

11TH NOVEMBER 2021

# NEXT WORLD

## CROWD-SOURCED FUNDING OFFER DOCUMENT

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

Offer of fully-paid ordinary shares in Next World Enterprises Pty Ltd at \$1.34 per share to raise a maximum of \$300,000.

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

Issuer

Next World Enterprises Pty Ltd ACN 631 284 547

Intermediary

Birchal Financial Services Pty Ltd AFSL 502618



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## SECTION 1

Risk Warning



# 1.1 RISK WARNING

## INFORMATION

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

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

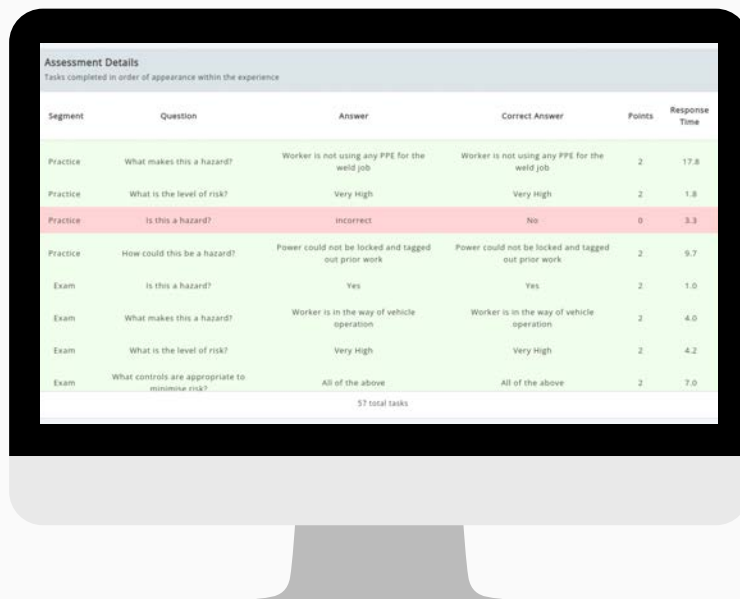
Even if the company is successful, the value of your investment and any return on the investment could be reduced if the company issues more shares.

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

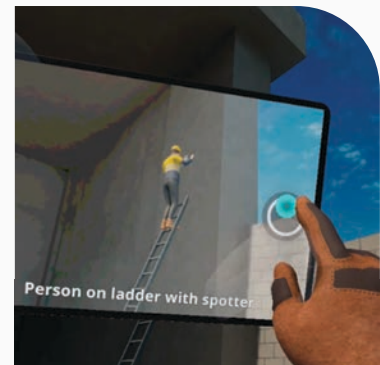
Even though you have remedies for misleading statements in the offer document or misconduct by the company, you may have difficulty recovering your money.

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

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



Tasks completed in order of appearance within the experience					
Segment	Question	Answer	Correct Answer	Points	Response Time
Practice	What makes this a hazard?	Worker is not using any PPE for the weld job	Worker is not using any PPE for the weld job	2	17.8
Practice	What is the level of risk?	Very High	Very High	2	1.8
Practice	Is this a hazard?	Incorrect	No	0	3.3
Practice	How could this be a hazard?	Power could not be locked and tagged out prior work	Power could not be locked and tagged out prior work	2	9.7
Exam	Is this a hazard?	Yes	Yes	2	1.0
Exam	What makes this a hazard?	Worker is in the way of vehicle operation	Worker is in the way of vehicle operation	2	4.0
Exam	What is the level of risk?	Very High	Very High	2	4.2
Exam	What controls are appropriate to minimise risk?	All of the above	All of the above	2	7.0
5/7 total tasks					





## SECTION 2

Information about  
the company



## 2.0 LETTER FROM THE CEO

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Dear Investor,

Next World Enterprises Pty Ltd (Next World), was conceived out of a desire to make a difference. It is clear to us that workplace learning has not evolved for 50 years. Delivery methods such as eLearning and class-based learning are failing businesses, not at all providing the returns or safeguards businesses need or indeed expect.

Virtual Reality itself and our unique model have combined to provide businesses with the first in a generation chance to meaningfully evolve how we train and induct our most important asset - our people!

Our technology, which combines highly immersive and engaging Virtual Reality learning experiences, through a VR Learning Platform, together with an open marketplace is poised to be the way businesses train into the future.

Customers love what we're doing, the learning results, the engagement and the joy we're bringing back to what has become a chore to most people at work.

Our vision is to be the market leader and innovator and to make people safer, increase worker engagement and improve the productivity of workers through more meaningful learning programs.

Thank you for joining us on this journey.

Sincerely,



Michael O'Reilly  
Founder & CEO.



## 2.2.2 About the Company



## 2.1 COMPANY DETAILS

This offer of shares is made by Next World Enterprises Pty Ltd ACN 631 284 547 (**Company**).

Company name	Next World Enterprises Pty Ltd
ACN	631 284 547
Date of incorporation	29th January 2019
Registered office	5/525 Lytton Road, Morningside, QLD, 4170
Principal place of business	5/525 Lytton Road, Morningside, QLD, 4170



## 2.2 DESCRIPTION OF THE BUSINESS

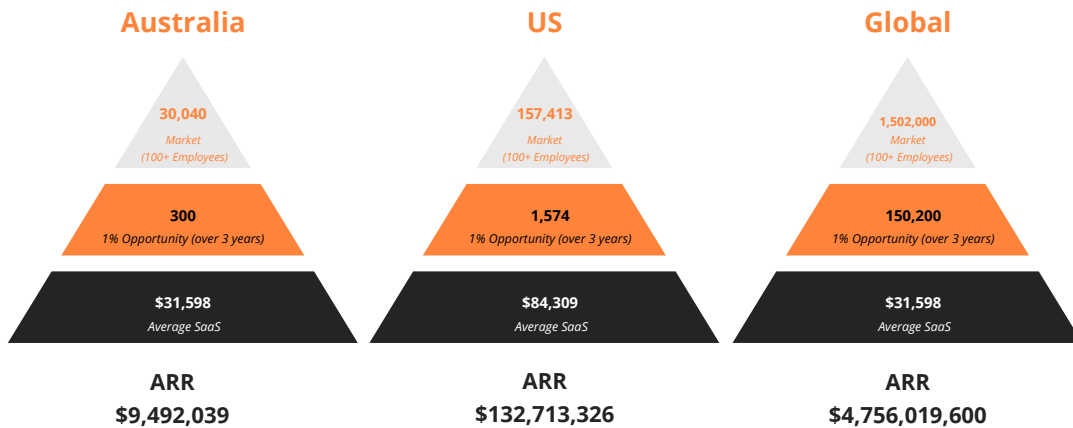
### 2.2.1 Investor Highlights



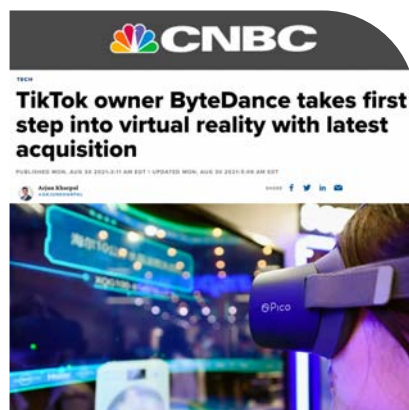
### Current Assessed Customer Lifetime Value

<b>7.8</b>	<b>\$64,538</b>	<b>\$8,250</b>	<b>&lt;1%</b>
Gross LTV to CoCa ratio	Life time value of a customer (LTV) (3-yr)	Cost of customer aquisition (CoCA)	Churn

### Total Addressable Market



### VR In the News



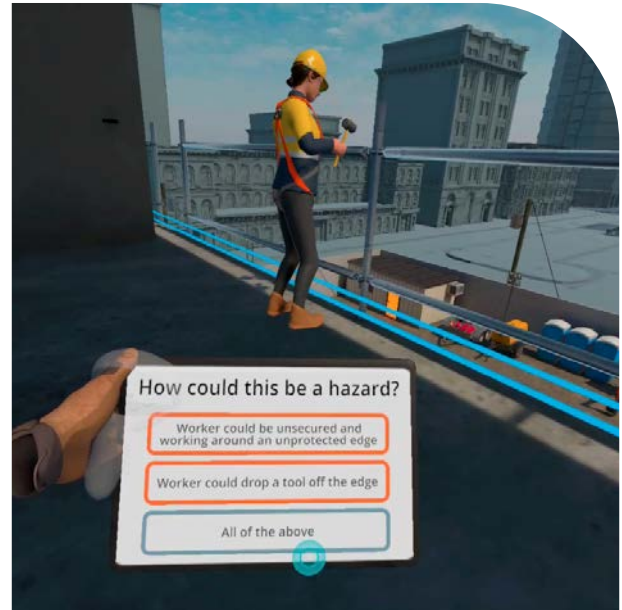
## 2.2.2 About the Company

Next World is the future of workplace learning. We've all experienced death by PowerPoint and mind-numbing eLearning. The beauty is, it's no longer necessary! Modern-day workers thrive on meaningful and engaging interaction and that's where our solution shines above all others.

Our Virtual Reality solution is globally scalable - every workplace in the world will eventually be on a Virtual Reality based learning platform. Next World is one of the first developed Virtual Reality Learning Platforms in the world, with a vast library, that is ever-growing, of Virtual Reality learning content and an open marketplace.

The global workplace learning market is estimated to be worth over 450 Billion dollars by 2026\* and Next World is positioned to be the first to scale to meet as we disrupt the traditional and failing model for workplace learning.

The COVID pandemic and the emergence of the 4th Industrial revolution have collided to create this moment in time where Next World Virtual Reality will lead the future of workplace learning.



Next World is in scale-up mode. We've launched our library, launched our platform, taken a small bite of the market and already gained customers in the UK, NZ, US and UAE.

We are industry agnostic and any business can access our solution. We've systematically and meticulously identified and addressed the barriers to success.

We started 2021 with 2 customers 11 subscriptions - already we are at 25 and 150 subscriptions. And we're on track to beat our 2021 target by 33%. We have gained customers such as Komatsu, Newcrest Mining, Caterpillar, QUBE, Intelligent Water Networks Victoria, Rockhampton Regional Council.

Our plan is to chase customer acquisition and market share while the industry is so young and competitors with our white space are slim. The next 4 years of our 5 year plan are about being the first to scale. Every cent we have will go towards growth.

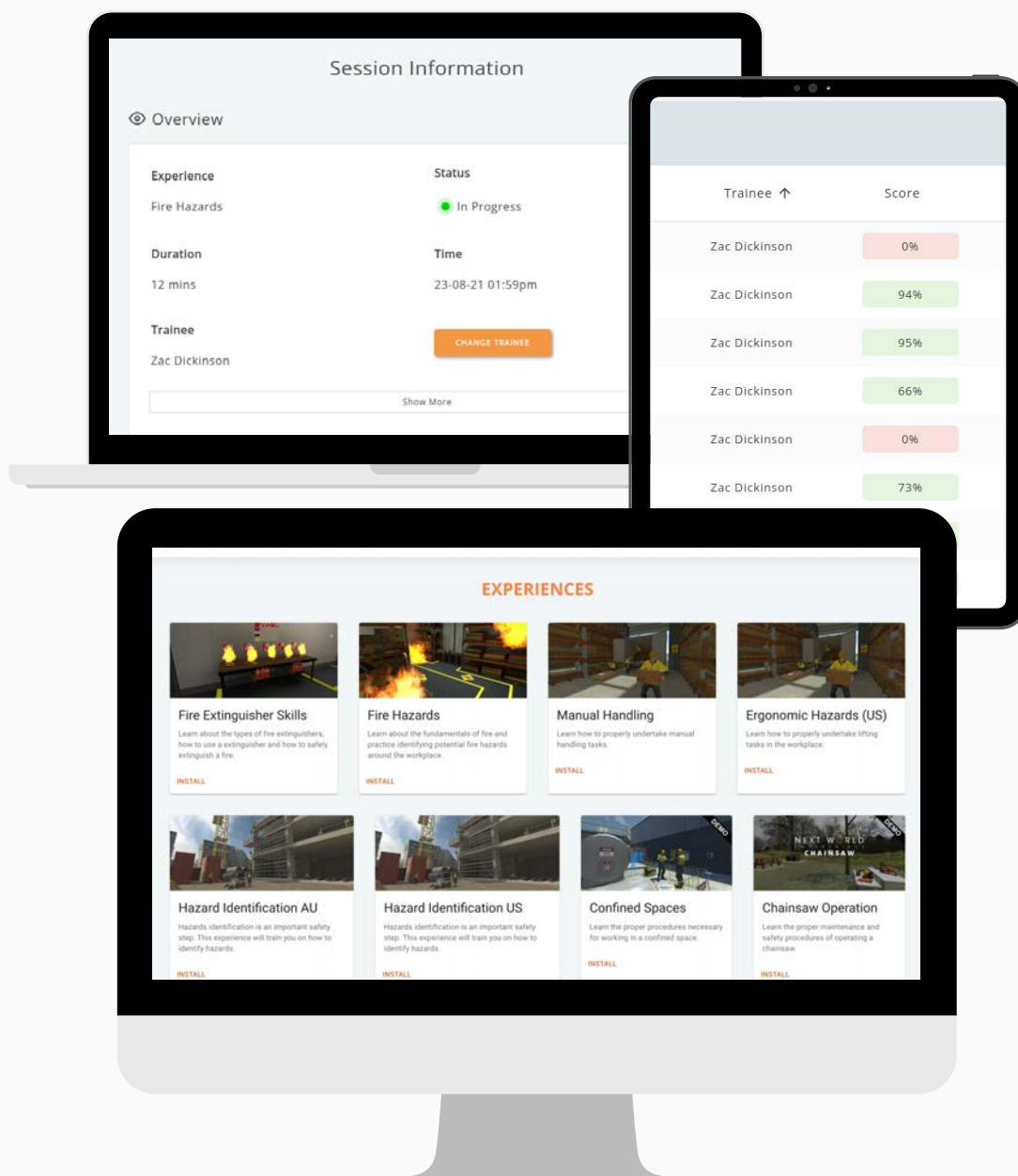
\*  
ReportLinker  
Global E-Learning Market to  
Reach \$457.5 Billion by 2026  
(2020-2026)  
Source: ReportLinker

## 2.2.3 Products / Services

Next World provides 2 key things. And it is the unique combination of these two things that create our differentiation and lead over the pack.

Firstly, we have a world-leading, world-first Virtual Reality Learning Platform. This Virtual Reality Learning Platform has been designed to act like a traditional Learning Management System (LMS) but to also cater to the unique and bountiful benefits that Virtual Reality offers over and above traditional LMS's. While a traditional LMS might capture 10-20 bits of data per learning session, our Platform has been designed to capture hundreds, even thousands per session - unique insights, predictive analytics that materially benefits companies, their performance and futures.

Secondly, we have created a vast and growing library of Virtual Reality learning experiences, that customers can access immediately without the cost of building themselves. These experiences are specially designed and engineered to create massive and insightful data sets for the businesses we work with. Helping to reveal what once were blindspots and then providing them that amazing and not before possible opportunity to intervene. Creating massive new value.





## 2.2.4 Marketing & distribution

We have a very strong focus on marketing, sales and distribution at Next World. Our strategy is multi-faceted and involves the following elements:

**Strategic Partnerships** - we have executed a number of strategic partnerships in Australia, UK, US, UAE and NZ. These partnerships are aimed at creating Agent / Reseller networks where we are able to leverage local connections to build our business.

**Marketing focus** - we have a Marketing & Events Manager who leads this focus. The Marketing & Events Manager has also executed an agreement with an Australian leading public relations firm (Sabio, formerly known as P4) who have been phenomenal at gaining brand presence and acquiring media interest. In addition we have grown a really strong SEO and SEM strategy and that is generating strong inbound leads.

**B2B strategy** - Next World is focused on a strong B2B approach, knowing that our customers are businesses. As such, we've forged strong strategic partnerships with businesses that have the ability to communicate to thousands of businesses. This includes our relationship with AMEX. We have a 1 to many approach that puts us in front of the key buyer persona stakeholders at our target customers.



**ECommerce** - We have developed an eCommerce strategy that is to be rolled out in Q4 this year that will allow for single or low volume headset subscriber customers to easily get online and buy their subscriptions. We believe this will get us in front of a larger audience and accelerate our brand build as well as our customer acquisition strategy. As small to medium size businesses represent 95% of business consumers. Leaving our BD and Sales Team to tackle the larger size or enterprise-level business customers.

**Business development and sales** - We have small but very focussed business development and sales team that has been able to deliver a fantastic level of results. They are focused on larger, enterprise-level business customers. And have already landed massive blue chips such as Komatsu, Caterpillar, Newcrest, Qube and many more.

In terms of distribution, our distribution strategy is focused on optimising our unit economics models and delivering at speed to customers. For eCommerce level subscriptions, customers can see a headset to their door and onboarding within a week. We have a very strong relationship and are in fact one of the largest customers of Pico, our main VR hardware supplier. Pico has agreed to pre-load, branding and direct distribution support for our customers, removing a layer of handling and optimising the overall distribution process.



## Press Coverage

Over 2020 and 2021, Next World has received widespread attention and recognition from some of Australia's leading media publishers.

brisbane times

smh.com.au  
The Sydney Morning Herald

ticker | NEWS



ABC

safety solutions | health safety at work

WA today  
INDEPENDENT. ALWAYS.



THE AGE

Gold Coast Bulletin

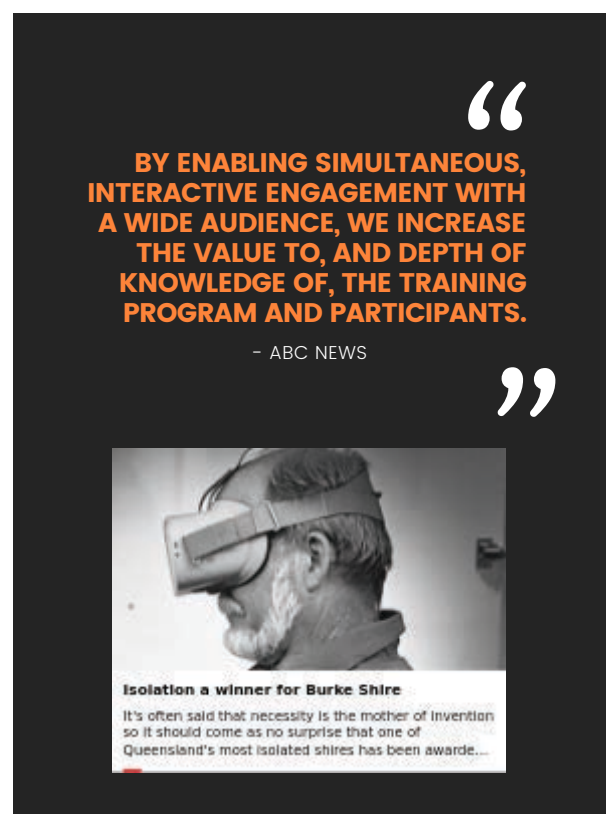
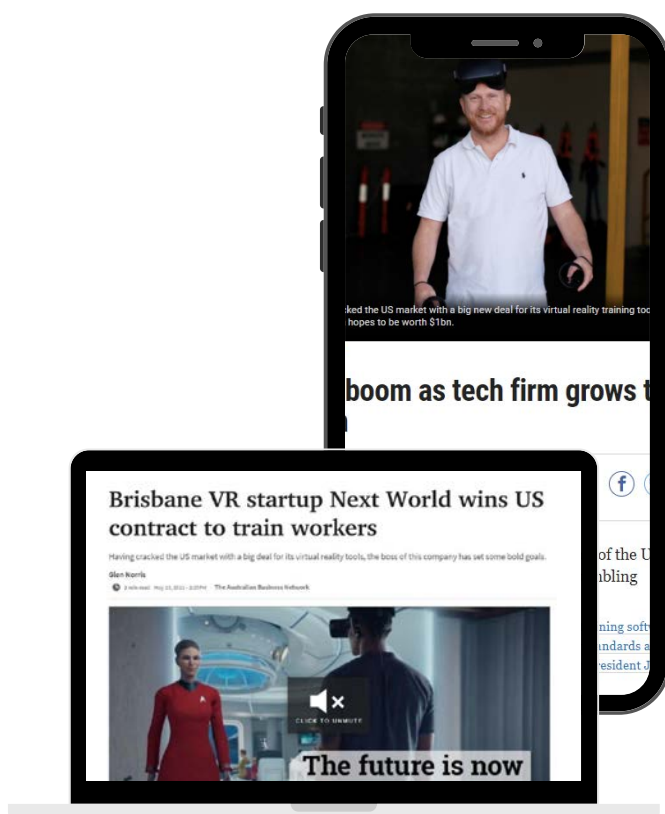
The Courier Mail

SurePact  
Contract Delivery Without Surprises

Geelong Advertiser

THE OBSERVER

Herald Sun



## Social Media and Email Marketing



- Monthly EDM's ✓
- Daily Socials ✓
- Advertising ✓
- Virtual Events ✓





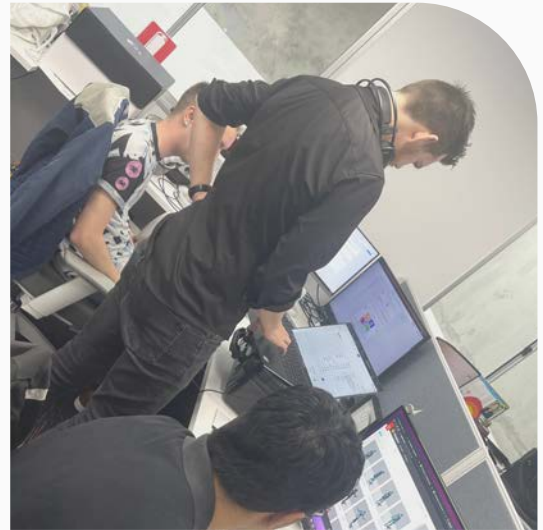
## 2.2.5 Market & competitors

The Next World philosophy to competitors is that the rising tide gathers all ships. While we are working to be the number one Virtual Reality for workplace learning company in the world, we believe that a strong Virtual Reality sector, with lots of talent, peers and hype will result in faster and more deep levels of adoption.

That said, we have conducted 3 levels of market and competitor analysis. We have done this because the field of Virtual Reality is moving and evolving ultra rapidly. It is extremely dynamic and as such, we keep our finger on the pulse of this sector. Firstly, in 2019, we contracted an independent advisory firm (Interfinancial) to complete a market and competitor analysis.

Following that in 2020, we contracted Peleton Advisory to complete an independent company valuation, and as a part of that process, a market and competitor analysis.

And more recently, as part of our landing pad program with Austrade and Exit Velocity in 2021, we conducted our own desktop exercise to see if there had been any movement, in the ensuing period, in terms of market and competitor changes.



### Competitor Analysis

#### Off-the-shelf Experience



NEXT WORLD

#### Virtual Reality Platform



NEXT WORLD

#### Open Marketplace (Aggregator)



#### Custom Builds



NEXT WORLD

Importantly, as a part of this array of analysis, we compared the competitors and market with the 4 areas of activity we service, namely:

- ✓ Virtual Reality Workplace Learning Platform;
- ✓ Off the Shelf VR Learning Experiences;
- ✓ Virtual Reality Open Marketplace in Platform; and
- ✓ Custom builds of Virtual Reality experiences.

And we found that there are only potentially 2 other companies in the world that share all 4 elements of what Next World has built. But that Next World is the most evolved in terms of those quadrants.

## 2.2.6 Key differentiators

What differentiates Next World from other Virtual Reality software companies is we can be considered a one stop shop compared to our competitors. While other companies may offer VR learning experiences, or a Platform for VR or indeed be safety software providers, they do not tick all the boxes when it comes to also provide an ecosystem for workplace learning in VR. Our vision to modernise workplace learning is at the heart of this differentiation.

Next World is the only VR Workplace learning ecosystem that is a low-cost software as a service (SaaS) business with an extensive Virtual Reality library of off the shelf experience, a marketplace and the ability to build bespoke experiences for business customers.

Additionally, there are some particularly unique elements to our experience building methodology that drives an ability for customers to garner analytics and insights that they don't otherwise have the ability to access. These analytics and insights are enabled through our Platform. This is due to our focus tracking and attention tracking methodology of design and production. This allows us the ability to monitor focus and attention within experiences and correlate that with activity levels; assisting us to determine factors such as:

- ✓ Situational awareness;
- ✓ Learning productivity;
- ✓ Hazard awareness; and
- ✓ Risk tolerance and awareness.



There are competitors out in the marketplace and no doubt many in stealth, but few have our precise unique selling proposition (USP). Our USP is unique and provides a competitive edge. This edge exists by virtue of the fact that our founder and board are extensively experienced and insightful as to the needs of the industry.

Next World has created a proprietary and patentable Platform with unique attributes and conditions that could be considered a Learning Management System (LMS ) evolution.

We have created, and continue to create a library of specially designed and engineered Virtual Reality Learning Experiences for companies to explore and utilise. These Learning Experiences fulfil the broad safety and induction needs of businesses, helping them meet their compliance requirements in a more engaging and advanced manner. As every month passes, our IP stack increases and increases the barrier for competition amongst our competitors.

## 2.3 Business and revenue model

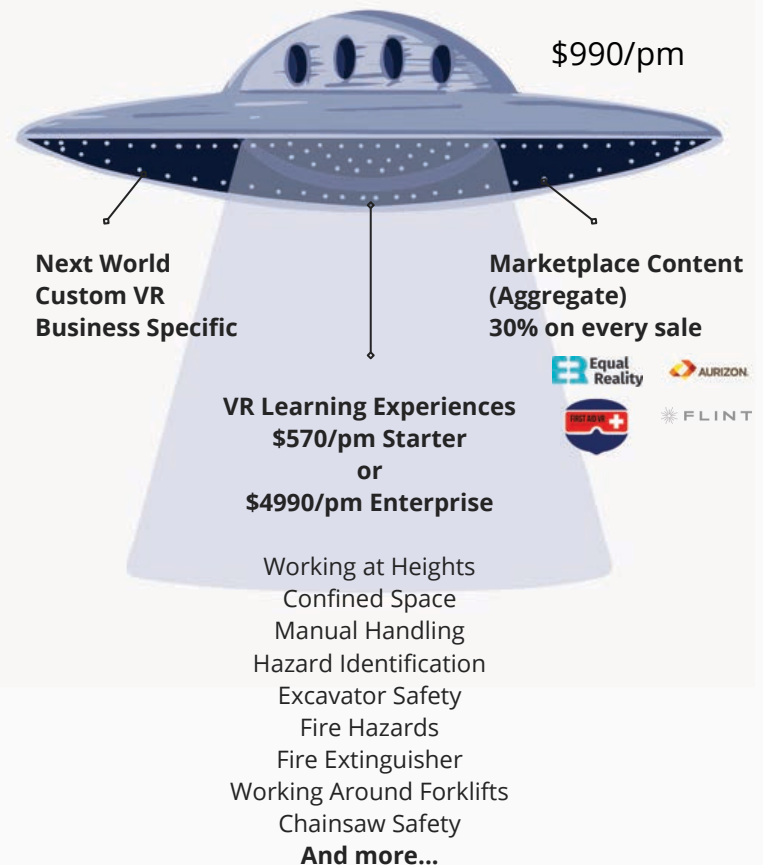
Next World aims to be the world leader in digital workplace learning technology. We believe that Extended Reality (XR) technology as such Augmented Reality (AR), Virtual Reality (VR) and Mixed Reality (MR) will be a significant part of the future for workplace learning. And that there will be a divergence away from traditional modalities such as class-based and eLearning - both of which are proven to be highly ineffective.

Conversely, the Next World approach to workplace learning is transitional and transformational. Offering profound and material improvements across the board.

Our objective is to create a Platform that is the mothership for workplace learning, the pivot point, the hub and go to brand for the future of workplace learning.

We want our Platform to be a tool for enablement. We want to see 3rd party content providers come to our Platform in droves, offering their learning content to the world and our customers. And by doing so, our customers will get the ecosystem of utility they are seeking, with far superior engagement and learning outcomes.

In 2021 we birthed our mothership, our Platform, already offering a significant array of learning experiences, we expect that in 2022 our Platform functionality will continue to expand becoming a fully functioning LMS with a 3rd party marketplace and exceeding 50 plus Learning Experiences. We will see the subject matter of those learning experiences diversify and by doing so, will draw an ever growing customer base, pleased that this is a whole solution, replacing the antiquated ways.



Our plans are clear and ambitious. By the end of 2021, we will have over 150 subscribers and be generating Monthly Recurring Revenue (MRR) of 100K. And by the end of the calendar year 2022 the aim is to be at 600 Subscribers, generating 350K MRR.

In addition, our technology stack will grow to include:

- ✓ Additional Software Developers to build out Platform functionality - **EOCY 2021**
- ✓ Polish Team expanded to accelerate OTS Experience Development - **DONE**
- ✓ 3rd Party content VR Marketplace - **July 2022**
- ✓ 1st Third-Party marketplace content providers - **July 2022**
- ✓ VR LMS capability extended to include more functionality - **August 2022**
- ✓ Achieve 30 OTS Experiences in VR Library by **July 2022**
- ✓ Achieve 50 OTS Experiences in VR Library by **Dec 2022**
- ✓ Achieve Total (Combined 3rd Party and Next World) 70 OTS Experiences in VR Library by **Dec 2022**
- ✓ Achieve 200% growth in International customers by **EOCY 2022**

Beyond 2022, we aim to forge further into international markets, integrating more localization and language capabilities, a focus on VR authoring functionality and Build it Yourself (BiY) VR. We predict raising growth capital every year until 2025. This will be underpinned by milestone target achievements such as those outlined above that will provide the impetus for further investment.



## 2.5 Organisational structure



**Dale Williams**

HEAD OF SOFTWARE

Dale works with his development team of 3D generalists, software developers, designers and programmers. Dale is an experienced developer who works on our Learning Experiences and ensures timelines are met. Dale is a possessed musician, entertained by games as a pastime and a craft.



**Michael O'Reilly**

OUR CEO AND FOUNDER

Michael is a proven entrepreneur. He started his first business in 2006 and that business, Harness Group, thrives today. Michael is exceptional at building high performing teams from scratch. Michael is all about family, loves working in his garden and playing with his 3 kids.



**Charlotte Anne**

HEAD OF MARKETING AND EVENTS

Charlotte is in charge of SEO, AdWord and social advertising campaigns, social media management, photography, videography, video editing, graphic design, SEM, brand management, and events. Charlotte likes naps, cheese and lychee martinis.



**Hillary Chong**

SENIOR SOFTWARE DEVELOPER

Hillary is the lead developer of the Experience Team at Next World, she has a role in the framework implementation of the VR safety training experiences. Hillary loves video games and hand crafts!



**James Hicks**

FRONT END DEVELOPER

James is our front end developer, whose role is to work on the functionality of our mothership platform. James enjoys hiking, painting miniatures and playing guitar.



**Dr Lewis Carter**

LEAD DESIGNER & PRODUCER

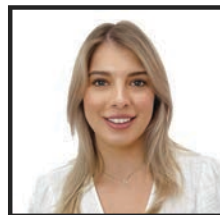
Dr Lewis is our lead designer and producer. Lewis is in charge of many grounds with our learning experiences. Lewis is bright-colour wearing, Shiba Inu loving, 360 photo-taking want-to-be cenophile (wine loving fanboy).



**Carlos Melo**

SENIOR SOFTWARE DEVELOPER

Carlos researches accredited training material and uses that information to help design virtual reality experiences that can improve the learning method of said training. Carlos loves video games, watching TV and reading.



**Nicole Goddard**

PERSONAL ASSISTANT

Nicole is a personal assistant to the CEO, Michael. Nicole works closely with the team to ensure Michael is prepared for presentations with potential stakeholders and clients while managing calendars and meetings. Nicole loves crossfit, cats, the beach and Thai food.



**Hayden Morison**

BUSINESS DEVELOPMENT MANAGER

Hayden is one of our business development managers, based in Brisbane and is responsible for meeting with potential clients as well as maintaining relationships and nurturing current clients.



**Steven Andrades**

SENIOR 3D GENERALIST

Steven works with the team to create 3D Avatars and assets for our range of learning experiences. Steven loves his motorbike, and gaming.



**Trevor Wantenaar**

BUSINESS DEVELOPMENT MANAGER

Trevor is one of our business development managers, based in Melbourne and is responsible for meeting with potential clients as well as maintaining relationships and nurturing current clients.



**Tylah Heil**

DEVELOPER

Tylah is one of our developers and currently works remotely from Gold Coast. Tylah works with the team to help develop our learning experiences. Tylah



**Ben Van Damme**

VICE PRESIDENT GCC

Ben is responsible for Next World's organisational expansion in the Gulf region. Managing the operational and business development within this market with a big appetite for VR.



**Marko Balac**

VICE PRESIDENT DUBAI

Marco is responsible for maintaining relationships with our UAE client base and has proven success in a wide range of industries and geographies.

## 2.6 Capital structure

### 2.6.1 Issued capital (before and after the Offer)

As of the date of this Offer Document, the company has 13,905,041 ordinary shares and 4,701,600 Options on issue. The majority of the shares are held by the company's founders/directors. Table 1 below sets out the issued capital of the company before the Offer.

Table 1: Issued capital of the company before the Offer

Shareholder	Share Type	Shares	Options
OBSC Holdings Pty Ltd	Ordinary	9,200,000	0
MESH Ventures Pty Ltd	Ordinary and Convertible notes	4,530,000	1,700,000
Laube Family Trust	Ordinary	139,000	0
Madinah Capital Trust	Ordinary	27,460	0
Prolocks Family Trust	Ordinary	8,581	0
NWE Employee Share Gifting		0	21,600
Benjamin Van Damme	Performance Rights	0	1,490,000
Marko Balac	Performance Rights	0	1,490,000
<b>Total</b>		<b>13,905,041 (100%)</b>	<b>4,701,600 (100%)</b>

## 2.6.1 Issued capital (before and after the Offer) CONTINUED

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

Table 2: Issued capital of the Company following the Offer

Shares	Minimum Subscription	Maximum Subscription
Existing Shares (fully diluted)	13,905,041 74.43%	13,905,041 73.84%
Convertible Notes	1,700,000 9.10%	1,700,000 9.03%
Performance rights (fully diluted)	2,980,000 15.95%	2,980,000 15.83%
Employee share scheme	21,600 0.12%	21,600 0.11%
Offer Shares (fully diluted)	74,627 0.40%	223,881 1.19%
<b>Total Shares</b>	<b>18,681,268</b> <b>(100.00%)</b>	<b>18,830,522</b> <b>100.00%</b>



## 2.6.2 Rights and liabilities associated with securities

An investor subscribing for shares is bound by the Constitution (available on the Intermediary's platform).

Set out below is a brief summary of the rights and liabilities associated with the Company's securities. For further information, including relating to restrictions on transfer and drag along and tag along rights, please refer to the Constitution, available on the Intermediary's platform.

### Ordinary Shares

As at the date of this Offer, the only class of shares on issue are Ordinary Shares. The shares issued pursuant to this Offer Document will be fully paid Ordinary Shares. All Ordinary Shares have the same voting rights and the same rights to receive Dividends.

The Constitution (available on the Intermediary's platform) sets out the details of each of the rights and liabilities associated with Ordinary Shares. Under the Constitution, the Board has the discretion to approve or refuse to approve a transfer of shares to a third party.

### Options

Prior to the date of this Offer, the Company implemented an Employee Share Option Plan (ESOP).

Pursuant to that ESOP employees and other contractors to the company are offered options to acquire ordinary shares in the company.

Other than under the ESOP, as at the date of this Offer Document, there are no vested, unvested or unexercised options on issue.

### Other Rights

A more detailed description of the rights and liabilities associated with the shares is set out in the section below. A copy of the Company's Constitution is available on the Intermediary's platform.

### Performance Rights Convertible Note

MESH Ventures has a Convertible Note in place with no end date relating to a Loan. That is exercisable to shares on demand. Benjamin Van Damme and Marko Balac have Performance Rights based Options exercisable under Deed of Agreement upon satisfactory achieving key performance indicators.

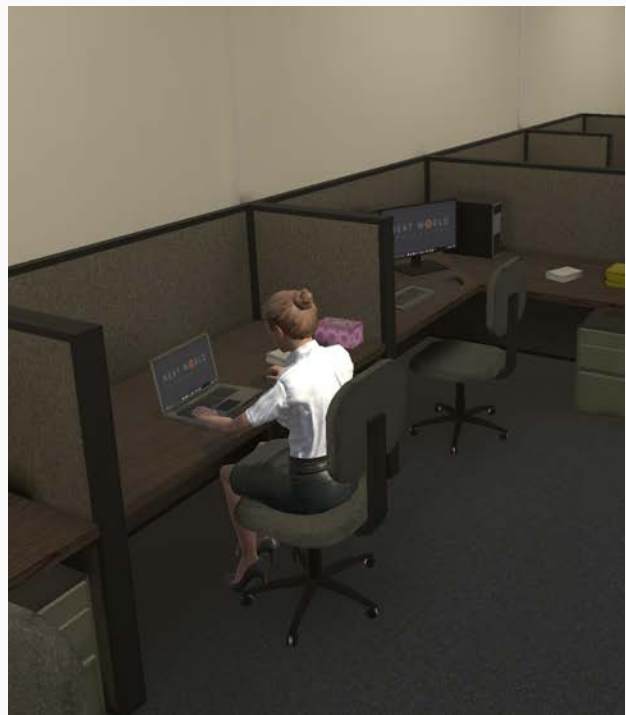



### 2.6.3 Sources of financing, including debt financing and other financing

To date, Next World has been funded by the Company's founding shareholders, an investment by MESH ventures and the retained earnings of the Company.

The Loan amount from Harness Group to Next World was re-paid in full by MESH Ventures as part of their equity acquisition process. Next World has paid back debts owed to external parties extinguishing external debt.


The company does not have any outstanding loans. No funds raised under the offer will be used to repay loans.



Home Profile Insights Admin?

Trainees >

### Trainee Profile



James Hicks Dev

3

Sessions completed

73%

Average score

@

Email  
james.hicks@nextworldxr.com

📅

Started  
25-08-21


👤

Manager  
None assigned

Overall risk profile

Medium

Grade  
B+



## 2.7 Our directors and management

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### Michael O'Reilly

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**Role**

Director

**Description of duties**

Strategy, Business management, Product development, Leader.

**Skills and experience**

Managing Director of the Harness Group, scaling it from its inception in 2006 to one of Australia's largest responsible labour hire and training businesses with facilities in Brisbane, Toowoomba, Chinchilla and Papua New Guinea.

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### Sharath (Zach) Hegde

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**Role**

Non-Executive Director

**Description of duties**

Strategy, governance, partnership and capital raise advice.

**Skills and experience**

A proven entrepreneur with many years of experience in business not only in Australia but internationally. Zach has developed teams in China, India and the Philippines over 20+ years.

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### Imran Tahir

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**Role**

Non-Executive Director

**Description of duties**

Financial, taxation and legal advice

**Skills and experience**

Imran has 20 years of experience in domestic to international tax and accounting, as well as highly experienced in business set-ups.

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## 2.8 Risks facing the business

An investment in Next World Enterprises 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. Investors should read this section carefully before deciding to apply for shares under the Offer.

There are also other, more general risks associated with the Company (for example, risks relating to general economic conditions or the inability to quickly or easily sell your shares).

RISK	DESCRIPTION
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	<p>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.</p> <p>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.</p>
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.
Profitability 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.

## 2.8 Risks facing the business (CONTINUED)

RISK	DESCRIPTION
Key person risk	As an early stage business, the Company is susceptible to the loss of key team members as they are considered critical to the continued success of the Company. If a key team member was lost, due to illness for example, this could significantly affect the Company's ability to continue its operations or achieve its business objectives as the case may be.
Technology risk	The Company uses a number of sales, marketing and 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, it could interrupt the Company's ability to sell or communicate with customers, which could have a direct impact on revenue and profitability.
Brand risk	If the Company does not maintain consistent levels of quality and service in its offering, the Company's brand and reputation could be damaged. In an increasingly connected world, damage to a company's brand and reputation can be catastrophic. The Company is acutely aware of this risk and is vigilant to ensure that it maintains a consistently high level of product quality and customer service.
Intellectual property risk	The protection of the Company's intellectual property is critical to our business and commercial success. If we are unable to protect or enforce the Company's intellectual property rights, there is a risk that other companies will copy our product and technology, which could adversely affect our ability to compete in the market.
Dilution	A shareholder's interest being diluted if they do not participate in future fundraisings (if there is a reasonable likelihood you will need to raise further capital in the future).

## 2.9 Financial information

Below are the financial statements of the Company for the financial years ended 30 June 2021 and 30 June 2020, which have been prepared in accordance with the Accounting Standards.

### 2.9.1 Balance Sheet



## Balance Sheet

### Next World Enterprises Pty Ltd As at 30 June 2021

	NOTES	30 JUN 2021	30 JUN 2020
<b>Assets</b>			
<b>Current Assets</b>			
Cash & Cash Equivalents		25,528	46,214
Trade & Other Receivables		36,526	-
<b>Total Current Assets</b>		<b>62,055</b>	<b>46,214</b>
<b>Non-Current Assets</b>			
Fixed Assets		30,581	-
Non-Current Receivables		17,111	-
<b>Total Non-Current Assets</b>		<b>47,692</b>	<b>-</b>
<b>Total Assets</b>		<b>109,747</b>	<b>46,214</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade & Other Payables		(71,097)	(75,449)
<b>Total Current Liabilities</b>		<b>(71,097)</b>	<b>(75,449)</b>
<b>Non-Current Liabilities</b>			
Non-Current Payables		11,112	313,273
<b>Total Non-Current Liabilities</b>		<b>11,112</b>	<b>313,273</b>
<b>Total Liabilities</b>		<b>(59,984)</b>	<b>237,823</b>
<b>Net Assets</b>		<b>169,731</b>	<b>(191,609)</b>
<b>Equity</b>			
Convertible Note - Mesh Ventures		375,000	-
Retained Earnings		(1,515,339)	(191,609)
Share Capital		1,310,070	-
<b>Total Equity</b>		<b>169,731</b>	<b>(191,609)</b>



## 2.9.2 Profit and loss statement



### Profit and Loss Statement

Next World Enterprises Pty Ltd  
For the year ended 30 June 2021

	NOTES	2021	2020
<b>Income</b>			
Trading profit		187,880	-
<b>Total Income</b>		<b>187,880</b>	<b>-</b>
<b>Other Income</b>			
Interest		-	71
JobKeeper Payments Received		27,000	12,000
Government Grants		40,000	50,000
<b>Total Other Income</b>		<b>67,000</b>	<b>62,071</b>
<b>Total Income</b>		<b>254,880</b>	<b>62,071</b>
<b>Expenses</b>			
Accommodation		1,602	-
Amortisation - Leasehold Improvements		370	-
Bank Fees		218	-
Cleaning		2,690	-
Computer/VR Expenses		56,872	10,226
Consultants		325,129	38,437
Consulting & Accounting		17,950	800
Depreciation		39,597	-
Donations		572	-
Entertainment		820	-
Filing Fees		273	267
Foreign Currency Gains and Losses		1,787	32
Freight & Courier		4,196	431
Fuel		204	-
General Expenses		2,536	4,446
Insurance		6,461	2,839
Legal expenses		14,046	-
Light, Power, Heating		3,191	-
Marketing		170,794	9,795
Meal Expenses		3,790	-
Office Expenses		72,295	367
Parking & Tolls		1,169	2,478
Printing & Stationery		6,416	332
Rent		24,000	24,360
Subscriptions		31,656	6,762
Superannuation		93,819	15,495
Taxi Fare		1,558	976
Telephone & Internet		2,795	-
Travel - National		5,608	-
	NOTES	2021	2020
WorkCover		554	280
<b>Total Expenses</b>		<b>1,754,585</b>	<b>281,425</b>
<b>Profit/(Loss) before Taxation</b>		<b>(1,499,706)</b>	<b>(219,354)</b>
<b>Income Tax Expense</b>			
R&D Tax Offset (Refundable)		(175,975)	(83,188)
<b>Total Income Tax Expense</b>		<b>(175,975)</b>	<b>(83,188)</b>
<b>Net Profit After Income Tax</b>		<b>(1,323,730)</b>	<b>(136,166)</b>

## 2.9.3 Changes in equity



### Movements in Equity

**Next World Enterprises Pty Ltd**  
**For the year ended 30 June 2021**

	2021	2020	2019
<b>Equity</b>			
Opening Balance	(191,608.67)	(55,442.82)	-
Convertible Note - Mesh Ventures	375,000.00	-	-
Current Year Earnings	(1,323,730.30)	(136,165.85)	(55,442.92)
Fully Paid Ordinary Shares	1,310,070.00	-	0.10
<b>Total Equity</b>	<b>169,731.03</b>	<b>(191,608.67)</b>	<b>(55,442.82)</b>

## 2.9.4 Statement of Cash Flows

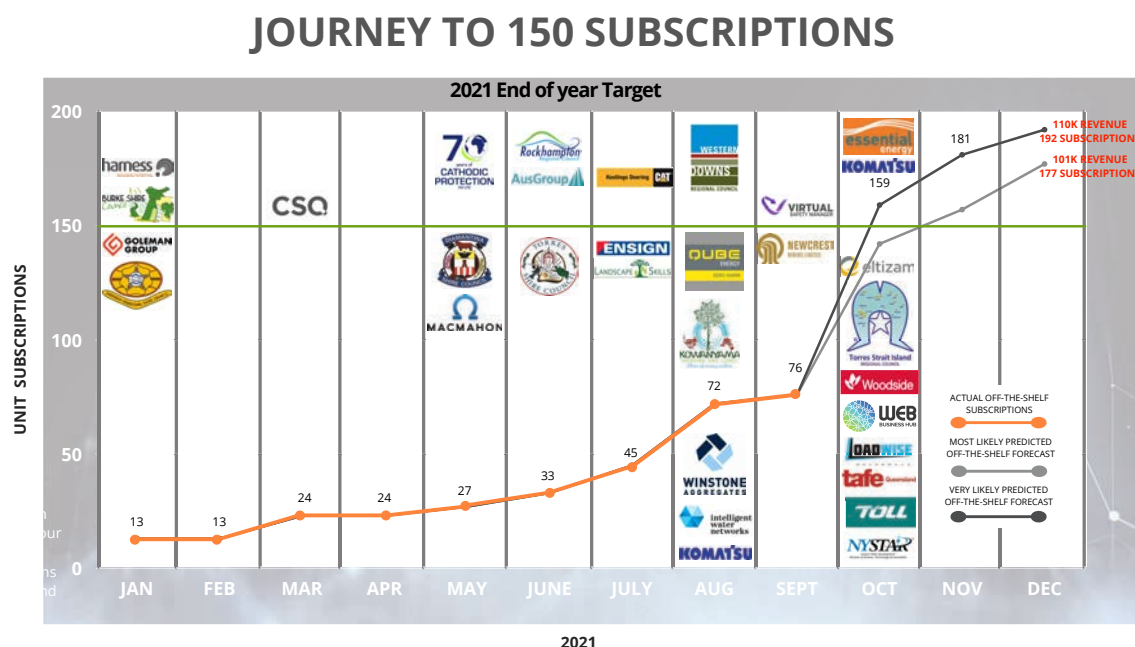
### Statement of Cash Flows

**Next World Enterprises Pty Ltd**  
**For the year ended 30 June 2021**

	2021	2020
<b>Operating Activities</b>		
Receipts from customers	161,997.60	70.99
Payments to suppliers and employees	(1,597,056.19)	(208,800.63)
Cash receipts from other operating activities	113,355.79	75,581.46
Cash payments from other operating activities	(1,793.99)	(32.07)
<b>Net Cash Flows from Operating Activities</b>	<b>(1,323,496.79)</b>	<b>(133,180.25)</b>
<b>Investing Activities</b>		
Payment for property, plant and equipment	(70,547.92)	-
Other cash items from investing activities	(1,405.30)	-
<b>Net Cash Flows from Investing Activities</b>	<b>(71,953.22)</b>	<b>-</b>
<b>Financing Activities</b>		
Fully Paid Ordinary Shares	1,310,070.00	-
Convertible Note - Mesh Ventures	375,000.00	-
Loans from Related Parties	(319,271.11)	240,358.84
Other cash items from financing activities	7,559.69	(60,964.24)
<b>Net Cash Flows from Financing Activities</b>	<b>1,373,358.58</b>	<b>179,394.60</b>
<b>Net Cash Flows</b>	<b>(22,091.43)</b>	<b>46,214.35</b>
<b>Cash and Cash Equivalents</b>		
Cash and cash equivalents at beginning of period	46,214.35	-
Net change in cash for period	(22,091.43)	46,214.35
Cash and cash equivalents at end of period	24,122.92	46,214.35

## 2.9.5 Management comments on historical performance and outlook

Next World has been focused on building our technology stack up until January 2021 and as such we only achieved first revenue from early 2021. Our business commercial target for 2021 CY was to achieve 150 unit subscriptions by the end of CY. Since January, Next World has made steady progress towards that target and is on track to achieve between 150 - 220 unit subscriptions.



If Next World can achieve the 150 target, this equates to MRR of [low] \$85,000 and if we achieve the 220 upper target range, that equates to \$125,400 [high] MRR. In addition, Next World has achieved first orders with our VR Platform. Which is now generating MRR. We expect that to be generating an additional range of \$4,950 - \$9,990 per month by the end of CY 2021. Combined, these two revenue numbers are \$89,950 - \$135,390 MRR range. If the upper end of the range is achieved, Next World will be within cash flow neutral range.

These numbers do not take into consideration custom build revenue which fluctuates but significantly assists with cash flow and profit and loss.

Of particular note, we draw your attention to the revenue numbers from September to October and the growth in just that two month window. This growth was expected and we believe this validates our planning, targets and indeed our business model. With further investment, allowing the business to add extra BD, Sales and Marketing power, we believe that our 2022 CY targets will be in range also. That target is 600 unit subscriptions which will equate to MRR of \$342,000 + Platform revenue, 3rd party marketplace revenue, and custom build revenue.

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



## 2.10 Legal or disciplinary actions against the company

There are no legal or disciplinary actions against the company.



## SECTION 3

Information  
about the Offer

## 3.1 Terms of the Offer

Next World Enterprises Pty Ltd is offering up to 223,881 shares at an issue price of \$1.34 per share to raise up to \$300,000. The key terms and conditions of the Offer are set out below.

Term	Details
Shares	Fully-paid ordinary shares
Price	\$1.34 per share
Minimum subscription	\$100,000
Maximum subscription	\$300,000
Minimum parcel size	\$250.00
Opening Date	11 November 2021
Closing Date	25th November 2021

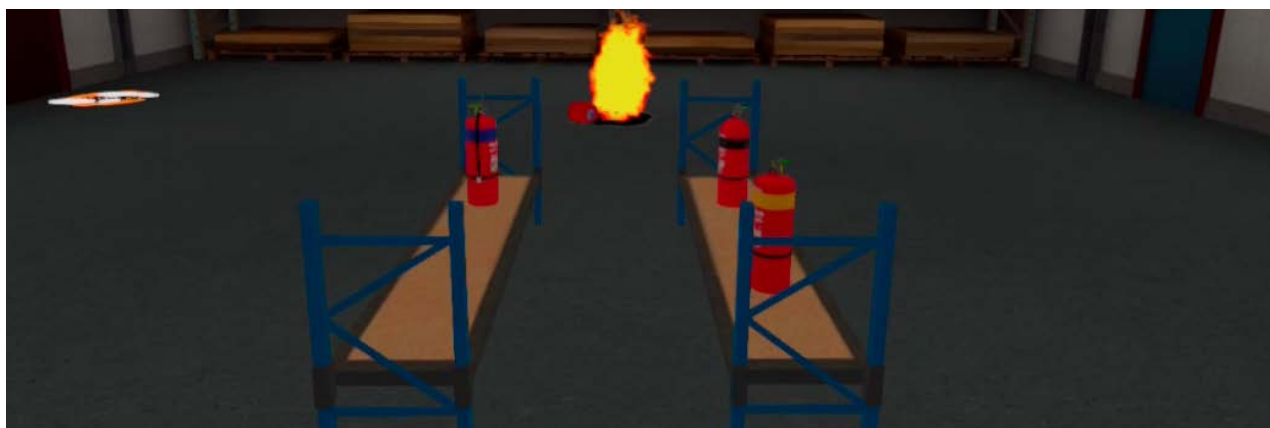
A description of the rights associated with the shares is set out in Section 3.3.

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

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

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

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



## 3.2 Use of funds

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

Intended use	CY 2022 Minimum Subscription	CY 2022 Maximum Subscription
Sales & BD	\$32,500	\$100,000
Investment in Technology 3rd Party Marketplace LMS Functionality Learning Experiences	\$50,000	\$100,000
Partnership, Relationship & Affiliate program	\$0	\$50,000
Marketing and brand build	\$10,000	\$30,000
Offer costs	\$7,500	\$20,000
Total	\$100,000	\$300,000

The Offer costs include 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 Company through Birchall 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.

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

If only the Minimum Subscription amount is raised, the Company will require further funding to be able to carry out our intended activities over the next 12–18 months. In such circumstances, the Company may consider undertaking a further CSF offer under the CSF regime.

The minimum threshold has been set to assist the business to achieve reasonable short term targets that are important to the business and will enable the business to springboard customer acquisition and market superiority. If the maximum threshold is achieved, the funds will be used to turbo charge growth at all levels of the business, and enter the US market in 2022.



## 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.

### 3.3.1 Voting rights

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

### 3.3.2 Dividends

All shareholders have a right to receive any dividends declared and paid by the Company. The directors have discretion and may resolve to pay dividends, subject to their obligations under the Corporations Act (for example, they cannot pay dividends unless the Company's assets are sufficiently in excess of its liabilities immediately before the dividend is declared and where it may materially prejudice the Company's ability to pay its creditors).

### 3.3.3 General meetings and notices

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

### 3.3.4 Election and removal of directors

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

### 3.3.5 Winding-up

If the Company is wound up and there are any assets left over after all the Company's debts have been paid, the surplus is distributed to shareholders after secured and unsecured creditors of the Company.

### 3.3.6 Restrictions on sale and transfer

Shares may only be transferred by a Member in accordance with the Constitution

### 3.3.7 Pre-emptive rights on issue of shares

Shares may only be issued by the Company in accordance with the Constitution. This means that, except in respect of certain Excluded Issues (as described in the Constitution), where the Company wishes to issue new shares, the Company must follow the procedure set out in the Constitution, including by offering each Eligible Member (Constitution) the right to acquire the new shares.

## 3.4 What can I do with my shares?

Shares in the Company are considered illiquid as they cannot easily be transferred or sold. However, there are numerous possible circumstances that may create an opportunity for shareholders to exit their investment in the Company. These include, 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.

## SECTION 4

Information  
about the Offer



## 4.0 Information about investor rights

### 4.1 Cooling-off rights

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

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

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

### 4.2 Communication facility for the Offer

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

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

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

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

#### 4.3.1 Annual report

While the Company is currently a small proprietary company that is not required to prepare annual financial reports and directors' reports, if we successfully complete this Offer, then we will be required to prepare and lodge these annual reports with ASIC (within four months of the financial year-end). The Company has a 30 June year-end and its financial reports must be lodged by 31 October each year.

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

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



### 4.3.2 Distribution of annual report

The Company is not required to notify shareholders in writing of the options to receive or access the annual report. Shareholders will not be able to elect to receive a copy of the annual report by way of email or post. However, shareholders can access the annual report at the following address [www.nextworldenterprises.com/nw-annual-report](http://www.nextworldenterprises.com/nw-annual-report) on the Company's share registry website at the following address [www.nextworldenterprises.com/nw-shareregistry](http://www.nextworldenterprises.com/nw-shareregistry) (free of charge) or can purchase the report from ASIC.

### 4.3.3 Related party transactions

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

### 4.3.4 Takeovers

If we successfully complete this Offer and have more than 50 shareholders, the takeover rules in the Corporations Act will only apply to the Company in a very limited way. If someone wants to buy more than 20% of the voting shares in the Company, they will be able to do so without complying with the takeover rules. This means a person may be able to get control of the Company without making a formal takeover bid to all shareholders or without seeking shareholder approval.

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



# Glossary

Company means Next World Enterprises Pty Ltd ACN 631 284 547

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

Intermediary means Birchall Financial Services Pty Ltd AFSL 502618

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

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

