

# FLORALY

19 NOVEMBER 2024

## Crowd-Sourced Funding Offer Document

Always consider the offer document before investing

Offer of fully-paid ordinary shares in Floraly Australia Pty Ltd at \$0.04 per share to raise a maximum of \$700,000.

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

**Issuer:**

Floraly Australia Pty Ltd ACN 646 614 986.

**Intermediary:**

Birchal Financial Services Pty Ltd 621 812 646 AFSL 502618.

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

# Contents

<b>SECTION 1   RISK WARNING</b>	<b>03</b>	<b>SECTION 3   INFORMATION ABOUT THE OFFER</b>	<b>36</b>
<b>SECTION 2   INFORMATION ABOUT THE COMPANY</b>	<b>04</b>	<b>3.1 Terms of the Offer</b>	<b>36</b>
<b>2.1 Company Details</b>	<b>05</b>	<b>3.2 Use of funds</b>	<b>38</b>
<b>2.2 About the Company</b>	<b>06</b>	<b>3.3 Rights associated with the shares</b>	<b>40</b>
2.2.1 Who are we?	06	3.3.1 Voting Rights	40
2.2.2 Geographic Expansion	08	3.3.2 Dividends	40
2.2.3 Products	09	3.3.3 General meetings and notices	40
2.2.4 Marketing & Distribution	11	3.3.4 Election and removal of directors	41
2.2.5 Key Differentiators	16	3.3.5 Winding-up	41
<b>2.3 Business and Revenue Model</b>	<b>20</b>	3.3.6 Restrictions on sale and transfer	42
<b>2.4 Business Strategy</b>	<b>21</b>	3.3.7 Pre-emptive rights on issue of shares	43
<b>2.5 Our Team</b>	<b>23</b>	<b>3.4 What can I do with my shares?</b>	<b>44</b>
2.5.1 Directors & Senior Managers	23	<b>3.5 Details of previous CSF offers</b>	<b>44</b>
2.5.2 Other Team Members	23	<b>SECTION 4   INFORMATION ABOUT THE INVESTOR RIGHTS</b>	<b>46</b>
<b>2.6 Capital Structure</b>	<b>24</b>	<b>4.1 Cooling - off Rights</b>	<b>46</b>
2.6.1 Issued Capital (before and after the offer)	24	<b>4.2 Communication facility for the Offer</b>	<b>47</b>
2.6.2 Rights and liabilities associated with securities	25	<b>4.3 Propriety company corporate governance obligations</b>	<b>48</b>
2.6.3 Sources of financing	26	4.3.1 Annual Report	48
<b>2.7 Directors</b>	<b>27</b>	4.3.2 Distribution of annual report	48
2.7.1 Our Directors	27	4.3.3 Related party transactions	48
<b>2.8 Risks facing the business</b>	<b>28</b>	4.3.5 Takeovers	49
<b>2.9 Financial Information</b>	<b>30</b>	<b>4.4 Company updates</b>	<b>49</b>
2.9.1 Balance Sheet	30	<b>Glossary</b>	<b>50</b>
2.9.2 Profit and loss statement	31		
2.9.3 Cash flow statement	32		
2.9.4 Statement of changes in equity	33		
2.9.5 Management comments on historical performance and outlook	34		



# Section 1 Risk Warning

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

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

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

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

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

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

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



# Section 02

*Information about  
the company*

FLORALY

# Letter from the founders

See that photo there? That's us: Alec and Stefan to be exact. We're the founders of not just Floraly, but three other multi-million dollar startups as well. We live and breathe ecommerce and are veterans in the Aussie startup scene.

We started Floraly because there's nothing better than bringing a moment of pure joy to someone's day. Flowers are there at all of life's most important moments, and our goal is to make it as easy as possible for you to send joy to those you love. And if you don't mind us saying it, well – we're pretty good at it.

## Since our last fundraiser

Thanks to your support and belief in us, we've hit every goal we set during our last fundraiser. Here's what we've been up to:

- We've expanded same-day delivery operations to Sydney, Melbourne, Perth, Brisbane and Adelaide
- We've grown sales 500%, hitting almost \$6.4m (5.76m exl. GST) in the last financial year

These milestones are just the beginning. We're laser-focused on what comes next.

## Our strategy for growth

We've proven that we know how to acquire customers in this market, but it remains a challenge for all flower companies that customers by default go to Google when they want to



buy flowers - not just the first time, but even our loyal return customers.

While it's a great testament to our brand to have 30% of orders coming from repeat buyers, we're paying Google Ads for almost every purchase. That's where this next phase comes in.

Our goal from this raise is to focus on creating membership and retention programs, and a mobile app, that bring customers back to us while skipping expensive channels like Google. By offering app-only discounts and benefits, we're confident we can get customers to download and keep interacting with our app.

By reducing our reliance on costly re-acquisition channels, we'll not only keep customers engaged but unlock a massive driver of profitability.

We're so excited to be at the stage of our business where we can start to focus on driving profitability through initiatives like this.

Join us as we continue to spread joy, one flower at a time.

Alec & Stefan.





# Company Details

## SECTION 2.1

Company name	Floral Australia Pty Ltd
ACN	646 614 986
Date of incorporation	15 December 2020
Registered office	Unit A2/35-39 Bourke Rd. Alexandria NSW 2015
Principal Place of Business	Unit A2/35-39 Bourke Rd. Alexandria NSW 2015
Directors	Alec Ramsey Stefan Muff
Company secretary	Alec Ramsey
Share registry	Cake Equity <a href="http://www.cakeequity.com">www.cakeequity.com</a>
Website	<a href="http://www.floraly.com.au">www.floraly.com.au</a>

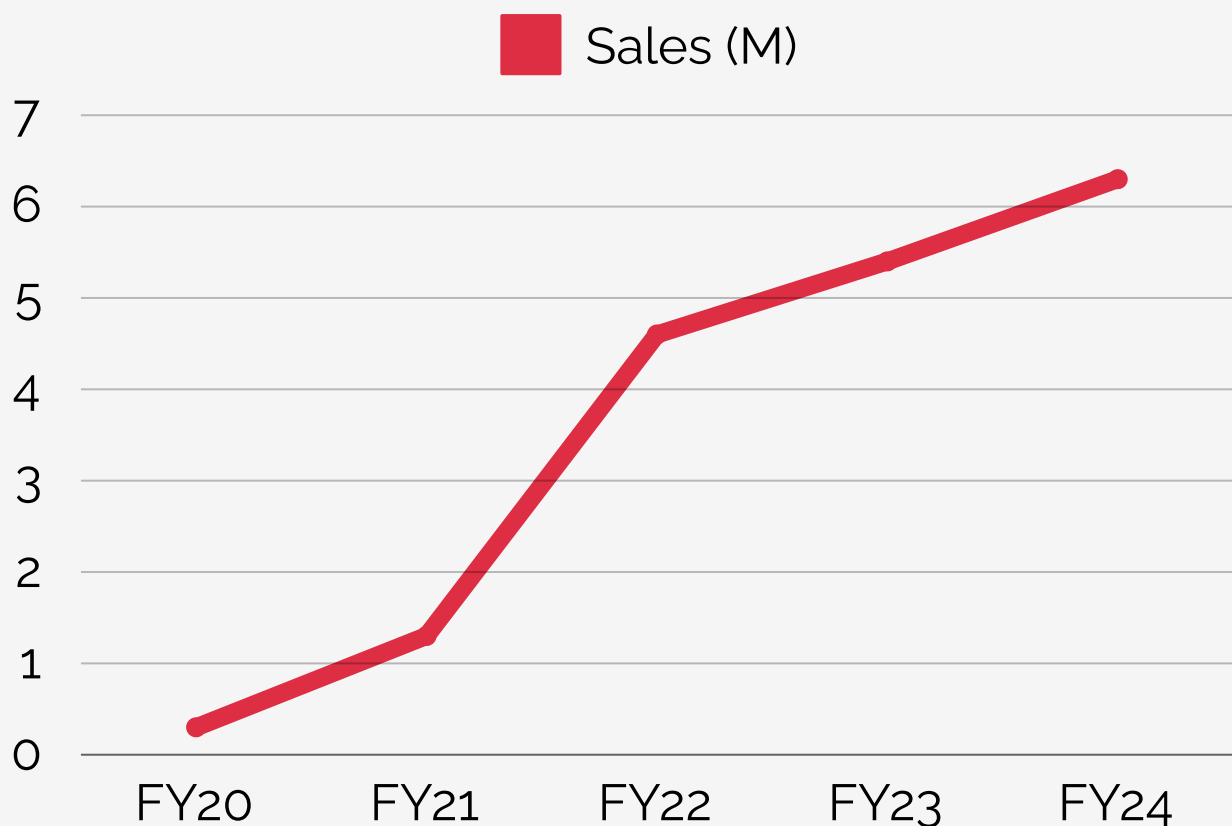
# About the Company

## SECTION 2.2

### 2.2.1 Who are we?

Floraly is a flower gifting company that uses technology to deliver flowers and gifts that arrive fresher and last longer.

Led by serial entrepreneurs Stefan Muff & Alec Ramsey from startup incubator Idea Crunch, we've seen huge growth since our last fundraise (500% in just 3 years!), with sales in FY24 of almost \$6.4 million (5.76m ecl. GST). The Aussie flower gifting industry is worth \$1.1 billion<sup>1</sup>, and, like many industries, is rapidly moving online. According to the latest IBIS World report from October 2024, online flower retailing now accounts for \$456.2<sup>2</sup> million in revenue per year, and is forecast to grow at 3.3% p.a. through to 2030.<sup>3</sup>



<sup>1</sup><https://www.ibisworld.com/au/industry/flower-retailing>

<sup>2</sup>Online Flower Shops Australia Oct 2024 IBISWorld report

<sup>3</sup>Online Flower Shops Australia Oct 2024 IBISWorld report

Flower delivery has traditionally been dominated by order amalgamators, who simply forward orders on to local florists and take a clip. This makes stock allocation extremely inefficient - as evidenced by the huge number of flowers (up to 40%) that end up in the bin<sup>5</sup>. Our D2C model reduces waste, and delivers fresher, longer lasting blooms.

Our philosophy is simple: care about people, the planet, and the process of growing and delivering the freshest flowers. That's why every order buys a meal for someone in need through our charity partner, OzHarvest. We're on a mission to become Australia's largest and most loved flower gifting company - and we hope you'll join us.

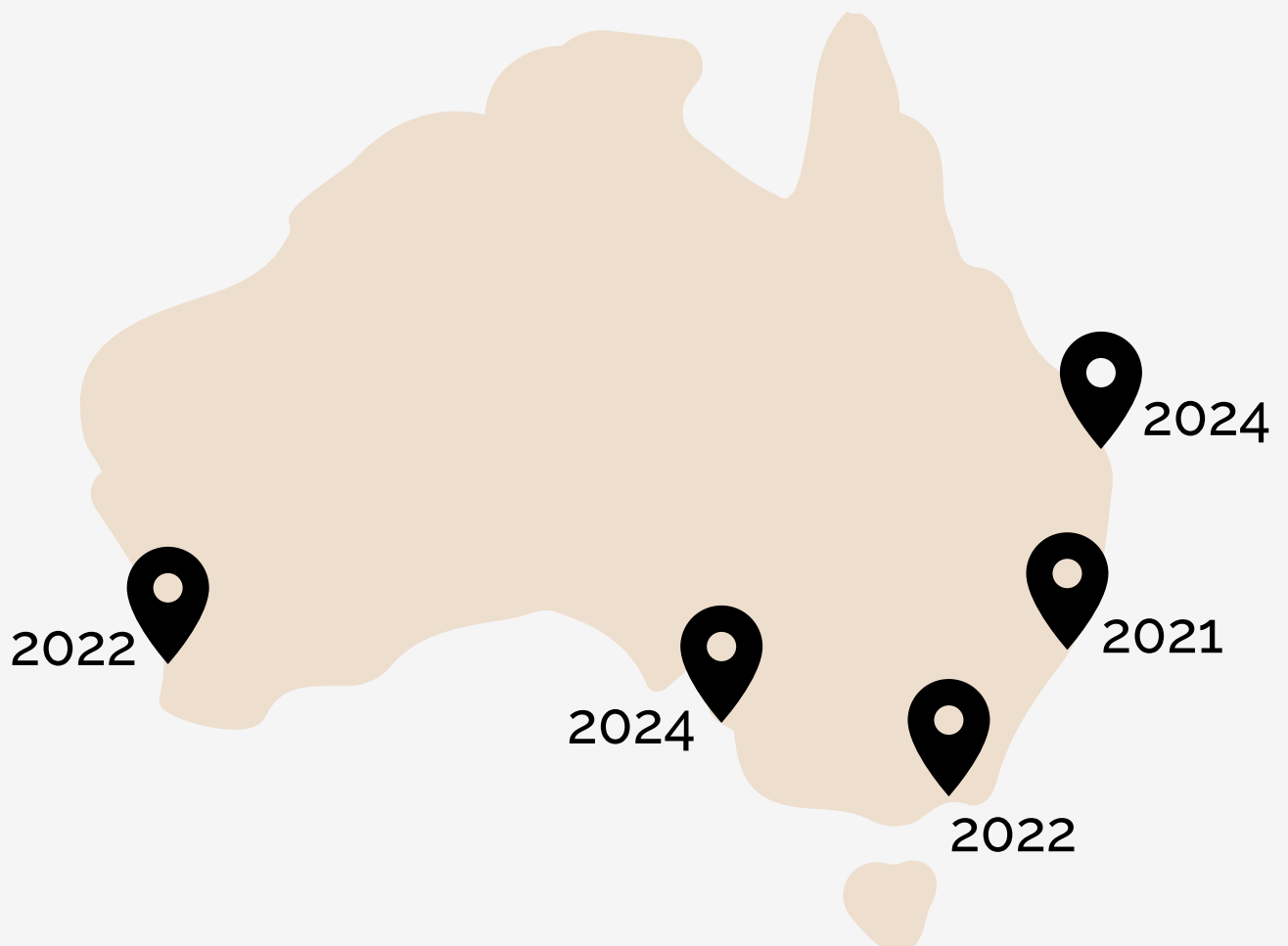
***We're on a mission to become Australia's largest and most loved flower gifting company - and we hope you'll join us.***







# Same-day delivery expansion Australia wide





### 2.2.3. Products

#### Flowers

Flowers remain our cornerstone produce. Our flowers are predominantly sent out in bud so they last longer and merchandising on our website is directly linked to inventory availability, changing bouquets and re-ordering products to make the best use of the flowers we have. This ability to control both our sourcing and the customer-facing product availability helps reduce costs, reduce waste, and enables us to deliver fresher, longer lasting blooms.

#### Upsells and Gift Packs

All our bouquets come with the option to upgrade not only the size of the bouquet, but to add a large range of extras that surprise and delight. Extras that customers love include trusted favourites like champagne and handmade chocolates, but we're also moving further into the general gifting space with hampers, baby bundles for new parents, and self-care packs featuring beauty products. We're thrilled about the huge opportunity to tap into our growing customer base and provide them with even more reasons to come back to us again and again.



## Seasonal Specials - Our famous Christmas Trees

The flower industry is lucky to have a few times a year when the public goes crazy about flowers - Valentine's Day, Mother's Day, and - thanks to our miniature living Christmas trees - Christmas! This gives us a great opportunity to create partnerships with well-known brands - which so far includes Burt's Bees, Gelato Messina and Didi, one of the world's largest rideshare company<sup>6</sup> - and leverage these moments to grow our customer base significantly.



<https://www.emergenresearch.com/blog/top-10-companies-in-ride-sharing-market>

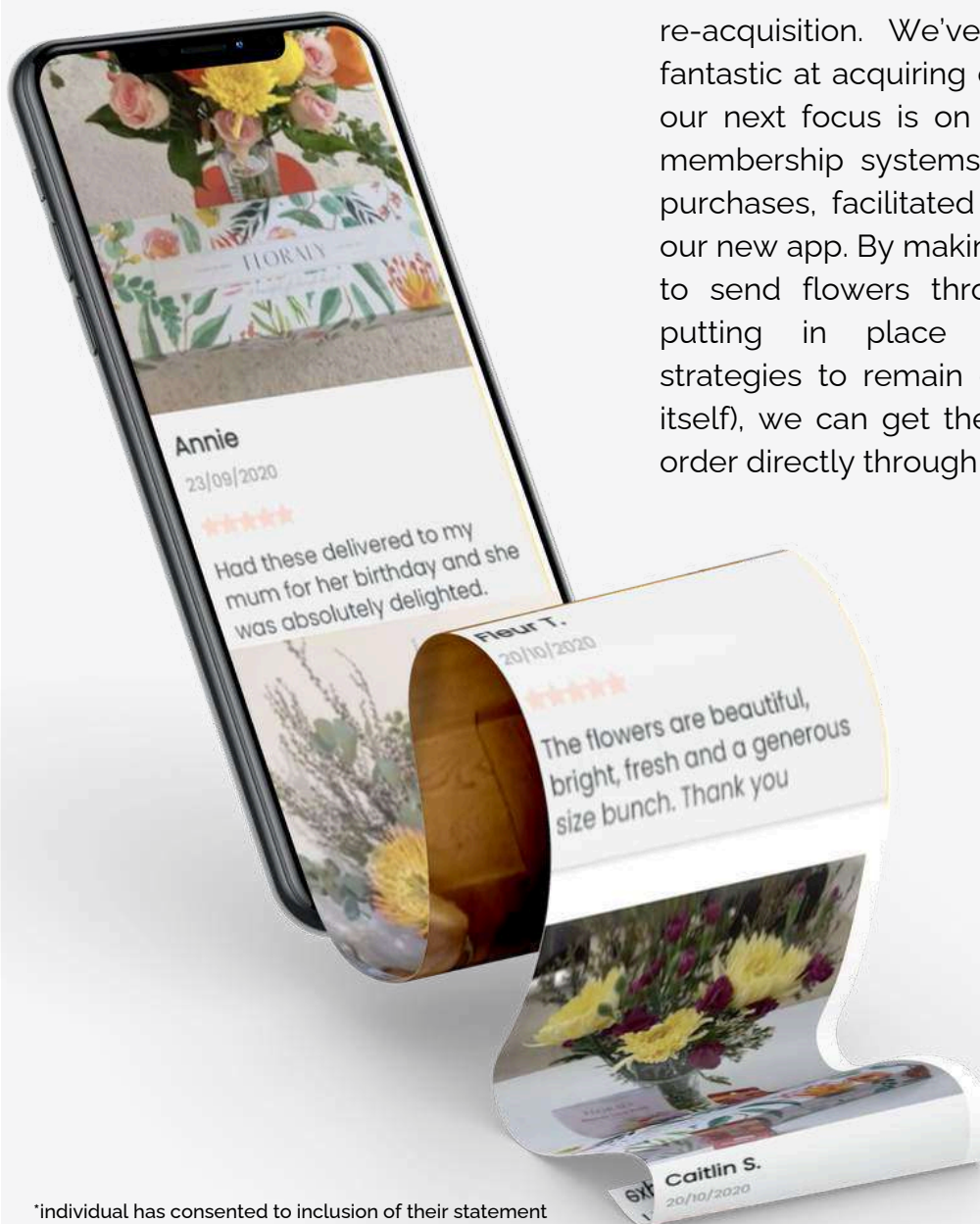


## 2.2.4. Marketing & Distribution

*Our team has founded 4 multi-million dollar ecommerce startups*

We live and breathe ecommerce, and are experts in digital marketing. The major acquisition channel for all flower companies is Google, and we outcompete in this area by focusing on brand awareness further up the funnel, and excellent customer service to build loyalty and repeat purchasing. However, even as best-in-class, acquiring customers through Google is still expensive.

As it stands right now, all our incredibly happy customers often still go to Google when they want to send flowers a second, third or fourth time - which means we pay for re-acquisition. We've shown that we are fantastic at acquiring customers upfront, and our next focus is on creating retention and membership systems to drive low cost re-purchases, facilitated by the introduction of our new app. By making it easy for customers to send flowers through an app (and by putting in place clever reward-driven strategies to remain engaged with the app itself), we can get them to skip Google and order directly through us without repaying.



\*individual has consented to inclusion of their statement

# Press Coverage

Over the years Floraly has received widespread attention from some of Australia's leading media publishers.

We have been featured in:

THE AUSTRALIAN  
**Women's Weekly**

**Nine**

**Better  
Homes**  
and Gardens  
REAL ESTATE

**TimeOut**

 **BROADSHEET  
MEDIA**

**PEDESTRIAN.TV**

**startup  
daily.**

**The Daily Telegraph**

**CONCRETE  
PLAYGROUND®**

**mybusiness**

**eat. drink play.**

**media**week

**Jetstar** 

**URBAN  
:LIST**

**InsideRetail**  
AUSTRALIA

**JUNKEE.  
MEDIA**

**life**hacker

# Social Media and Email Marketing



We have seen strong growth in our email subscribers from approximately 55,000 profiles in 2021 to 141,000 in 2024

Followers on our social media platforms (facebook & instagram) has grown from around 9k in 2021 to 33k in 2024



# Brand Partnerships

We've collaborated with some incredible brands



prime video

GINGHAM & HEELS

Whittaker's  
SINCE 1896

L'OCCITANE  
EN PROVENCE

billy j

georgiemane

BURT'S BEES®

GELATO  
MESSINA  
EST 2002

DiDi

Mr.  
CONSISTENT

HELLO  
FRESH

lyka

Every 🌺 buys a meal  
for someone in need



We have donated over **153,000** meals to people in need, saved over **76,000 kgs** of food from landfill, preventing over 76,000 kgs of CO<sub>2</sub> emissions via our partnership with OzHarvest.



### 2.2.5 Key differentiators

#### **Team**

Our founders Stefan & Alec have founded four multi-million dollar ecommerce startups. With more than 10 years running their own businesses, they are veterans in the Sydney startup scene and have the huge advantage of being able to share learning across all their companies. Their primary skillsets are in business strategy, marketing and operations, but they are also involved in all areas of their businesses - from coding through to supply chain management.

Our General Manager, Matt, has held GM roles at Flatpack Global and Hertz and has experience leading cost efficient operations through team building and process improvement. We have also built out a team of florists who have learned 'The Floraly Way' and will be vital to helping us scale our operations interstate.



## User experience

We've championed the bud-to-bloom concept in Australia, with a simple web interface and full-funnel digital marketing strategy that has excelled in customer acquisition. We're consistently improving our customer journey to create the best gifting experience possible.

## Brand

We've created a brand that people absolutely love, with over 2,200 5-star reviews, more than 141,000 email subscribers and over 180,000 customers served.

## Technology

We're focused on building world-class technology to optimise the flower sourcing process, automate product offerings, and help provide the best experience possible. We believe that our app / membership program will be foundational to pushing profitability in the future, and are preparing to invest heavily in this space in order to solidify our competitive advantages.

## Operations

We run a highly streamlined process that takes a data-first approach to systems design, and focuses on continuous improvement. Every element of our production process is tested and optimised for both efficiency and fun (because our staff matter!)



## Values

We genuinely care about the environment, and genuinely care about making people happy. We want to consciously grow an organisation that reflects these beliefs in every interaction we have, and every order we pack

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<sup>7</sup> Average Shopify conversion rate for home and garden is 1.78%

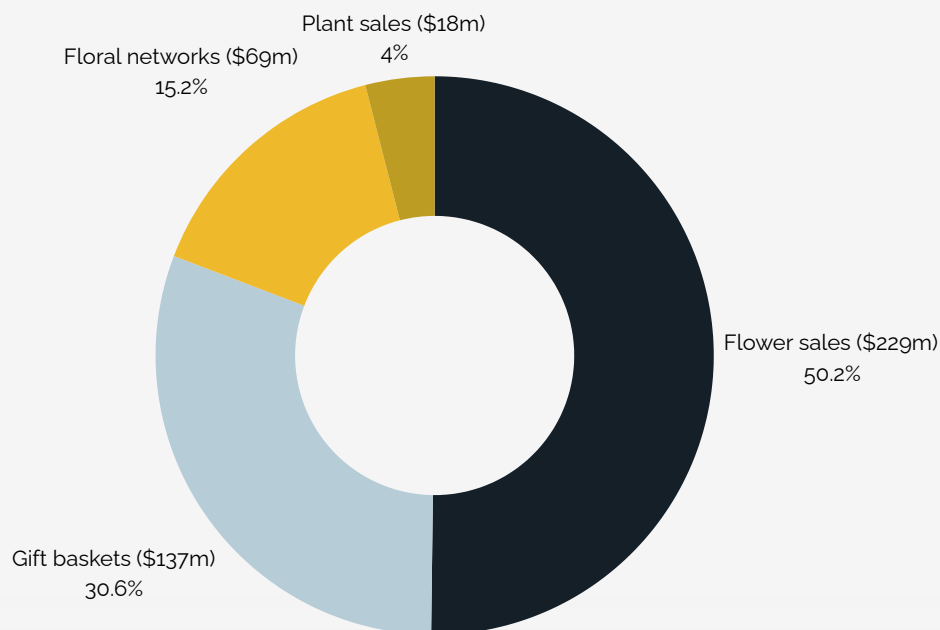
# Industry Snapshot

Data from IBISWorld - Online Flower Shops in Australia report - Oct 2024

**“ Online retailers surpass traditional flower shops as ecommerce blossoms ”**

An increasing number of customers are opting to purchase flowers online. Enhanced internet connectivity has transformed how consumers search for, compare, and buy products. As more daily tasks move online, there's been a steady shift in shopping habits, with consumers favoring online shopping over traditional brick-and-mortar stores.

## FY25 Online flower shop revenue - \$456.2m



The online business model has proven beneficial for profit margins by substantially reducing rental expenses and capitalizing on order-aggregator systems. Looking ahead, industry revenue is projected to grow at an annual rate of 4.2% through to the end of 2029-30, reaching a total of \$560.1 million.

## Online Flower Shop Revenue and Outlook

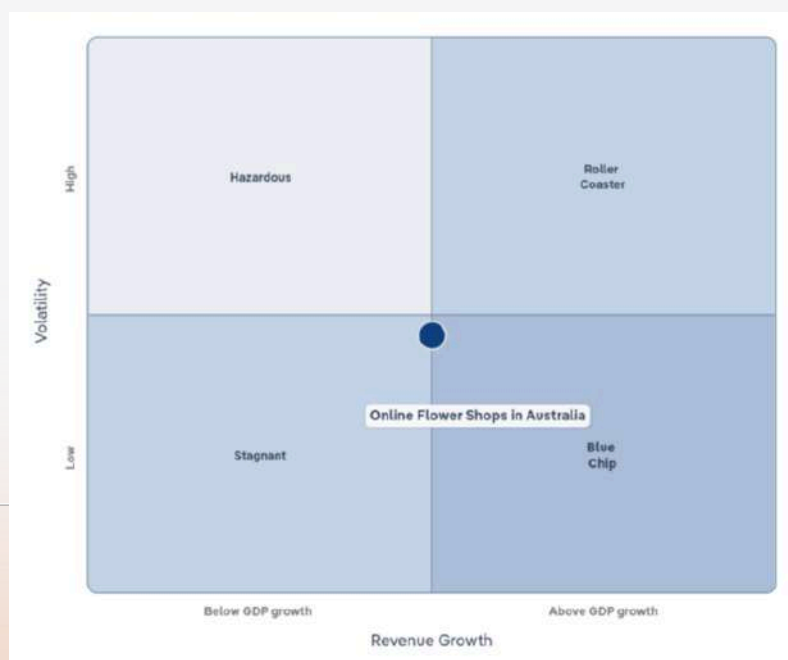
The chart shows the total value (in \$) and the annual change from 2012 - 2030. Includes 5-year outlook.



The IBISWorld report also notes that spending on discretionary goods like flowers is expected to benefit from rising discretionary income and improving consumer sentiment. A recovery in business confidence will encourage increased spending across the downstream corporate market, including offices, wedding venues, and funeral homes

## As good as it gets

The chart from IBISWorld showing Industry volatility vs. revenue growth (2018-24 CAGR). The chart shows that revenue growth and volatility are well balance, creating favorable market conditions.





A photograph of a wooden crate filled with various flowers, including bright orange roses and a single light pink rose. A white care card is placed on top of the flowers. The card has a small image of a bouquet and some text, including "Step 1", "Unbox", and "If your stems look floppy".

# Business and Revenue Model

## SECTION 2.3

### 2.3.1 GUIDANCE

*Floralys is a direct-to-consumer e-commerce company - we generate our revenue through online sales of **flowers, gifts and plants.***

We continue on our mission to become Australia's largest and most loved flower gifting company. As part of that vision we are committed to using technology to make it as easy as possible for our customers to send joy to the people they care about most.

To date, the sale of flowers bouquets is our largest product segment, followed by subscriptions, plants and upsell gifts such as wine, candles and chocolates.

We drive traffic to our website through organic search, social media, collaborations, PR, partnerships and paid media, as well as maintaining a passionate and active community across our social platforms, resulting in a loyal customer base. We currently have a monthly returning customer rate of 30%, indicating a strong affinity towards the brand.

We have continued to build a strong brand through our unique story, functionality, accessibility and iconic packaging, becoming a distinctive and game-changing player in the flower gifting market.

Over the past three years we have executed on our promise and expanded our geographic presence to the major capital cities in Australia, as well as increase our range of products. We have continued to invest in technology to improve the customer experience, streamline operations and grow brand awareness.

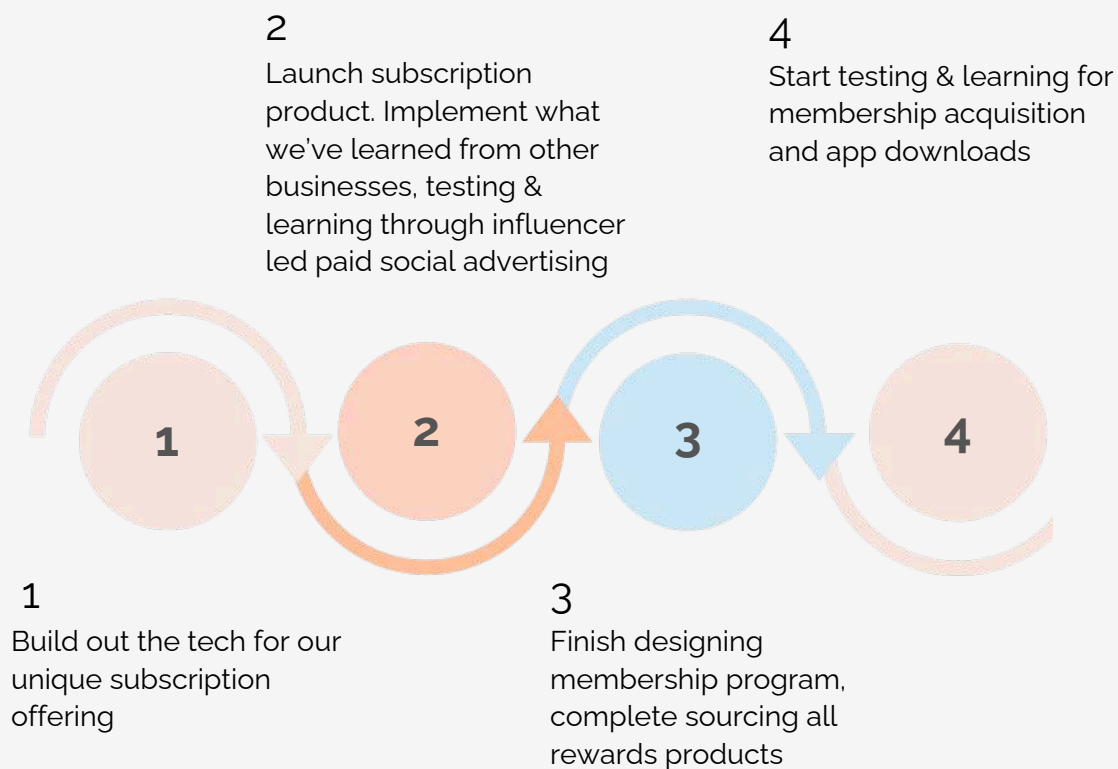
# Business Strategy

## SECTION 2.4

### 2.4.1 GUIDANCE

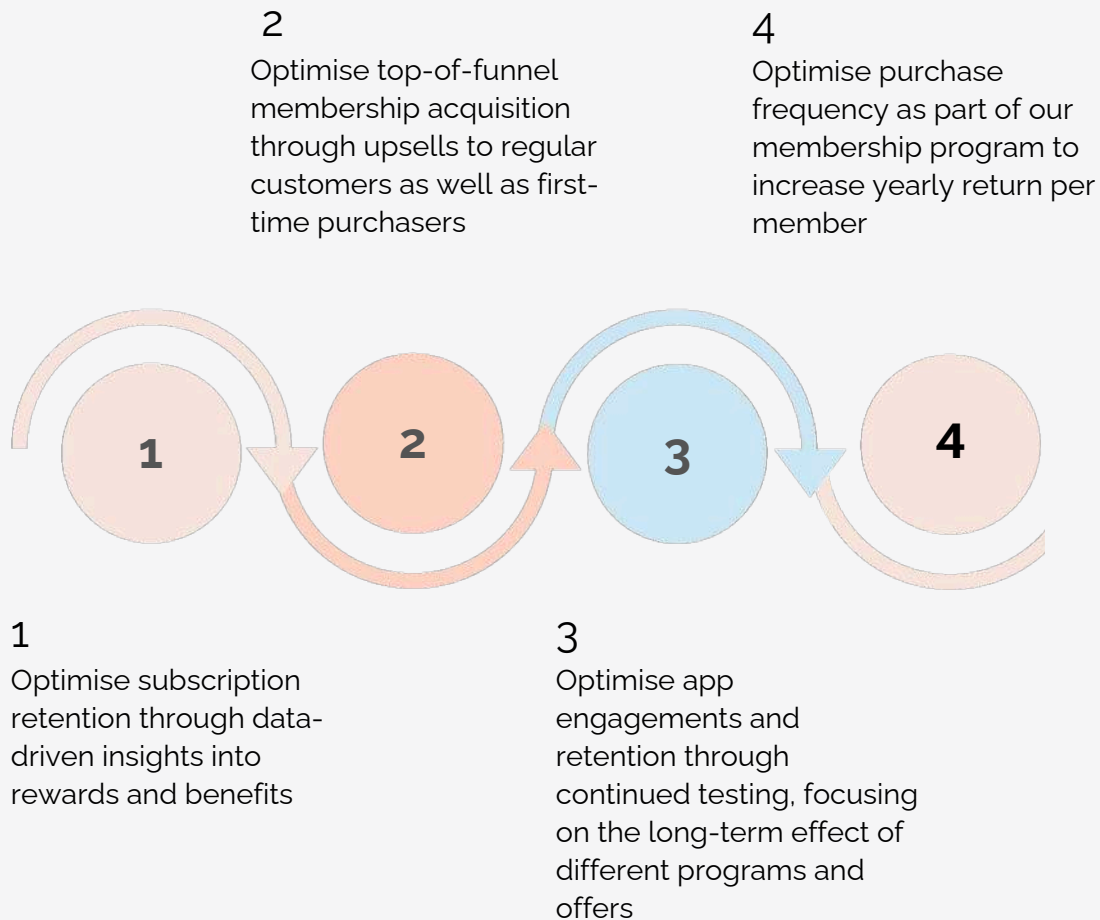
#### Next Six Months

In the short term, we remain focused on investing in retention technologies - namely our mobile app, subscription and membership programs. All goals outlined below can be achieved with the funding from this round, and we do not expect to need to raise any further capital. Our plan is to focus on:



## Six - 24 Months

From the end of 2025 / early 2026, our goal is to focus on pushing more customers into our app and membership system, and aim to start realising the cumulative benefits of reduced re-acquisition costs.





# Our Team

## SECTION 2.5

### SECTION 2.5.1 Directors & Senior Managers



**STEFAN MUFF**

**Co-Founder & Director**

Stefan has a proven record of success as a serial entrepreneur, starting and scaling three multi-million-dollar e-commerce businesses in Australia and the UK. In addition, he is a co-founder of startup accelerator Idea Crunch, which focuses on replicating business models from overseas that don't yet exist locally.



**MATT BARKER**

**General Manager**

Matt is experienced in leading cost efficient operations through high performance team-building and process improvement. He is focused on executing all parts of Floraly's operations from supply-chain logistics and our flower sourcing process, through to order fulfillment.



**ALEC RAMSEY**

**Co-Founder & Director**

Alec specialises in taking businesses from ideation to early-stage growth, with a focus on strategic positioning, branding and team building. He is the co-founder of three multi-million-dollar businesses as well as startup accelerator Idea Crunch, and believes strongly in shaping environmentally and socially sustainable practices.

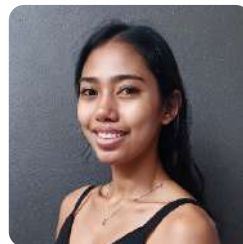
### SECTION 2.5.2 Other Team Members



**LEAH BRYANT**

**Lead Florist**

Leah is well versed in the art of spreading joy through floristry. Proactive and adaptable with a keen eye for design, she is responsible for crafting our seasonal bouquets and training our florists to create Floraly's signature arrangements.



**JUDY MCCLENNAN**

**Marketing Executive**

Judy specialises in design-driven campaigns. She blends strategy with creative visuals to craft compelling brand stories, ensuring each element aligns with marketing goals. Judy is known for her collaborative approach and passion for staying on top of design trends.



**LIZ MCCLENAGHAN**

**Marketing & Product Lead**

Passionate and creative Digital Marketer with a particular interest in content marketing and creation, branding, social media, CRM and email marketing, and additional experience in affiliate marketing, agency management, SEO copywriting and e-commerce.



**GEMMA LOCKLEY**

**Operations Exec - Melbourne**

Gemma oversees the day-to-day activities of our Melbourne operations. With a focus on efficiency and quality, she ensures that every bouquet meets the highest standards. Gemma coordinates logistics, manages supplier relationships, and keeps the team running smoothly to bring joy to our Melbourne customers.



**POEBE LILIO**

**Team Lead - Customer Care**

An experienced team-leader, Poebe genuinely cares about everyone she comes into contact with and understands how important every moment is that Floraly helps celebrate. She knows how to go the extra mile to make sure we deliver the absolute best experience possible, every time.



**JOYCE AKI FURUSHO**

**Operations Analyst**

Joyce specializes in optimizing processes and enhancing efficiency. Based in Sydney, she uses data-driven insights to streamline supply chains, manage inventory, and improve operational performance of our flower operations. Joyce ensures that our operations run smoothly, helping to deliver beautiful blooms to customers on time.



# Capital Structure

## SECTION 2.6

### 2.6.1 Issued Capital (Before and After the Offer)

As at the offer date, Floraly Australia Pty Ltd has 147,164,011 Ordinary shares on issue. The Company also has an Employee Share Options Plan in place for current employees. There are 974,847 Ordinary share options.

The majority of 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 (fully diluted basis) before the Offer**

Shareholders	Share Type	Shares	Options
Electric Revival Pty Ltd (ACN 645 806 426) as trustee for the Electric Revival Trust	Ordinary	69,170,263	Nil
Muff Holdings Pty Ltd (ACN 645 803 541) as trustee for In Muff We Trust	Ordinary	69,170,263	Nil
Other investors	Ordinary	8,745,701	Nil
ESOP Shares (Issued & Allocated)	Ordinary	77,784	974,847
Total		147,164,011	974,847

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

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

Shares	Minimum Subscription	Maximum Subscription
Existing Ordinary Shares	147,164,011	147,164,011
ESOP Shares (Allocated)	974,847	974,847
Offer Shares	2,500,000	17,500,000
Total Shares	150,638,858	165,638,858

### 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.

## **Shareholders Agreement**

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.

## **Other Rights**

A more detailed description of the rights and liabilities associated with the shares is set out in Section 3.3 below. A copy of the Company's Constitution is available on the Intermediary's platform.

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

To date, Floraly has been funded by equity investments from Company's Directors, investment from a crowdfunding raise in 2021 and the retained earnings of the Company.

## **Debt funding**

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

- Description - Working capital facility / revenue financing
  - Principal amount borrowed - \$300,000
  - Committed limits where debt is undrawn - \$nil
  - Amount outstanding - circa \$135,000 as at the date of the Offer
  - Interest – between 10-15%
  - Repayment date – within 12 months
  - Security - Future revenue
- 
- Description - Working capital facility / revenue financing
  - Principal amount borrowed - \$600,000
  - Committed limits where debt is undrawn - \$nil
  - Amount outstanding - circa \$528,500 as at the date of the Offer
  - Interest – between 10-15%
  - Repayment date – within 12 months
  - Security - Future revenue



### 2.7.1 Our directors

#### Alec Ramsey

Role Co-Founder and Director

Description of duties

Strategic Direction, Fundraising, Marketing & Talent Acquisition

Skills and experience

Experience starting and scaling multiple ecommerce businesses. Focus on Vision Setting, Technology Integration, Marketing Strategy

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#### Stefan Muff

Role Co-Founder and Director

Description of duties

Strategic Direction, Fundraising, Talent Acquisition & Operations

Skills and experience

Experience starting and scaling multiple ecommerce businesses. Focus on Growth Strategy, Brand Strategy and Supply Chain Optimisation



# Risks facing the business

## SECTION 2.8

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

Risk	Description
Competition Risk	<p>The Company operates in the highly competitive flower retail and gifting market, with several known competitors, and low barriers to entry that could give rise to new and unknown competitors.</p> <p>There is a risk that existing competitors as well as new competitors, will have greater access to capital, economies of scale, resources and distribution compared to the Company.</p> <p>If the Company is unable to successfully compete with existing and/or new competitors, this would have a negative impact on the revenue, profitability and future prospects of the business.</p>
Key Person Risk	<p>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 key personnel were to leave the organisation, they would need to be replaced in a timely fashion in order for the Company to achieve its business objectives.</p> <p>The Company may fail to attract key personnel that are critical to the Company's growth and performance. Any delay in recruiting key personnel (or any failure to hire), may have a significant adverse impact on the management of the Company, and may, in turn, have adverse impacts on financial performance.</p>



Risk	Description
Supplier and third party risk	<p>As the Company does not itself produce flowers or gifts, the Company is aware that any changes to the wholesale market with respect to the supply and/or demand of flowers or gifts will impact the Company's cost of goods sold. For example, the occurrence of extreme weather events could impact on supply.</p> <p>The Company also relies on third-party providers to facilitate shipping and other critical components of its business model. If the cost of such services increase or availability of such services (for example due to international trade issues) diminishes, the Company's profitability will be negatively impacted.</p> <p>The Company is also aware that it will need to secure new suppliers and third-party providers. If the Company is unable to do so, there is a risk that the Company will not be able to grow.</p>
Technology risk	<p>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.</p> <p>The Company is also aware that, if changes to the costs associated with the various technology solutions it currently utilises to operate its platform increases, may impact its financial performance. This same risk applies with respect to procuring new or replacement technology products or services.</p>
Brand risk	<p>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.</p> <p>To that end the Company is aware that any failure to maintain the current high levels of customer service, would substantially impact on the Company's ability to drive repeat purchases or convert new customer leads.</p>
Technological and operational risk	<p>Failure of technology required to successfully design, manufacture and market the product.</p> <p>Inability to secure distributors and vendors to sell the product.</p>

# Financial Information

## SECTION 2.9

Below are the financial statements of the Company for the financial year ended 30 June 2024 and 30 June 2023, which have been prepared in accordance with the Accounting Standards. In addition, the balance sheet covers the period ending 7 November 2024.

### 2.9.1 Balance Sheet

**Floraly Australia Pty Ltd**  
**Statement of financial position**  
**As at 7 November 2024**



	7 NOV 2024	30 JUNE 2024	30 JUNE 2023
<b>Assets</b>			
Cash and cash equivalents	294,655	177,527	287,664
<b>Current Assets</b>			
Trade and other receivables	405,950	289	-
Inventories	105,451	84,980	17,201
Other	40,768	19,563	5,169
<b>Total Current Assets</b>	<b>552,169</b>	<b>104,832</b>	<b>22,370</b>
<b>Non-current assets</b>			
Plant and equipment	54,628	56,954	45,017
<b>Total Non-current assets</b>	<b>54,628</b>	<b>56,954</b>	<b>45,017</b>
<b>Total Assets</b>	<b>901,452</b>	<b>339,313</b>	<b>355,051</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	154,342	467,995	521,039
Borrowings	663,306	342,771	42,771
American Express	30,397	28,914	-
Mastercard	515	-	-
Afterpay	7,313	-	-
<b>Total Current Liabilities</b>	<b>855,873</b>	<b>839,680</b>	<b>563,810</b>
<b>Non-current Liabilities</b>			
Borrowings	74,459	34,055	39,041
<b>Total Non-current Liabilities</b>	<b>74,459</b>	<b>34,055</b>	<b>39,041</b>
<b>Total Liabilities</b>	<b>930,332</b>	<b>873,735</b>	<b>602,851</b>
<b>Net Assets</b>	<b>(28,880)</b>	<b>(534,422)</b>	<b>(247,800)</b>
<b>Equity</b>			
Issued capital	1,173,930	573,930	573,541
Reserves	185,236	184,896	112,479
Accumulated earnings	(1,388,046)	(1,293,248)	(933,820)
<b>Total Equity</b>	<b>(28,880)</b>	<b>(534,422)</b>	<b>(247,800)</b>

# Financial Information

## SECTION 2.9

### 2.9.2 Profit and loss statement

**Floraly Australia Pty Ltd**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2024**



	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Revenue	5,760,742	4,932,326
Cost of sales	(2,948,064)	(2,647,629)
Gross profit	2,812,678	2,284,697
Other income	10,871	19,695
Interest revenue calculated using the effective interest method	165	284
<b>Expenses</b>		
Commissions expense	(62,448)	-
Employee benefits expense	(1,177,272)	(1,142,650)
Depreciation expense	(10,673)	(12,792)
Administration	(147,417)	(103,586)
Advertising and marketing	(1,571,330)	(1,270,709)
Occupancy	(162,575)	(126,953)
Other expenses	(46,034)	(34,935)
Finance costs	(5,393)	(8,140)
Total expenses	(3,183,142)	(2,699,765)
<b>Loss before income tax expense/(benefit)</b>	(359,428)	(395,089)
Income tax expense/(benefit)	-	-
<b>Loss after income tax expense/(benefit) for the year attributable to the owners of Floraly Australia Pty Ltd</b>	(359,428)	(395,089)
Other comprehensive income for the year, net of tax	-	-
<b>Total comprehensive income for the year attributable to the owners of Floraly Australia Pty Ltd</b>	<u>(359,428)</u>	<u>(395,089)</u>

All figures are exclusive of GST



# Financial Information

## SECTION 2.9

### 2.9.3 Cash Flow Statement

**Floraly Australia Pty Ltd**  
**Statement of cash flows**  
**For the year ended 30 June 2024**



	2024 \$	2023 \$
<b>Cash flows from operating activities</b>		
Receipts from customers (inclusive of GST)	6,337,903	4,932,326
Payments to suppliers and employees (inclusive of GST)	(6,755,101)	(5,004,530)
Interest received	165	284
Other revenue	10,871	19,695
Interest and other finance costs paid	(5,393)	(8,140)
Net cash used in operating activities	(411,555)	(60,365)
<b>Cash flows from investing activities</b>		
Payments for plant and equipment	(22,610)	(57,809)
Net cash used in investing activities	(22,610)	(57,809)
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	100	389
Proceeds from borrowings	323,928	47,606
Net cash from financing activities	324,028	47,995
Net decrease in cash and cash equivalents	(110,137)	(70,179)
Cash and cash equivalents at the beginning of the financial year	287,664	357,843
Cash and cash equivalents at the end of the financial year	177,527	287,664

# Financial Information

## SECTION 2.9

### 2.9.4 Statement of changes in equity

**Floraly Australia Pty Ltd**  
**Statement of changes in equity**  
**For the period ended 07 November 2024**



	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity (deficiency) \$
Balance at 1 July 2022	573,152	-	(538,731)	34,421
Loss after income tax expense/(benefit) for the year	-	-	(395,089)	(395,089)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(395,089)	(395,089)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs	389	-	-	389
Share-based payments	-	112,479	-	112,479
Balance at 30 June 2023	573,541	112,479	(933,820)	(247,800)
	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity (deficiency) \$
Balance at 1 July 2023	573,541	112,479	(933,820)	(247,800)
Loss after income tax expense/(benefit) for the year	-	-	(359,428)	(359,428)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(359,428)	(359,428)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs	389	-	-	389
Share-based payments	-	72,417	-	72,417
Balance at 30 June 2024	573,930	184,896	(1,293,248)	(534,422)
	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity (deficiency) \$
Balance at 1 July 2024	573,930	184,896	(1,293,248)	(534,422)
Loss after income tax expense/(benefit) for the period	-	-	(94,798)	(94,798)
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income for the period	-	-	(94,798)	(94,798)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs	600,000	-	-	600,000
Share-based payments	-	340	-	340
Balance at 07 November 2024	1,173,930	185,236	(1,388,037)	(28,880)

### 2.9.5 Management comments on historical performance and outlook

Floraly has achieved over 500% growth since our last fundraise some three years ago, with sales last financial year of approximately \$6.4 million (5.76 million excluding GST). We hit all the operational goals set in our last crowdfund, and achieved a number of profitable months earlier this year at much higher volume than we had in 2021.

Following this, the combination of the cost of living crisis, depreciation in Google search engine rankings attributed to the implementation of a revised version of the website and the seasonally anticipated downturn characteristic of the winter trading period combined to produce net losses in the range of \$40k - \$50k over the first four-month period of FY25. To mitigate these effects, we subsequently took on approximately \$600,000 in debt (the specifics are detailed in section 2.6.3) to fund cash flow as we expected to transition back into profitability. We have not yet reached the same profitability as earlier in the year, and as a result both the co-founders have invested a total of \$600,000 in equity capital through a private funding round to reduce our net debt position. These funds are currently held in cash, and have put Floraly back in a position where we can focus on growth. The founders and directors are confident in the future of the business, as evidenced by the recent investment of their personal capital.

Our objective for the next 12 months is to transform our current momentum into sustainable growth and widen the strategic gap from competitors. To prepare for promising growth opportunities, the company intends to leverage capital from this funding round to:

- Launch a subscription product
- Design and implement a membership program
- Build and launch a retention-focused mobile app

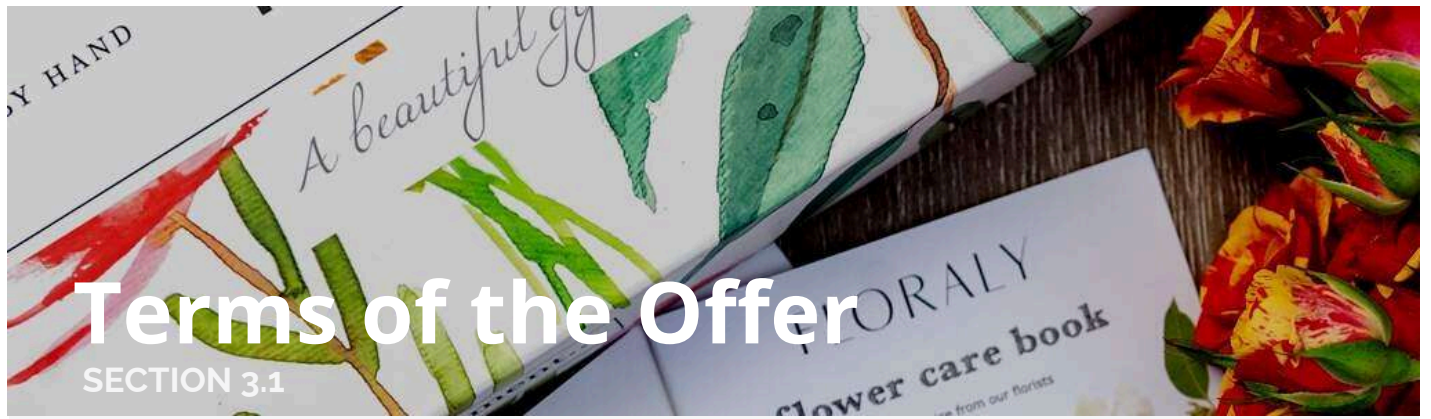
Comments on revenue outlook are inherently uncertain and should not be solely relied upon as they are subject to change, uncertainty and unexpected events, many of which cannot be controlled. Accordingly, actual results are likely to differ from the forecasts. No representation or assurance is or can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



# *Section 03*

*Information  
about the offer*

FLORALY



Floraly Australia Pty Ltd is offering up to 17,500,000 shares at an issue price of \$0.04 per share to raise up to \$700,000. The key terms and conditions of the Offer are set out below.

Term	Details
Shares	Fully-paid ordinary shares
Price	\$0.04 per share
Minimum Subscription	\$100,000
Maximum Subscription	\$700,000
Minimum parcel size	\$250.00
Opening Date	19.11.2024
Closing Date	05.12.2024

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

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

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

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.





# Use of Funds

## SECTION 3.2

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
Senior management team, advisors & consultants	\$0	\$100,000
Product range expansion	\$0	\$140,000
Investment in technology	\$60,000	\$200,000
Brand building marketing activities	\$25,000	\$200,000
Offer costs	\$15,000	\$60,000
Total	\$100,000	\$700,000

The Offer costs includes the Intermediary's fees under the hosting agreement between the Company and the Intermediary. These fees are 7.5% of all funds raised by the Company through Birchall Financial Services Pty Ltd (Intermediary), plus \$4,200 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 both the Minimum and Maximum Subscription amount will be sufficient to meet the Company's short-term objectives over the next 18–24 months.

# Rights associated with the shares

## SECTION 3.3



Immediately after issue, the shares under this Offer will be fully-paid ordinary 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 full in the Company's constitution and are summarised below in Sections 3.3.1 to 3.3.8. 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 fully paid voting 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). At this stage, the Company has not implemented a formal dividend policy.

### 3.3.3 General Meetings & Notices

Clause 22.1 of the Constitution sets out when and how general meetings may be called. Directors have the power to call meetings of all shareholders or meetings of only those shareholders who hold a particular class of shares. Shareholders may requisition the holding of a general meeting in accordance with the Corporations Act 2001.

Shareholders must be given notice of any meetings in the manner contemplated by clause 22.2 of the Constitution.



### 3.3.4 Election and removal of directors

The Company must have at least two directors and no more than five directors (unless otherwise determined in accordance with the Constitution).

Pursuant to clause 25.5 of the Constitution, shareholders may vote to elect and remove some of the directors of the Company.

In addition to the above, the following shareholders have special powers to appoint and remove directors of the Company:

Each Founder may appoint a director provided they, together with their Affiliates, holds or controls at least 5% or more of the shares on issue in the Company.

Pursuant to clause 25.2 of the Constitution, each Major Member (being each Member that holds at least 15% of the issued equity in the Company) may appoint a director.

### 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 Restriction on sale and transfer

Shares may only be transferred by a Member in accordance with the company's constitution. This means that, except in respect of certain Permitted Transfers (as described in the Constitution) and other permissible disposals (such as pursuant to a drag along or tag along event), Member's wishing to sell shares must offer those shares to Eligible Members (as defined in the Constitution) before those shares can be sold to third parties.

Additionally, if a sale or disposal would result in the Company having to issue a disclosure document or a product disclosure statement under Chapter 6D or Chapter 7 respectively of the Act, the sale may only occur in accordance with clause 12.5 of the Constitution.

#### **RESTRICTIONS ON SALE OR TRANSFER UNDER THE CORPORATIONS ACT AND CONSTITUTION**

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

The Company's Constitution also outlines certain rules and processes pursuant to which you may dispose of your Shares.

#### **DRAG ALONG**

Pursuant to clause 15 of the Constitution, where Members holding more than 70% of the Shares in the Company receive an offer from a third party to acquire all of the issued shares in the Company, those Members may require all other Members of the Company to sell their Shares to that third party (or to another Eligible Member who makes an alternate offer pursuant to clause 15.3).



## **TAG ALONG**

Similarly, where transfer proposed by a Member (or group of Members) would result in a third party acquiring at least 70% of the issued Share capital in the Company, then all Members (other than those who intend to sell to that third party) will have the right to tag along pursuant to clause 14 of the Constitution.

## **DIRECTOR'S DISCRETION TO REFUSE TO REGISTER A TRANSFER OF SHARES**

Under the Constitution, the Board may from time to time refuse to register a transfer of shares. Details of the Board's power to do so are set out in clause 13.5 of the Constitution.

### **3.3.7 Pre-emptive rights / anti-dilution 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 clause 5 of the Constitution, including by offering each Eligible Member (as defined in the Constitution) the right to acquire the new shares.



# What can I do with my shares?

## SECTION 3.4

All shares in the Floraly are considered illiquid as they cannot easily be transferred or sold. However, there are numerous possible circumstances that may create an opportunity for shareholders to exit the business. These include, but are not limited to:

- 01 A trade purchase of the Company
- 02 A listing on a recognised stock exchange (e.g. the ASX)
- 03 A private equity investment in the Company
- 04 A share buy-back by the Company

There is no guarantee that any of the exit options will eventuate. Investment in the Company should be seen as a medium to long term investment.

## Details of previous CSF offers

### SECTION 3.5

In October 2021, Floraly Australia Pty Ltd carried out a successful crowdfunding capital raise through Birchall Financial Services Pty Ltd. It was an offer of fully paid ordinary shares in Floraly Australia Pty Ltd at \$0.95 per share to raise a maximum of \$1,000,000. The company surpassed its minimum subscription of \$200,000, with the company raising approximately \$572,151 when the Offer closed.

Under that CSF Offer, the directors of the Company were Alec Ramsey, Stefan Muff & Tristan Sender.





# *Section 04*

*Information about  
investor rights*

FLORALY



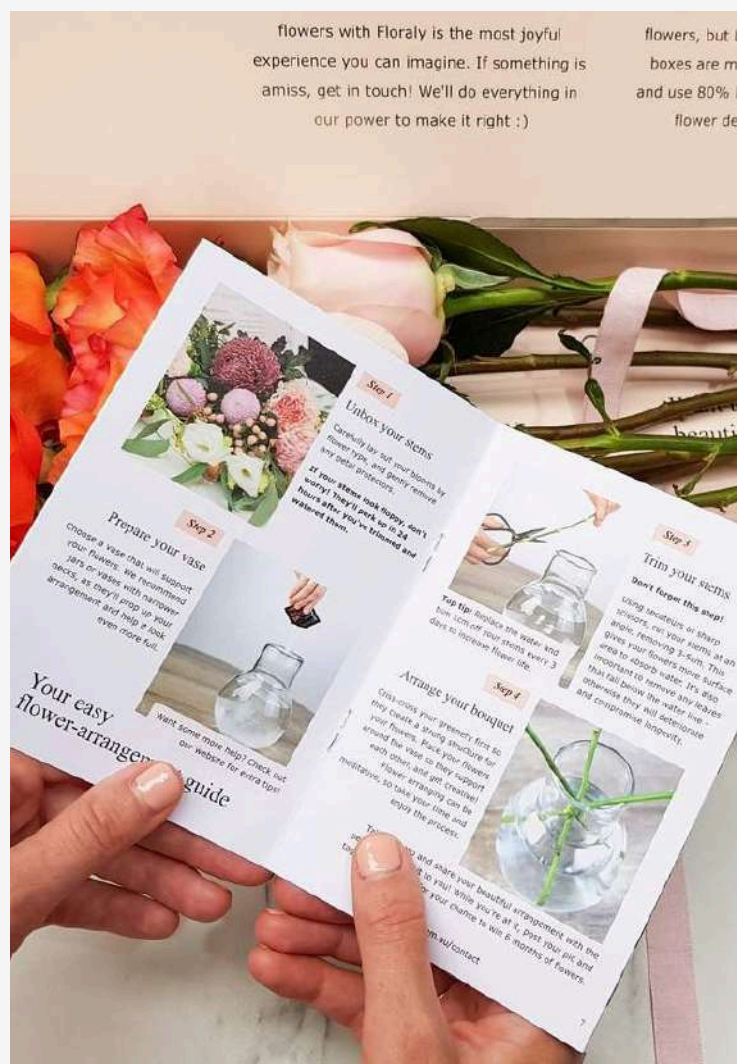
# Cooling-off rights

## SECTION 4.1

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).

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

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.





# Communication facility for the Offer

## SECTION 4.2

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

## SECTION 4.3

### 4.3.1 Annual Report

As a small proprietary company that has already raised crowd sourced funding, we are required to prepare and lodge annual financial reports and directors reports with ASIC (within four months of the financial year end). Floraly 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 Floraly's financial reports will not be subject to auditor oversight, and, therefore, there will be no independent assurance of Floraly's financial statements.

However, the directors are still required to ensure that the financial statements give a true and fair view of Floraly'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

After the offer is completed, shareholders will be able to request access to our financial reports by emailing [invest@floraly.com.au](mailto:invest@floraly.com.au).

### 4.3.4 Related party transactions

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



#### 4.3.5 Takeovers

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

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

#### 4.4 Company updates

The Company will provide regular updates to investors on the Company's website at the following address [www.floraly.com.au](http://www.floraly.com.au), via the Company's share registry website at the following address [www.cakeequity.com](http://www.cakeequity.com) and via the Intermediary's platform.

# Glossary

**Company** means Floraly Australia Pty Ltd ACN 646614986

**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 ACN 621 812 646 AFSL 502618

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

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

**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