



Freshwater Brewing Company PTY LTD

Crowd-sourced funding offer document

Dated 9th APRIL 2025

Offer of fully-paid ordinary shares in FRESHWATER
BREWING COMPANY PTY LTD at \$5.10 per share to
raise a maximum of \$800,000

This crowd-sourced funding (**CSF**) offer document relates to the Offer of fully-paid ordinary shares in Freshwater Brewing Company PTY LTD. This Offer is made under the CSF regime in Part 6D.3A of the *Corporations Act 2001* (**Corporations Act**).

Issuer

FRESHWATER BREWING COMPANY PTY LTD ACN 649677869

Intermediary

Birchal Financial Services Pty Ltd ACN 621 812 646 AFSL 502618

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

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Section 1: Risk warning

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

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

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

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

Even though you have remedies for misleading statements in 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 2: Information about the Company

Letter from the founders

Dear Freshwater Brewing Community,

We are thrilled to invite you to join us on an exciting new chapter as we launch our crowdfunding campaign on Birchal.

Firstly, big thanks for taking the time to read our Offer Document; we're highly motivated and excited for what's to come in 2025. We believe this capital raise and some focussed momentum has the potential to take our business to the next level.

Secondly, we know that beer brings people and communities together. This is an opportunity to have a slice of your own bar at a local brewery. We want to have our new 100 capacity bar open to be used by you for events, functions and good times. Our Taproom revenue grew by 35% last year and we hope to keep improving this while tightening up profitability. Our ambition is to throw VIP invite only events to strengthen our community and get the people who supported us involved with the success of the company moving forward.

We launched Freshwater Brewing Co with a focus on brewing fresh, high quality beer for our locals on the Northern Beaches. Beer that fits the beach lifestyle; clean, flavoursome beers without the complicated flavours or big alcohol content. So you can enjoy a few beers and get up the next day and enjoy a surf. We set our brewery up to brew lagers, often a hard style for small producers to pull off. We've grown our tap points with our on premise trade and our canned product to have a loyal and supportive customer base on the Beaches and North Shore. We didn't want beer to interrupt conversations, with too much going on but instead fuel them, we love nothing more than seeing mates and families catching up at our taproom over some Freshie beers.

We are going into the busiest time of the year in Brookvale, with the start of the NRL Season and consumers booking events regularly to boost patronage. A secondary hospitality offering will help boost growth and advocacy. We want our customers to host their Engagement drinks, their Surf Club annual drinks or 50th birthdays. Our goal is to have the bar open for this and much more.

Furthermore, we have set our sights on growing our wholesale offering through a focussed and profitable process. Our growth last year was huge at 55% and in order to service this need, we are planning to purchase our own canning line. Owning our own equipment and pipeline will have a huge impact on our efficiency, improve our margins and give us greater flexibility for our

packaged product. We are already selling to the major groups through BWS, Dan Murphy's, Chambers, Porters etc and this is another potential step to help continue this growth.

We have the plan, the team and the tasty beer. All we need is your support to get us there!

Thanks for coming along the journey with us!.

Marvin, Jonny, Tom & Brett

2.1 Company details

This offer of shares is made by FRESHWATER BREWING COMPANY PTY LTD ACN 649677869 (**Company**).

Company name	Freshwater Brewing Company PTY LTD
ACN	649677869
Date of incorporation	23 April 2021
Registered office	4 Powells Road, Brookvale, NSW 2100
Principal place of business	4 Powells Road, Brookvale, NSW 2100
Directors	Jonathan William Richard Bucknall Marvin Slocombe
Company secretary	Marvin Slocombe
Website	www.freshwaterbrewing.com.au

2.2 Our business

2.2.1 About the Company

Freshwater Brewing Company was set up by beer industry mates who were looking to do things a little differently. Working at some of the best breweries in Sydney during the second wave of craft beer, there was an opportunity to connect with more of a mainstream, everyday beer drinker and not get too serious with jargon, beer names and hard to drink styles. We could see people wanting to explore beers and breweries but there were too many barriers to entry which turned them off the idea. Breweries were focussed on big hop flavours and innovating styles which was exciting to the niche but we wanted to take people on a journey of discovery.

We wanted to brew beers that celebrate the Northern Beaches laid back lifestyle through our brand, culture and beers. The Australian connection points involve a beer in hand, whether going to the beach, at the pub or at a neighbourhood BBQ. We wanted our beers to be representative of the local community, the best quality and a beer that people would feel proud to drink and represent their area.

We wanted our Taproom to be a space that welcomes all ages and demographics, that signals that anyone can enjoy beer. We went about hiring and training our team to help with that discovery to awareness of what a great beer can taste like.

The suburbs of Brookvale and Freshwater have an intrinsic link, Freshwater being the home of Australian surfing and Brookvale the home of Surf Shapers. We brew our beers for the beach.

2.2.2 Milestones. Timelines to date

Launching in July 2021, Freshwater Brewing Company (FBC or “Freshie”) started our journey with a series of beer launches that captured the local imagination. Our first beer Freshie Pils sold out within the first week. We were heading into the second Sydney lockdown and the focus on Local had clearly resonated with our community. We introduced Wedge Cerveza, a sunshine beer for the Beaches plus our Hazy Pale to round out the initial offering. With Duke’s Pilsner, a classic sophisticated Czech style Pilsner demonstrating we were a more premium product while giving our new audience a very approachable mix of beers.

We increased our presence on the Northern Beaches and North Shore and while we built our Taproom in Brookvale, we focussed on finding local tap points for our growing consumer base to experience and enjoy our beers. We have several long standing agreements throughout the Northern Beaches with over 15 contracts and more regular customers. This focus has driven

trial and awareness which converts through to our canned product and now our Taproom in Brookvale. Because we initially didn't have a home to pour our beers, we spent time hosting events, activations and tap takeovers which helped get us closer to our community. We wanted to play a strong role in the local area by being involved in charity and club initiatives.

The Freshie Taproom opened in late September 2022 with a 200 capacity venue and full kitchen offering to compliment our bar. We have 17 taps pouring, plus focus on a curated quality wine and cocktail list. This brings us a wider demographic and age group that enjoy spending time at our venue.

With coming up to three years trading with the Taproom we have a greater understanding of our consumer and their needs. By operating in a thriving precinct of breweries there are more reasons to visit the suburb and recommend Freshwater Brewing Co to friends. Breweries are moving from the niche to the mainstream and our brand is positioned perfectly to encourage that growth.

2.2.3 Our Products / Our Services

We have a strong focus on the quality of our beers, we have not engaged in creating or selling any secondary products. We know the landscape is a competitive one and want people to understand where the Freshie Beers fit within the market. We brew approachable, flavoursome beers for people to enjoy after a Surf / Swim or take to a BBQ. We call it the Freshie Test, when we engage in R&D we look to brew beers that fit within our brand. Our Hazy Pale is an example of this, we brew it to be easier to drink and not too full in flavour or mouthfeel. It's a growing style, embodying the balance of flavours that the Australian Beer Drinker is seeking out with tropical and citrus flavours.

Our core range consists of three beers - Wedge Cerveza, Freshie Hazy & Crisp Lager. We have a list of seasonal favourites - Freshie XPA, Freshie Pils, Duke's Pilsner, Pacific Pils, Brookvale Black and Green Room IPA. These are popular beers that we brew semi regularly but do not want to distract from our core offering. We listen to our consumer and customer base and look at the qualitative and quantitative information to determine the brew schedule of these beers.

Finally, we have small batch and collab releases. We work these into our brew schedule, with the Taproom and Wholesale kegs being the majority of the beer brewed with a series of smaller can runs throughout the year. We have a very clear idea on the volume expectations for each of these releases, to make sure the product is Fresh and the releases are a success.

The Freshie Taproom is open seven days a week, with our bar and kitchen open from Wednesday to Sunday. Our coffee is a small part of our business but a great full service hospitality offering increasing our brand loyalty and awareness.

Our food offering has evolved in line with our patron's demand. Our burgers have become a large part of our weekly revenue, offering a clear support to both attract and sustain people into the venue.

Weekends are the primary revenue source with large numbers of footfall and patronage. We have spent the last couple of years tailoring our offering to get the right balance on COGs, staffing and entertainment to provide the best service and a strong ROI to lead the business to profitability.

2.2.4 Industry Overview / Competitor landscape

The craft beer industry has had sustained pressures over the past few years, from Covid lockdowns, to rising energy prices and the cost of living crisis. It has meant some of the larger independent breweries have struggled to keep trading. There are hundreds of independent brewers in Australia and naturally that competitive landscape has brought about challenges in the market.

On the Northern Beaches there are several breweries, with seven in Brookvale. This model has helped to grow the awareness and viability of the emerging Entertainment Precinct. The Brewers and Distillers have collaborated with the help of a NSW Govt Grant to grow the number of patrons visiting the area and considering breweries as something that they would visit. With the brewers and distillers forming a collective this offers a unique opportunity to co promote the area and get larger numbers of patrons to visit the venues.

With so many breweries located close to one another, each brewery has had to work hard to establish and communicate their unique selling point and what makes their brand and experience different. We are one of the few breweries that offer a kitchen and this normally attracts a demographic that want to eat while they drink. Functions as a result are a big part of our revenue, we love hosting and offering tailored experiences which gives the event a more premium experience. This together with the quality and premium nature of our beer gives the consumer a clear indication of who we are.

The consumer mindset has become less experimental, price and quality are the key determining factors when choosing which beer to purchase. With less expendable income they do not shop the more challenging styles, there has seen a return to classic styles and flavours. We believe this puts us into a strong position, based on our product range, local brand positioning and number of customers pouring our beer, driving trial and brand trust.

2.3 Business and revenue model

2.3 Business and Revenue Model

Overview of Freshwater Brewing Co business model - we are a local brewery with a 200 person Taproom Venue with a kitchen, coffee and bar offering. We also supply beer to 60+ wholesale customers regularly.

We brew, cold - store and distribute all the beer we sell. By controlling the supply chain we do not incur additional fees from third parties and we can maintain high standards and manage quality. The vast majority of our sales are from kegs either at the venue or to our customers. This simple model helps us to sell a premium product and manage costs to pass on a competitive priced product and grow our brand footprint.

Our Taproom has the most significant revenue stream and associated costs with staffing costs. We have a very experienced General Manager with Andy McMurray who manages costs and reporting to drive profitability.

We sell a wide variety of products which helps us to have a clear pricing structure and pass on a healthy margin which is in line with market expectations.

Our Wholesale Market is growing significantly as the brand awareness and product offering adapt to suit the market. At the start of 2024 we launched a new core range beer "Crisp Lager" to capture the most approachable style of lager after several requests from both Customers and Patrons. At the same time we converted our packaging format from a 24 can case to a 16 can cube in light of the market pressures. The result has been hugely successful with large scale growth and moving into the Endeavour Drinks Group with x 24 retail outlets and more to follow.

Revenue Split - The revenue split for our business is 80% through the Venue Taproom and 20% through Wholesale Customers.

Within our wholesale business, a large number of the customers are repeat and regular orders. Both with kegs and cases. Their audience is familiar with our brand and there is an ordering cycle depending on the time of year. For taps we have a number of existing contracts and agreements which gives us a strong forecasting ability and leverage the relationships to maintain and grow this offering. We have had a very clear priority to focus on the Northern Beaches and North Shore with 95% of all sales coming locally. We have interest from wider areas and supply regularly to Beer Cartel and Newcastle retailers but with a small team and a self distribution model, we have more customers to grow locally and want to build without incurring risk.

Splitting our revenue further when looking at wholes. 70% of our wholesale customers 70% of are keg accounts. Which gives us a unique opportunity for consumers to trial our product with fewer barriers. Furthermore that consistency we have on tap at these venues builds loyalty and brand advocacy. Moreover we naturally grow awareness and brand love as we grow as a brand. We have partnered with 15 local bars and restaurants to have a regular customer base and core sales offering.

The combination of brand trial and our tight wholesale network has meant people have been close to our product and understand our product offering. Several people in our catchment have tried our product and enjoyed our beers. This in turn leads to repeat purchase and seeking out our Taproom and events.

We have built a strong foundation with our core accounts and look to grow our footprint beyond the North Shore and Northern Beaches. While consolidating the Venue with increase revenue from a secondary bar.

The Upstairs bar will open up a new revenue stream. We have the personnel, infrastructure and processes to grow significantly.

The canning line will open up more markets with a combination of more seasonal releases and contract brewing.

2.4 Business strategy

Overview

We have identified and carved out a key position in the Sydney Craft Beer market, with an unapologetic focus on local. Our brand aesthetic, beer styles and activations target the North Shore and Northern Beaches to gain a relevant and growing piece of market share.

What's next for 2025 and beyond

We have two clear focuses for growing our business. The Taproom sales grew 34% yoy in 2024 and we believe there is still room to grow and convert to bigger revenue weeks. We have carried out a wholesale audit of our product mix and hospitality offering and see there being a further 10-15% growth with the venue downstairs.

Upstairs Bar

We have a 100 patron offering upstairs that we have started scoping and building and we see this as a significant opportunity to grow our hospitality business. The new bar would open a new revenue stream and cater to three key opportunities - open up the private events markets - a closed door, private experience. Build on the busier trading days in Brookvale and at the Taproom - provide an overflow and additional option. Thirdly, operate as a Members Bar when the bar is not allocated. Tap directly into the Members and give them the opportunity to enjoy the space exclusively.

We have other potential opportunities to open hospitality venues, which we see as part of the five year plan.

Packaging Line

The next opportunity is to purchase a canning line - which would have two immediate benefits to the business. Firstly, we could move into offering contract brewing. Having experienced contract brewing this is an area we have significant experience in. We would be able to provide an end to end service which we currently are not able to offer. Brewing the beer - managing the inventory and storage - through to canning and cold storage.

We would also be in a position to have greater flexibility with our canning operations. Rather than relying on a mobile canning facility, where we package all batches at once, we will be able to can as we go. This will lead to both a fresher product but will create a

more nimble and responsive offering if a product is performing particularly well. Having our own canning line will also be significantly cheaper and will help to reduce our costs and gain back more margin when selling to the larger retailers. We have an established well liked product but this will help take us to the wider audience with more stores that we currently service with Endeavour Drinks Group.

2.5 Our team

2.5.1 Organisational structure

We have a simple team structure with a lean approach to each department and an experienced head of department running their area of expertise.

Brett runs the Brewery with assistance from Finn who doubles up in the bar, deliveries and helping clean the lines.

Tom runs Sales with assistance from Matt with activations and festivals.

Andy runs all aspects of the venue. We have a strong support team in the kitchen, on the bar and running the cafe.

Jonny works with each head of department to drive targets and growth. While managing the brand.



2.5.2 Directors & senior managers

Marvin Slocombe	Jonathan (Jonny) Bucknall
<p>Role</p> <p>Founder, Director & Company Secretary</p>	<p>Role</p> <p>Founder, Director & Managing Director</p>
<p>Description of duties</p> <p>Marvin helped with the foundation of FBC and the build of the Taproom. He and Jonny work together on the strategic direction of the company with weekly meetings.</p>	<p>Description of duties</p> <p>Jonny runs the day to day for the brewery and the venue, overseeing the team and driving the execution of strategy.</p> <p>Jonny works with key stakeholders to build relationships and build the brand to a relevant audience.</p>
<p>Skills and experience</p> <p>Marvin is a Partner in a Big 4 consulting firm and has experience in financial management, risk management and technology. He is responsible for corporate strategy and investments.</p>	<p>Skills and experience</p> <p>Jonny has a combination of marketing and brand experience working in advertising and marketing roles for 15+ years together with brewery experience of 10+ years. He is well positioned to understand consumer demand and drive the brand forward.</p>

2.5.3 Our team / Our leadership team / Our advisors

Thomas (Tom) Bruce	Brett Phillips
Role Head of Sales	Role Head Brewer
Description of duties Tom manages all of FBC's on prem and off prem accounts. He is in charge of setting up contracts and partnerships together with implementing the sales strategy. Brett and Tom work closely together to set the pricing and new release timing and roll out.	Description of duties Brett brews all of Freshie's beer, he is 100% in control from the brewing process through to the cellaring and packaging. The supply chain systems were implemented by Brett which guarantees the best possible product at the end.
Skills and experience Tom was a seasoned brewery and hospitality expert with experience both in Australia and the UK. He has transitioned to the other side of the bar with a significant understanding of how to move kegged and packaged beer. Tom is the face of FBC's sales and festival efforts.	Skills and experience Brett has worked in the beer industry for over 10+ years with previous roles at Modus and Wayward. Before that he worked in Wine and hospitality. Brett has experience running packaging lines, brewing r&d and launching new non beer product lines. He is highly regarded in the industry and he keeps across industry trends with regular growth opportunities.

Leadership team / Team	Advisors / Consultants
Andrew (Andy) McMurray	Christopher (Chris) Thompson
Role General Manager - Hospitality	Role Investor & Advisor
Description of duties Andy is in charge of all things hospitality at Freshwater Brewing Co. He oversees the kitchen, cafe and bar both from a profitability, cogs and staffing perspective. He works with his team to provide the right level of entertainment and events for each week.	Description of duties Chris was an early investor in Freshwater Brewing Co. He was involved before the Taproom was opened. He has helped shape the financial model and built dashboards to aid with reporting.
Skills and experience Andy is an experienced hospitality lead having run the likes of the Glenmore and the Australian Heritage Hotel. He has worked at Capital Brewing as a Sales Rep and understands the market and the offering to create success.	Skills and experience Chris specialises in Contract & Commercial Resources. He has a background in property & construction with a strong Operations background. Chris has been involved in the compliance for the bar upstairs.

2.6 Capital structure

2.6.1 Issued capital (before and after the Offer)

As at the date of this Offer Document, the Company has 1,175,419 shares on issue. Consisting of 800,000 Founder shares and 375,419 Ordinary shares.

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 before the Offer

Shareholder	Share Type	Shares	Percentage
Marvin Slocombe	Founder	700,000	59.55%
Jonny Bucknall	Ordinary	200,000	17.02%
Jonny Bucknall	Founder	100,000	8.51%
Thompson Australian Investments PTY Limited	Ordinary	111,111	9.45%
Thomas Bruce	Ordinary	41,152	3.50%
Brett Phillips	Ordinary	23,156	1.97%
Total		1,175,419 (100%)	100.00% (100%)

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 (on a fully diluted basis)

Shares	Minimum Subscription	Maximum Subscription
Existing Ordinary Shares	375,419 (30.93%)	375,419 (28.41%)
Existing Founder Shares	800,000 (65.84%)	800,000 (60.48%)
Offer Shares	39,215 (3.23%)	156,862 (11.11%)
Total Shares	1,214,634 (100%)	1,332,281 (100%)

2.6.2 Rights and liabilities associated with securities

As at the date of this Offer, the classes of shares on issue are ordinary shares and Founder Shares. The Freshwater Brewing Company Board has the discretion to approve a transfer of shares to a third party.

Set out below is a summary of the rights and liabilities associated with the securities in the Company. A copy of the Company's Constitution is available on the Intermediary's platform.

Ordinary Shares

The rights and liabilities associated with the ordinary shares are set out in the Company's constitution, including:

- Right to receive notice of, and to attend, any general meeting of the company
- Right to vote at a general meeting of the Company and other voting rights as set out in this Constitution.
- Right to receive dividends on an equal basis with Founder Shares
- Right to participate in distribution of surplus assets on winding up

The shares offered under this Offer are ordinary shares. A more detailed description of the rights and liabilities associated with the ordinary shares is set out in Section 3.3 below. Rights and restrictions of Founder Shares are the same as Ordinary shares.

Shareholders Agreement

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

2.6.3 Sources of financing, including debt financing and other financing

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

Equity

To date, the Company has raised approximately \$0 from professional investors. See section 2.6.1 for more information.

Founder loans

To date, the founding shareholders (Marvin Slocombe and Jonathan Bucknall) have loaned funds of \$2.3 million in total to the Company. The founder loans will not be repaid with the funds raised under the Offer.

The key terms of these loans are set out below.

- Amount outstanding- \$2.3million
- Interest Debt at the discretion of the company.
- Repayment date - At the discretion of the Company. No funds raised through this Offer will be used to repay these Founder Loans.
- Security - The debt is secured against the founder's property

Debt funding

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

- Description - Equipment and vehicle finance
 - Principal amount borrowed - \$1.4 million
 - Committed limits where debt is undrawn - \$100,000
 - Amount outstanding - \$827,866
 - Interest - 7.20%
 - Repayment date - monthly
 - Security - Equipment finance against the listed assets.
- The amount outstanding as at 28th Feb 2025 was \$840,905.

2.7 Key risks facing the business

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

Risk	Description
Economic Sentiment	Hospitality spend has a correlation with consumer sentiment and is also seasonal. The best way to protect against this is through diversified revenue streams which is what we're seeking to build through the raise.
Competition risk	<p>Freshwater Brewing Co operates in a highly competitive market, with several known competitors and barriers to entry that could give rise to new and unknown competitors. There is a risk that existing competitors as well as new competitors, will have greater access to capital, economies of scale, resources and distribution compared to FBC.</p> <p>If Freshwater Brewing 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>
Increase in supplier costs	The supply chain to create beer and sell at the Taproom and Wholesale involves a number of suppliers. From energy to ingredients to packaging these costs impact the opportunity to pass on a margin.
Funding Risk	Freshwater Brewing Company is in the process of raising capital to fund its operations and growth. There is a risk that they may not be able to secure sufficient funding as required. In the event that Freshwater Brewing Company fails to raise the necessary capital on acceptable terms, or at all, it may have a material adverse effect on the Freshwater Brewing Company's business operations, financial condition, and prospects. This could include the need to significantly reduce operating expenses, delay or abandon strategic initiatives and expansion plans, or cease operations entirely.
Supply Chain risk	Disruption to the Freshwater Brewing Co's supply chain could affect the Freshwater Brewing Company's ability to produce inventory at commercially acceptable cost, and in a timely manner, which would have a direct impact on the Company's revenue and profitability.

2.8 Financial information

Below are the financial statements for Freshwater Brewing Company Pty Ltd. for the financial year ended 30th June 2023 and 30th June 2024. The statements have been prepared in accordance with the accounting standards. Financial information for the 8 months ended 28th Feb 2025 has also been included. The information has been prepared on a consistent basis based on management accounts, and accordingly may be subject to change.

2.8.1 Balance sheet

Freshwater Brewing Company

Account	28 Feb 2025	As at 30 June 2024	As at 30 June 2023
Assets			
Current Assets			
Cash & Cash Equivalents	(27,870)	(91,173)	(85,047)
Accounts Receivable	136,902	84,915	56,952
Inventory	47,881	68,260	78,407
Other Current Assets	191,310	30,095	30,596
Total Current Assets	348,223	92,098	80,908
Non-Current Assets	2,236,425	2,182,820	2,085,152
Total Assets	2,584,648	2,274,917	2,166,059
Liabilities			
Current Liabilities			
Taxation	73,583	(41,756)	(51,713)
Trade & Other Payables	184,494	354,489	100,864
Employee Entitlements	47,395	31,890	29,327
Freshwater Credit Card	(1,560)	1,029	0
Total Current Liabilities	303,912	345,651	78,478
Non-Current Liabilities			
Financial Liabilities			
Founders Loan	2,327,851	2,071,031	1,894,711
Equipment and Vehicle Loan	840,905	505,000	553,453
Total Financial Liabilities	3,168,756	2,576,031	2,448,164
Total Non-Current Liabilities	3,168,756	2,576,031	2,448,164
Total Liabilities	3,472,668	2,921,683	2,526,642
Net Assets	(888,020)	(646,766)	(360,583)
Equity			
Share Capital	350,100	350,100	350,100
Retained Earnings	(1,238,120)	(996,866)	(710,683)
Total Equity	(888,020)	(646,766)	(360,583)

2.8.2 Profit and loss statement

Freshwater Brewing Company

Account	For the 8 Months ended 28 February 2025	For the year ended 2024	For the year ended 2023
Income			
Revenue	1,674,199	2,268,779	1,464,989
Cost of Goods Sold	(648,725)	(949,742)	(676,886)
Total Income	1,025,474	1,319,037	788,103
Other Income			
Other Income	7,051	46,838	65,503
Total Other Income	7,051	46,838	65,503
Total Income	1,032,525	1,365,875	853,606
Expenses			
Admin & Other Expenses	129,013	245,804	316,361
Marketing	39,377	56,710	43,103
Premises Expenses	363,150	470,399	342,678
Employee Expenses	695,705	934,270	529,674
Depreciation	46,534	65,156	55,589
Total Expenses	1,273,780	1,772,339	1,287,406
Profit/(Loss) before Taxation	(241,254)	(406,464)	(433,800)
Income Tax Expense			
R & D Tax Offset	0	(120,281)	(125,286)
Total Income Tax Expense	0	(120,281)	(125,286)
Net Profit After Tax	(241,254)	(286,183)	(308,514)
Net Profit After Dividends Paid	(241,254)	(286,183)	(308,514)

2.8.3 Cash flow statement

Freshwater Brewing Company			
Account	For the 8 Months ended 28 February 2025	For the year ended 2024	For the year ended 2023
Operating Activities			
Receipts from customers	1,663,503	2,228,243	1,501,242
Payments to suppliers and employees	(1,362,215)	(1,869,412)	(1,199,931)
Finance costs	(26,264)	(71,855)	(38,647)
GST	(60,973)	(121,000)	(9,207)
Cash receipts from other operating activities	160,975	281,463	180,906
Cash payments from other operating activities	(579,329)	(594,651)	(596,381)
Net Cash Flows from Operating Activities	(204,303)	(147,212)	(162,018)
Investing Activities			
Payment for property, plant and equipment	0	(46,077)	(1,324,362)
Other cash items from investing activities	(257,761)	(84,997)	(87,091)
Net Cash Flows from Investing Activities	(257,761)	(131,074)	(1,411,454)
Financing Activities			
Proceeds from borrowings	360,409	191,320	1,316,153
Repayment of borrowings	(176,029)	(113,659)	(85,885)
Issue of Shares	0	0	350,000
Other cash items from financing activities	340,986	194,500	(95,312)
Net Cash Flows from Financing Activities	525,367	272,161	1,484,956
Net Cash Flows	63,303	(6,125)	(88,516)
Cash and Cash Equivalents			
Cash and cash equivalents at beginning of period	(91,173)	(85,047)	3,469
Net change in cash for period	63,303	(6,125)	(88,516)
Cash and cash equivalents at end of period	(27,870)	(91,173)	(85,047)

2.8.4 Statement of changes in equity

Freshwater Brewing Company

Account	Issued Capital	Retained Profits	Total Equity
Opening 1 July 2022	100	(402,169)	(402,069)
Profit (Loss) after Tax		(308,514)	(308,514)
Increase (Decrease) in Equity	350,000		350,000
Closing 20 June 2023	350,100	(710,683)	(360,583)
Opening 1 July 2023	350,100	(710,683)	(360,583)
Profit (Loss) after Tax		(286,183)	(286,183)
Increase (Decrease) in Equity	0		0
Closing 20 June 2024	350,100	(996,866)	(646,766)
Opening 1 July 2024	350,100	(996,866)	(646,766)
Profit (Loss) after Tax		(241,254)	(241,254)
Increase (Decrease) in Equity	0		0
Closing 28 February 2025	350,100	(1,238,120)	(888,020)

2.8.5 Management comments on historical performance and outlook

Despite 2024 being a challenging year with the uncertainty around interest rates and the cost of living crisis. Both our wholesale and venue had significant growth YOY.

From a wholesale perspective, by changing packaging formats and decreasing the average case price we increased the velocity of sale. Together with the introduction of our Crisp Lager, this provided a gateway lager for less craft orientated lagers to purchase, from both a flavour and price point perspective. This led to a bigger uptake of retailers in the area, most notably the Endeavour Drinks Group. We supply 24 local Dan Murphy's and BWS. We have also seen strong results from the local IGA Liquor stores. Packaged beer increased 61% 2023 vs 2024

Our Wholesale Keg accounts grew significantly with the relationship with SAGA Group in Manly. Across four venues plus a pop-up space we have 7 new taps pouring a variety of our best-selling kegged beer plus canned products in their fridges. It has seen our visibility in one of the Northern Beaches most thriving entertainment precincts and our brand awareness convert through. This on top of the foundation we had set with key accounts, saw Kegged Beer sales increase 65%

Our Venue grew 35% during 2024 with a mix of beverage products contributing including cocktails and ginger beer and our food sales grew with consistency to appeal to a wider demographic and increase time in venue. We increased our average spend per customer while retaining a strong margin across our product line up. With the unpredictability of consumer confidence we were able to focus our communications around an "everyday special" positioning which saw a large increase in the number of people booking for special occasions and events. The consistency of both the food and beverage offering meant that we could see more patterns within the weekly revenue and forecast our staffing and COGs to lead to less spend or waste. Which has given us a clear direction moving into 2025.

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

Section 3: Information about the Offer

3.1 Terms of the Offer

The Company is offering up to 156,862 shares at an issue price of \$5.10 per share to raise up to \$800,000. The key terms and conditions of the Offer are set out below.

Term	Details
Shares	Fully-paid ordinary shares
Price	\$5.10 per share
Minimum Subscription	\$200,000
Maximum Subscription	\$800,000
Opening date	9th April 2025
Closing date	1st May 2025

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.

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

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

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

3.2 Use of funds

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

Intended use	Minimum Subscription	Maximum Subscription
Bar Upstairs (and associated marketing)	\$185,000	\$300,000
Canning Line		\$340,000
De Paletiser (for canning line)		\$100,000
Offer costs	\$15,000	\$60,000
Total	\$200,000	\$800,000

The Offer costs include the Intermediary's fees under the hosting agreement between the Company and the Intermediary. These fees are up to 7.5% of all funds raised by the Company through Birchall Financial Services Pty Ltd (Intermediary). The Offer costs are exclusive of GST.

Other than as specified above, no other payments from the funds raised will be paid (directly or indirectly) to related parties, controlling shareholders, or any other persons involved in promoting or marketing the Offer.

We expect that the Maximum Subscription amount will be sufficient to meet the Company's short-term objectives over the next 12-18 months.

If this CSF Offer is unsuccessful, or if only the Minimum Subscription amount is raised, the Company will require further funding to be able to carry out our intended activities over the next 12–18 months. In such circumstances, the Company may consider alternative sources of funding, such as undertaking a further CSF offer under the CSF regime or other debt or equity funding. Until additional funding is obtained, we will scale back to focus on the bar upstairs and continue to focus our cash resources on the hospitality component of our business.

3.3 Rights associated with the shares

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 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. Holders of fully-paid ordinary voting shares rank ahead other classes of shares (if any).

3.3.6 Restrictions on sale and transfer

Drag along and tag along rights

The Constitution contains drag and tag-along rights, as follows:

- Drag rights - If Shareholders who together hold 75% of the shares on issue propose to sell all of their shares to a third party, they can 'drag' the remaining 25% to sell their shares on the same terms. The pre-emptive rights process does not need to be undertaken in order for the drag along to be triggered.
- Tag rights - If Shareholders who together hold 50% or more of the shares on issue propose to sell their shares to a third party under one transaction (or series of transactions) the remaining 50% may also 'tag'-along and sell their shares on the same terms.

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

Exit provisions

The Board may propose an Exit Event including an IPO, share sale, asset sale or another transaction which results in a change of control, or which the Board determines is an Exit Event. A Substantial Shareholder Majority must approve the Exit Proposal. If an Exit Proposal is approved by a Substantial Shareholder Majority, all Shareholders (and Directors) must exercise all rights and do all things to enable the Exit Event to occur.

Pre-emptive rights on transfer:

If a Substantial Shareholder provides a notice to transfer its shares (other than as a permitted disposal), the Company must first offer each other Substantial Shareholder the right to purchase those shares. The Board may vary this procedure, provided that each Substantial Shareholder has an opportunity to acquire their pro rata entitlement to the Sale Shares and there is no material adverse impact on a Substantial Shareholder. The Constitution also includes carve outs for CSF offers and capital raises up to 10% of the capital of the Company.

Escrow arrangements in an IPO:

If an Exit Proposal is approved under the Constitution and that Exit Proposal involves an IPO, each shareholder agrees to enter into any required escrow arrangements as may be required by law, the rules of the relevant stock exchange, or as may be recommended by the relevant financial adviser to enable the success of the IPO.

3.3.7 Pre-emptive rights / anti-dilution on issue of shares

If the Board resolves to issue new Equity Securities (which includes shares, options, warrants, convertible notes or any other instrument convertible into shares), it must first offer the new Equity Securities to each Substantial Shareholder (as defined in the Constitution) unless one of the following exceptions apply:

- The Board resolves to make a CSF offer
- The issue of Equity Securities is a public offer of securities
- The Board resolves to issue up to 10% in aggregate of the issued share capital of the Company, provided such issuances are not exercised more than once in any 12 month period
- The Substantial Shareholders waive (by Substantial Shareholder Majority) the pre-emptive rights provisions related to the issuance of new Equity Securities
- The Equity Securities are issued as part of an approved ESOP
- The Equity Securities are issued as part of an Exit Event approved in accordance with the Constitution
- The Equity Securities are issued as part of an arm's length commercial agreement, provided that such issuances in any 12 month period are in aggregate not more than 10% of the issued share capital of the Company;
- The Equity Securities are issued as part of the consideration for an acquisition of an interest in any business, entity or company approved by the Board by Special Resolution Vote.

3.3.8 Amendments to the Constitution

To vary the Constitution or adopt a new constitution, the Company must pass a special resolution at a general meeting. At least 75% of the voting members of the Company must vote in favour of the resolution for it to pass.

3.4 What can I do with my shares?

Shares in the Company are considered illiquid as they cannot easily be transferred or sold.

However, there are numerous possible circumstances that may create an opportunity for shareholders to exit their investment in the Company. These include:

- A trade purchase of the Company
- A listing on a registered stock exchange (eg the ASX)
- A private equity investment in the Company
- A share buy-back by the Company

There is no guarantee that any of the exit options will eventuate.

Section 4: Information about investor rights

4.1 Cooling-off rights

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

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

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

4.2 Communication facility for the Offer

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

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

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

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

4.3 Proprietary company corporate governance obligations

4.3.1 Annual report

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

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

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

4.3.2 Distribution of annual report

The Company is not required to notify shareholders in writing of the options to receive or access the annual report. Shareholders will not be able to elect to receive a copy of the annual report by way of email or post. However, shareholders can access the annual report www.freshwaterbrewing.com.au (free of charge) or can purchase the report from ASIC.

4.3.3 Related party transactions

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

4.3.4 Takeovers

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

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

4.4 Company updates

The Company will provide regular updates to investors on the Company's website at the following address www.freshwaterbrewing.com.au

Glossary

Company means FRESHWATER BREWING COMPANY PTY LTD} ACN 649677869

Cooling-off Period means the period ending five business days after an application is made under this Offer, during which a retail investor has a right to withdraw their application and be repaid their application money

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

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

Maximum Subscription means the amount specified in 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