wishing to sell or transfer shares must (other than in certain limited cases) first offer those shares to the other existing shareholders of the Company. A more detailed description of the rights and liabilities associated with the shares is set out in Section 3.3 (Rights Associated with the Shares). A copy of the Company's Constitution is available on the Intermediary's platform.

## Performance Rights and Share Option Plan

As mentioned in Table 1, the Company has adopted a Performance Rights and Share Options Plan (Plan). A summary of the general material terms of the Plan is set out below. The summary is not exhaustive. A copy of the Plan is available on the intermediary's platform. Prospective investors are strongly encouraged to review a copy of the Plan prior to making any investment in the Company.

- **Eligibility:** Participation in the Plan is available to "eligible employees" (as determined by the board of the Company). An "employee" includes a director (whether executive or non-executive) and a full, part-time or casual employee or contractor of the Company or its related bodies corporate. It also includes a prospective participant who is offered to participate in the Plan as part of an arrangement to become an "employee".
- **Participation:** The board of the Company, acting in its absolute discretion, may from time to time determine which employees are "eligible employees" and entitled to participate in the Plan. The board of the Company may offer such a number of performance rights or share options to those eligible employees, and on such terms and conditions, as the board determines (subject to the limitations under the Plan). An invitation to participate in the Plan must contain certain minimum information (including the number of performance rights or options to be granted, relevant vesting and expiry dates, the exercise price (for share options), and any performance conditions and/or exercise conditions. A participant may nominate a nominee to be granted performance rights or share options.
- **Prohibition on transfer:** Other than in very limited circumstances, a participant in the Plan must not transfer or grant a security interest over or otherwise deal with any share option or performance right. The share option or performance right (as the context requires) lapses automatically and immediately on any purported transfer which is not allowed under the Plan.
- **Vesting/exercise:** Upon the vesting or valid exercise of a performance right or share option (as applicable), the Company must issue or allocate to the participant the number of Shares in respect of which performance rights or share options have been vested or exercised (as applicable). Performance rights or share options may vest earlier in certain circumstances – for example on the occurrence of a takeover bid (as defined in the Corporations Act 2001 (Cth)). All shares issued upon the vesting or exercise of a performance right or share option (as applicable) will rank equally in all respects with the Shares on issue at that time, save and except that:
  - a) any rights attaching to the Shares by reference to a record date prior to the date of the issue are not affected; and
  - b) in respect of any Shares issued under the Plan the board of the Company may, in its absolute discretion upon making an invitation, impose a restriction on the transfer of Shares for a period of up to 15 years from the grant date.
- **Variation:** The board of the Company may (subject to certain requirements) vary the Plan at any time by written instrument or resolution. The board may also (with the written consent of a participant) vary the terms and conditions of an offer of performance rights or share options to a participant under the Plan.
- **Bad Leaver/Good leaver:** Performance rights and share options held by a participant which have not already been validly exercised in accordance with the Plan will lapse and be forfeited automatically and immediately where the participant is a "bad leaver" (which includes, but is not limited to, voluntary resignation of employment by the participant and circumstances where the Company or its related body corporate terminates the participant's employment due to serious misconduct or other conduct likely to adversely affect the reputation of the Company or its related bodies corporate). Unless otherwise stated on the terms of an invitation to participate in the Plan, if a participant ceases to be employed by the Company or its related bodies corporate due to redundancy, retirement, incapacitation or any other circumstance other than as "bad leaver", then all performance rights and share options which have not yet been validly exercised after vesting will lapse and be forfeited on the date which is 30 days after the participant ceases to be employed. Notwithstanding this, the board of the Company may in its absolute discretion determine that all or some of the performance rights or share options may remain with the participant, and/or bring forward any vesting conditions associated with any performance rights or share options.
- **Bonus issues/reconstruction:** The number of performance rights and/or share options issued to a participant will be adjusted (in accordance with the Plan) if the Company undertakes a bonus issue of Shares or a reconstruction.
- **Governing law:** The Plan is governed by the laws in Perth, Western Australia.

## 2.9 MANAGEMENT AND DIRECTORS

Our strong, culturally diverse team, from ten countries, brings over 100 years of technology, entrepreneurship and international business experience to the table.



### **Peter Salom | Co-Founder & Managing Director**

Peter was the Managing Director of Quiksilver's Western Australia sales and marketing agency for 15 years. During that time he more than doubled the sales revenue for the business. With strong general management and business development skills spanning a variety of industries, Peter has a well balanced and strategic approach to delivering results.



### **Brent Thompson | Co-Founder & Managing Director**

As part of one of WA's most highly regarded marine businesses, Brent is an accomplished entrepreneur, turned digital investor and founder. With experience in managing over 100 staff and investing in other technology and manufacturing businesses, he has built a great 360-degree view of business. Brent also has a strong network of commercial and strategic business leaders in WA and beyond.



### **Fabio Peretti | Chief Operating Officer**

With over 25 years of experience in operations management, he has led digital projects for mobile and web applications in a range of industry segments and has the skills to analyse and to make sustainable changes to improve productivity and in upscaling opportunities. He has been a director of Mobeelo Pty Ltd since its incorporation in 2009. In 2015, an application for the winding-up of Mobeelo Pty Ltd was commenced by the Deputy Commissioner of Taxation as a result of its inability to meet its debt commitments. Mobeelo Pty Ltd was an IT consulting business and was unable to meet its debts. Mobeelo Pty Ltd is currently under External Administration. Fabio has learned from this experience, which occurred 6 years ago, and it has shaped his future endeavours.



### **Steven Yang | Chief Technical Officer**

Steven has 20 years of software engineering experience in financial services, social media, and the mining industry. He has worked with leading technology businesses in Singapore, the USA and Australia. As the lead architect at Sanford Securities and MigMe, Steven has a track record of delivering successful, efficient and scalable technology solutions.



### **Joel Hinton | Sales Manager**

For over 15 years Joel has been a noteworthy leader within the retail and service industries. Having previously run his own retail business and represented a number of iconic international brands, he facilitates essential relationships within the business community. Joel brings a great deal of passion, integrity and creative thinking to LITT.



### **Ryan Northover | Marketing Manager**

Ryan is a former News Corp Australia Head of Social Media and an experienced marketing and communications consultant. Ryan brings a rich background in new media startups, audience development, acquisitions marketing, partnership management and stakeholder engagement to the company.



### **Zoe Vos | Marketing & Sales Consultant**

Zoe is a multi-talented professional with a vast amount of experience in business, finance, human resources, sales, marketing, and legislation. Zoe has always chased her passion in helping businesses flourish, leading her down many different paths and building on her exceptional skills and business knowledge. Zoe has worked with the US start-up Remote Year, managed a coworking space and facility for UWA in Perth and is the CEO and Managing Director of her own business Go-LoCo Pty Ltd.



### **Christopher Mähl | Head of Design**

Christopher is a designer, developer and advisor who finished his Bachelor of Science with first-class honours in Web-Development. After his degree, he gained three years of experience in agencies in Germany and then launched his international freelance career. At LITT, Christopher re-designed the app and the business portal giving both their current contemporary look. He has also fine-tuned the app logic and assisted in front-end development and quality assurance.



### **Caitlin Ford | Social Media & Content Assistant**

Caitlin's passion for supporting her local community lead her to join the team at LITT. Having worked on a few community-related projects such as the Summer X Salt Markets, I'd Rather Wear Roses and World Parking Day at Curtin University, Caitlin brings her community experience and creativity to LITT's social media content and community engagement activities.



## 2.10 ADVISORS AND AMBASSADORS



### **Asheesh Malaney | Chief Strategy & Commercial Advisor**

Asheesh brings 25 years of strategy consulting, venture investing and start-up experience to LITT. He has held senior executive roles at various new ventures and worked at top tier international firms like Gemini Consulting, Capgemini and Fremantle Media (Bertelsman Group) in New York, London and Mumbai. As a judge and panellist at startup events, he not only guides founders on their journey but has a passion for working closely with them too. Asheesh holds an MBA from INSEAD and a Finance degree from Wharton School of Business (USA).



### **Grant Pestell LL.B | Legal Advisor**

Grant brings over 20 years' experience in commercial litigation, corporate and commercial law with extensive experience advising both listed and private companies particularly in the Information and Technology, Energy Resources and Mining Resources Industries. Grant is the Managing Director of Murcia Pestel Hillard Lawyers.



### **Stewart Blizzard | Accountant & Financial Advisor**

Stewart is a highly experienced finance and accounting professional. Over the last 30 years, he has gained vast experience in a range of areas including tax consulting, business advisory, strategic planning, forecasting, board advice and equity capital raising. He began his accounting career in 1991 with a chartered accounting firm whilst completing his studies full time and then worked his way up through two firms. He is currently the Managing Director of Perth based Insight Advisory Group.



### **Josh Kennedy (Ambassador) | West Coast Eagles Player**

Josh is an Australian rules footballer **who plays for the West Coast Eagles in the Australian Football League**. He previously played for Carlton from 2006 to 2007. Josh is originally from Northampton, Western Australia and is also **the brand ambassador for national brands like Hungry Jacks**.



### **Matt Wright (Ambassador) | National Geographic TV Host**

Matt is the **star of National Geographic's hit TV show Outback Wrangler**. Matt has held plenty of jobs – horse wrangler, Australian Army soldier, crocodile egg collector – that helped develop his passion and skills for a career as a helicopter pilot, wildlife relocater and award-winning tourism operator. He is also Tourism NT and Australia Tourism's wildlife ambassador.



### **Flick Palmateer (Ambassador) | Big Wave Surfer**

Passionate artist, new business owner and big wave surfer - Felicity Palmateer (known as Flick) is a Wonder Woman. **Having surfed the biggest wave ever by an Australian female surfer**, Flick uses her fame to bring attention to marine conservation and sporting equality.

## 2.11 BUSINESS RISKS

An investment in LITT Global Pty Ltd should be seen as high-risk and speculative. A description of the main risks that may impact the Company's business is below. Prospective investors should be aware that this list is not exhaustive and investors should read this section carefully before deciding to apply for shares under the Offer. There are also other, more general risks associated with LITT Global Pty Ltd (for example, risks relating to general economic conditions or the inability to quickly or easily sell your shares).

Risk	Description
Cash Flow Risk	The Company's operating activities involve a series of cash inflows and outflows. Although the Company seeks to manage its cash flow efficiently, there is a risk that the Company may not have sufficient cash or working capital, at times, to fund both its operations and its expansion plans. This could affect the Company's profitability, future prospects, and its ability to meet its business objectives.
Funding Risk	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. The Company may also need to raise additional funds in the future from investors or third parties. There is no assurance that the Company will be able to obtain additional rounds of funding on substantially the same terms as outlined in this Offer Document or at all. The Company's value may be materially affected if the required additional funding is not available.
Competition Risk	The Company operates in a highly competitive market, with several known competitors, and moderate barriers to entry that could give rise to new and unknown competitors. 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.
Insolvency Risk	The Company is not yet profitable. The company is seeking to obtain further funding to achieve its objectives. There is no guarantee that funding will be available on favourable terms or that the Company will receive any level of funding at all. There is no guarantee the Company will ever be profitable.
Technology Risk	The Company uses a number of distribution (e.g. app stores) member communication technology solutions. Despite the Company's measures to effectively manage these systems and risks, if any of these technologies were to fail without notice or block us out, it could interrupt the Company's ability to sell or communicate with customers, which could have a direct impact on revenue and profitability.

Continued next page...



<b>Startup Risk</b>	The Company has a limited operating history and intends to build its business with the funds raised through this crowd-sourced funding offer. As an early stage business, the Company is subject to all of the risks associated with early stage companies, including uncertainty around the volume and origin of revenue streams, size and existence of repeat customers, and risks associated with evolving technology. In particular, the Company is not yet profitable and is yet to generate revenue through certain anticipated revenue streams. The commercial success of the business will depend on many factors including the Company's ability to attract and retain quality staff and loyal customers.
<b>Business Model Risk</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>External Factors</b>	Increased spread of the COVID Pandemic in Australia prior to vaccine could limit our ability to roll out and get a critical mass of members and businesses on board in new cities.



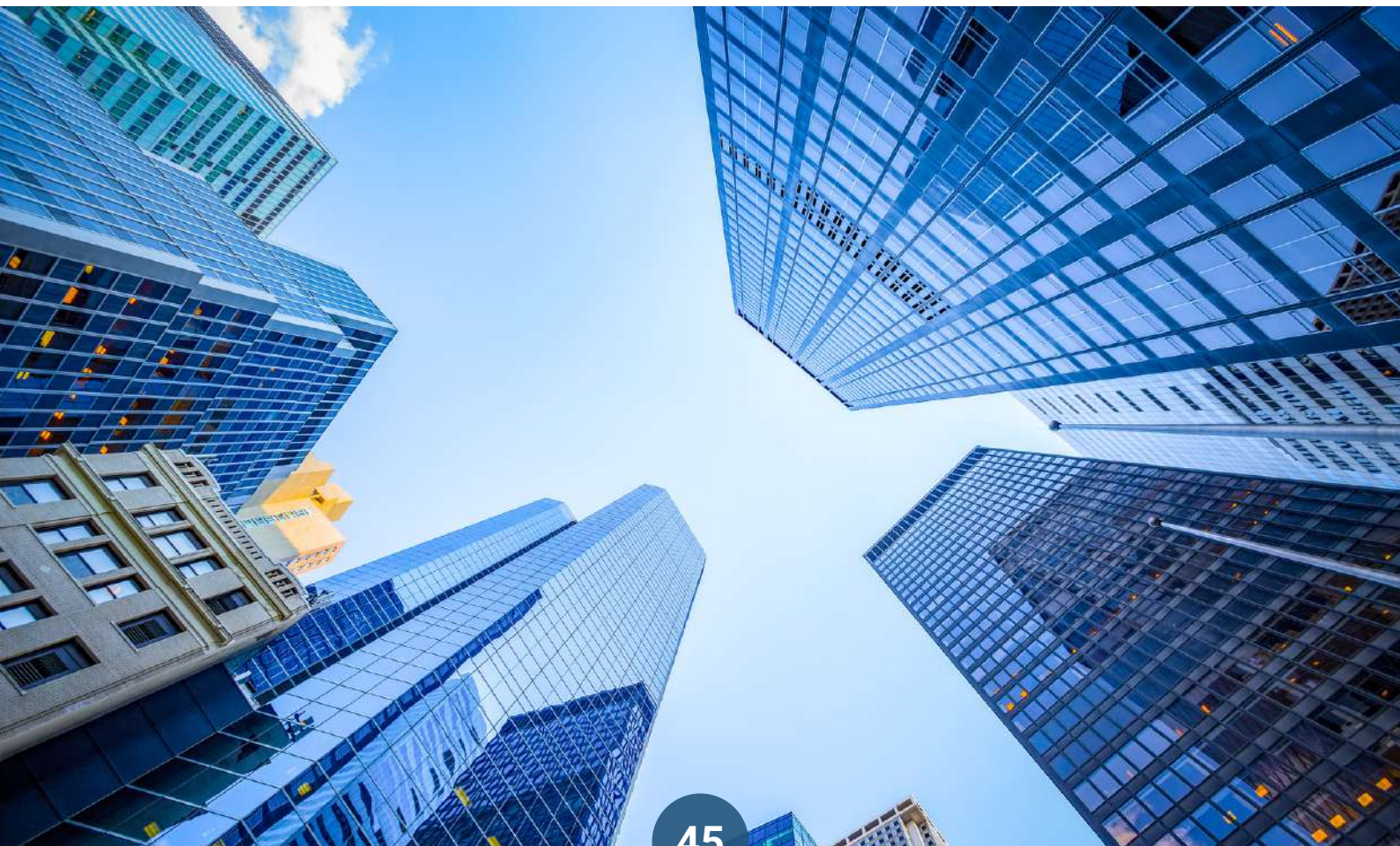


## 2.12 FINANCIAL INFORMATION

This section shows the summary financial statements of LITT Global Pty Ltd and Photo Connect Pty Ltd individually (i.e. two Balance Sheets, Income Statements and Cash Flow Statements).

The “management comments on historical performance and outlook” section explains the consolidated view on both businesses combined.

The financial statements for each company are for the financial year ended 30 June 2020 and have been prepared in accordance with the Accounting Standards. The financial information for the period ended 31 December 2020 has also been included based on management accounts and accordingly may be subject to change.



## Balance Sheet | LITT Global Pty Ltd

	6 months	12 months	12 months
in AUD	31-Dec-20	30-Jun-20	30-Jun-19
<b>Assets</b>			
<b>Current Assets</b>			
Total Cash	16,015	824,050	118,444
Trade Debtors (Receivables)	189	363,158	-
Stripe (Payment Testing)	198	198	-
<b>Total Current Assets</b>	<b>16,402</b>	<b>1,187,406</b>	<b>118,444</b>
<b>Non Current Assets</b>			
Loan (Thomohawk Investments Pty Ltd)	-	-	1,800,000
Loan (Photo Connect Pty Ltd)	1,311,672	921,832	81,782
Loan (Covid Trax Pty Ltd)	2,509	2,509	-
Total Receivables (from the loans above)	1,314,181	924,341	1,881,782
Net Plant and Equipment	5,689	-	-
Intangible Assets (Website)	1,698	-	-
<b>Other Financial Assets</b>			
Shares (NXT RND Pty Ltd and Premo Media Pty Ltd)	50,000	50,000	-
<b>Total Non Current Assets</b>	<b>1,371,568</b>	<b>974,341</b>	<b>1,881,782</b>
<b>Total Assets</b>	<b>1,387,970</b>	<b>2,161,747</b>	<b>2,000,226</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Total Payables	126,500	69,209	32,795
Total Current Tax Liabilities	163,602	71,697	(6,650)
Provisions (Superannuation Payable)	20,601	22,336	-
LITT Voucher / Payholding	(9,958)	11,382	-
Accrued Management Fees - Next Gen Two (Brent Thompson)	47,169	47,169	-
<b>Total Current Liabilities</b>	<b>347,915</b>	<b>221,793</b>	<b>26,145</b>
<b>Total Liabilities</b>	<b>347,915</b>	<b>221,793</b>	<b>26,145</b>
<b>Shareholders Equity</b>			
Issued and Paid Up Capital	2,600,125	2,600,125	2,050,125
Retained Profits / (Accumulated Losses)	(1,560,070)	(660,172)	(76,045)
<b>Total Equity</b>	<b>1,040,055</b>	<b>1,939,953</b>	<b>1,974,080</b>

- Since 30 June 2020, a majority of the cash resources have been used to develop the app and to build both sides of our user base (members and businesses).
- The trade receivables are primarily due from the loan given to Photo Connect Pty Ltd for the app development. As Research and Development (R&D) refunds come back to Photo Connect Pty Ltd, they are either used to fund direct costs in Photo Connect Pty Ltd or directed back to LITT Global Pty Ltd against the loan.
- The \$1.8 million loan to Thomohawk Investments Pty Ltd was a share issue where the share subscription hadn't fully been paid at year-end. This is now fully paid.
- LITT Global Pty Ltd R&D concessions (to 30 June 2020) have been used on eligible expenditure. It is expected a significant claim will also be made for 30 June 2021.
- Shares in NXT RND Pty Ltd and Premo Media Pty Ltd are not a material stake in that company. Premo Media Pty Ltd is a related party to NXT RND Pty Ltd.
- The accrued management fee relates to one of the founders for services rendered to 30 June 2020.
- A further \$200,000 share issue has been made in January 2021 and is not reflected in the 31 December 2020 balance sheet. The current shareholding does, however, includes this additional \$200,000 equity investment.
- Shares in Photo Connect were purchased after 31/12/20 for \$125 and COVID Trax for NIL consideration.



## Balance Sheet | Photo Connect Pty Ltd

	6 months	12 months	12 months
in AUD	31-Dec-20	30-Jun-20	30-Jun-19
<b>Assets</b>			
<b>Current Assets</b>			
Total Cash	243,995	483	9,538
<b>Total Current Assets</b>	<b>243,995</b>	<b>483</b>	<b>9,538</b>
<b>Non Current Assets</b>			
Net Intangible Assets	30,359	25,513	25,513
<b>Total Assets</b>	<b>274,354</b>	<b>25,995</b>	<b>35,051</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Total Payables	40,194	397,740	-
Total Current Tax Liabilities	(8,033)	(481,393)	(155,954)
<b>Total Current Liabilities</b>	<b>32,161</b>	<b>(83,653)</b>	<b>(155,954)</b>
Total Loans	1,770,512	1,380,671	555,972
<b>Total Non Current Liabilities</b>	<b>1,770,512</b>	<b>1,380,671</b>	<b>555,972</b>
<b>Total Liabilities</b>	<b>1,802,672</b>	<b>1,297,018</b>	<b>400,017</b>
<b>Shareholders Equity</b>			
Issued and Paid Up Capital	50,100	50,100	50,100
Retained Profits / (Accumulated Losses)	(1,578,418)	(1,321,122)	(415,067)
<b>Total Equity</b>	<b>(1,528,318)</b>	<b>(1,271,022)</b>	<b>(364,967)</b>

- The intellectual property is owned by Photo Connect Pty Ltd and the R&D claims are also made by this entity.
- The \$1,770,512 loan liability to 31 December 2020 is made up of:
  - a) An inter-entity loan from LITT for \$1,311,672; and
  - b) Founders non-interest-bearing loan amounts of \$458,840.
- The issued shares are solely owned by LITT Global Pty Ltd.
- Photo Connect is primarily a cost centre as it develops the app and does not / will not receive any of the investment or revenue, which is why the company has negative equity.

NB: The current crowdsourced funding capital will not be used to make repayments to the founders. The founder's loans will be paid back in the future when the Company is either well capitalised or generating operational cash flow to support the repayment.

## Profit & Loss Statement | LITT Global Pty Ltd

	6 months	12 months	12 months
in AUD	31-Dec-20	30-Jun-20	30-Jun-19
<b>Income</b>			
Sales Revenue (Advertising / Commissions)	11,517	1,285	
R&D Credit	-	330,000	
<b>Income</b>	<b>11,517</b>	<b>331,285</b>	<b>-</b>
Cost of Sales	-	-	-
<b>Gross Profit</b>	<b>11,517</b>	<b>331,285</b>	<b>-</b>
Other Income	459	144	-
<b>Total Income</b>	<b>11,975</b>	<b>331,429</b>	<b>-</b>
<b>Expenses</b>			
Marketing Expenses	166,741	122,439	2,975
Employee and Consulting Expenses	513,045	392,079	42,900
Office Rent and Management Expenses	30,559	68,397	-
Legal and License Expenses	51,639	150,275	16,994
IT Expenses	44,160	13,797	240
Travel Expenses	14,560	17,904	893
Other Expenses	91,170	150,663	12,043
<b>Total Expenses</b>	<b>911,874</b>	<b>915,556</b>	<b>76,045</b>
<b>Net Profit / (Loss)</b>	<b>(899,898)</b>	<b>(584,127)</b>	<b>(76,045)</b>

- Prior to launching (in mid-2020), initial costs were incurred for brand identification, ambassadors and promotional events in 2019/2020 in anticipation of our launch.
- LITT Global Ltd Pty has supported Photo Connect Ltd Pty with the app development.
- The company has also invested in legal advice predominantly to ensure the LITT Cash, business and advertising agreements were ASIC and commercially compliant.
- Various costs incurred in LITT Global Pty Ltd (as support costs to Photo Connect Pty Ltd) have been on-charged back to Photo Connect Pty Ltd (and reflected in the income section as R&D credits). As mentioned earlier, the R&D claims are only made through Photo Connect Pty Ltd.
- Since July 2021, businesses have been advertising on the platform, resulting in advertising revenue.



## Profit & Loss Statement | Photo Connect Pty Ltd

	6 months	12 months	12 months
in AUD	31-Dec-20	30-Jun-20	30-Jun-19
<b>Income</b>			
Income (100% is R&D Claims)	-	427,945	147,425
Cost of Sales	-	-	-
<b>Gross Profit</b>	-	<b>427,945</b>	<b>147,425</b>
Other Income	-	15,379	-
<b>Total Income</b>	-	<b>443,325</b>	<b>147,425</b>
<b>Expenses</b>			
Marketing Expenses	-	-	8,346
Consultants Fees	109,585	173,441	14,250
Consultants Recruitment	-	6,000	-
Consulting Expenses	109,585	179,441	14,250
Legal Expenses	10,420	21,824	480
IT Expenses	-	-	563
Research & Development	119,819	1,132,596	338,655
Other Expenses	18,409	15,490	10,520
<b>Total Expenses</b>	<b>258,233</b>	<b>1,349,351</b>	<b>372,815</b>
<b>Net Profit / (Loss)</b>	<b>(258,233)</b>	<b>(906,027)</b>	<b>(225,390)</b>

- Photo Connect Pty Ltd is a cost centre and apart from R&D refunds, no revenue will be registered in Photo Connect Pty Ltd.
- Consulting fees are primarily for freelance app developers.

## Cashflow Statement | LITT Global Pty Ltd

	6 months	12 months	12 months
in AUD	31-Dec-20	30-Jun-20	30-Jun-19
<b>Cashflow from Operating Activities</b>			
Receipts from Customers	11,786	-31,730	-
Payments to Suppliers and Employees	-437,368	-770,105	-49,899
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>(425,582)</b>	<b>-801,835</b>	<b>-49,899</b>
<b>Cashflow from Investing Activities</b>			
<b>Payments for;</b>			
Property, Plant and Equipment	7,387	-	-
Loans to Shareholders	-	-	-1,800,000
Loan to Other Related Companies	-389,840	-840,050	-81,782
Loans to Other Persons	-	-2,509	-
<b>Proceeds from disposal of;</b>			
Loans to Shareholders	-	1,800,000	-
<b>Net Cash Provided by (Used in) Investing Activities</b>	<b>(382,453)</b>	<b>957,441</b>	<b>(1,881,782)</b>
<b>Cashflow from Financing Activities</b>			
Proceeds from Issue of Shares	-	550,000	2,050,125
<b>Net Cash Provided by (Used in) Financing Activities</b>	<b>-</b>	<b>550,000</b>	<b>2,050,125</b>
<b>Net Increase / Decrease in Cash Held</b>	<b>-808,035</b>	<b>705,606</b>	<b>118,444</b>
Cash at the Beginning of the Year / Period	824,050	118,444	-
<b>Cash at the End of the Year / Period</b>	<b>16,015</b>	<b>824,050</b>	<b>118,444</b>

- As the R&D runs through Photo Connect Pty Ltd, half the cash outgoings (year to date) have gone to Photo Connect Pty Ltd.
- Wages and suppliers account for a majority of the operating cash outgoings.
- A further \$200,000 from proceeds from the issues of shares came into the Company in January 2021 (post 31 December 2020 management reports) from a founder and his family, thereby topping up the Company's cash reserves.

## Cashflow Statement | Photo Connect Pty Ltd

	6 months	12 months	12 months
in AUD	31-Dec-20	30-Jun-20	30-Jun-19
<b>Cashflow from Operating Activities</b>			
Receipts from Customers	-	-	-
Receipts from R&D	427,915	147,424	20,261
Other Income	-	15,380	-
Payments to Suppliers and Employees	(569,397)	(996,559)	(379,151)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>(141,482)</b>	<b>(833,755)</b>	<b>(358,890)</b>
<b>Cashflow from Investing Activities</b>			
<b>Payments for;</b>			
Property, Plant and Equipment	(4,846)	-	(7,681)
Loans to Shareholders	389,840	840,050	81,781
Loan to Other Related Companies	-	(15,350)	292,921
Loans to Other Persons	-	-	-
<b>Proceeds from disposal of;</b>			
Loans to shareholders	-	-	-
<b>Net cash provided by (Used in) investing activities</b>	<b>384,994</b>	<b>824,700</b>	<b>367,021</b>
<b>Cashflow from Financing Activities</b>			
Proceeds from issue of shares	-	-	-
<b>Net Cash Provided by (Used in) Financing Activities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Increase / Decrease in Cash Held</b>	<b>243,512</b>	<b>(9,055)</b>	<b>8,131</b>
Cash at the Beginning of the Year	483	9,538	1,411
<b>Cash at the End of the Year / Period</b>	<b>243,995</b>	<b>483</b>	<b>9,538</b>

- Receipts from R&D are all actual cash receipts from the ATO in respective years.
- Payments to suppliers and employees are all R&D related contractors who worked on the R&D on the app.
- Loan payments to shareholders are primarily transfers between LITT Global Pty Ltd and Photo Connect Pty Ltd.

## Changes in Equity | LITT Global Pty Ltd

	6 months	12 months	12 months
in AUD	31-Dec-20	30-Jun-20	30-Jun-19
<b>Equity</b>			
Total Equity at the Beginning of the Period	1,939,953	1,974,080	2,050,125
Current Earnings (Loss ) for the Period	(899,898)	(584,127)	(76,045)
Share Capital Movement	-	550,000	-
<b>Total Equity</b>	<b>1,040,055</b>	<b>1,939,953</b>	<b>1,974,080</b>

- No additional shares have been issued from July 2020 to December 2020. However, an additional \$200,000 worth of shares was issued in January 2021 (not reflected in the above equity table as the event took place after 31 December 2020).

## Changes in Equity | Photo Connect Pty Ltd

	6 months	12 months	12 months
in AUD	31-Dec-20	30-Jun-20	30-Jun-19
<b>Equity</b>			
Total Equity at the Beginning of the Period	(1,271,023)	(364,967)	(139,577)
Current Earnings (Loss ) for the Period	(257,296)	(906,056)	(225,390)
Share Capital Movement	-	-	-
<b>Total Equity</b>	<b>(1,528,319)</b>	<b>(1,271,023)</b>	<b>(364,967)</b>

- The issued shares in Photo Connect are 1,250,000 ordinary shares at an original cost of \$50,100.
- This amount is included in the total equity carried forward from 2018 (ie \$50,100 is included in the negative equity of \$139,577 at 1 July 2018).
- There has been no share capital movement to date.
- The original founders transferred their direct ownership in Photo Connect to the parent company LITT Global Pty Ltd in 2020-21.





## Management Comments on Historical Performance and Outlook

The Company's historical performance has been in line with management expectations. Initial start-up costs during the twelve months of FY 2019-20 were anticipated and related to wages, marketing, legal and other IT set up expenses, while the Company was not yet generating revenue.

Over the first half of FY 2020-21, the Company again invested heavily in the development of the app and user experience design. Further, the Company actively built its member and business base in Perth and the South Western Australia region, while keeping marketing costs minimal and maintaining fixed costs at a stable level.

As most of the initial app development work has been completed, we expect steady technology-related costs for the next twelve months. However, in-line with typical tech start-ups that have invested heavily in development, the Company requires additional funding for ongoing customer acquisition and product optimisation.

In light of encouraging growth and user numbers in Western Australia and beyond, the Company's management believes that they are in a good position to grow LITT's user base in Perth as well as grow new communities in selected East coast cities in 2021.

Given the Company's strong relationships with leading sport, tourism, retail and lifestyle ambassadors, coupled with a well thought off and focused roll-out strategy, management is optimistic about the future member and business user growth.

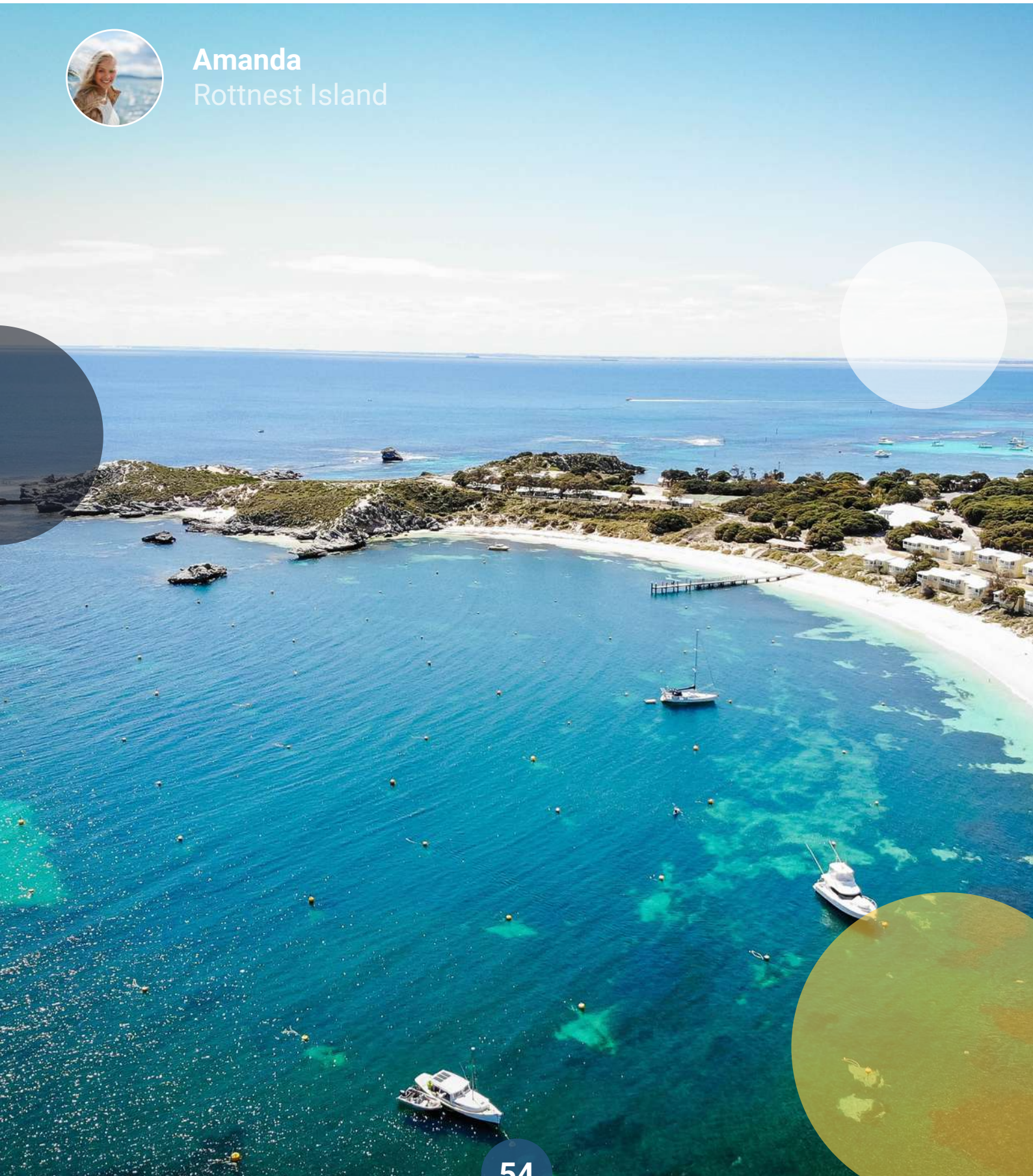
Comments on revenue outlook are still inherently uncertain and should not be solely relied upon as they are subject to change, uncertainty and unexpected events, many of which cannot be controlled. Accordingly, actual results are likely to differ from the forecasts. No representation or assurance is 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 LITT Global Pty Ltd Management.



# INFORMATION ABOUT THE OFFER



**Amanda**  
Rottnest Island



## 3.1 TERMS OF THE OFFER

LITT Global Pty Ltd is offering up to 1,415,094 shares at an issue price of AU \$1.06 per share, to raise up to \$1.5 million.

The key terms and conditions of the Offer are set out in the table below.

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.

**Table 4: Terms of the Offer**

Term	Details
Shares	Fully-paid ordinary shares
Price	\$1.06
Minimum Subscription	\$499,999.88
Maximum Subscription	\$1,499,999.64
Minimum Parcel Size	\$200
Opening Day	9 March 2021
Closing Day	31 March 2021

A description of the rights associated with the shares is set out in Section 3.

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.

## 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.

Further to the business growth strategy outlined in section 2.5 the table below outlines the intended use of funds under this Offer based on the minimum and maximum amounts **(subject to rounding)**.

Use of Funds for CSF	\$500,000 (min)	\$1,500,000 (max)
Senior Management Team (Business Development Focus)	\$107,000	\$321,000
Product & Technology Development Team (Including Product & Tech Officers)	\$160,000	\$480,000
User Growth (Members & Businesses) and Retention Team	\$65,000	\$195,000
Marketing and Sales Budget	\$50,000	\$150,000
Software Licensing and Hosting	\$28,000	\$84,000
Rent, Travel, Admin, Other	\$57,200	\$177,200
Offer Cost (Birchal)	\$32,800	\$92,800
<b>Total</b>	<b>\$500,000</b>	<b>\$1,500,000</b>

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

The cost of the Offer includes the Intermediary's fees under the hosting agreement between the Company and the Intermediary.

These fees are up to 6% of all funds raised by the Issuer through Birchal Financial Services Pty Ltd (Intermediary), plus \$2,800 for administration and setup costs.

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.



## 3.3 RIGHTS ASSOCIATED WITH THE SHARES

Immediately after issue, the shares will be fully-paid shares. There will be no liability on the part of shareholders 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 described below. A copy of the constitution is available on the Intermediary's platform.

### Voting rights

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

### 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).

### 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.

### Election and removal of directors

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

### Winding-up

Upon a reduction of capital or winding up of the Company, holders of ordinary shares will have the right to participate equally with the other holders of ordinary shares in any surplus assets of the Company. Investors should be aware if, at the time of a reduction of capital or winding up of the Company, the Company has issued any redeemable preference shares or shares in a class other than ordinary shares (as provided for in the Constitution), then those redeemable preference shares or other shares will have the right, in priority to the rights of ordinary shares, to (as applicable):

- (a) be repaid the amount paid upon the relevant shares; or
- (b) a return of paid-up capital to a value not exceeding the amount or value defined in the terms of issue of the shares

but will otherwise not carry the right to any further participation in the surplus profits or assets of the Company. Presently, the Company does not have on issue any class of shares other than ordinary shares.

### **Restrictions on Sale and Transfer**

Subject to complying with all requirements of the Constitution, a shareholder may transfer the ordinary shares held by that shareholder. The directors of the Company may decline to register any transfer of shares, without being required to give any reason.

Prior to transferring any ordinary shares, each shareholder must (other than in certain limited cases) give notice to the Company (Transfer Notice) setting out the number of shares the shareholder proposes to transfer and (if the shareholder desires) the price per share which the shareholder is willing to accept (subject to the Company's right to request an auditor to determine the fair value of the shares). The Company will, as the shareholder's agent, offer the shares to all other ordinary shareholders in proportion to the number of shares held by them.

If, after 28 days from receipt of the Transfer Notice, the Company has not found a purchaser for all of the shares proposed to be transferred, then the shareholder may at any time within 6 months thereafter sell all of the unsold shares to any person and at any price (provided the price must not be lower than any price the shareholder had specified in the Transfer Notice).

We also draw your specific attention to the fact any shares acquired under the Offer must not be sold within 12 months of their issue without a prospectus or offer 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 a prospectus or other disclosure documents.

### **Drag Along**

The Constitution also contains a "drag along" provision which applies where:

- (a) a Majority Selling Member (being one or more shareholders who collectively hold more than 50% of the Company's shares then on issue) receives an offer from a third-party purchaser to acquire all of the Majority Selling Member's shares at or above market value;
- (b) the Majority Selling Member wishes to accept the offer and has complied with the transfer process set out above; and
- (c) it is a condition of the purchaser's acquisition that all of the shares of the Company are acquired by the Purchaser (Mandatory Sale Transaction).

In such circumstances:

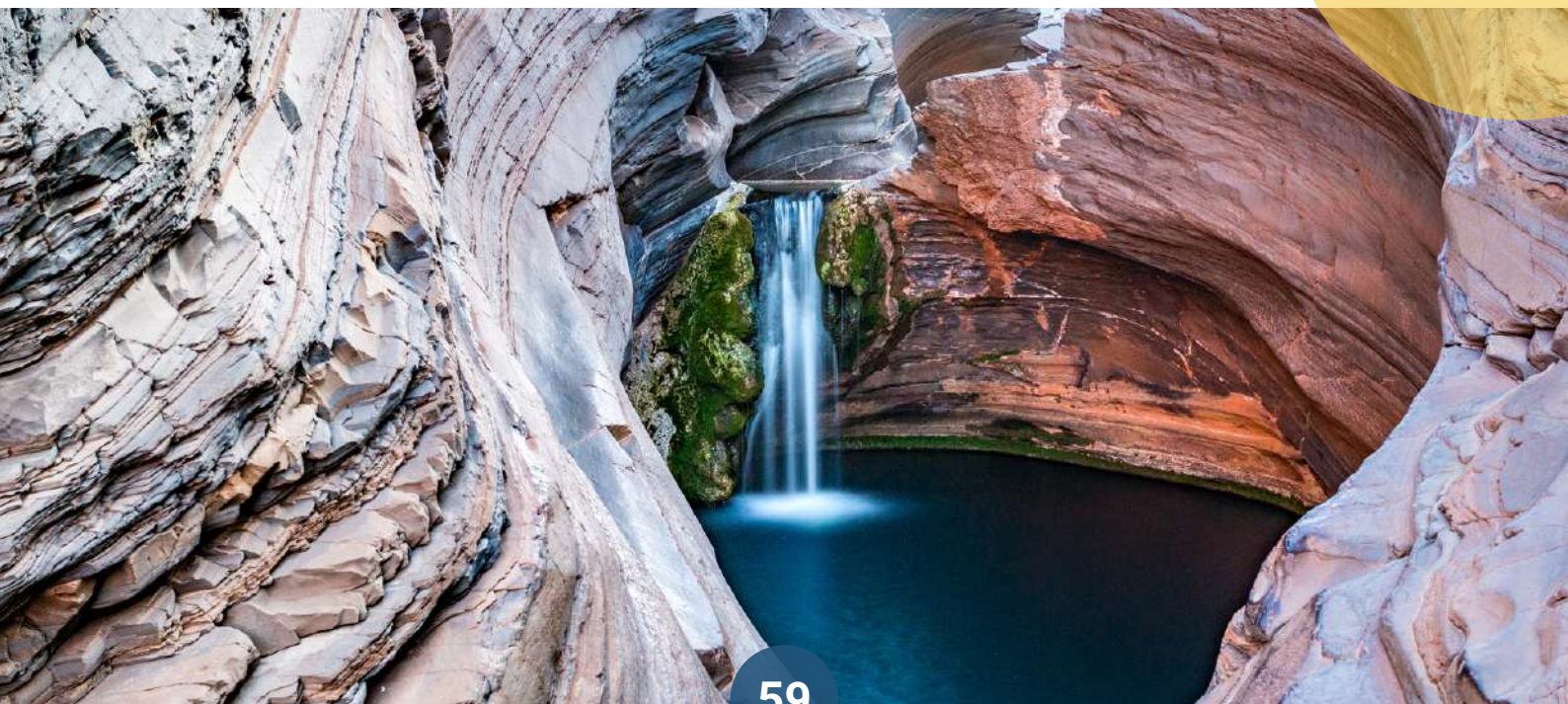
(a) the Majority Selling Member must give a Drag Along Notice to the Company and the other shareholders if they enter into the Mandatory Sale Transaction, with the Drag Along Notice required to state the transaction terms (including the structure and price payable) and be provided to the Company and the other shareholders at least 10 business days before the Mandatory Sale Transaction is finalised and becomes binding on the Majority Selling Member;

(b) the other shareholders must sell their shares to the purchaser at the same price and on conditions no less favourable to the purchaser than those on which the Majority Selling Member proposes to sell (or has agreed to sell) their shares, with such sale and purchase to occur contemporaneously with the completion of the sale of the shares by the Majority Selling Member to the purchaser; and

(c) if any other shareholder does not sell their shares to the purchaser as required, then the shareholder automatically and irrevocably appoints the Company and each director severally as its attorney to sell its shares and to take all action to give effect to the sale.

The Company notes the information contained in this section is a non-exhaustive list of the rights and liabilities attaching to the Company's shares.

The Company strongly encourages prospective investors to review a copy of the Company's Constitution (available on the Platform) and to obtain independent legal advice before making an investment so as to understand the full details on the rights and liabilities attaching to the Company's shares.



## 3.4 INVESTOR REWARDS

In addition to being a shareholder of LITT Global Pty Ltd, a range of rewards are being offered for investors who invest under this offer.

These include:

- Visible investor badges identifying you as a proud LITT owner
- An exclusive merchandise bundle
- Invitation to our ambassador parties

The table below sets out the 'investor gifts' based on the amount invested.

	\$200 - \$1,999	\$2,000 - \$4,999	\$5,000+
Investor badge	YES	YES	YES
Merchandise bundle	NO	YES	YES
Exclusive investor event	NO	NO	YES

## 3.5 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 the business. These include, but are not limited to:

- A trade purchase of the Company
- A listing on a registered stock exchange (eg 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.





**marcokraus**  
Western Australia



Section 4

**INFORMATION ABOUT INVESTOR RIGHTS**

## 4.1 COOLING OFF RIGHTS

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 (the Cooling-off Period).

You must withdraw your application via the Intermediary's platform as follows: by following the link and instructions on the CSF Offer page 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 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.

### 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 registry service website at the following address [www.registrydirect.com.au](http://www.registrydirect.com.au) or can purchase the report from ASIC.

## 4.4 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).

## 4.5 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.



## Section 5

# GLOSSARY

**Augmented reality (AR)** a technology that superimposes a computer-generated image on a user's view of the real-world, thus providing a composite view

**AR adventure** is an augmented reality treasure hunt in a defined area (what we are trialling for Busselton Jetty)

**Circular economy (LITT context)** refers to the flow of funds from LITT businesses (via advertising) to LITT members (who watch advertisements) and then back to LITT business when LITT members spend their LITT Cash at LITT businesses

**Company** means LITT Global Pty Ltd

**Cooling-off Period** means the period ending five business days after an application is made under this Offer, during which an 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 2001 (Cth)

**Geo-fence** is a virtual perimeter for a real-world geographic area and could be dynamically generated - as in a radius around a point location, or a geo-fence can be a predefined set of boundaries

**Intermediary** means Birchall Financial Services Pty Ltd AFSL 502618

**LITT Business** means a business that has registered a business account on LITT

**LITT Cash** is the name of the rewards members on LITT can earn and then spend at participating LITT businesses

**LITT Member** means an individual with a registered account on LITT

**LITT Pay** is the repository of the member's cash balance, transactions history, reward points balance, QR code scanner for payments and the LITT VISA pre-paid card

**LITT VISA Card** refers to our digital VISA pre-paid debit card that can be added to smartphone digital wallets

**Local Hero (LITT context)** is a recognised member of the community who contributes positively to those around them

**Maximum Subscription** means the amount specified in this CSF offer document as the maximum amount sought to be raised by the Offer

**Minimum Subscription** means the amount specified in this CSF offer document as the minimum amount sought to be raised by the Offer

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

**Watch & Earn Ad** is a form of advertising that rewards the viewer for watching the advertisement

**Wholesale Investor** means an investor who satisfies the definition of a 'wholesale client' under Chapter 7 of the Corporations Act 2001 (Cth)