



## Crowd-Sourced Funding Offer Document

**Dated 2nd Nov 2022**

Offer of fully-paid ordinary shares in Syntro Biosystems (Holdings) Pty Ltd at \$0.50 per share to raise a maximum of \$1,500,000

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

**Issuer:**

Syntro Biosystems (Holdings) Pty Ltd | ACN 630 464 489

**Intermediary:**

Birchal Financial Services Pty Ltd AFSL 502618

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



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## Glossary



# Risk Warning

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

You may lose your entire investment, and you should be in a position to bear this risk without undue hardship. Even if the company is successful, the value of your investment and any return on the investment could be reduced if the company issues more shares. Your investment is unlikely to be liquid. This means you are unlikely to be able to sell your shares quickly or at all if you need the money or decide that this investment is not right for you. Even though you have remedies for misleading statements in the offer document or misconduct by the company, you may have difficulty recovering your money. There are rules for handling your money. However, if your money is handled inappropriately or the person operating the platform on which this offer is published becomes insolvent, you may have difficulty recovering your money. Ask questions, read all information given carefully, and seek independent financial advice before committing yourself to any investment.





subpod<sup>®</sup>

“The next 1,000 unicorns won’t be search engines or social media companies, they’ll be sustainable, scalable innovators – startups that help the world decarbonize and make the energy transition affordable for all consumers.”

**Larry Fink**  
**2022 BlackRock Letter to CEOs**

Crowd-Sourced funding offer





SECTION 2



# Information about the company

Crowd-Sourced funding offer



subpod<sup>®</sup>



# Divert Waste, Rebuild Soil, Grow Food & Grow Community

Hi There,

My name is Saadi, and I'm the CEO of Subpod. Our team came together in 2017 because of a shared passion for nature, and a vision to help people understand the miracle that is soil, and how they can turn their waste into something that helps rebuild this precious resource on which all life depends.

We've come a long way since 2017 when we were hand building prototypes and testing them at homes and businesses in our local area. Today we have over 52,000 homes and businesses using Subpod in 26 countries and a growing team that helps our customers turn waste into a resource, but our passion and purpose have not changed.

I originally joined Subpod to assist with early stage commercialisation and funding due to my interests in soil biology and the circular economy and experience helping to launch the Australian crowdfunding success story, Flow Hive. I was still working at my day job with Flow Hive where I had built, and ran the marketing team, and at the time I never dreamed that I would become the CEO of Subpod.

But there is a magic to the process of turning food waste into soil food and watching the process happen right there in a garden where the reward is healthy soil and healthy plants. I felt that magic for myself and saw our early users experience it too. In late 2018, I became CEO of Subpod and have had the privilege to lead our team since then and see our vision of a global community of waste warriors start to take root and flourish

At Subpod we believe this appreciation for, and understanding of the natural systems that all life depend on must become part of popular culture in the coming decades. That is why we do the work we do, to help people of all walks of life divert waste, rebuild soil, grow food and grow community.



I've learnt a lot over the last few years in my role as CEO and continue to learn, from my team, the Subpod community and the mentors that have provided support along the way.

In the early years of commercialisation we were focussed on building a better way to compost. Now our team is focussed on building a community and company with sustainability at its core, that helps people take tangible action in their every day life to make their little patch of this wonderful world a little bit better every day.

I am proud of the work our team has done to grow Subpod to where we are today, and that with that growth we are also focussed on operational sustainability.

We have \$16.4m in accumulated sales since launch, and growing international demand for our products. With \$6m in revenue last financial year, we also increased operational efficiency, grew customer lifetime value while decreasing marketing spend 18% and growing operational profit 214% year on year.

I am excited to invite you to join us as a Subpod shareholder as we enter our next phase of growth. Our team have achieved a lot in a few short years, but there are so many more great opportunities ahead of us and we would love to have you along for the journey.

*Saadi Allan* CEO



# Company Details

This offer of shares is made by Syntro Biosystems (Holdings) PTY LTD ACN 630 464 489

Company Name	Syntro Biosystems (Holdings) Pty Ltd
ACN Company	630 464 489
Date of Incorporation	07.12.2018
Registered Office	346 The Channon Road, The Channon NSW 2480, AUS
Principal Place of Business	346 The Channon Road, The Channon NSW 2480, AUS
Subsidiaries	Compost Central Pty Ltd ACN 620 109 471 (100% wholly-owned)







*A global community of*

# 52,000 Waste Warriors

*Will you join us?*

subpod



# Our Mission

Our mission is to make composting, connection to nature and personal sustainability practices a part of everyday life through popular culture.

We are growing a global brand that creates scalable user centric products and services that helps people turn their sustainability aspirations into tangible action.



subpod



# Why Composting Matters

## Reduce Greenhouse Gases

When food scraps, leaves and other organic matter decompose in landfills, they releases greenhouse gases like Methane, (CH4) which is more potent than Carbon dioxide, and a major contributor to global warming.

About a third of the food produced around the world goes to waste, and much of it ends up in landfills—where it becomes a source of methane, a greenhouse gas 25 times more potent than carbon dioxide\*\*. Eliminating waste is the ultimate solution, but some will always remain. For that there is a solution that nearly anyone can do: composting.

# Benefits of Composting

## Practice Carbon sequestration

When we make compost, we are re-directing organic material back into the soil, trapping Carbon in the ground where it can contribute to building healthy soil and more nutritious food.

Composting turns rotting garbage into a valuable soil enhancer that helps plants thrive. Farmers call it “black gold.”

The aerobic process of composting does not produce methane because methane-producing microbes are not active in the presence of oxygen. Composting is one method to reduce methane emissions from organic waste currently stockpiled or sent to landfill.

# Subpod Stats

Composting 1 ton of organic waste can reduce emissions as much as taking one car off the road for two months.\*\*\*

Every 10,000 Subpods in use will prevent 4,517 tonnes of CO2 eq from entering the atmosphere.

## Subpod Annual Current Impact\*

CO2 Equivalent Offset Per Year  
14,543+ Tonnes

or



3,134  
Cars off the Road

Compost Produced Per Year  
2,5869+ Tonnes

or



224,363  
30 L bags of commercial compost

Organic Waste Diverted from Landfill Per Year  
20,626+ Tonnes

or

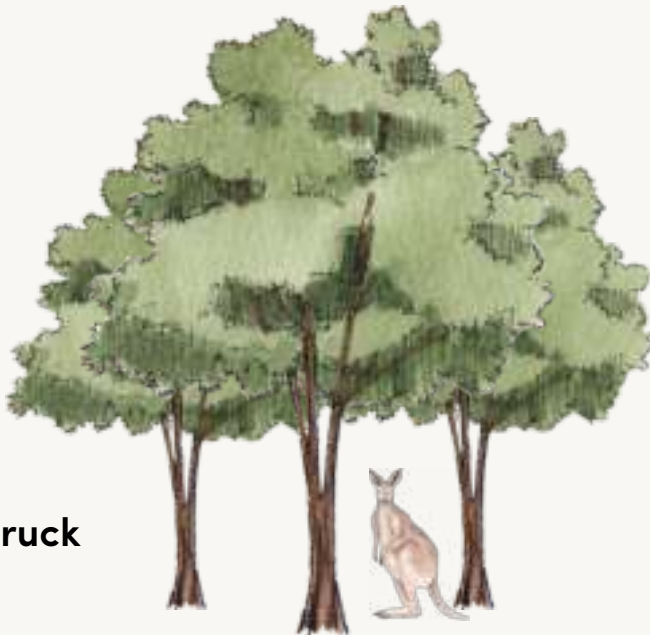


2171  
Garbage Truck Loads

51,782+  
Trees Planted  
in 12 months

or

117 Acres  
New Forest Planted



\*Based on 55,097 units shipped to date with 7.19kg average weekly food waste diverted

\*\*<https://www.epa.gov/lmop/basic-information-about-landfill-gas>

\*\*\*<https://www.agric.wa.gov.au/climate-change/composting-avoid-methane-production-%E2%80%93-western-australia#:~:text=Each%20tonne%20of%20organic%20waste,in%20the%20form%20of%20methane>



# What we do

Subpod began with a simple idea: make composting a part of everyday life. We believe that if we can do that, we can teach people to love the soil their food comes from, and make the world a little bit better together.



## Divert Waste

Every 20k people who compost can divert over 10k tonnes of organic waste from landfill, and produce 400+ tonnes of fresh food – every year.



## Rebuild Soil

Healthy soils grow healthy humans. When we compost, we feed and rebuild the soil, improving its nutrient levels and fertility.

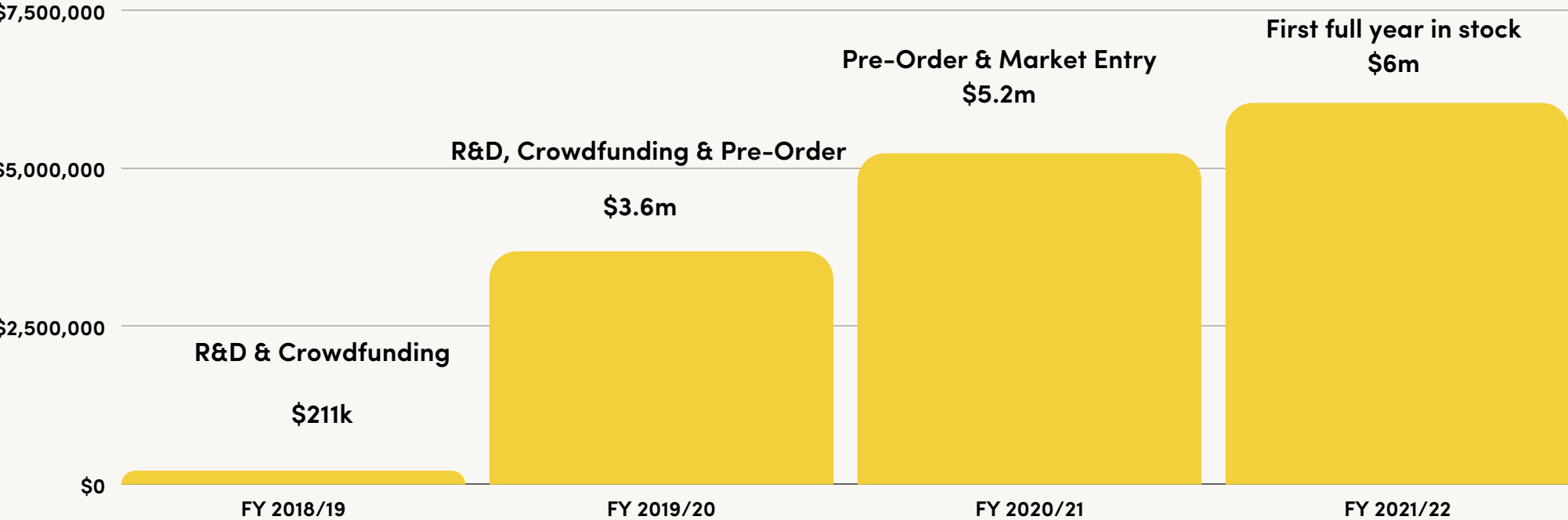
## Grow Food

Fertile soil that has a rich supply of compost can grow food like nothing else. Gardens that have a Subpod will grow fresh, organic produce all year-round in prime regions.

## Grow Community

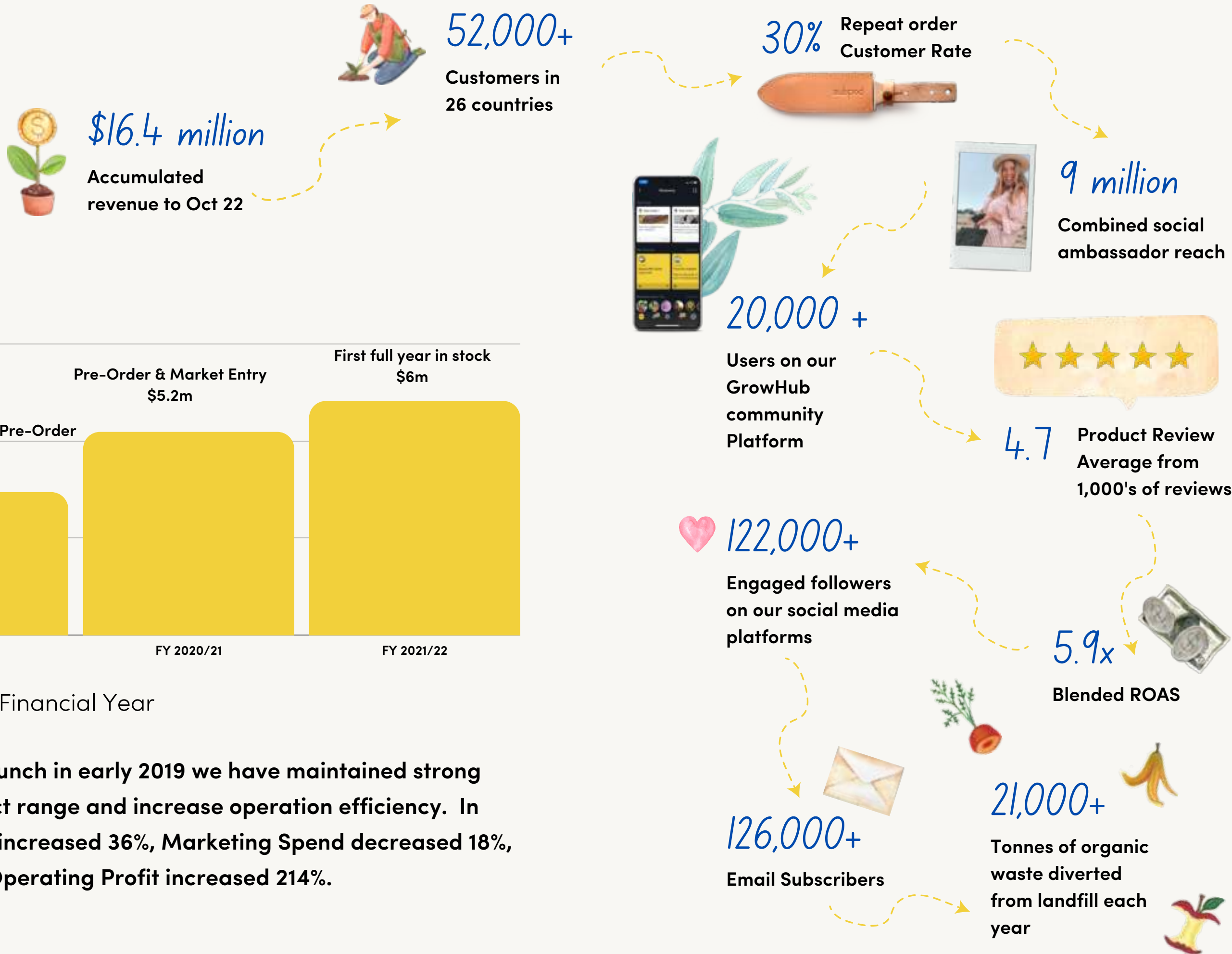
Who knew so many people wanted to talk about compost?  
  
Subpod enjoys an organic combined social ambassador reach of 9,000,000+ people.

# Highlights



Sales by Financial Year

Since our reward-based crowdfunding launch in early 2019 we have maintained strong sales growth whilst expanding our product range and increase operation efficiency. In financial year 20/21 Contribution Margin increased 36%, Marketing Spend decreased 18%, Operation Expenses decreased 16% and Operating Profit increased 214%.





# The Journey

From a small warehouse in Byron Bay, Australia to one of the biggest established brands in the composting and gardening space, Subpod has come along way since developing the first prototypes in 2017.

Here's a little snapshot of the journey.

2017



Subpod Mini

Subpod makes composting possible everywhere with Modbed. The apartment and balcony compost bundle, designed for cities all around the world.

2018



After countless requests from our community, Subpod launched the Mini in 2021 with resounding success.

2021



2020

After years of design and development. Subpod launches to the world! With 17k + Subpod classics sold in 2020.



Subpod Classic



Garden Seat



2019



Jan 2019 Subpod launched on Indiegogo. The support was overwhelming. By May 2019, we'd beaten our goal by 300% and raised \$350,130 from 1,579 backers in 21 countries.



# '22 and beyond

In a bid to make composting a part of everyday life, in 2022 we released an affordable alternative to our existing product line, The Grow Bag, made from 100% recycled water bottles.

The future for Subpod is focused around a handful of key goals

1. App integrated gardening and education
2. Development of a recycled plastic Subpod, ready to launch Dec 22.
3. Release of Modbed accessories for apartment and balcony growing. These will be on the shelf in time for Christmas 22.
4. Establishing a physical presence with our all new GROWHUB HQ in the Byron Bay Hinterland. Fit out is almost complete and we will be open to the public Dec 22.

The all new Subpod Growhub. A physical destination for our composting community to grow.



*The Subpod Growbag*

2022

Subpod makes composting affordable with the easy to use 100% recycled plastic grow bag. Launched May 22.



Subpod launched all new premium gardening tools with the Hori Hori and Shears.



*Subpod Shears*

Dec 2022

Modbed accessories will make growing fresh organic food for city dwellers an easy task with our new accessories.



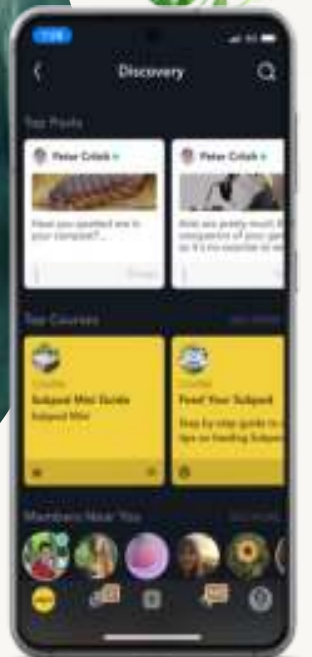
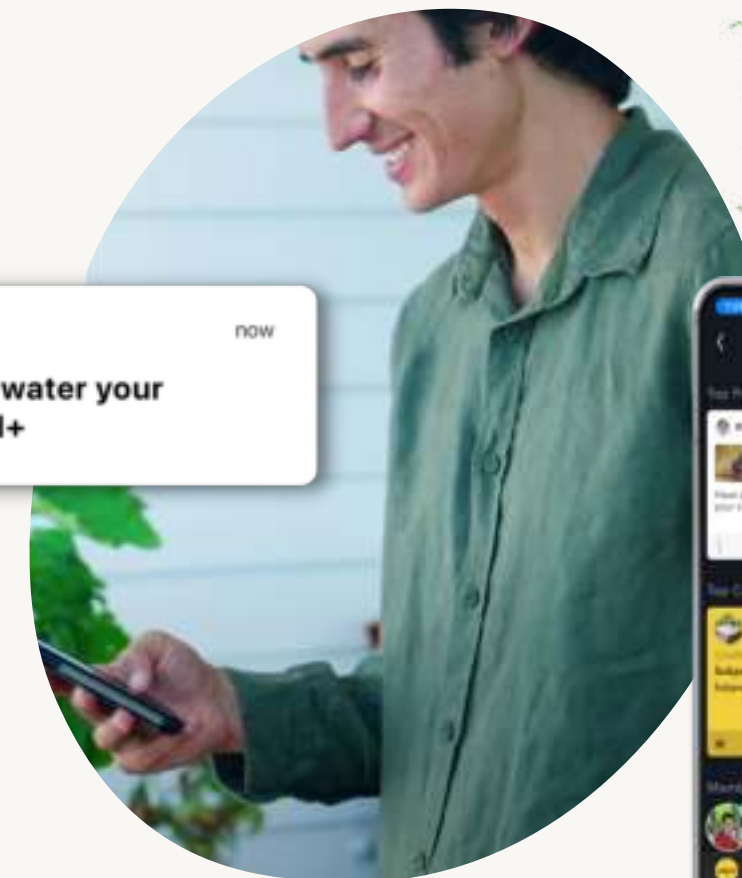
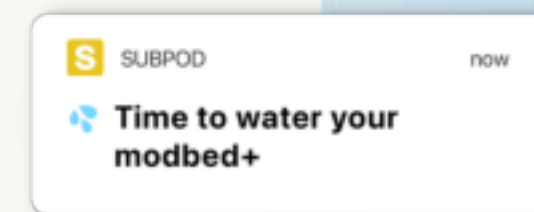
2023 - 2024

We believe the future of gardening and composting is app-integrated. With helpful tips, educational content and social interaction.



*Subpod Grow*

*Subpod Growhub*





# Our Products and Services

Subpod creates premium products by utilising high quality materials and a modern design aesthetic. Subpod believes that composting should be attainable by every consumer. Subpod deliberately offers a product and bundle options that a renter could purchase, such as the Mini Grow Bag Bundle and the Modbed+, a high-end balcony and composting system suiting an affluent apartment dweller in New York.

Subpod products have been priced to be as affordable as possible, while maintaining average gross margins above 75% (ex works\*) to ensure headroom for marketing and customer acquisition costs for direct to consumer and marketplace eCommerce.

All of Subpod's products are designed and manufactured by us. We utilise flat packed design concepts and lightweight materials ensuring cost effective global distribution, reduced warehousing costs and lowest shipping costs to consumers.

\*ex works refers to the Cost of Goods before shipping\*





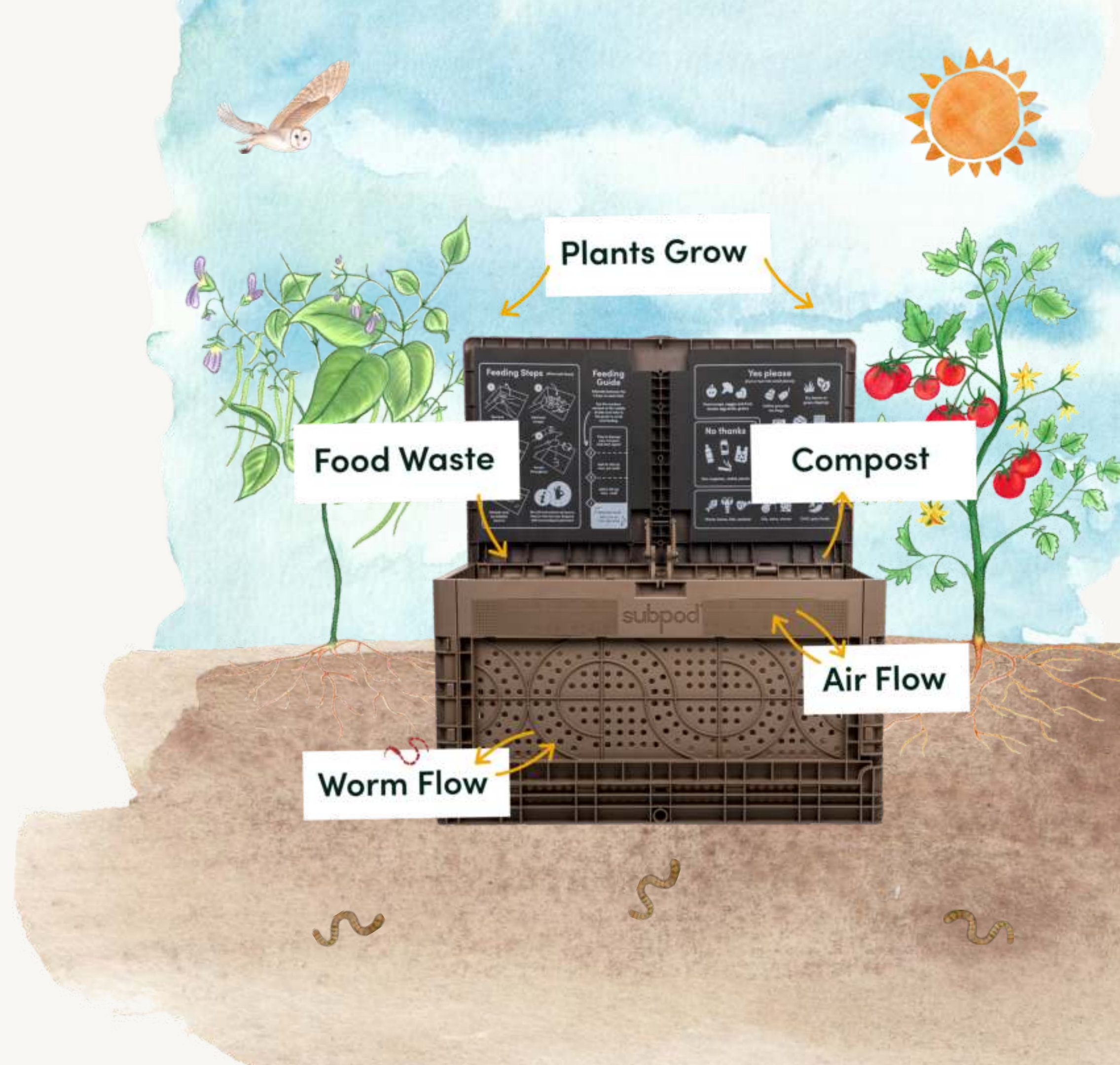
# Meet Subpod

In 2019 we launched the revolutionary 3 in 1 – compost system, worm farm & garden seat, Subpod.

## Compost Underground

The Subpod in-garden compost system works with nature, using worms and microbes to compost organic waste without the odours, mess and hard work of conventional composting.

Subpod not only disposes of your organic waste, but is also the 'growth hub' for your garden. The movement of worms and microbes between your Subpod and garden bed builds soil fertility and plant health, allowing you to grow nutrient-dense food at home with ease.





# Subpod Mini

In 2021 after countless requests from our community we launched Subpod Mini, the perfect composter for singles, couples and small families.

## Compact, Big Impact!

A compact, flexible adaptation of our Subpod Classic. Featuring upgraded hinges reinforced with stainless steel pins and stylish latching locks, Subpod Mini is the ultimate compost system for smaller households.

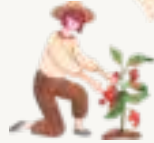






**4.7 Star Average**  
from over 1,000 reviews

SECTION 2.2



OUR PRODUCTS / SERVICES

# Subpod Reviews



## The first time I have been successful at composting

Composting has always been something I couldn't get the hang of. It's smelly, gross and nothing breaks down. I purchased the SUBPOD unground system and it's amazing. I'm actually composting! No smell, nothing gross and it pretty much composts all by itself. I add stuff and stir once a week and that is all. It is amazing. I'm so happy and using all our food scraps which makes me feel good about the environment. I love it and can't recommend it enough!



## Game Changer

Our tumbler compost simply wasn't cutting it for our garden. We purchased 2 subpods. Setup and install was insanely simple and we can finally keep up with our organic waste. In the Northern Valley of California it's just too hot to keep worms (I've tried and failed). The subpod is perfect to keep temperatures down and worms happy. Thanks so much for such a quality product!!



## Happy Composter

I felt the setup was super simple and the directions very clear. The whole thing was setup in minutes. I had trouble finding worms locally but thanks to Amazon my worms were at my doorstep in days! Waiting for the pile to grow is the hardest part!



## Such a cool composter

This mini Subpod worm composter is the perfect size for our family of two. Set up was easy and it seems to be working great. The worms are happy and eating to their hearts content.



## The Subpod is an amazing invention

It's been fantastic. Bought it for my parents and they absolutely love it. Great solution to composting kitchen waste as it was attracting rats in their open compost pile. The worms have been eating it too fast for it to develop any smell in the subpod and so there have been zero issues.





# Eco-lifestyle & gardening products

Composting is just part of living an eco-lifestyle, so we believe that composting should be at the forefront of popular culture.

We've created a curated selection of gardening tools, composting accessories and Garden Wear – everything you need for your eco-warrior life.





Product Linesheet – all products shown here have been launched and are available for sale



Subpod Mini  
SPDMI001



Subpod Classic  
SPD0001



Grow Garden Bed  
GGB00001



Grow Bag  
GGBG001



Modbed Planter  
MBPL001



Subpod Compost Aerator  
AER00001



Hori Hori Gardening Multi-tool  
GTHH001



Gardeners Hemp Apron  
Small: BA0001  
Large: BA0002



Gardeners Waxed Organic Canvas  
Waist Apron  
WA0001



Wide Brim Hemp Hat  
CW1: Olive Green  
CW2: Charcoal Grey  
GWH1



Feed The Soil Hemp Cap  
GWC1



Labour of Love Bucket Hat  
GWH2



Feed The Soil Unisex T-Shirt  
CW 1: Stone Black  
CW 2: Khaki Green  
GWT1



Vege Love Pocket T-Shirt  
GWT2



Grow Your Own Unisex T-Shirt  
GWT3



Plant Seeds Unisex T-Shirt  
GWT4



Divert & Rebuild Unisex T-Shirt  
GWT5



Garden Shears  
GTS0001



Compost Caddy  
CDY001



Subpod Worm Blankets  
(Pack of 2)  
WBLA0001R



# Marketing & Distribution Strategy

## Transform Waste. Transform People.

Subpod has fast become the world's leader in transforming food waste. With our innovative products and thought-provoking digital marketing, Subpod is making composting a part of everyday life.

Subpod has built its largest audience in the U.S.A. allowing for substantial future growth. Beyond “proof of concept”, 2022 - 2023 is Subpod’s time to build on strengths whilst growing our diverse sales channels to become a powerful omnichannel brand.





# Seed Attention

Be the global leader in composting

Be the global leader in composting and food waste by creating innovative products and educational content. Show consumers the simplicity of composting with the Subpod system and change the public perception that composting is difficult, smelly or unsightly.

When people think of composting, they should think of Subpod.

Think Composting? Think Subpod.  
Easy and smell-free.

# Grow Community

Infiltrate Popular Culture

Make composting a part of popular culture through engaging content, social media partnerships and creating awareness of the global food waste issue.

As popular culture moves into a more sustainable focus, Subpod will educate influencers of popular culture on the food waste issue, the benefits of composting and help guide them through their transformation which they can then share with their followers.

**Some wins:**  
Combined reach of 9,000,000+ people  
20k+ #tags created by UGC

# Cultivate Engagement

Growhub Platform

20k + Engaged users  
Corporate, municipal & school sustainability programs  
Localised content & global community  
Live events, Q&As, community building, How to, etc..

# Harvest Profit

Harvest Profit Via These Channels

D2C via our e-commerce stores in AU, US & UK  
  
Dropship partners worldwide  
  
Growing network of bricks & mortar stockists  
  
Currently negotiating with Target USA for Spring 2024 line review





# We have built a powerful impact brand

With a combined social ambassador reach of 9,000,000+ people.

Revenue	Social Media	Customers	GrowHub Community
AUD\$6.5m	122k+	52k+	20k+
21/22 Financial Year	Followers	Since Launch	Online Users







# The Market

## This is a Massive Global Opportunity

Globally, the gardening industry is larger than the massive fitness industry.

The 2020 gardening market valued at \$104 billion USD in comparison to \$97 billion USD for the fitness club market in 2019.\*

All households generate food waste.


Gardening is the #1 hobby in US, AU & UK \*\*\*\*

52% of Australian households grow some food at home & 13% report they intend to start \*\*

Global online sales for gardening goods increased by 100% from 2019 to 2020 \*\*\*




## This is a Massive Global Opportunity

 *166 million*

Total Addressable Market:  
166m households

 *55.3 million*

Serviceable Addressable Market:  
55.3m households who grow food

 *2.7 million*

Serviceable Obtainable Market:  
2.7m households (5% of SAM)

Sources:

\*<https://www.statista.com/statistics/1220222/global-gardening-sales-value/>

\*\* chrome-

extension://efaidnbmnnnibpcajpcglclefindmkaj/<https://australiainsstitute.org.au/wp-content/uploads/2020/12/PB-59-Grow-Your-Own.pdf>

\*\*\*<https://gardenpals.com/gardening-statistics/>

\*\*\*\*<https://gardenresearch.com/view/national-gardening-survey-2022-edition/>



# Subpod's Time is Now

A legislative and public funding environment is emerging for Subpod, as governments around the world accept the consequences of rampant consumption and waste.

In the UK, the government has committed to roll out separate household food waste collection across the country by 2023, as part of the government's landmark Environment Bill.\*\*\*

In the EU, the European Commission has mandated that member states must implement bio waste collection schemes by 2023.\*\*\*\*

In Jan 22, California, the world's second-largest economy, mandated that all people and businesses to separate food waste from the rest of their trash.\*

In 2020 Vermont implemented a Food Waste Ban, forbidding the dumping of food waste into landfill. The State is allocating almost US\$1M in grants to strengthen existing composting efforts as part of a bid to reduce landfill by half.\*\*

In 2019, Shanghai - the largest and most populous city in the world - introduced strict regulations forcing individuals and companies to correctly recycle their food waste. The Shanghai model has since been rolled out to other cities.\*\*\*\*\*

State Government waste initiatives like Bin Trim in NSW, Australia provide funding for businesses and organisations to reduce waste. Many Councils in Australia offer rebates for home composting equipment.\*\*\*\*\*

\*<https://calrecycle.ca.gov/organics/slcp/collection/>  
\*\*<https://www.vermontpublic.org/programs/2020-07-05/composting-101-what-you-need-to-know-about-vermonts-food-scrap-ban>  
\*\*\*<https://deframedia.blog.gov.uk/2020/02/10/household-food-waste-to-be-collected-separately-by-2023-and-50000-city-trees-to-be-planted-in-urban-tree-challenge-fund/>  
\*\*\*\*<https://www.consilium.europa.eu/en/press/press-releases/2018/05/22/waste-management-and-recycling-council-adopts-new-rules/>  
\*\*\*\*\*<https://www.consilium.europa.eu/en/press/press-releases/2018/05/22/waste-management-and-recycling-council-adopts-new-rules/>  
\*\*\*\*\*<https://www.epa.nsw.gov.au/your-environment/recycling-and-reuse/business-government-recycling/bin-trim>



# Our Customers

*We focus on these customer groups*



## Consumers

92% of revenue is from direct website sales in 3 markets.

Significant scope to grow in existing and new markets via marketplaces, big box and boutique retailers.

Subpod provides a platform brand experience that builds direct customer relationships and directs repeat purchase behaviour.



## Municipal & Commercial

- Resorts
- Tourism facilities – particularly islands
- Corporate HQ's
- Corporate sustainability programs
- Planned Communities
- Government rebate programs



## Education

Schools are our Subpod power users.

School use 40+ Subpods per site.

700+ US & AU schools have signed up for our free curriculum program.

Management platforms and interactive education experiences are highly desirable to schools, allowing for per student licensing of the platform.





# Operating Model

Our operating model is designed to make us the market leader in personal sustainability



## Scalable supply chain

Dedicated, long established sourcing, engineering & development support team.

## Product & platform eco-system make us stronger

Its not simply a product, its a service, education & a relationship

## Best in class brand & creative talent

Founder led marketing and creative team with proven success in driving performance based marketing and sales growth

## DTC & omni-channel sales channels are a competitive advantage

Strong direct to consumer demand and growing retail and business to business sales.

## Repeatable & low cost to launch into new markets

Proven launch model with sales, marketing and fulfilment systems established.

## State of the art global fulfillment network

Last mile shipping can be turned on in any significant market. Robust carbon offset program for seafreight & last mile



# Intellectual Property

Subpod has an IP portfolio of Patents Pending and Trademarks. These have been registered to protect our brand identity and product innovations.

Registration	Country	Status	Registration Number
Patent	Australia	Pending	PCT/AU2018/050785
Patent	USA	Pending	PCT/AU2018/050785
Patent	China	Pending	PCT/AU2018/050785
Trademark – Subpod (Name)	Australia	Registered	1864481
Trademark – Subpod (Name)	EU	Registered	1464423
Trademark – Subpod (Name)	USA	Registered	1464423
Trademark – Subpod (Name)	China	Registered	1464423
Trademark – Growhub (Name)	Australia	Registered	2211538
Trademark – Modbed (Name)	Australia	Registered	2217930





# The Future

## Growhub – Personal Sustainability Platform

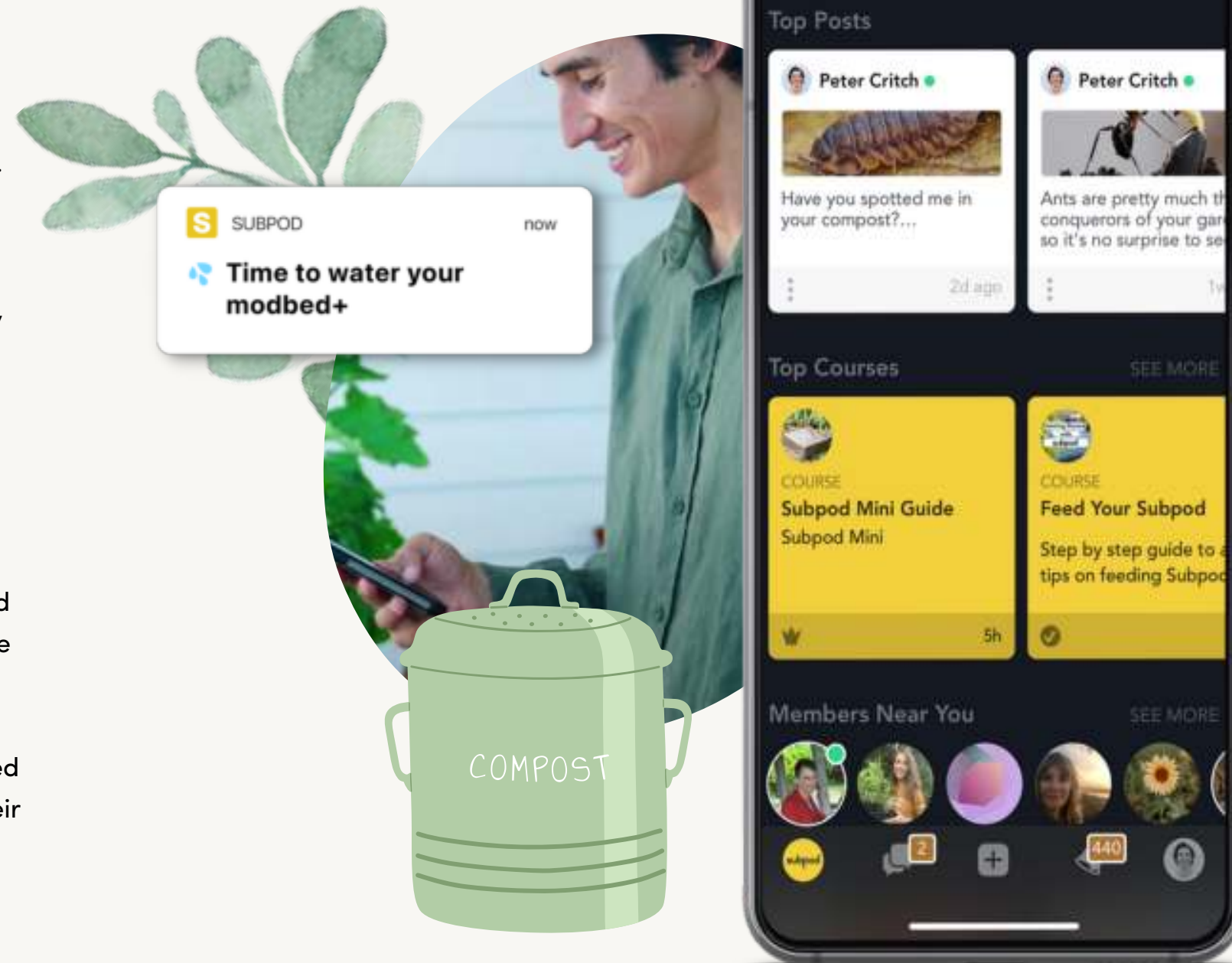
It's time for a product & platform ecosystem that teaches & rewards the personal habits needed for the transition to net zero and beyond.

### Digital App Platform

Our current Growhub app is a white label community app that we have used to grow our community & test proof of concept. It has 20k active users.

In 2023 we will begin development on Growhub v2, Subpod's future recurring revenue digital app platform "The Grow Hub" that will

- Simplify purchasing and improve conversion rates with a personalised on-boarding experience that will recommend the right Subpod for the user
- Build a "Grow Together" hemisphere seasonal specific growing plan and content that will empower our community of new and experienced gardeners to grow their own food with the support of a guide and their fellow community members.
- Generate revenue through a subscription based model for premium educational courses



## App Feature List

*AI Garden Monitoring*  
*IOT Hardware*  
*Garden Services Marketplace*  
*App Integrated Gardening*  
*Gamified Composting & Gardening*  
*Geo Specific Growing Tools*  
*Plant Identification*  
*Courses & Livestream Events*  
*Consumables Subscriptions*  
*Premium School Programs*  
*Group Collaboration Tools*

In Dec 21 we acquired the Hedira Houseplant app. Hediras codebase is ready to adapt for compost system management.

It is live on Apple & Google stores & has 11k active users.





SECTION 2.3

DESCRIPTION OF THE BUSINESS

# Organisational Structure

subpod<sup>®</sup>

## EXECUTIVE TEAM



**Saadi Allan**  
CEO/ Founder



**Phil Johnson**  
Head of Product / Shareholder



**Chloe Allan**  
COO

## BOARD OF DIRECTORS



**Saadi Allan**  
CEO / Founder



**Peter Howard**  
Chief Science Officer / Shareholder



**Warren Liackman**  
Chairman / Shareholder

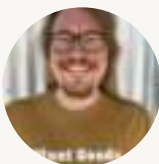
## BOARD ADVISOR



**Trent Bagnall**  
Shareholder



# Directors and Senior Managers



Saadi  
Allan

Director / CEO / Founder

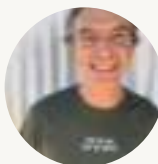
Saadi the CEO and a Co-Founder of Subpod and driving force behind brand, sales and marketing strategy. With a background in Marketing, Sales, Entrepreneurship and Activism, Saadi has helped numerous purpose-driven founders and inventors with products and services that are good for people and the planet turn their ideas into reality. Saadi has been responsible for sales and marketing efforts that have resulted in \$50m+ in eco product sales since 2015 Prior to Subpod, his most well-known project was the award-winning beekeeping company Flow Hive. Where he headed up the marketing and ecommerce team. He led the development of crowdfunding, marketing and e-commerce strategies that allowed Flow Hive to connect with over 50,000 customers in more than 130 countries in just over three years.



Warren  
Liackman

Director/Chairman / Shareholder

Warren is a consultant to and investor in early stage businesses. Warren was the founder of Micromex Research (partial exit) and Caldliack (Specialist Construction Liveable Housing), as well as an early investor in ntropy data (succesful acquisition by civica.com – 2021). Warren joined the Board of Subpod in September 2020, bringing considerable experience in governance, strategy, sales and marketing. As both an investor and advisor, Warren understands Subpods unique opportunity to affect the way households, educational institutions and businesses deal with food waste, growing a community of eco-sensitive citizens and transforming urban spaces into green productive areas.



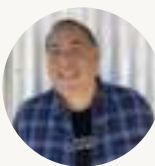
Peter  
Howard

Director/Chief Science Officer / Shareholder

Peter Howard, the resident PhD biological scientist on the team. His work ensures that the Subpod composting system and growing systems work in a wide variety of environments for the best user experience possible, getting feedback from a growing community around the world. He brings decades of experience in troubleshooting biological systems and works with the product development team to ensure new products are designed to ensure success for the end user. Peter evaluates manufacturing materials to ensure they are safe and non-toxic for humans and our planet. Peter serves our community, creating educational content around common composting and growing challenges and replying to Subpod owners questions.



# Directors and Senior Managers



**Phil Johnson**

Head of Product / Shareholder

Phil Johnson is a serial entrepreneur with a wealth of knowledge from his extensive experience in the action sports, fashion, consumer electronics, food & beverage, alcohol and homewares industries. He founded his first company when he was 16 and since then has built and sold over 7 companies including Jet Pilot, Rivet, Aerial7 & Arcade Headwear. Phil is a founder of Australia’s latest online success story, Koala Mattress. [www.koala.com](http://www.koala.com) Phil has a broad skill set with strengths in brand creation, product design, product development, manufacturing, marketing, sales, distribution, licensing, fundraising and exit strategies. But it’s his innovative ideas, strategic planning and exit strategies that have brought success to his career. He has a passion for design and innovation and has a number of patents in categories such as water sports, electronics, fastening systems and audio.



**Chloe Allan**

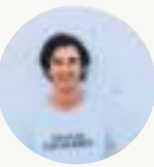
COO

With a background in education and entrepreneurship Chloe brings a wealth of experience to her role as Chief Operating Officer. She was the co-founder of Aurora Suspended Fires, where she managed all aspects of operations from sourcing, manufacturing and logistics, through to marketing and sales. Chloe joined the Subpod team in 2020 and has been instrumental in streamlining operations and ensuring Subpod has the right systems, processes and people to meet our commitments to the global Subpod community.

# Meet the Team



**David Jonsson**  
Media Buyer/Designer/Strategist



**Peter Critch**  
Content Creator & Socials Manager



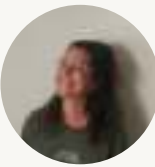
**Jerson Cullado**  
Logistics Manager



**Jady Heuvel**  
Customer Success



**Kathryn Roberts**  
Events & Special Projects



**Mar Garcia**  
Production Coordinator



**Ash Van Heerden**  
Customer Success Manager



# Capital Structure

As at the date of this Offer Document, the Company has 14,072,617 ordinary shares on issue, and 10,025,000 options available for issue. All shares and options are held by the Company's founding team and early stage investors.

Table 1 below sets out the issued capital of the Company before the Offer.

Table 1: Issued capital of the Company before the Offer

Shareholders	ORD Shares	Options	Total	Fully Dilluted %
Andrew Hayim De Vries	2,421,373 (17.21%)	-	2,421,373	10.05%
Saadi Vanna–Deva Allan	1,957,900 (13.91%)	2,200,000 (21.95%)	4,157,900	17.25%
Warren Richard Liackman	1,650,319 (11.73%)	2,300,000 (22.94%)	3,950,319	16.39%
Michael Airey	1,632,676 (11.60%)	-	1,632,676	6.78%
Peter Kevin Howard	1,206,528 (8.57%)	-	1,206,528	5.01%
Kathryn Roberts	688,452 (4.89%)	-	688,452	2.86%
Haustorfer Pty Ltd	685,452 (4.87%)	-	685,452	2.84%
Phillip Lee Johnson	531,567 (3.78%)		2,406,567	3.78%
Melt Accelerator Innovation Pty Ltd	480,770 (3.42%)	-	480,770	2.00%
Sandra Beaver	395,204 (2.81%)	-	395,204	1.64%
Michael Denis Lynch	333,829 (2.37%)	-	333,829	1.39%
Peter Yongjun Critch	300,000 (2.13%)	-	300,000	1.24%
Esther Parijat Wismer & Graham Edward Turner	262,539 (1.87%)	-	262,539	1.09%
Other shareholders holding less than 1% (10 shareholders)	1,526,008 (10.84%)	-	1,526,008	6.33%
Total ESOP Allocated & Unallocated		5,525,000 (55.11%)	5,525,000	22.92%
Total	14072617.00	10,025,000	24,097,617	100.00%





# Capital Structure

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 & Options	Minimum Subscription	Maximum Subscription
Existing Shares	14,072,617 (56.97%)	14,072,617 (51.93%)
Existing Options	10,025,000 (40.59%)	10,025,000 (37.00%)
Offer Shares	600,000 (3.42%)	3,000,000 (11.07%)
Total Shares & Options	24,697,617	27,097,617

In the current financial year 22/23 Syntro Biosystems (Holdings) Pty Ltd intends to raise up to (AUD) \$5,000,000 via equity investment, including the amount raised via this Crowd Sourced Funding Offer. Further equity funding will result in dilution of all shareholders and will be entered into to meet the companies objectives.

## Rights and Liabilities Associated with Securities

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

Under the Constitution, the Company has the discretion to approve a transfer of shares to a third party. A more detailed description of the rights and liabilities associated with the shares is set out in Section 3. A copy of the Company’s Constitution is available on the Intermediary’s platform.

The Company has issued options to some of the founding team and early stage investors. The terms of the options are as follows:  
Saadi Vanna–Deva Allan may exercise his options at any time after 20/10/26 at \$0.12c.  
Warren Richard Liackman may exercise his options at any time before 20/10/27 at \$0.12c.

The Company has implemented an employee share option plan (ESOP). As at the date of this CSF Offer Document, the Company has allocated a total of 3,495,000 options under the Company's existing ESOP, of which 0 options have vested and have been exercised by existing participants (i.e. employees) in the ESOP. 2,030,000 options under the ESOP remain unallocated.





# Group Structure

Syntro Biosystems (Holdings) Pty Ltd was incorporated in December 2018 to act as the parent company of the Subpod corporate group. Compost Central Pty Ltd, is our operating company and it is wholly owned by Syntro Biosystems (Holdings) Pty Ltd. Shareholders investing in the CSF Offer will be purchasing shares in the parent company Syntro Biosystems (Holdings) Pty Ltd.





# Sources of financing

To date, our activities have been funded by angel investment, cashflow and debt facilities. Since mid 2020 the company has been using revenue based financing facilities to fund inventory, R&D and marketing and have made repayments averaging 20% of daily revenue during this period. In late 2020 we required an injection of capital as the costs of fulfilling our pre-orders were substantially higher than projected due to Supply Chain and Fulfilment issues related to COVID disruptions.

Our Chairman stepped in with a loan that allowed us to meet our obligations to customers. This loan is being converted to revenue based repayments paid at 8% of monthly revenue, capped at \$160k per month from November 27th 2022. These new loan terms and funds raised via this CSF offer will allow us to continue our growth without paying 20% of cashflows to revenue based funding providers, leaving the company in a stronger financial position.

The loans will be paid via cashflow with the funds raised under this Offer used for business growth.

Funding Type	Source	Amount Outstanding	Term
Revenue Based Finance	Outfund	\$149,000	Paid at 10% daily revenue
Revenue Based Finance	Wayflyer	\$204,000	Paid at 10% daily revenue
Shareholder Loan	Chairman	\$2,775,000	Interest Only to 27/11/22. Converts to principle & interest paid at 8% of monthly revenue from 27/11/22. Repayments capped at \$160k per month





# Risks facing the business

An investment in Syntro Biosystems (Holdings) 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	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.
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.
Startup risk	The Company has a limited operating history and will build the 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. 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
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.



# Financial Information

Syntro Biosystems (Holdings) Pty Ltd is the holding entity for all assets within our corporate group, and is the entity in which investors' shareholdings are held. Syntro Biosystems (Holdings) Pty Ltd is not of itself engaged in the production and sale of goods. Syntro Biosystems (Holdings) Pty Ltd wholly owns its subsidiary trading entity Compost Central Pty Ltd.

Below are the financial statements of Syntro Biosystems (Holdings) Pty Ltd for the last three financial years, which have been prepared in accordance with Accounting Standards.

Following that are the financial statements of Compost Central Pty Ltd for the last three financial years, which have been prepared in accordance with Accounting Standards.

After the financial statements, management commentary on historical performance and outlook has been provided.





# Balance Sheet

Syntro Biosystems (Holdings) Pty Ltd

Below are the financial statements of the Company for the financial years ended 30 June 2022, 30 June 2021 and 30 June 2020.’  
They have been prepared in accordance with Australian accounting standards by appropriately qualified accountants. They have not been audited. All figures, unless otherwise stated, are denominated in whole Australian dollars.

	As at 30 Jun 2022	As at 30 Jun 2021	As at 30 Jun 2020
<b>Assets</b>			
<b>Current Assets</b>			
Cash & Cash Equivalents	3,632.68	3,644.68	3,704.65
Total Current Assets	3,632.68	3,644.68	3,704.65
<b>Non-current Assets</b>			
Trademark and Patent	19,345.00	19,345.00	19,345.00
Total Non-current Assets	19,345.00	19,345.00	19,345.00
<b>Total Assets</b>	<b>22,977.68</b>	<b>22,989.68</b>	<b>23,049.65</b>
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
Loans	2,549,950.50	2,549,950.50	450,000.00
Related Party Loan - Compost Central Pty Ltd	(2,948,526.52)	(2,948,526.52)	(848,576.02)
<b>Total Non-current Liabilities</b>	<b>(398,576.02)</b>	<b>(398,576.02)</b>	<b>(398,576.02)</b>
<b>Total Liabilities</b>	<b>(398,576.02)</b>	<b>(398,576.02)</b>	<b>(398,576.02)</b>
<b>Net Assets</b>			
<b>Net Assets</b>	<b>421,553.70</b>	<b>421,565.70</b>	<b>421,625.67</b>
<b>Equity</b>			
Current Year Earnings	(12.00)	(59.97)	(139.97)
Share Capital	421,801.10	421,801.10	421,801.10
Retained Earnings	(235.40)	(175.43)	(35.46)
<b>Total Equity</b>	<b>421,553.70</b>	<b>421,565.70</b>	<b>421,625.67</b>



# Cash Flow Statement

Syntro Biosystems (Holdings) Pty Ltd

	For the 12 months ended 30 June 2022	For the 12 months ended 30 June 2021	For the 12 months ended 30 June 2020
<b>Operating Activities</b>			
Payments to suppliers and employees	(12.00)	(60.00)	(143.00)
Cash receipts from other operating activities	0.00	0.03	3.03
<b>Net Cash Flows from Operating Activities</b>	<b>(12.00)</b>	<b>(59.97)</b>	<b>(139.97)</b>
<b>Investing Activities</b>			
Other cash items from investing activities	0.00	0.00	(19,345.00)
<b>Net Cash Flows from Investing Activities</b>	<b>0.00</b>	<b>0.00</b>	<b>(19,345.00)</b>
<b>Financing Activities</b>			
Other cash items from financing activities	0.00	0.00	19,423.98
<b>Net Cash Flows from Financing Activities</b>	<b>0.00</b>	<b>0.00</b>	<b>19,423.98</b>
<b>Net Cash Flows</b>	<b>(12.00)</b>	<b>(59.97)</b>	<b>(60.99)</b>
<b>Cash and Cash Equivalents</b>			
Cash and cash equivalents at beginning of period	3,644.68	3,704.65	3,765.64
<b>Net change in cash for period</b>	<b>(12.00)</b>	<b>(59.97)</b>	<b>(60.99)</b>
Cash and cash equivalents at end of period	3,632.68	3,644.68	3,704.65



# Profit & Loss Statement

Syntro Biosystems (Holdings) Pty Ltd

As this is a holding company it does not carry out any trading activity.

	For the 12 months ended 30 June 2022	For the 12 months ended 30 June 2021	For the 12 months ended 30 June 2020
Gross Profit -	-	-	-
Net Profit -	-	-	-

# Statement of Changes in Equity

Syntro Biosystems (Holdings) Pty Ltd

	As at 30 June 2022	As at 30 June 2021	As at 30 June 2020
Equity			
Opening Balance	421,565.70	421,625.67	171,765.64
Current Year Earnings	(12.00)	(59.97)	(139.97)
Share Capital	0.00	0.00	250,000.00
Total Equity	421,553.70	421,565.70	421,625.67

# Balance sheet

## Compost Central Pty Ltd

Below are the financial statements of Compost Central Pty Ltd for the financial years ended 30 June 2022, 30 June 2021 and 30 June 2020.’ They have been prepared in accordance with Australian accounting standards by appropriately qualified accountants. They have not been audited. All figures, unless otherwise stated, are denominated in whole Australian dollars.

	As at 30 Jun 2022	As at 30 Jun 2021	As at 30 Jun 2020
Bank			
Cash & Cash Equivalents	\$117,073.95	\$339,744.57	\$720,985.07
Total Bank	\$117,073.95	\$339,744.57	\$720,985.07
Current Assets			
Accounts Receivable	\$13,693.91	\$1,606.24	\$31,517.93
Inventory	\$1,885,344.17	\$1,391,090.92	\$969,769.22
Total Current Assets	\$1,899,038.08	\$1,392,697.16	\$1,001,287.15
Fixed Assets			
Property, Plant & Equipment	\$178,189.26	\$246,642.78	\$181,301.15
Total Fixed Assets	\$178,189.26	\$246,642.78	\$181,301.15
Total Assets	\$2,194,301.29	\$1,979,084.51	\$1,903,573.37
Liabilities			
Current Liabilities			
ATO Accounts	\$175,092.06	-\$9,933.80	-\$38,074.24
Deposits - For backorders	\$0.00	\$0.00	\$2,335,587.36
Outfund Facility	\$289,947.88	\$0.00	\$0.00
Trade & Other Payables	\$603,126.01	\$716,194.41	\$239,795.04
Total Current Liabilities	\$1,068,165.95	\$706,260.61	\$2,537,308.16
Non-Current Liabilities			
Inter-company loan Syntro Biosystems (Holdings) Pty Ltd	\$2,948,526.52	\$2,948,526.52	\$848,576.02
Total Non-Current Liabilities	\$2,948,526.52	\$2,948,526.52	\$848,576.02
Total Liabilities	\$4,016,692.47	\$3,654,787.13	\$3,385,884.18
Net Assets	-\$1,822,391.18	-\$1,675,702.62	-\$1,482,310.81
Equity			
Current Year Earnings	-\$146,688.55	-\$193,391.83	-\$1,458,601.02
Retained Earnings	-\$1,675,702.62	-\$1,482,310.80	-\$23,709.78
Total Equity	-\$1,822,391.17	-\$1,675,702.63	-\$1,482,310.80



# Profit & Loss Statement

Compost Central Pty Ltd

\*Income in the Sales-Backorder category show sales that were made via pre-order via crowdfunding or pre-order via our website in 2019 & early 2020 they are recognised in the financial year that the orders were fulfilled, not when the order was placed, as this revenue is not "earned" from an accounting standpoint until orders are received by customers.

	For the 12 months ended 30 Jun-22	For the 12 months ended 30 Jun-21	For the 12 months ended 30 Jun-20
Income			
Sales - Backorder*	\$0.00	\$2,335,587.36	\$41,041.00
Total Sales	\$6,027,792.22	\$5,230,964.47	\$1,303,550.16
Total Income	\$6,027,792.22	\$7,566,551.83	\$1,344,591.16
Less Cost of Sales			
Cost of Sales	\$3,384,729.25	\$4,857,510.60	\$1,087,597.56
Total Cost of Sales	\$3,384,729.25	\$4,857,510.60	\$1,087,597.56
Gross Profit	\$2,643,062.97	\$2,709,041.23	\$256,993.60
Plus Other Income			
Grant Income	\$74,850.00	\$256,324.07	\$140,370.98
Other Income			
Other Income	\$0.00	\$0.00	\$100.00
Rental Income	\$0.00	\$659.09	\$0.00
Total Other Income	\$0.00	\$659.09	\$100.00
Total Other Income	\$74,850.00	\$256,983.16	\$140,470.98
Less Operating Expenses			
Accounting, Legal and Insurance Expenses	\$98,774.75	\$74,308.20	\$21,643.20
Administration & General Expenses	\$335,870.42	\$261,921.02	\$264,574.50
Advertising and Marketing Expenses	\$1,213,380.90	\$1,522,047.55	\$897,061.99
Employment Expenses	\$929,480.64	\$1,073,807.43	\$615,527.80
Total Operating Expenses	\$2,577,506.71	\$2,932,084.20	\$1,798,807.49
Operating Profit	\$140,406.26	\$33,940.19	-\$1,401,342.91
Non-operating Expenses			
Interest Expense	\$279,597.29	\$188,036.00	\$2,794.52
Foreign Currency Gains and Losses			
Bank Revaluations	-\$4,980.67	\$33,017.39	\$57,751.66
Realised Currency Gains	\$19,154.38	-\$4,212.69	-\$2,927.11
Unrealised Currency Gains	-\$6,676.19	\$10,491.32	-\$360.96
Total Foreign Currency Gains and Losses	\$7,497.52	\$39,296.02	\$54,463.59
Total Non-operating Expenses	\$287,094.81	\$227,332.02	\$57,258.11
Net Profit	-\$146,688.55	-\$193,391.83	-\$1,458,601.02

# Cash Flow Statement

Compost Central Pty Ltd

	For the 12 months ended 30 June 2022	For the 12 months ended 30 June 2021	For the 12 months ended 30 June 2020
<b>Operating Activities</b>			
Receipts from customers	6,267,817.86	7,892,825.33	1,499,220.68
Payments to suppliers and employees	(6,648,185.84)	(7,417,750.62)	(2,732,287.57)
Cash receipts from other operating activities	(129,162.26)	4,826.04	14,487.48
Cash payments from other operating activities	(19,154.38)	4,212.69	2,927.11
Net Cash Flows from Operating Activities	(528,684.62)	484,113.44	(1,215,652.30)
<b>Investing Activities</b>			
Proceeds from sale of property, plant and equipment	990.74	0.00	45,561.74
Payment for property, plant and equipment	(6,731.60)	(152,651.76)	(286,532.37)
Other cash items from investing activities	(439,448.11)	(306,259.93)	(1,063,400.36)
Net Cash Flows from Investing Activities	(445,188.97)	(458,911.69)	(1,304,370.99)
<b>Financing Activities</b>			
Other cash items from financing activities	249,244.99	(192,214.43)	3,188,292.08
Net Cash Flows from Financing Activities	249,244.99	(192,214.43)	3,188,292.08
<b>Net Cash Flows</b>	<b>(724,628.60)</b>	<b>(167,012.68)</b>	<b>668,268.79</b>
<b>Cash and Cash Equivalents</b>			
Cash and cash equivalents at beginning of period	520,945.01	720,975.07	110,457.95
Net change in cash for period	(724,628.60)	(167,012.68)	668,268.79
Effect of exchange rate changes on cash	4,980.66	(33,017.38)	(57,751.67)
Cash and cash equivalents at end of period	(198,702.93)	520,945.01	720,975.07



# Statement of Changes in Equity

Compost Central Pty Ltd

	As at 30 June 2022	As at 30 June 2021	As at 30 June 2020
Equity			
Opening Balance	(1,675,702.63)	(1,482,310.81)	(23,709.78)
Current Year Earnings	(146,688.56)	(193,391.82)	(1,458,601.03)
Total Equity	(1,822,391.19)	(1,675,702.63)	(1,482,310.81)

# Historical performance and outlook

## Management Comments

*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 Syntro Biosystems (Holdings) Pty Ltd and has not been validated by an independent third party.*

Subpod has come a long way in a few short years, but we are still at the beginning of our mission to make composting and connection to nature a part of every day life. Key to following through on this mission is a sustainable foundation for long term business growth. Our team is continually refining our financial and operational management skills, systems and processes to ensure we can continue to drive growth and operational efficiency.

Financial year 21/22 saw Contribution Margin increase 36%, Marketing Expenses decrease 18%, Operation Expenses decrease 16% and Operating Profit increase 214% while maintaining strong sales growth and continuing to invest in R&D and product range expansion. We've recently implemented a new inventory management system to allow for more accurate forecasting and management of inventory movements, and have partnered with a new accounting and financial management firm who have assisted with the implementation of new financial controls and reporting to further improve financial performance of the company. These are our key areas of focus over the next 24 months that will continue to drive sales while improving profitability:

## Omnichannel Sales

To date the majority of our sales have come via our regional websites:

- subpod.com.au
- subpod.com
- subpod.co.uk

With Amazon US sales commenced in March 2021. We have seen strong growth on Amazon with \$289,000 in sales for financial year 21/22 and have recently been accepted into the Amazon Launchpad program for the US.

We have also partnered with a retail agency in the USA to gain entry into national retailers, and are in final stage discussions for national distribution via a Target USA for 2024 and have already commenced onboarding into their vendor systems.

In 2023 we also plan to grow our commercial sales capacity to drive sales into the schools, local government, corporate and tourism markets that have grown organically to date via inbound enquiries. This customer segment has shown significant interest in not only physical product sales, but also ongoing education and virtual support services.



## Historical performance and outlook continued

### International Expansion

While Subpod has been successful in its international expansion into the US and UK markets, we have significant demand in other regions that we have not been able to meet. During 2019 we ran product based crowdfunding campaigns that seeded our products into Europe, Asia and the Middle East. Many of the relationships we built in this early stage have resulted in partnerships and relationships that will assist us with our launch into new markets. In 2023 we will focus on launching into the EU, with a focus on Germany, Netherlands and France. We currently have warehousing and fulfillment secured for this region via our 3pl partner and have tested sales via cross border fulfillment this year and via bulk sales to garden retailers in Switzerland, Ireland and the Czech Republic. Via our corporate partnership with Unilever Hive research facility in the Netherlands we have also ran a successful corporate sales program with Unilever Hive employees purchasing Subpods for home use.

### Repeat Sales – Accessories, Consumables and Digital Products

We have expanded our product range significantly over the last 24 months to include gardening and composting accessories and a small range of clothing, all manufactured from best in class sustainable materials and now see 30% of customers placing repeat orders. There is a strong opportunity to continue growing our repeat revenue, we have repeat purchase demand for our "Worm Blankets" which are a consumable product made of jute and used to regulate moisture and temperature in Subpods. This product biodegrades in 3-6 months and brings customers back to our websites to order again, often adding our other accessories to their purchase in the process. With additional resources we will be able to expand on our range of composting and gardening consumables and launch seasonal subscription boxes.

Another opportunity for subscription sales is via digital education and support tools offered via our Grow Hub platform. We currently offer free support and education courses for composting and growing and have plans to build our premium offerings for the home and commercial segments, such as schools and corporates.

### Supply Chain & Fulfillment Costs

Supply chain and fulfillment cost were extremely volatile over the last two financial years due to COVID-19 related disruptions and drove significant cost increases. Our team have worked hard to ensure we could build operational profitability in this environment. We have seen a decrease in supply chain costs over during 2022 and have used product bundling to also decrease last mile fulfillment costs. As we continue to grow, our larger manufacturing and freight volumes will give us the leverage we need to continue to decrease these costs associated with supply chain and fulfillment.



SECTION 3

# Information about the offer

Crowd-Sourced funding offer



subpod



# Terms of the Offer

Syntro Biosystems (Holdings) Pty Ltd is offering up to 3,000,000 shares at an issue price of \$0.50 per share to raise up to \$1,500,000. The key terms and conditions of the Offer are set out below.

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

Term	Details
Shares	Fully-paid ordinary shares
Price	\$0.50
Minimum Subscription	\$300,000
Maximum Subscription	\$1,500,000
Minimum Parcel Size	\$250
Opening Date	2nd November 22
Closing Date	17th November 22





Use of Funds

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

Intended use	Minimum Subscription	Maximum Subscription
New Team Members	\$90,000	\$370,000
Marketing	\$42,000	\$180,000
New Product Lines - R&D & Inventory	\$35,000	\$170,000
Inventory - Core Product Lines	\$87,200	\$547,200
Growhub App	\$25,000	\$140,000
Offer Costs	\$20,800	\$92,800
Total	\$300,000	\$1,500,000

The Offer costs 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 Company 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.

In the current financial year 22/23 Syntro Biosystems (Holdings) Pty Ltd intends to raise up to (AUD) \$5,000,000 via equity investment, including the amount raised via this Crowd Sourced Funding Offer. Further equity funding will result in dilution of all shareholders and will be entered into to meet the companies objectives.





# Rights associated with 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 a discretion and may resolve to pay dividends, subject to their obligations under the Corporations Act (for example, they cannot pay dividends unless the Company’s assets are sufficiently in excess of its liabilities immediately before the dividend is declared and where it may materially prejudice the Company’s ability to pay its creditors).

## 3.3.3 General meetings and notices

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

Syntro Biosystems (Holdings) Pty Ltd:

(a) A Member may, subject to the prior approval of the Directors, transfer some or all of its Securities:

(i) to an Affiliate, provided the Member and its Affiliate agree that the Securities must be transferred back to the Member if the Affiliate ceases to be an Affiliate of the Member; or

(ii) to another Member or a Third Party provided such Transfer is made in compliance with rules 6.9, 25 or 26.

(b) Directors may at their discretion refuse to register a transfer of shares without giving any reason for refusal.

(c) The Directors may not refuse to register a transfer of shares (or suspend the registration of any such transfer) made pursuant to a valid exercise of an enforcement power under a Security Interest or made in accordance with rule 6.5.

## 3.3.7 Pre-emptive rights on issue of shares

If the Company wishes to issue new Securities, it must first offer all of the new Securities (Issue Securities) to the Members who hold at least 3% of the shares in the capital of the Company (Eligible Member) by written notice (Issue Notice).

## 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.



# Investor Rewards

In addition to being a shareholder of Syntro Biosystems (Holdings) Pty Ltd, a range of rewards are being offered for investors.

These include:

- 10% Lifetime discount on all Subpod products
- Store Credit of between AUD\$50-\$150 for investments over \$1000
- Earlybird booking and special pricing for online and in person courses & events at Growhub in Byron Bay Hinterland where we will be running regular events including workshops, talks and concerts.

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

Investment	Reward
\$250 - \$1000	10% Lifetime discount+ Earlybird booking and special pricing for online and in person courses & events at Growhub in Byron Bay Hinterland
\$1000 - \$3000	10% Lifetime discount + \$50 store credit+ Earlybird booking and special pricing for online and in person courses & events at Growhub in Byron Bay Hinterland
\$3000 - \$10,000	10% Lifetime discount + \$100 store credit+ Earlybird booking and special pricing for online and in person courses & events at Growhub in Byron Bay Hinterland
\$10,000 +	10% Lifetime discount + \$150 store credit + Earlybird booking and special pricing for online and in person courses & events at Growhub in Byron Bay Hinterland





## SECTION 4

# Information about investor rights

Crowd-Sourced funding offer



subpod



## 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.

## 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.





## Proprietary company corporate governance obligations

### Annual Report

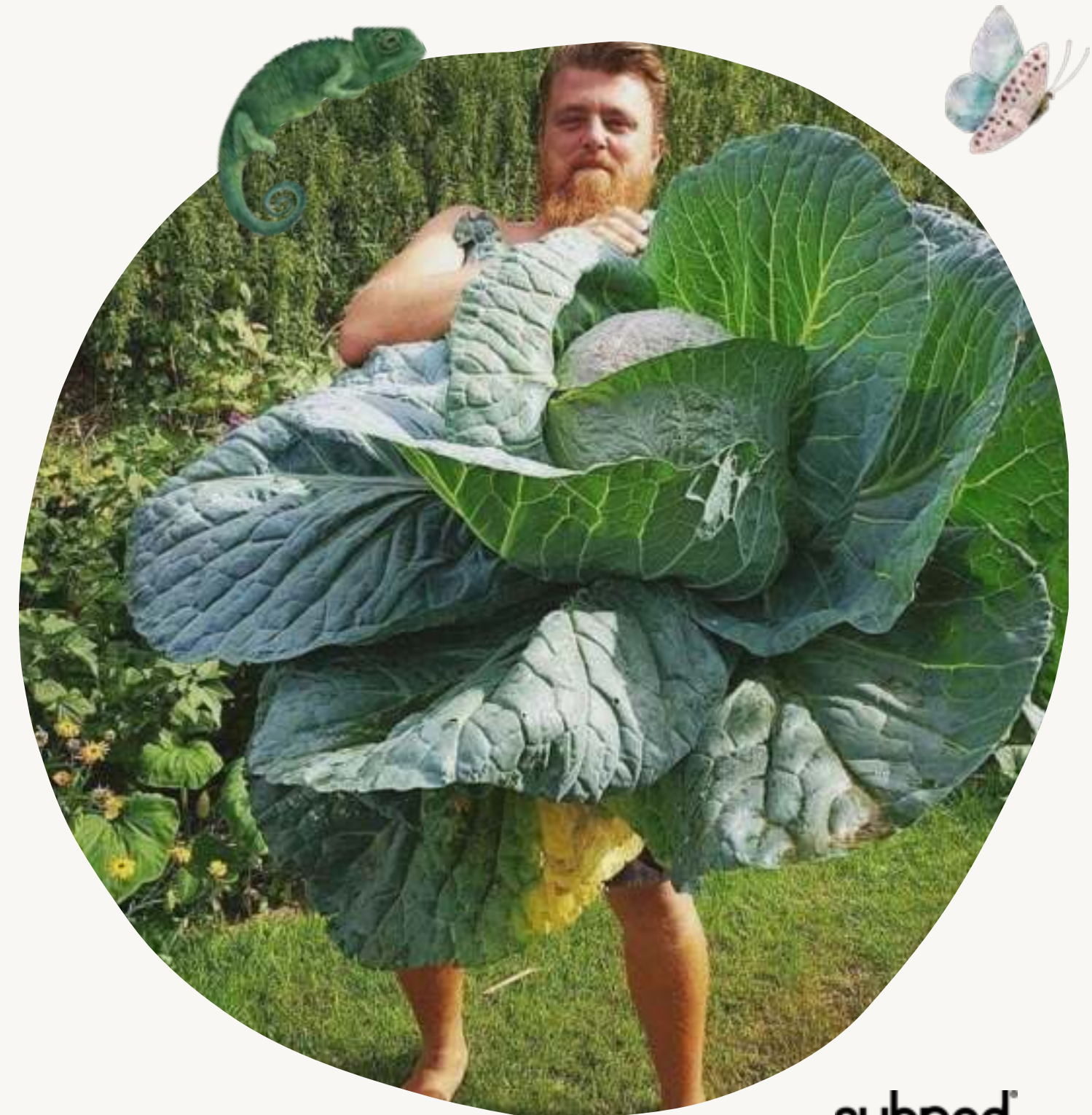
While the Company is currently a small proprietary company that is not required to prepare annual financial reports and directors' reports, if we successfully complete this Offer, then we will be required to prepare and lodge these annual reports with ASIC (within four months of the financial year end). 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 website at the following address: [www.subpod.com.au](http://www.subpod.com.au) (free of charge) or can purchase the report from ASIC.



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## 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).

## 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.

## Company updates

The Company will provide regular updates to investors via the Company's share registry website at the following address <https://cakeequity.com/au> and via the Intermediary's platform.





## Glossary

Company means Syntro Biosystems (Holdings) Pty Ltd ACN 630 464 489

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



# *Thank you!*

**You're doing something  
great for the planet.**

**subpod**



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