



**Fast.  
Convenient.  
Sugar-free.**

# Crowd-sourced funding offer document

Dated: 15th February 2018.

**Offer of fully-paid ordinary shares in Revvies Energy Strips Ltd, trading as Revvies at \$1.00 per share to raise a maximum of \$450,000. Minimum individual retail investment is \$250 and maximum is \$10,000.**

This crowd-sourced funding (CSF) offer relates to the Offer of fully-paid ordinary shares in Revvies Energy Strips Limited, ACN 600 703 848.

The Offer is made under the CSF regime in Part 6D.3A of the Corporations Act 2001 (Cth).

**Issuer:** Revvies Energy Strips Ltd (ACN 600 703 848)

**Intermediary:** On-Market Bookbuilds Pty Ltd (ACN 600 703 848, AFSL 421 535)

**“Fantastic product. After the first one I fell in love. Revvies are a game changer”**

Peter Goodall, Facebook 5-Star Review.



**“Number one caffeine source for all career girls”**

Career Girl Inspo, Instagram Post.

**“These are great! I work full-time night shift and need the get-up and go for training! Love it! ”**

Bec Church, Facebook 5-Star Review.



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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

### A note from the Founders, Jacqui and John Nolan-Neylan

*Dear Investor,*

*We are excited to be one of the first Australian companies to use crowd sourced equity funding to fuel our company's growth and to be able to share the opportunity to participate in our innovative business – Revvies Energy Strips Ltd.*

*As busy professionals, parents and occasional runners, we know that a little hit of caffeine can really help when you've just got to get things done. But perhaps like you, we don't always have time to queue, wait or make and sit down for a coffee. And we don't like the sugar and additives associated with energy drinks, so we developed the Revvies fast dissolving mouth strip, a faster, sugar-free caffeine source that fits in your pocket.*

*We believe that our product has the potential be a global disruptor, impacting the multi-billion dollar global energy drink and the sports nutrition markets. Revvies already supplies 6 national sports team, 20 professional clubs and Olympic athletes from Australia, New Zealand and the UK.*

*Revvies are stocked in more than 475 stores across Australia, including Australia's largest pharmacy group, Chemist Warehouse and we've just commenced exporting to Singapore and Malaysia. And most importantly, we have built a network of relationships and partnerships that will help us accelerate our growth in 2018 and beyond.*

*With many domestic and export opportunities in front of us, we need your help to raise the additional funds we need to ensure that we can turn these opportunities into commercial realities. We will do this by applying the funds raised to: increase our marketing spend to raise our profile, drive sales and expand distribution; further refine our product to deepen and broaden its appeal; conduct research to independently prove Revvies effectiveness; and provide salaries to ensure we have the human resources needed to manage and accelerate growth.*

*This Offer Document contains detailed information about the Offer and Revvies Energy Strips Ltd (Revvies). Please read the information carefully, in particular consider the risks facing the business that are detailed in section 2.14, before making your investment decision. Together with our fellow Director, David Berry, we look forward to welcoming you as a Shareholder and your participation in our journey and prosperity.*



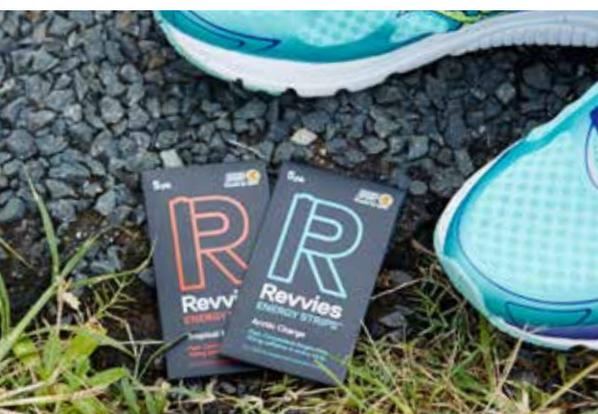
Jacqui and John Nolan-Neylan  
Founders

## 2.1 Company details

This Offer of shares is made by Revvies Energy Strips Ltd, Australia ACN 600 703 848, trading as Revvies ('the Company', 'the Business' or 'Revvies (AUS)').

The Company was incorporated on 24 December 2014 in New South Wales and converted to a public unlisted company limited by shares on 19 January 2018.

<b>Company name</b>	Revvies Energy Strips Ltd	
<b>ACN</b>	600 703 848	
<b>Offer type</b>	Crowd-sourced equity funding	
<b>Offer date</b>	15 February 2018	
<b>Offer details</b>	Fully-paid ordinary shares in Revvies at \$1.00 per share to raise a maximum of \$450,000	
<b>Registered office</b>	Unit 5, 153 Denman Avenue, Caringbah NSW 2229	
<b>Principal place of business</b>	88 Acacia Rd, Kirrawee NSW 2232 Australia	
<b>Related Companies</b>	United Kingdom Revvies Energy Strips (UK) Ltd BCS Windsor House Station Court, Station Road Great Shelford, Cambridge, CB22 5NE Company No. 9367399	New Zealand Revvies Energy Strips (NZ) Ltd 28c Hugo Johnston Drive Penrose, Auckland 1061 Company No. 4306838
<b>Founders</b>	John Nolan-Neylan, Jacqui Nolan-Neylan, and Keith Muller	
<b>Intermediary</b>	On-Market Bookbuilds Pty Ltd ABN 31 140 632 024, AFSL 421 535 trading as OnMarket, ('OnMarket' or 'the intermediary').	



## 2.2 Description of the Business

Revvies Energy Strips are an innovative, fast dissolving mouth strip that delivers 40 mg of caffeine in seconds. It has been developed with the aim of disrupting the multi-billion dollar energy drink and sports nutrition markets. To facilitate this a group of three companies have been established as described in Section 2.12.

This Offer of shares is made by Revvies Energy Strips Ltd, Australia ACN 600 703 848, owner of the Revvies trademarks and responsible for developing and managing the Australian, Asian and American markets.



*Jacqui and John Nolan-Neylan, co-founders*

### 2.2.1 Who we are

Revvies Energy Strips are the brain child of husband and wife team, Jacqui and John Nolan-Neylan. They developed Revvies as they wanted a faster acting caffeine boost without sugar, but nothing on the market met their need.

Revvies' unique format provides athletes, students and busy people with the ability to have a faster, sugar-free, safe and consistent caffeine boost anywhere, anytime, as the Revvies 5-pack fits in any pocket, purse or gym bag and can be taken without water.

Caffeine is perhaps one of the most researched and widely used sports performance ingredients with

strong evidence showing caffeine masks fatigue, increases alertness, assists in the conversion of fat to energy and assists blood flow<sup>1</sup>.

Revvies are contract manufactured in the UK under Good Manufacturing Practices (GMP) conditions and accredited through the Informed-Sport quality assurance program. This accreditation requires that every batch is tested for World Anti-Doping Agency (WADA) banned substances before going on sale, providing elite athletes with peace of mind and general consumers with confidence in the safety and quality of the product.

Revvies have not been designed to replace coffee, caffeinated drinks or sports gels, but to substitute for them in certain situations, where the product has an edge. For example, modern life doesn't always afford us the time to queue, wait, make, and drink a coffee.

Revvies allows consumers the chance to reach into their pocket, take out a strip and feel the caffeine boost they need almost instantly.

For athletes and recreational sportspeople, Revvies allows them to take caffeine immediately before and during exercise without having to take additional calories or liquid.

Because they are so easy to carry, they can be taken on any ride or run and consumed when needed. These Unique Selling Points (USPs) have already attracted the use of international and professional sports teams across a variety of sporting codes, including AFL, soccer, netball, rugby league, rugby, golf and cricket.

**AS CAFFEINE CAN ACT DIRECTLY TO INCREASE ALERTNESS, ENHANCE MOOD AND REDUCE PERCEPTION OF EFFORT AND FEELINGS OF FATIGUE MEANING YOU CAN PUSH HARDER FOR LONGER.<sup>1</sup>**

<sup>1</sup> See Appendix B for supporting studies.

Revvies are already stocked in over 475 stores across Australia including Australia's largest pharmacy group, Chemist Warehouse. Revvies (AUS) have commenced export trials in Singapore and Malaysia, if successful these will lead to negotiations on formal distribution agreements. Revvies (AUS) are also in early stage discussions with distributors in China and Japan.

### 2.2.2 Background

In January 2012, the founders established a partnership in Australia to investigate the commercial viability of a functional mouth strip product.

Following the development of the strip, the partnership conducted market research in Sydney. The results from the market research were very encouraging with 54% of respondents answered "YES" there would be times when they would purchase the product instead of their favourite energy drink. And 70% stating that they were "likely to" or "would certainly" purchase the product if it became available.

The founders then converted the partnership to an Australian proprietary limited company in July 2014 and created a New Zealand limited company on the 8th March 2013 to facilitate a sales and marketing pilot campaign in Sydney and Auckland.

Upon successfully concluding a trademark dispute with Red Bull in late 2014 and following the agreed re-branding to Revvies Energy Strips, the founders created the UK company Revvies Energy Strips (UK) Ltd to facilitate access to the UK and European markets. Following the successful conclusion of a fundraising round for the UK company in April 2015, the Australian and New Zealand companies became 100% owned subsidiaries of the UK entity.

Since then the founders have focused their energies on refining the sales and marketing approach and to prove demand, focusing on the Australian market. Now having sold more than 100,000 packs, generated revenue over \$200,000 and built an enviable following amongst professional sporting teams, the Company is looking for funds to accelerate growth.



*NSW Waratahs pre season training 2018*

## So who is using Revvies?

### Athlete Ambassadors

- Eloise Wellings, Dual Olympian (AUS)
- Jessica Trengove, Dual Olympian (AUS)
- Charlotte Purdue, No. 1 ranked GB Marathoner
- Daniel Gale, Pro Golfer (AUS)

### Team Sponsorship

- NSW Waratahs, Super Rugby (AUS)
- Wellington Phoenix, A-League (NZ)

### Teams using Revvies

- Australian Cricket Teams
- All Blacks, Rugby 7s
- All Whites, New Zealand Soccer
- Brisbane Lions, AFL
- St Kilda, AFL
- Gold Coast Suns, AFL
- Parramatta Eels, NRL
- Penrith Panthers, NRL
- South Sydney Rabbitohs, NRL
- Auckland Chiefs, Super Rugby
- Newcastle Jets, A-League
- Middlesbrough FC, English Championship
- Sunshine Coast Lightning, Super Netball
- Adelaide Thunderbirds, Super Netball
- Melbourne Stars, Big Bash
- Bushrangers (VIC), Sheffield Shield Cricket

Revvies (NZ) is also a preferred supplier to High Performance Sport New Zealand, whilst Revvies (AUS) supply select athletes through the Australian Institute of Sport and the Queensland Academy of Sport.

## 2.3 Product

Revvies Energy Strips are available in two flavours: Arctic Charge (peppermint and menthol - Blue) and Tropical Hit (fruit punch - Red).

They are presented in a branded wallet containing 5 strips. Each strip is individually wrapped to protect it from moisture. Each Revvies Energy Strip contains 40 mg caffeine, the same amount as half a cup of coffee or half a can of an energy drink. Revvies are also gluten free and suitable for vegans.

The product has received great feedback from elite athletes and top sports dietitians, such as Ryan Pinto, sports dietitian to the NSW Waratahs, who says "Revvies deliver a faster, safe and consistent caffeine boost to our players. Revvies allows me to give them the boost they need, when they need it."

Revvies are accredited through the Informed-Sport quality assurance program meaning every batch is independently tested for WADA banned substances before going on sale. The Informed-Sport logo appears on the front of each pack to confirm the product's purity and quality.



### 2.3.1 Unique Selling Points

Revvies Energy Strips differentiate from traditional caffeine sources in five key ways:

1. Faster - Users report feeling the boost in seconds and they are also much faster to consume than established caffeine sources such as energy drinks, gels, shots and coffee.
2. More convenient - Revvies are more convenient to carry due to their small size and weight.
3. Sugar-free - Revvies are sugar-free and less than one calorie.
4. Great value - With an RRP of \$4.50 for five strips, a serve costs just \$0.90.
5. Better for Sports - Revvies are ideal for consumption immediately before or during exercise because they contain no liquid and little mass, so they won't slosh around or cause a stitch.

Revvies are also gluten free, suitable for vegans and can be taken without water.



Revvies (AUS) has supplied the Parramatta Eels since 2016

## 2.4 Price

Revvies recommended retail price in Australia is AU\$4.50, with the product selling at the everyday low price of \$3.99 in Chemist Warehouse.

Price has been determined through a blend of cost-plus, market-orientated, price discrimination and physiological pricing strategies.

The price point is designed to distinguish the product from gum and other confectioneries, which might be sold in similar locations as Revvies Energy Strips.

This helps to reinforce that the product is a functional product not a traditional confectionery item, whilst also reflecting its premium position. As has been previously mentioned the price also positions the product as cheaper per serve than leading energy drinks, with one strip costing AU\$0.90 at RRP. The product's price sits below the \$5 physiological barrier, increasing the chance of product trial.



*Eloise Wellings winning the GC Marathon 2017*

## 2.5 Promotion

A combination of a push/pull strategy will be used with an approximate 20% - 80% promotional budgetary split between these two strategies. As an innovative food product, effective sampling is essential. We have seen energy drink companies develop highly successful businesses by initially focusing much of their resources on product sampling at the right places, at the right times and to the right people.



*Revvies in-store sampling*

In these cases the quality of the product and its ability to deliver on its brand promise has led to adoption and long-term sustainable growth.

Revvies Energy Strips tick the same boxes and our initial results from trials at events, show the Brand can expect to achieve strong sales and positive word of mouth by using sampling and PR to build usage and brand buzz.

Sampling at sporting events will be prioritised, whilst sampling will also take place at universities and TAFE campuses and through retailer sampling programs. Social Media will be used to promote these events, to engage brand experiencers and to convert them to brand champions.

Revvies will work with Spark:Foundry to develop an integrated marketing campaign that fully utilises the appropriate elements of the promotional mix. The focus for 2018 will be awareness, advocacy and trial. Each element of the campaign will be executed in a manner that further infuses the product with Revvies' brand personality.

Media channels used in this phase of promotion will primarily revolve around activation events, digital media and PR coverage, supported by outdoor advertising, national print and magazine advertising with broadcast media trialled ahead of more extensive use in 2019.

## 2.6 Place/Distribution

Where and how a consumer first discovers a brand can have a significant impact on how the consumer positions the product in their mind i.e. premium or budget; performance or food. It is therefore important that Revvies carefully manages this positioning.

Revvies has become a founder and market leader of the functional energy strips category in Australia, New Zealand and UK. Already positioning itself as a premium sports nutritional product. This positioning has been selected as it is likely to provide the best defensible position and margin.

Significant brand equity is also obtained by being a category founder, therefore it is important that the Brand quickly obtains a similar position in key international markets such as China, Japan, USA, South Korea and Brazil.

### 2.6.1 Distribution

The key sales channels for the product in the first two years will be sports nutrition retailers including pharmacies and specialty sports stores, gyms, impulse/convenience stores including college and university stores and petrol stations.

At gyms and sports specialty stores Revvies USPs will be underscored by specific point of sale (POS) marketing materials, including messages from athletes such as Eloise Wellings and teams such as the NSW Waratahs.

Grocery stores and supermarkets will become important once the product has been established. Early launch into the grocery channel could detrimentally effect positioning and pricing of the product. It is anticipated that distribution in this channel will commence in year three. In Australia, these channels consist of more than 25,000 stores.

### 2.6.2 Product location

At all locations, counter position will be sort because of the impulse nature of the purchase and to maximise consumer awareness. Display units have been designed to include promotional messages that assist evaluation, create interest and

trigger trial. The slimline design of the counter unit, along with trade promotions and competitions will assist in gaining these high demand locations.

Placement of Revvies into sports nutritional locations first helps to facilitate price comparisons with energy gels which are normally more than 2 times the price per serve, providing a strong price advantage to Revvies.

### 2.6.6 International Markets

Revvies (AUS) will seek to appoint national distributors in its allocated export markets of Asia and north, central and south America. Rather than establishing businesses/business units to support each territory, this approach allows faster expansion, enabling the Revvies brand to take first mover advantage in the maximum number of markets, because of the reduced labour and capital demands compared to direct entry. The approach also allows the Brand to benefit from existing relationships, local market understanding and cultural insights brought to the table by national distributors.



Advertising promoting Revvies to Chinese runners attending the GC Marathon 2017

## 2.7 Achievements to Date

### 2012 – 2014

Australian Partnership formed to explore developing fast dissolving caffeine strip.

- Market research results were encouraging with 54% of respondents answered "YES" there would be times when they would purchase Revvies instead of their favourite energy drink. 70% stated that they were "likely to" or "would certainly" purchase the product if it became available.
- Revvies conducted a pilot sales and marketing program in Auckland and Sydney under another brand name.
- After just three months the partnership received a letter from Red Bull claiming trademark infringement. After extended correspondence and significant costs without resolution, Revvies made the commercial decision to re-brand to Revvies. This led to a settlement agreement being signed in November 2014, allowing the project to move forward under the Revvies Energy Strips brand name.

### 2015

#### APRIL

Revvies UK successfully raised \$350,000 to allow the project to prove market appeal.

#### NOVEMBER

Agreed a sponsorship deal with Australian dual Olympian Eloise Wellings.



Men's Fitness article featuring Revvies

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Marketing research conducted in 2012/13

### 2014

#### NOVEMBER

Revvies becomes only the second Australian company to be accredited by the Informed-Sport quality assurance program.

### 2016

#### MARCH

Signed product sponsorship agreement with Parramatta Eels NRL side.

#### SEPTEMBER

Revvies go on sale in Chemist Warehouse, Australia's largest pharmacy chain.

#### OCTOBER

Revvies named in Men's Fitness magazine as one of 22 ways to be a better runner.

#### NOVEMBER

Successful trials with Leeds United FC and Melbourne Stars.

#### DECEMBER

Cricket Australia confirmed trial successful and place first order. Successful trial with Olympic marathoner, Jessica Trengove.

## 2.7 Achievements to Date

### 2017

#### JANUARY

Revvies asked to supply all athletes at the NITRO Athletics event headlined by Usain Bolt. Revvies added to the nutritional programs of South Sydney Rabbitohs (NRL) and Gold Coast Suns (AFL).

#### FEBRUARY

Appointed UK No. 1 ranked marathoner, Charlotte Purdue as Revvies Ambassador.

#### MARCH

Major Japanese distributor expressed interest in distributing Revvies, but wanted to wait for WADA 2018 prohibited list to be published before proceeding with further discussions.

#### APRIL

Revvies invited to present at the Sports Performance Innovation Forum, Auckland.

#### JULY

Agreed listings with Running Science, Pace Athletic and majority of The Running Company franchisees.

#### AUGUST

Revvies agree trial with Golf NSW to be undertaken in November-December 2017.

#### SEPTEMBER

Revvies appointed as Preferred Supplier to High Performance Sport New Zealand until the end of Tokyo 2020. Revvies commences discussions with Chinese distributor active in the endurance sports market and reconnected with potential Japanese distributor following publishing of WADA 2018 prohibited substances list.

#### NOVEMBER

Meeting with Australia's largest sports retailer to discuss listing in 2018. Successfully completed trial with All Black Sevens, with first order placed. Contacted by both the Tongan and New Zealand rugby league teams seeking locations to purchase Revvies during the world cup.

#### DECEMBER

Revvies becomes official supplier to both the NSW Waratahs (Super Rugby) and Wellington Phoenix (A-League). First export order to Red Dot Running Company Singapore.



### 2018

#### JANUARY

Gained national TV and print coverage. Completed our first export order for Malaysia.



Various images of Eloise Wellings promoting Revvies at NITRO 2017

## 2.8 Business goals

Revvies has set itself a number of goals and milestones that it aims to achieve over the short, medium and long term. Although the Company believes that they are reasonable, there is the risk that they may not be achieved.

### 2.8.1 Short Term (0-6 Months)

- Complete crowdsourced fundraiser.
- Gain listing in one new Australian chain >100 stores operating in either the sports or impulse channel.
- Establish Revvies as the go-to-caffeine source for runners, triathletes and other endurance athletes.
- Double rates of sale in key retailers including Chemist Warehouse.
- Design and produce easier opening laminate pack.
- Commence development of a stronger strip.
- Commission independent studies into Revvies performance benefits.

### 2.8.2 Medium Term (6-24 Months)

- Establish Revvies as the go-to caffeine source for those participating in any physical activity.
- Gain listings in 3-4 major Australian chains in the sports, convenience and petrol channel operating >2,000 stores.
- Begin exporting to 2 major Asian markets.
- Aim to move the company into profitability, based on the Company's current forecasts.
- Re-negotiate COGS with suppliers based on increased volumes to improve gross margin.
- Increase marketing activity both above and below the line to drive broader and deeper into target market segments.
- Release of a higher strength strip.
- Promote the findings of independent research into Revvies performance benefits.

### 2.8.3 Long Term (2-5 Years)

- Establish Revvies as the go-to caffeine source for busy people.
- Push Revvies into grocery channel, whilst further deepening and broadening sports, convenience and petrol channels.
- Capitalise on Revvies' increased brand profile and distribution through appropriate line extensions.
- Ensure product research and development provides Revvies with new, defensible IP.
- Successfully complete exit via trade sale or IPO.



*Revvies Ambassador, Lauren Reid, winning the Sydney Half Marathon, 2017*

## 2.9 IP and Brand

### 2.9.1 Strong brand protection

Revvies has invested in developing eye-catching, high quality brand elements and packaging utilising the talents of one of Australia’s leading digital agencies, Canvas Group. Revvies seeks to protect such assets through trademarking the key brand elements commencing with the Brand name. To date Revvies has obtained trademark protection for the “Revvies” name in Australia, New Zealand, EU, Russia and China.

### 2.9.2 Product development

Revvies will invest in product development to create an easier opening laminate, a stronger version and new flavour profiles. These three product enhancements will further increase the product’s appeal to mainstream energy drink and coffee consumers, assisting Revvies to achieve its long-term sales target of 2.5% of energy drink sales in a territory, whilst also creating opportunities for Revvies to create patentable IP.



A Preferred Supplier of Specifically Approved Nutrition Supplements to High Performance Sport New Zealand

*Revvies (NZ) a preferred caffeine source of HPSNZ*

### 2.9.3 Focus on brand equity

Whilst Revvies will seek to accrue the intellectual property associated with all product developments, the Company sees its sustainable competitive advantage primarily being achieved through the development of brand equity, not barriers associated with formulations or manufacturing technology.

### 2.9.4 Independent Research

Revvies has already created an enviable list of professional sports clubs as clients. To further extend this list and the product’s reputation as a highly effective way to improve performance, the Company will commission independent research on the impact of taking Revvies on elite athletes. Australian and New Zealand academics and national high-performance centres for sporting excellence in both countries have expressed their interested in being involved and part funding such research. The profile of the individuals and organisations involved would add significant weight to any findings. Such studies would create a credibility barrier for any future “me too” brands.

### 2.9.5 Red Bull dispute and settlement

In October 2013, three months from commencing Revvies’ sales and marketing trial in Sydney and Auckland, under another brand name, the Company received a letter from Davies Collison Cave acting on behalf of Red Bull Australia Pty Ltd, outlining their concerns of possible trademark infringement. Over the following 12 months negotiations took place that ultimately resulted in a settlement agreement being signed in November 2014. The terms of the agreement included the re-branding of the product, including the renaming of the product to Revvies Energy Strips. The settlement agreement accepts Revvies current product packing, including laminate packs, product packs and counter displays do not infringe on any of Red Bull’s trademarks or brand IP.

**PLAN AND MANAGE  
YOUR NUTRITIONAL  
STRATEGY WITH  
PRECISION. REVVIES  
ENERGY STRIPS MEAN  
YOU CAN SEPARATE  
YOUR CAFFEINE BOOST  
FROM YOUR FUEL AND  
FLUID INTAKE.**

## 2.9.6 Registrations, Licenses and Trademarks

**Domain names** revviesenergy.com, revviesenergy.com.au, revviesenergy.co.uk, revviesenergy.ie, revviesenergy.co.nz, revviesenergy.cl, revviesenergy.cn, revviesenergy.com.ua

**Licenses and permits** Revvies Energy Strips are manufactured in the UK under European food standards.

All ingredients are approved by the EU and comply with the Australian and New Zealand Food Standard. Revvies are classified as a supplemented food by the New Zealand Department of Primary Industries, importing into Australia under the Trans-Tasman Mutual Recognition Act 1997.

Revvies products are also certified through the Informed-Sport program, a quality assurance program designed to help athletes minimise their risk of accidental consumption of WADA ban substances.

**Trademarks** Revvies Australia holds the trademark registrations covering Australia, New Zealand, EU, Russia and China. Additional registrations will be lodged by the Australian company based on securing distribution in additional international markets.

## 2.9.7 Classification and Accreditation

Revvies Energy Strips were initially launched in New Zealand due to low product compliance costs. The product is classified as a Supplemented Food in New Zealand and complies with ANZ food regulations. As previously mentioned due to the Trans-Tasman Mutual Recognition Act 1997 products in this category can be sold in Australia without the need for additional registration, although care is taken not to make direct therapeutic or efficacy claims about the product.

To increase appeal to the sports segment and to position Revvies as a premium sports nutrition product, the Brand has gained accreditation through the Informed-Sport quality assurance program. This is the gold standard in supplement quality control as it requires that every batch is tested for over 146 substances on the WADA and other prohibited substances lists, in the LGC Sport Science laboratory, Cambridge, UK, before being released for sale or made available to an athlete or team.

**REVVIES ENERGY STRIPS ARE  
ABSORBED QUICKLY IN THE  
MOUTH, WITH USERS FEELING THE  
BOOST ALMOST INSTANTLY.**

## 2.10 Industry overview

Since Red Bull effectively created the functional energy drinks category, others have also sort to meet consumer demand with different energy boosting products. These have included the creation of different delivery systems such as mints, gums, bars, gels, sprays and shots, as well as other drinks. Perhaps one of the most successful has been 5-Hour Energy shots that have US sales in excess of US\$1billion pa.

According to Euromonitor International, global energy drink sales were worth more than AU\$69.2 billion in 2017.



*Competative products: Energy drinks, gels and gum*

### 2.10.1 Background

Dissolvable mouth strips were launched in the US and Australia as far back as 2008, but the level of caffeine in these strips was too low to be efficacious (normally below 15 mg), as a result the products were ineffective in providing the promised energy boost.

These products also tasted extremely bitter and were presented in a cassette type container that meant in humid climates such as Australia, they would very quickly stick together in a block. The marketing support for these products was also limited.

New manufacturing technologies have allowed Revvies, in conjunction with its manufacturer, to develop a more powerful strip with less aftertaste. Each strip is individually wrapped in a laminate foil and presented in a branded, pocket-size five pack.

Revvies seeks to disrupt the huge energy drinks market in a similar way to energy shots back in the early 2000s. 5-hour Energy for example pioneered the shot format and still holds a greater than 90% market share against 250+ “me too” brands in the US, attracting 1-in-10 energy drink/shot users to its product.

Following market research undertaken Revvies (AUS), the Company is aware of only one other energy strip brand with efficacious levels of caffeine, Elite Ops Energy who are based in the US. Its distribution appears limited and due to some ingredients in their formulation, in Revvies opinion, would make them less appealing to elite sports men and women.

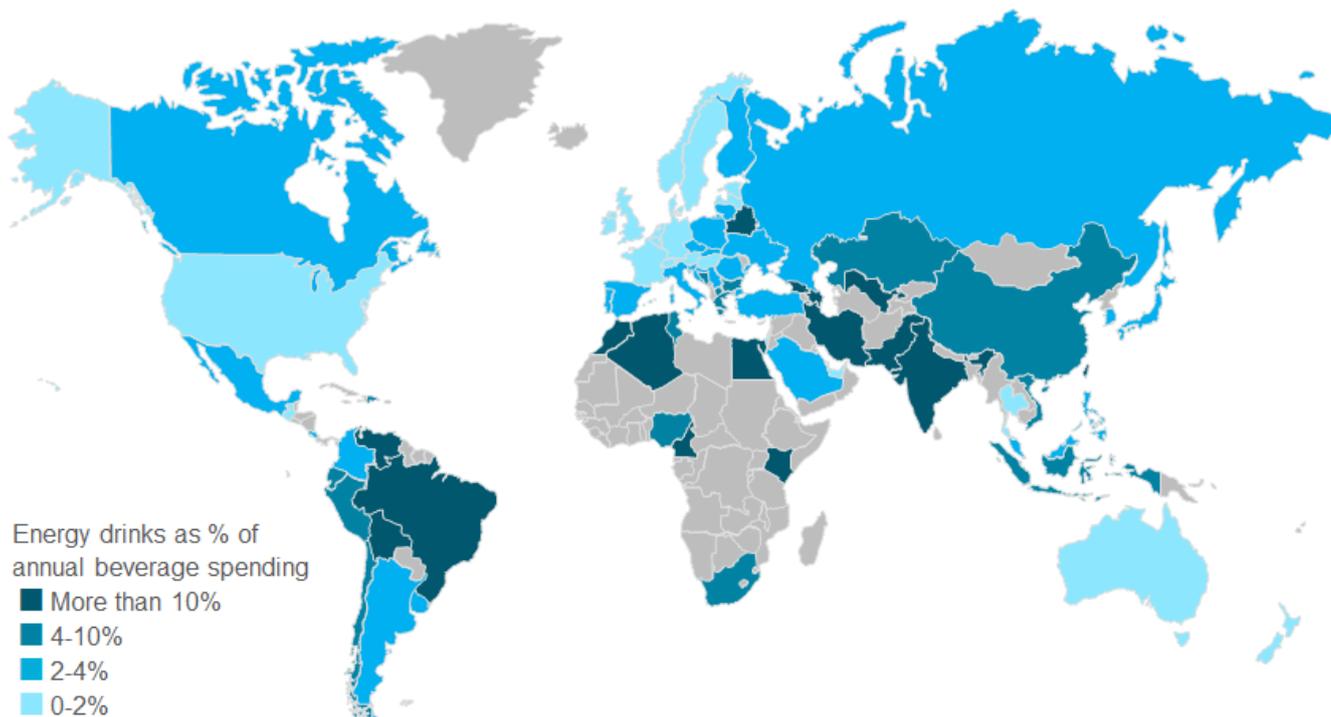
### 2.10.2 Industry drivers

A key driver of growth in all food/beverage categories is functionality. This is particularly true for energy drinks/foods where lifestyle and functionality is continuing to drive sales, as consumers around the world are demanding functionality from their food/beverages. As a faster, more convenient and sugar-free alternative, Revvies (AUS) believes it will be able to attract a segment of these customers to its products.

**REVVIES ENERGY STRIPS  
ARE INFORMED-SPORT  
ACCREDITED, MEANING  
EACH BATCH IS TESTED  
FOR WADA BANNED  
SUBSTANCES.**

### 2.10.3 Key growth markets

According to Euromonitor International (Power to the People: Energy Drinks Reach Out to Low-Income Consumers, Euromonitor, March 2017), growing economies and youthful consumers in Asia and Latin America respectively, present the greatest opportunity for energy drinks and foods. Japan and China both represent major potential export markets, with large and active running communities that can be targeted relatively easily on entry.



*Figures: Unit price of a litre of energy drinks divided by average annual expenditure on non-alcoholic drinks in 2016*

**Figure 3: Global Sports and Energy Drinks Usage (Power to the People: Energy Drinks Reach Out to Low-Income Consumers, Euromonitor, March 2017).**

In Japan, Revvies’ ambassador Eloise Wellings already has a significant profile, having won a major half marathon there in recent years, whilst also regularly pacing major marathons. Revvies has already begun early stage discussions with a leading food manufacturer/distributor regarding the territory.

China also represents a huge opportunity, with discussions having already commenced with an importer well connected to key consumer segments. China is the largest e-commerce market in the world, with 2016 online sales estimated to exceed US\$899 Billion (China Internet Watch, 2016) with platforms like Global T-mall allowing western brands to sell directly into the territory without having to go through the costly and time consuming process of product registration.

**RUNNING IS THE NUMBER TWO  
SPORT IN JAPAN WITH ALL MAJOR  
RACES TELEVISED NATIONALLY  
AND LIVE.**

## 2.11 Directors and key personnel

Revvies utilises a variety of contractors and casual staff, with John and Jacqui currently Revvies' only full-time staff. Following the raise, Revvies will appoint a part-time sales and marketing assistant, as well as a part-time/casual graphic designer. Revvies will also continue to use contractors and casual staff to assist the Business.

### 2.11.1 Company Directors



**John Nolan-Neylan,  
Managing Director**

John has over 20 years' experience managing start-ups and SMEs in Australia and the UK. He has developed new export markets in Europe, Asia, North and South America and the Middle East. John is responsible for overseeing the strategic planning, sales and marketing functions of the business.

Most notably, John established the European hub for the Australian cosmetics brand, Skin Doctors Cosmeceuticals, growing the UK and European turnover from AU\$0 to >AU\$10 million in just over 5 years, whilst building a team of 22 staff, including an award-winning marketing department. John holds an MBA and a Master of Marketing.



**Jacqui Nolan-Neylan,  
Operations Director and  
Company Secretary**

Jacqui has over 15 years' experience working in senior management roles in start-ups and SMEs, managing functions spanning HR, strategic planning, logistics, localisation, compliance, administration, facilities, due diligence and accounts. Jacqui is responsible for covering the operations, finance and logistics functions.

Most notably, Jacqui was a key team member of UK based Ash Gaming Ltd, taking the company from 7 to over 50 employees and assisting in the company's sale in 2011 for GB£23 million pounds (~AU\$44 million). Jacqui holds a BA and is completing an MBA.



**David Berry,  
Director**

David is a financial consultant for major sporting events. He was a senior member of the finance team delivering the London Olympics 2012 & Baku European Games 2015. He is currently working with the Invictus Games 2018 and the Commonwealth Games Federation. As a board member David provides strategic oversight and advice.

## 2.2 Company advisors

Revvies is very fortunate to be supported by a number of leading professional and companies with a wealth of experience and expertise in their fields including:



### Leadership Think Tank

Leadership Think Tank brings together executive coaching, peer advisory groups and industry leading speakers to help ensure Revvies stays ahead of the innovation curve, achieves its goals and outperforms its competitors. Revvies are supported by founder's Jason Tunbridge and Craig Purcell with a combined 40 years in this space.



### Pip Taylor, Research and Development Advisor

Pip is a former world champion triathlete, author and accredited sports dietitian currently working with the Brisbane Lions (AFL). Pip has an extensive network and her experience as an athlete and sports dietitian gives her a unique insights into current trends, the latest research, as well as opportunities for Revvies to improve and develop products.



### Spark:Foundry Australia, Media Planning

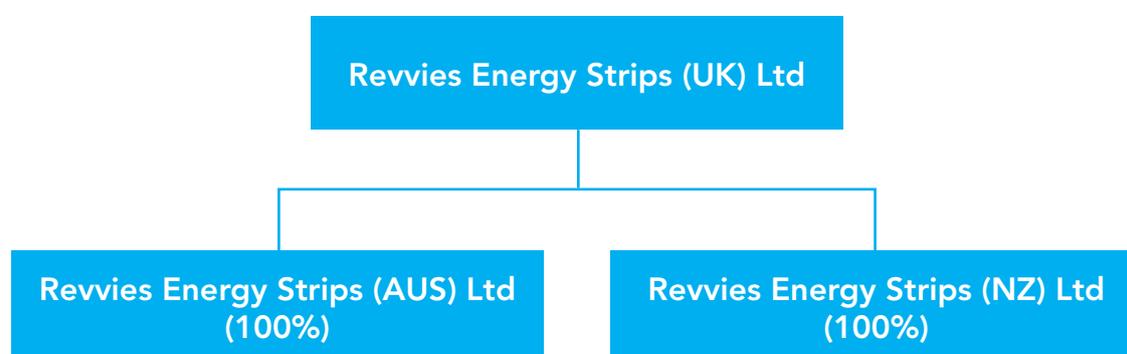
Spark:Foundry (formerly Mediavest) is a part of Publicis Group, one of the world's big four media and PR agencies. Revvies is just one of three companies to be invited to be part of Spark:Foundry's innovation lab, known as the MIL. This initiative seeks to identify early stage business with global potential and to help them achieve this by leveraging their experience, knowledge, creative talent, networks, media influence and buying power.

## 2.12 Corporate and Capital structure

### 2.12.1 Corporate Structure

This crowd sourced funding offer is being undertaken by Revvies Energy Strips Ltd, Australia. Those participating in this Offer will be issued shares in that entity. The Australian company owns the Revvies trademarks and is responsible for the Australian market and exports to Asia and the Americas. The UK company is responsible for the UK, European, Middle Eastern and African markets, whilst the New Zealand company is responsible for New Zealand and Pacific Islands.

Revvies Energy Strips (UK) Ltd is the parent company of the Australian and New Zealand entities. The UK parent owns 100% of the shares of both the subsidiaries.



### 2.12.2 Issued capital of Revvies (AUS) following the Offer

Table 2.12.1 sets out the issued capital of Revvies Energy Strips (AUS) Ltd following the Offer.

Shares	Minimum subscription	Maximum Subscription
Revvies Energy Strips (UK) Ltd	1,750,000 (87.5%)	1,750,000 (79.5%)
Offer Shares	250,000 (12.5%)	450,000 (20.5%)
<b>Totals</b>	<b>2,000,000 (100%)</b>	<b>2,200,000 (100%)</b>

Further information regarding the rights associated with the shares is detailed in Section 3.4.

The table below provides the current shareholder registry for Revvies Energy Strips (UK) Limited, which is the 100% beneficial owner of Revvies Energy Strips (Australia) Limited (the Australian entity).

**Table 2.12.2: Shareholders of Revvies (UK)**

Shareholder	Share Type	Holding (%)	Options
Keith Muller	Class A	30%	Nil
Jacqueline Nolan-Neylan	Class A	23%	Nil
John Nolan-Neylan	Class A	23%	Nil
Chris Ash	Class A	7%	Nil
ASM Superannuation (Dennis Baseric)	Class A	5%	Nil
Jonathan Quinn	Class A	4%	Nil
Other holders	Class A	8%	Nil
<b>Total</b>		<b>100%</b>	<b>Nil</b>

“There is a Shareholders Agreement between the current shareholders of Revvies Energy Strips (UK) Ltd. Under the Shareholders Agreement, minority shareholders have similar drag and tag along rights as investors in the Revvies (AUS) as described in Section 3.4.7. In the event of a sale or listing of Revvies Energy Strips (UK) Ltd, the shareholders of Revvies (UK), being the majority shareholders in Revvies (AUS) may exercise the drag along rights, and / or, the minority investors in Revvies (AUS) may exercise tag along rights. The value contributed by each company to the sale price shall be determined by an independent valuer.

### 2.12.3 Intercompany Management

The founders are employed directly by Revvies (AUS) and primarily work on the objectives of this company, they also perform some work for Revvies (UK) and Revvies (NZ). For this work Revvies (AUS) charges an annual management fee invoiced quarterly. These fees are agreed annually and cover the forthcoming calendar year. It has been agreed that for 2018 Revvies (AUS) will charge Revvies (NZ) \$15,000 and Revvies (UK) \$22,500.

## 2.13 Other Sources of Funding

During 2013 and 2014 founders John Nolan-Neylan, Jacqui Nolan-Neylan and Keith Muller provided seed funding (~AU\$375,000) to develop Revvies Energy Strips, conduct market research and run pilot sales and marketing programs in Auckland and Sydney. Unfortunately, during this period a significant amount of time and money had to be directed to reach a successful settlement with Red Bull Pty Ltd regarding a trademark and brand IP dispute.

Since then Revvies Energy Strips (UK) Ltd has raised ~AU\$470,000. These funds were used to develop an additional flavour (Arctic Charge) and were provided to Revvies (AUS) via inter company loans, to refine the sales and marketing approach, prove the concept and develop the Australian market as a showcase for other markets. Revvies (UK) has provided a Letter of Comfort confirming that no funds currently owned to it by the Australian business will need to be repaid until at least 2020.

No funds from this Offer will be applied to any inter company loan.



*Charlotte Purdue, Revvies ambassador and UK No.1 Marathoner*

## 2.14 Risks facing business

An investment in the Company should be viewed by potential investors as high-risk and speculative. A description of the main risks that may impact Revvies is provided 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 Revvies (for example, risks relating to general economic conditions or the inability to sell our shares).

RISK	Description and mitigation
<p><b>Interruption to supply caused by ingredient suppliers &amp; one key manufacturer</b></p>	<p>Careful stock management and buffer stock will be required to ensure constant supply is maintained to all stockists in all markets. Stock of key raw materials will be kept on hand to minimise production risk. An alternative supply will also be identified for manufacturer and key ingredients in 2018. The consequences of this risk may be a failure to meet current distribution obligations resulting in a loss in revenue and incurrence of costs involved in finding another manufacturer, leading to a decrease in profit.</p>
<p><b>Interruption to business caused by event at main trading location</b></p>	<p>Currently one month's stock is held off site and all key files are stored in the cloud. Revvies also utilises cloud based software for accounting, design, CRM and email as a result Revvies does not use a centralised server reducing IT risks associated with site events. An interruption to business at Revvies' main trading location may result in a delay in distribution, a shortfall in stock and loss in potential revenue, resulting in decreased profit.</p>
<p><b>A competitor with a similar product enters the market, and with more resources</b></p>	<p>Revvies is only aware of two manufacturers that have the capability to produce energy strips with 40 mg or more of caffeine. Given the limited manufacturing capabilities and regulatory barriers Revvies believes that a new entrant is unlikely to emerge in the next 12-24 months. It is important that distribution depth and breadth is maximised during this period to create distribution barriers to entry and to maximise the Brand equity associated with being first to market. The consequences of this risk would be a potential loss of some distributors and customers, potentially forcing Revvies to reduce its prices, leading to a reduction in revenue and profit.</p>

RISK Continued	Description and mitigation
<p><b>Key staff member/s incapacitated or leaves the Business</b></p>	<p>'Key man' insurance will be put in place for both the Managing Director and Operations Director. Their risk of leaving the Business is further reduced through their large equity alignment. As Jacqui and John are the only full time staff involved in the business, both of them leaving at once would be detrimental to the business. If one of them were to leave, there would be some short term costs involved in replacing the key staff member, as well as lost potential revenue through insufficient resourcing.</p>
<p><b>Regulatory Risk</b></p>	<p>Revvies relies on the Trans-Tasman Mutual Recognition Act 1997, in order to be able to sell the product in the Australian market, until such time as the supplier becomes TGA registered. Advice provided by New Zealand law firm, Simpson and Grierson, suggests that the likelihood of such a move is increasingly unlikely.</p> <p>Revvies will need to keep a careful eye on any proposed legislation affecting the sale of caffeinated products in each of the markets it operates and distributes to, as media attention on the potential negative effects of caffeinated products, particularly energy drinks could cause changes in public policy.</p> <p>Market materials need to be developed with national marketing regulations in mind, particularly in the relation to efficacy claims that may be considered to be medicinal in nature.</p> <p>The consequences of a change in regulation or public policy towards caffeinated products is that people may stop using Revvies and profit may decline.</p>
<p><b>Going concern risk</b></p>	<p>Revvies' ability to effectively implement its business plan and take advantage of the opportunities listed within, and to meet any liabilities or expenses, will depend on its ability to hit sales targets, and costs to develop the market.</p> <p>Failure to meet sales projections may result in the Board approving an additional capital raise, resulting in a dilution of investment for existing shareholders. Many of the costs in the forecast are variable and can be adjusted down if growth is slower than forecast allowing additional time to gain greater market traction.</p>
<p><b>Domestic Distribution Risk</b></p>	<p>In Australia, there are relatively few major chains in each of the key distribution channels. This means that Revvies' roll-out is in the hands of relatively few buyers. Ensuring strong performance online and in existing stockists assists in overcoming resistance to stocking an innovative product like Revvies.</p> <p>If the Company is unable to distribute its product effectively, this will mean that Revvies is not able to achieve its goals. The loss of distribution partners, if not replaced quickly, could have a detrimental effect on sales.</p>

RISK Continued	Description and mitigation
<b>International Distribution Risk</b>	<p>The risk with distributors is motivation and increased difficulty in maintaining a consistent global brand image. Through good communications, resourcing and agreement of annual objectives, these risks will be minimised. The creation of a brand style guide in 2018 will also assist in ensuring that marketing collateral and communications are consistent with the Brand's positioning and personality. In addition, as part of the distribution agreements, each distributor will be required to have marketing collateral signed off by Revvies prior to use.</p> <p>If the Company is unable to distribute its product effectively, this will mean that Revvies is not able to achieve its goals. The loss of distribution partners, if not replaced quickly, could have a detrimental effect on sales.</p>
<b>Funding risk</b>	<p>There is a risk that Revvies' current cash reserves (plus the net proceeds of the Offer) will not be adequate to continue to fund operations and execute its business strategy over the medium term. This is partly mitigated by the availability of current shareholders to contribute more capital as well as ability to seek investment from high net worth investors. The Company cannot guarantee the availability of funds in the future, or that the funds will be available on favourable terms. If Revvies is unable to raise the funds in this Offer, it could adversely impact the Company's business and prospects.</p>
<b>Protection of IP</b>	<p>The Company's success relies on its ability to protect its intellectual property. While Revvies has appropriate protection of its IP in all of its geographic locations, enforcement of its rights could be costly, time consuming and distracting for the Business. If Revvies are unable to protect or enforce its rights, there is a risk that other companies will copy our product and technology, which could adversely affect its ability to compete in the sports nutrition market.</p>

**2.14.1 Insurance**

Revvies carries a variety of business insurances including product liability, public liability and business assets. The Australian business will also add 'Key Man' insurance covering the Managing Director and the Operations Director following the successful completion of the crowd sourced equity funding to be undertaken in February 2018.

## 2.15 Historical financial information

### 2.15.1 Historical financials

Below are the Revvies (AUS) financial statements for the 2015/16, 2016/17 financial years and for the first six months of the 2017/18 financial year. These accounts show the financial position and costs associated with advancing Revvies to its current state. The purpose of the raise is to improve the cash position, allowing the Business to realise its potential and accelerate growth with the aim of bringing the Company into profitability within two years.

The financial statements are unaudited. The financial statements have been prepared by the Company in accordance with Australian Accounting Standards and have been signed by the Managing Director, John Nolan-Neylan to confirm that they fairly present the Company's financial position.

**Table 2.15.1: Historical Balance Sheet**

Assets	30 June 2016	30 June 2017	31 Dec 2017
CURRENT ASSETS			
Cash and cash equivalents	2,570	2,037	6,690
Trade and other receivables	3,811	23,288	5,843
Inventories	18,532	18,337	10,960
<b>TOTAL CURRENT ASSETS</b>	<b>24,913</b>	<b>43,662</b>	<b>23,493</b>
NON-CURRENT ASSETS			
Intangible Assets	3,630	3,630	3,630
<b>TOTAL NON-CURRENT ASSETS</b>	<b>3,630</b>	<b>3,630</b>	<b>3,630</b>
<b>TOTAL ASSETS</b>	<b>28,543</b>	<b>47,292</b>	<b>27,123</b>

Table 2.15.1 : Historical Balance Sheet Continued.

Liabilities	30 June 2016	30 June 2017	31 Dec 2017
CURRENT LIABILITIES			
Trade and other payables	336,363	361,586	319,864
TOTAL CURRENT LIABILITIES	336,363	361,586	319,864
<b>TOTAL LIABILITIES</b>	<b>336,363</b>	<b>361,586</b>	<b>319,864</b>
<b>NET ASSETS (LIABILITIES)</b>	<b>(307,820)</b>	<b>(314,294)</b>	<b>(292,741)</b>
Equity	30 June 2016	30 June 2017	31 Dec 2017
Issued Capital			
10,000 fully paid ordinary shares	1,000	1,000	10,000
Accumulated losses	(308,820)	(315,294)	(302,741)
<b>TOTAL EQUITY</b>	<b>(307,820)</b>	<b>(314,294)</b>	<b>(292,741)</b>

**Table 2.15.2: Historical income statements**

Income Statement (AU\$) FYE 30 June	FY2016	FY2017	6 months to 31 Dec 2017
<b>Income</b>			
Revenue - Sales	31,533	117,277*	38,969
Revenue - Management Fees**	0	45,000	22,500
Changes in inventories of finished goods and WIP	(37,060)	(195)	(17,944)
Raw materials and consumables used	(32,796)	(59,187)	(7,096)
<b>Expenditure</b>			
Accountancy expenses	(3,569)	(3,638)	(1,173)
Advertising expenses	(43,460)	(44,979)	(9,946)
Bad and doubtful debt expenses	(318)	(2,177)	(497)
Depreciation and amortisation expenses	(325)	(154)	(26)
Employee benefits expenses	(50,790)	(33,669)	1,264
Finance costs	(2)	(328)	(322)
Impairment of property, plant and equipment	(555)	(3,092)	(1,756)
Other expenses	(22,173)	(21,332)	(11,421)
<b>Profit/(Loss)</b>	<b>(159,515)</b>	<b>(6,474)</b>	<b>12,553</b>
<b>Loss for the year</b>			
Accumulated losses at the beginning of the FY	(149,305)	(308,820)	(315,294)
<b>Loss</b>	<b>(308,820)</b>	<b>(315,294)</b>	<b>(302,741)</b>

\*Revenue includes \$38,318.10 for one-off sale to Revvies (UK)

\*\*These are intercompany management fees charged under the terms outlined in Section 2.12.3

Table 2.15.3: Historical cash flow statements

Cash Flow Statement YTE 30 June	FY2017	6 months to 31 Dec 2017
Operating activities	(20,564)	28,838
Investing activities	310,088	(36,696)
Financing activities	(292,379)	12,124
Net cash flows	(2,855)	4,265

## Section 3 - Information about the Offer

### 3.1 Terms of the Offer

Revvies (AUS) is offering up to 450,000 shares at an issue price of \$1.00 per share to raise up to \$450,000. The key terms and conditions of the Offer are set out in Table 3.1 below.

To participate in the Offer, applicants must submit their application and fund their application amount via the Intermediary's platform. Additional instructions on how to apply for shares in the Offer are available via the Intermediary's website or mobile app.

**Table 3.1: Offer terms summary**

Term	Details
Issuer	Revvies Energy Strips Ltd, Australia
Shares	Fully-paid ordinary shares
Price	\$1.00 per share
Minimum Subscription	\$250,000
Maximum Subscription	\$450,000
Pre-Money Valuation	\$1,750,000
Minimum Parcel Size	\$250
Maximum Parcel Size	\$10,000
Opening Date	15 February 2018
Closing date	23 March 2018

If the Maximum Subscription amount is reached, the Offer will be closed early. 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 4.1 of this offer document.

## 3.2 Use of funds

With many domestic and export opportunities available, Revvies (AUS) will use the raised funds to turn the opportunities into commercial realities. The funds raised will be applied in the following three areas:

1. Marketing – Increasing the marketing spend will help raise brand awareness, drive sales and expand distribution;
2. Working capital – By increasing the working capital Revvies can secure the human resources it needs to manage and accelerate growth.
3. Research and development – Revvies will complete a number of product developments designed to deepen and broaden the products appeal. The Company will also conduct independent research into the product's effectiveness in various usage situations. As mentioned earlier in this document both steps will create unique IP.

Below is a breakdown of Revvies intended use of crowd sourced funds:

**Table 3.2: Use of funds under offer**

Use	Minimum Subscription	Maximum Subscription
Marketing	\$110,000	\$200,000
Working capital	\$91,250	\$161,250
R&D	\$30,000	\$55,000
Offer Costs	\$18,750	\$33,750
Total Funds	\$250,000	\$450,000

In Table 3.2 above, 'Working capital' includes contributions to overhead expenses, employee wages and director remuneration. Details on payments made to employees and directors are detailed in Section 3.2.1.

The costs of the Offer will be paid from the funds raised and include 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 Issuer through the Intermediary.

The Company will in the normal course of its business continue to purchase stock from Revvies (NZ), to take advantage of the lower product compliance costs this arrangement affords.

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 Medium term business goals over the next 18-24 months, with an aim to achieving profitability in that period.

If only the Minimum Subscription amount is raised, the Company expects it will have sufficient funds to meet its shorter term business goals over the next 12-18 months, but may require further funding to achieve longer term goals. In such circumstances, the Company may be required to raise additional funds through a further crowd sourced funding offer, or through alternative funding means.

### 3.2.1 Director and Executive salaries

Details of payments to be made to Senior Management and Directors in Year 1 are itemised below. These are below market rates, but as the Business moves into profitability beyond year 1, it is envisaged that executive salaries and director fees will align with market norms.

**Table 3.2.1: Use of funds under offer**

	\$pa
John Nolan-Neylan - Managing Director	\$50,000
Jacqui Nolan-Neylan - Operations Director	\$50,000
David Berry - Director	\$10,000

## 3.3 Valuation

The AU\$1.75m valuation of Revvies (AUS) was determined by the Board of Directors.

### 3.3.1 Methodology

Given the lack of available information for early stage, unlisted companies and the uncertainty associated with forecast data, many traditional methods of valuation are not deemed appropriate when valuing early stage companies such as Revvies. Valuation based on comparable transactions, however, is a common method that is often used when valuing companies of all stages. This measure has been determined to be the most appropriate measure in determining the equity value for Revvies due to:

- The availability of recent, transaction data that is relevant to Revvies; and
- The lack of reliable, relevant data to support other methods of valuation.

A number of secondary valuation methods have been used as a cross check to support the valuation for Revvies.

### 3.3.2 Comparable transaction analysis

The comparable transactions valuation approach involves looking at past transactions involving similar companies that have similar:

- Size;
- Markets in which they operate;
- Risk profile;
- Circumstances for the transaction; and
- Drivers of value.

An analysis of recent equity crowdfunded transactions in the UK provides the most appropriate, available information for valuing Revvies (AUS). The most relevant companies are provided below:

**Table 3.3.1 Comparable transaction 1**

<b>Company name</b>	Purity Health Limited
<b>Description</b>	Developer, distributor and wholesaler of Firestar, an energy sweet designed to substitute Red Bull and other energy drinks.
<b>Business location</b>	UK
<b>Intermediary</b>	Crowdcube
<b>Targeted raise</b>	£150,000
<b>Completed raise</b>	£150,250 (~AU\$295,000)
<b>Transaction Closed</b>	5 March 2015
<b>Equity stake</b>	10%
<b>Pre-money valuation</b>	£1.4m (~\$AU\$2.5m)
<b>Use of funds</b>	Invest in marketing plan and expand distribution in the UK and overseas
<b>Other comments</b>	Had only completed trial sales at time of the raise

Table 3.3.2 Comparable transaction 2

<b>Company name</b>	NFSG Limited
<b>Description</b>	Developer, distributor and wholesaler of natural energy drink, Overhang Drinks. Distributed to 1,000 stores in the UK including Tesco, Asda, Holland & Barrett and Spar
<b>Business location</b>	UK
<b>Intermediary</b>	Crowdcube
<b>Targeted raise</b>	£150,000
<b>Completed raise</b>	£166,000 (~AU\$279,000)
<b>Transaction close</b>	9 October 2017
<b>Equity stake</b>	6.2%
<b>Pre-money valuation</b>	£2.5m (~\$AU\$4.2m)
<b>Use of funds</b>	Invest in marketing plan and expand distribution in the UK and overseas
<b>Other comments</b>	The company has sold over 175,000 drinks since inception, has raised £362k to date, and has no debt.

16 consumer-based, food and beverage crowdfund transactions in the UK and NZ were also considered and compared when determining the value for Revvies.

We note that Revvies' valuation is at a discount to the UK crowdfunded deals provided above.

### 3.3.3 Other valuation methods

Other valuation methods which were used in valuing Revvies include:

- Angel Method
- Berkus Method
- Scorecard Method
- First Chicago Method
- Venture Capital Method
- Early Stage Company Valuation Model

These methods all support the A\$1.75m valuation for Revvies. The valuation is at the lower end of the range provided by the above valuation methods.

## 3.4 Rights Associated With The Shares

Immediately after issue, the shares will be fully-paid. There will be no liability on the part of shareholders and the shares will rank equally with the other ordinary shares currently on issue.

**The rights associated with the ordinary shares are set out in Revvies' Constitution and governed by the Corporations Act. A summary of these rights is set out below. A copy of the Constitution is attached in the Appendix to this Offer document and is available on the intermediary's platform.**

### 3.4.1 Voting rights

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

### 3.4.2 Election and removal of directors

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

### 3.4.3 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.

### 3.4.4 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). It is not envisaged that Revvies will pay a dividend in the first five years. It will instead

reinvest any profits into maximising capital growth for investors at exit.

### 3.4.5 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 holders of ordinary shares after secured and unsecured creditors of the Company. Holders of fully-paid ordinary voting shares rank ahead of other classes of shares (if any).

### 3.4.6 Issue of shares

The directors of Revvies may issue new shares in the future which can dilute previous shareholders. Before issuing new shares, the directors must offer them to existing shareholders first.

### 3.4.7 Transfer of shares

Investors may sell their shares in accordance with sections 23 and 24 of the Constitution.

### 3.4.7 Drag and Tag Along Rights

If the holders of 50% of the issued share capital conferring the right to vote at a General Meeting of the Company (the majority shareholders) have agreed to sell their shares to a third party, minority shareholders may be forced to sell their shares on the same terms as the majority shareholders (this is known as a 'drag along' right).

In the event of a group sale i.e. a sale of Revvies (UK), Revvies (AUS) and Revvies (NZ), the value contributed by each company within the group to the total sale price shall be determined by an independent valuer.

## Section 4 - Information about Investor rights.

### 4.1 Cooling off rights

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

You may withdraw your application via the Intermediary's platform by logging into your OnMarket account via the mobile app or website ([www.onmarket.com.au](http://www.onmarket.com.au)). In the History panel, selecting "Manage" and "Cancel" and your application will be withdrawn. If you have any questions around this process please contact OnMarket via email ([support@onmarket.com.au](mailto:support@onmarket.com.au)).

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

### 4.2 Effect of the corporate governance concessions

Revvies has elected to take advantage of the corporate governance concessions available to CSF companies, provided that it continues to meet eligibility requirements. These concessions provide respite from the otherwise more onerous governance requirements for public companies. Revvies opts to take advantage of these concessions to save time and money associated with these requirements, instead directing its focus on expanding the Business and executive its strategy.

#### 4.2.1 Annual general meetings

The Company is not required to hold an annual general meeting (AGM) for up to five years from its conversion to a public company – being 15 January 2018 (assuming the Company continues to meet the eligibility requirements).

This means that shareholders will not be provided with an opportunity to directly question the directors and management in an open forum about the management, business operations, financial position or performance of the Company, as this would usually take place at the AGM.

However, the directors of the Company may still be required to hold a general meeting in other circumstances, for example, where requested to by shareholders with at least 5% of the votes that may be cast at a general meeting.

If shareholders have any queries or concerns about the Company, they should contact the Company secretary directly by emailing [cosec@revviesenergy.com](mailto:cosec@revviesenergy.com).

#### 4.2.2 Annual report

The Company is required to prepare annual financial reports and directors' reports at the end of each financial year and lodge these 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.

Provided the Company continues to meet the eligibility requirements under the CSF regime, the Company is not required to have its financial reports audited for up to five years from its conversion to a public company – being 15 January 2018.

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 of the Company are still required to make a declaration 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.

### 4.2.3 Distribution of annual report

Provided the Company continues to meet the eligibility requirements under the CSF regime, the Company is not required to notify shareholders in writing of the options to receive or access the annual report.

Shareholders will have access to the annual report via an encrypted shared folder and from ASIC, free of charge. However, shareholders will not be able to elect to receive a copy of the annual report by way of email or post.

## 4.3 Communication facility for the Offer

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

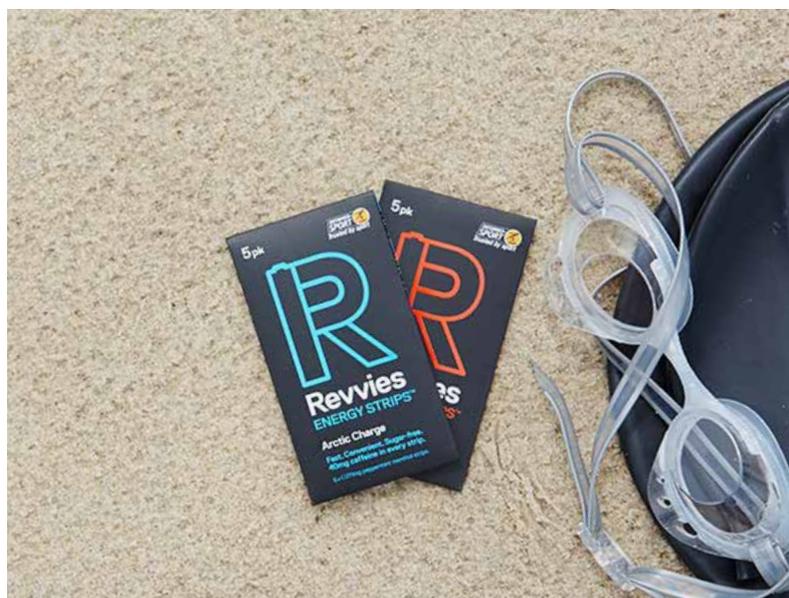
You will be able to post comments and questions about the Offer and see the posts of other investors on the communication facility. The Company and/or the Intermediary will also be able to respond to questions and comments posted by investors.

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.

**CAFFEINE CAN HELP POST  
WORKOUT BY IMPROVING  
BLOOD FLOW. BETTER  
UPTAKE OF OXYGEN  
AND NUTRIENTS MEANS  
FASTER RECOVERY  
TIMES, A STRENGTHENED  
IMMUNE SYSTEM, AND  
MORE CONSISTENT  
PERFORMANCE.<sup>1</sup>**

<sup>1</sup> See Appendix B for supporting studies.



## Glossary

**COGS** means Cost Of Goods Sold.

**Company** means Revvies Energy Strips Limited, Australia ACN 600 703 848.

**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.

**GMP** means Good Manufacturing Practice, which is a system for ensuring that products are consistently produced and controlled according to quality standards.

**Intermediary** means On-Market Bookbuilds Pty Ltd ABN 31 140 632 024, AFSL 421 535.

**Maximum Subscription** means the amount specified in this CSF offer document as the maximum amount sought to be raised by the Offer i.e. \$450,000.

**Minimum Subscription** means the amount specified in this CSF offer document as the minimum amount sought to be raised by the Offer i.e. \$250,000.

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

**Retail Investor** means an investor that purchases shares for their personal account, and do not qualify as a Sophisticated Investor as defined under the Corporations Act 2001 (Cth). Retail investors are limited to a \$10,000 investment in the Offer.

**Revvies (AUS)** means Revvies Energy Strips Ltd, Australia ACN 600 703 848

**Sophisticated Investor** is an investor that is deemed to have sufficient investment experience and knowledge to weigh the risks and merits of an investment opportunity. This is determined via an assets and income test as defined under Corporations Act 2001 (Cth). Sophisticated investors are not restricted in how they can invest in the Offer. See OnMarket FAQ for more information.

**WADA** means world anti-doping agency.

**FYE** means financial year end.

## Appendix A - Constitution

Available as separate document in the deal room..

## Appendix B - Relevant research on Caffeine

### Conversion of fat to energy

Olcina, Guillermo, et al. "Total plasma fatty acid responses to maximal incremental exercise after caffeine ingestion." *Journal of Exercise Science & Fitness* 10.1 (2012): 33-37; and Fernández-Elías, V. E., et al. "Ingestion of a Moderately-High Caffeine Dose Before Exercise Increases Post-Exercise Energy Expenditure." *International journal of sport nutrition and exercise metabolism* (2014).

### Impacts on fatigue

Davis, J. Mark, et al. "Central nervous system effects of caffeine and adenosine on fatigue." *American Journal of Physiology-Regulatory, Integrative and Comparative Physiology* 284.2 (2003): R399-R404; and Meeusen, Romain. "Exercise, nutrition and the brain." *Sports Medicine* 44.1 (2014): 47-56. Killen, L. G., et al. "Effects of caffeine on session ratings of perceived exertion." *European journal of applied physiology* 113.3 (2013): 721-727. Astorino, Todd A., et al. "Effect of caffeine intake on pain perception during highintensity exercise." *International journal of sport nutrition and exercise metabolism* 21.1 (2011): 27-32; and Acker-Hewitt, Tiffany L., et al. "Independent and combined effects of carbohydrate and caffeine ingestion on aerobic cycling performance in the fed state." *Applied Physiology, Nutrition, and Metabolism* 37.2 (2012): 276-283; and Meeusena, Romain, Bart Roelansa'b, and Lawrence L. SprietC. "Caffeine, exercise and the brain." *Limits of Human Endurance* 76 (2013): 1. Spriet, Lawrence L. "Exercise and sport performance with low doses of caffeine." *Sports medicine* 44.2 (2014): 175-184; and Australian Institute of Sport Website Fact Sheet – AIS Sports Supplement Program, Caffeine (last adapted Jan 2012). URL: [http://www.ausport.gov.au/\\_\\_data/assets/pdf\\_file/0003/469650/Caffeine\\_11-\\_website\\_fact\\_sheet.pdf](http://www.ausport.gov.au/__data/assets/pdf_file/0003/469650/Caffeine_11-_website_fact_sheet.pdf)

### Perception of pain

Sara, Karabalaefar, et al. "Effect of caffeine on the amount of perceived pain, joint range of motion and edema after delayed muscle soreness." *Pedagogika, psihologija ta mediko-biologicni problemi fizicnogo vihovanna i sportu* 1 (2013); and Duncan, Michael J., et al. "Acute caffeine ingestion enhances strength performance and reduces perceived exertion and muscle pain perception during resistance exercise." *European journal of sport science* 13.4 (2013): 392-399.

### Focus and alertness

Duncan, Michael J., Samantha Taylor, and Mark Lyons. "The effect of caffeine ingestion on field hockey skill performance following physical fatigue." *Research in Sports Medicine* 20.1 (2012): 25-36; and Russell, Mark, David Benton, and Michael Kingsley. "Influence of carbohydrate supplementation on skill performance during a soccer match simulation." *Journal of Science and Medicine in Sport* 15.4 (2012): 348-354; and Woolf, Kathleen, Wendy K. Bidwell, and Amanda G. Carlson. "The effect of caffeine as an ergogenic aid in anaerobic exercise." *International journal of sport nutrition* 18.4 (2008): 412.

## Appendix B - Relevant research on Caffeine continued

### Improving bloodflow

Beelen, Milou, et al. "Impact of caffeine and protein on postexercise muscle glycogen synthesis." *Med Sci Sports Exerc* 44.4 (2012): 692-700; and Beam, Jason R., et al. "Effect of post-exercise caffeine and green coffee bean extract consumption on blood glucose and insulin concentrations." *Nutrition* 31.2 (2015): 292-297; Gleeson, Michael, Graeme I. Lancaster, and Nicolette C. Bishop. "Nutritional strategies to minimise exercise-induced immunosuppression in athletes." *Canadian journal of applied physiology* 26.S1 (2001): S23-S35' and Newsholme, E. A. "Biochemical mechanisms to explain immunosuppression in well-trained and overtrained athletes." *International journal of sports medicine* 15 (1994): S142-7.

### Mood

Warburton, D.M. *Psychopharmacology* (1995), Effects of caffeine on cognition and mood without caffeine abstinence 119: 66. <https://doi.org/10.1007/BF02246055>

## Important notice and disclaimer

This material should not be considered as advice or a recommendation to investors. Before deciding whether or not to invest in a CSF offer, you should consider the relevant CSF offer document and the CSF risk warning (published on OnMarket's website), and obtain your own independent financial advice.

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