

Crowd-Sourced Funding Offer *Document*

19/06/2026



Offer of fully-paid ordinary shares in Vitadrop Pty Ltd at \$7.34 per share to raise a maximum of \$500,588.

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

Vitadrop Pty Ltd ACN 617 877 415 Swarmer Pty Ltd AFSL 507867.

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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*

2.0 From the Founders

Dear Investor,

Thank you for taking the time to consider an investment in Vitadrop.

Vitadrop exists to solve problems almost everyone faces, poor hydration, broken sleep, low energy, and gut health, with fast-acting, sugar-free, science-backed products that fit into everyday life. What began with a single hydration formula has grown into a multi-product wellness brand now stocked in more than 1,200 stores, supported by a fast-growing direct-to-consumer business.

The last twelve months have been the most significant in our history. We completed a full rebrand and product refresh and expanded our retail footprint across Australia's leading pharmacy, department and beauty retailers, including Priceline, Kmart, Target and Adore Beauty and, taking our first major step of international expansion with Mannings Pharmacies in Hong Kong.

We are equally excited about what comes next. Our innovation pipeline reflects a clear ambition: to evolve Vitadrop from a product-led brand into

a platform for the wellness brands of the future. We will expand Southeast Asia, grow direct to consumer revenue and co create range extensions with key opinion leaders, naturopaths and nutritionists, cementing Vitadrop at the forefront of wellness in Australia and beyond.

None of this happens without capital to match the opportunity in front of us. This raise will allow us to scale the channels already working, accelerate product innovation, and pursue the manufacturing and international opportunities that will define Vitadrop's next phase.

We are building Vitadrop because we believe wellness shouldn't be a luxury, it should be a daily habit that's effective, accessible, and genuinely enjoyable. With your support, we intend to build one of Australia's most loved and trusted wellness companies.

Thank you for considering joining us on this journey.

Charlie Wood, Co-Founder & Managing Director, Vitadrop



2.1 Investor rewards

\$250+ *Loyalist*

- 10% discount at Vitadrop.com.au (up to \$100 in annual savings)
- Exclusive investor newsletter
- Early access to company announcements and updates

Reward value: Up to \$100

\$750 + *Wellness Member*

Everything in loyalist, plus:

- 30% lifetime discount at Vitadrop.com.au (up to \$550 in annual savings)
- 50% birthday discount (up to \$200)
- Priority access to new product launches
- Access to member-only promotions and offers

Reward value: Up to \$750 annually

\$1,500 + *Vitality Member*

Everything in Wellness member, plus:

- Vitadrop Welcome Kit (premium tee, cap and water bottle)
- Annual naturopath consultation
- Investor-exclusive product drops not available to the public
- Vote on future flavours, products and brand initiatives
- Early access to product testing opportunities

Reward value: Over \$1000

\$5,000 + *Inner Circle*

Everything in Vitality Member, plus:

- Annual sauna and ice bath wellness experience
- Invitations to exclusive Vitadrop wellness events
- Membership of the Vitadrop Product Innovation Panel
- Networking opportunities with fellow investors and strategic partners
- Priority access to limited-edition product releases
- Access to the private Inner Circle investor community

Reward value: Over \$2000

\$10,000 + *Founding Partner*

Everything in Inner Circle, plus:

- Invitation to the annual Founding Partner Strategy Day with the founders
- Quarterly investor briefings and business updates
- Behind-the-scenes access to product development and future launches
- VIP invitations to selected Vitadrop events and activations
- Direct Q&A opportunities with the leadership team
- Recognition as a Founding Partner within the Vitadrop investor community

Reward value: Premium access and insider experiences, + over \$2,500 in value

\$50,000 + *Founders Club*

Everything in Founding Partner, plus:

- Invitation to the annual Vitadrop Wellness full day workshop in Byron Bay*
- Exclusive Founders Dinner with the leadership team
- Collaborate with the Vitadrop team to create a limited-edition flavour produced and sold nationally, with recognition as the collaborating investor
- Direct access to founders for product feedback and strategic discussions
- Exclusive Founders Club merchandise and welcome pack
- Priority notification and access to future investment opportunities**
- Lifetime recognition as a Founding Investor (optional)

Reward value: Unparalleled access, influence and founder experiences + \$4000 in value *

Subject to availability and event scheduling. **Subject to applicable laws and regulations.

Investment highlights

✓ Large, growing market

Australia's dietary supplements market was valued at AUD \$8.82 billion in 2025 and is projected to reach AUD \$19.22 billion by 2035, driven by demand for preventive, function-led, better-for-you products.

✓ Practitioner-endorsed distribution

Endorsement from a national network of 500+ pharmacists and naturopaths creates a credibility loop that drives conversion and repeat purchase — particularly in pharmacy, where trust is the primary purchase driver. This gives Vitadrop a rare combination of credibility-led and scale-led distribution, without relying solely on expensive paid digital acquisition for growth.

✓ Traction-Proven Model

More than \$3.5 million in cumulative revenue and 4 million+ serves sold. Annual recurring revenue above \$1 million, stocked in 1,200+ distribution points, and profitable across the trailing six months.

✓ Unfair Advantage

A sugar-free, amino-acid-assisted formulation (L-glutamine) rather than sugar-driven absorption — a genuine point of difference in a category where sugar is the default. Selected products are ARTG-listed, and 500+ practitioners endorse the range at the point of recommendation.

✓ International expansion underway

A first offshore foothold with Mannings in Hong Kong, with memoranda of understanding under negotiation in Vietnam, ahead of a staged, partner-led rollout across Southeast Asia and New Zealand.

2.2 Company details

*This offer of shares is made by Vitadrop Pty Ltd ACN 617 877 415.
The company was incorporated on 27/04/2017*

Company name	Vitadrop Pty Ltd
ACN	617 877 415
Date of incorporation	27 April 2017
Registered office	1/28 Cremorne Street, Cremorne, VIC 3121, Australia
Principal place of business	1/28 Cremorne Street, Cremorne, VIC 3121, Australia
Directors	Charles Wood, Daniel Concannon
Company secretary	Charles Wood
Subsidiaries	None
Share registry	Sharesies Private
Website	vitadrop.co

2.3 Our business



\$1M+
raised to date

萬寧 **mannings**

 priceline pharmacy

 **mart**

 **Target**

1200+ retail
distribution points

Overview:

Vitadrop is an Australian-made powdered hydration and wellness brand, and Australia's leader in sugar-free hydration. Unlike traditional sports drinks and hydration products that rely on sugar to drive sodium absorption, Vitadrop has developed a differentiated sugar-free formulation approach built around amino-acid-assisted hydration.

Products are formulated by an in-house team of scientists and naturopaths, manufactured in Australia, and recommended by a growing network of more than 500 pharmacists and naturopaths as a sugar-conscious option for consumers seeking functional daily hydration and wellness support.

Vitadrop products are stocked in more than 1,200 distribution points, including national pharmacy and mass-retail partners such as Priceline Pharmacy and Kmart Group, premium eCommerce retailer Adore Beauty, and an initial international foothold with Mannings in Hong Kong. The business also sells direct to consumers via its online store, where more than 40% of direct-to-consumer revenue is recurring subscription revenue.

The problem we solve:

Hydration is a daily, universal need, but the category built to serve it has a sugar problem. Many of the most popular hydration drinks rely on sugar-driven absorption pathways and contain little genuine micronutrient value. This sits within a broader public-health context: around one in four Australian children aged 4–15 live with overweight or obesity, the number of Australians with type 2 diabetes has nearly tripled in two decades to almost 1.2 million, and diabetes is estimated to cost the Australian health system \$9.1 billion each year.

Consumers are increasingly seeking lower-sugar, function-led alternatives that align with everyday health goals. Sugar-laden hydration products are part of the problem. Vitadrop was built to be part of the solution.

Our products

Vitadrop's core range is built on fast-acting, high-bioavailability soluble powders. Water-soluble, convenient, and engineered for absorption.

All products are made in Australia without unnecessary fillers, excipients or flow agents, and we actively conduct research into our unique blend of electrolytes and amino acids, informed by the latest scientific literature and consultation with professional athletes, naturopaths and pharmacists.



Hydration

A sugar-free electrolyte formulation built on the science of how the body absorbs water and sodium. Rather than relying on sugar-driven rehydration pathways, Vitadrop incorporates L-glutamine, an amino acid studied for its role in supporting water and sodium absorption in the intestine, creating a differentiated hydration proposition without sugar. **Formulation work has been supported by government R&D grant funding, including research into hydration solutions for diabetic consumers.**

Gut Relief

A targeted formulation designed to calm the gut lining and support digestive function, powered by pre biotics, post biotics and lemon balm.

Sleep

An ARTG-listed natural sleep support formulation combining magnesium glycinate, glycine and calming botanicals including passionflower. Non-sedative and non-habit-forming, designed for regular use.



What makes us different?



✓ Sugar-free, science-led hydration.

Amino-acid-assisted absorption rather than sugar-driven, a genuine point of difference in a category where sugar is the default.

✓ Australian-made, in-house formula.

Products are developed by our own scientists and naturopaths and manufactured in Australia, giving us control over quality and formulation integrity.

✓ Practitioner-endorsed distribution.

Endorsement from a national network of 500+ pharmacists and naturopaths creates a credibility loop that drives conversion and repeat purchase particularly in pharmacy, where trust is the primary purchase driver. This gives Vitadrop a rare combination of credibility-led and scale-led distribution, without relying solely on expensive paid digital acquisition for growth.

✓ Regulatory credibility.

Selected products are ARTG-listed, providing a level of regulatory standing most consumer wellness brands lack.

✓ Active R&D.

Non-dilutive government R&D funding supports novel formulation work, including our research into a diabetic hydration offering.



How we sell:

Vitadrop sells through an omnichannel model anchored by its practitioner-led credibility loop, spanning pharmacy, mass retail, premium eCommerce, direct-to-consumer subscription and international retail. The business and revenue model behind these channels is set out in this document: section 2.3.

Our history

2017 | Incorporation and foundational research.

Vitadrop Pty Ltd incorporated. Initial formulation work begins, inspired by co-founder Dan Concannon's autoimmune health journey and centred on L-glutamine's role in gut health and hydration.



2019–2020 | Product development and proof of concept.

First-generation formulas developed, tested and iterated through early online sales.



2021 | Retail expansion begins.

Early distribution secured. Seed capital raised to support production and marketing.



2022 | Cost discipline and channel reset.

Formulation improvements to improve product quality and margins, profitable channels identified; focus on margin-accretive distribution.



2023 | New SKUs and brand maturity.

Launch of ARTG-listed Sleep formulation ; expansion of the core range; D2C subscription foundations laid.



2024 | Brand repositioning and strategic reset.

Launch of sugar free rapidly hydration innovation. Full rebrand and packaging overhaul; SKU rationalisation to focus on best-sellers and margin; launch into Priceline; fivefold growth in online sales following the refresh.



2025 | Channel and product expansion.

Ranging with Kmart Group; distribution secured with Adore Beauty; entry into Mannings (Hong Kong); launch of Gut Relief.



2026 | Profitable, omnichannel scale.

Achieved profitability over the trailing six months; surpassed 1,200 distribution points and four million serves sold; secured non-dilutive government R&D funding for novel formulation research; distributor negotiations underway across Southeast Asia ahead of a staged international rollout.

Industry overview

Vitadrop operates at the intersection of sports hydration, everyday wellness and pharmacy-adjacent health products, a commercially focused position within a large and growing category. Australia's dietary supplements market was valued at AUD \$8.82 billion in 2025 and is projected to reach AUD \$19.22 billion by 2035, driven by rising consumer demand for preventive health, functional benefits and better-for-you everyday products.

Competitive landscape

The hydration category is dominated by two incumbent models: sugar-based sports drinks, and legacy oral rehydration brands such as Hydralyte that carry clinical credibility but rely on glucose-driven absorption and have seen limited innovation. Newer international powder brands compete largely on branding and influencer-led marketing, with limited Australian retail presence and little practitioner credibility.

Vitadrop occupies a distinct white space: sugar-free, amino-acid-assisted formulations; Australian-made with in-house formulation expertise; ARTG-listed regulatory standing; practitioner endorsement at the point of recommendation; and omnichannel distribution spanning pharmacy, mass retail, beauty and direct-to-consumer.



2.4 Business and revenue model

Vitadrop operates an omnichannel consumer goods model anchored by a practitioner-led credibility loop.

Endorsement from more than 500 pharmacists and naturopaths nationally builds trust at the point of recommendation, driving conversion and repeat purchase, particularly in pharmacy, where trust is the primary purchase driver. This gives the business a rare combination of credibility-led and scale-led distribution without relying solely on paid digital acquisition for growth.

Revenue is generated through four complementary channels:

1. Pharmacy retail and distribution.

One of Vitadrop’s highest-trust channels, spanning Priceline Pharmacy and independent pharmacy nationally. Practitioner endorsement drives both initial ranging and ongoing sell-through, and pharmacy customers show strong repeat-purchase behaviour.

2. Mass retail.

National distribution through Kmart Group places Vitadrop in front of mainstream consumers at scale, building brand awareness that flows through to higher-margin channels.

3. Direct-to-consumer.

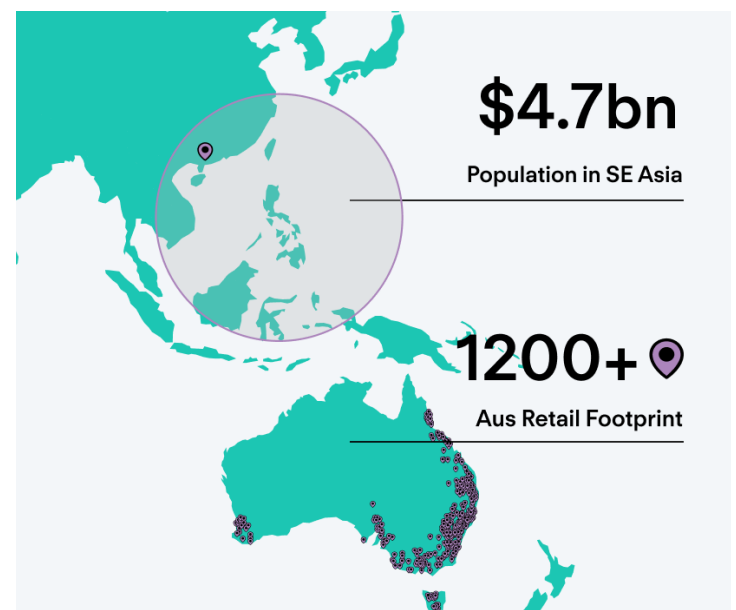
Our online store is the brand’s highest-margin channel and the home of our subscription program, more than 40% of D2C revenue is recurring. D2C also gives us ownership of the customer relationship and first-party data that informs product development and marketing.

4. International.

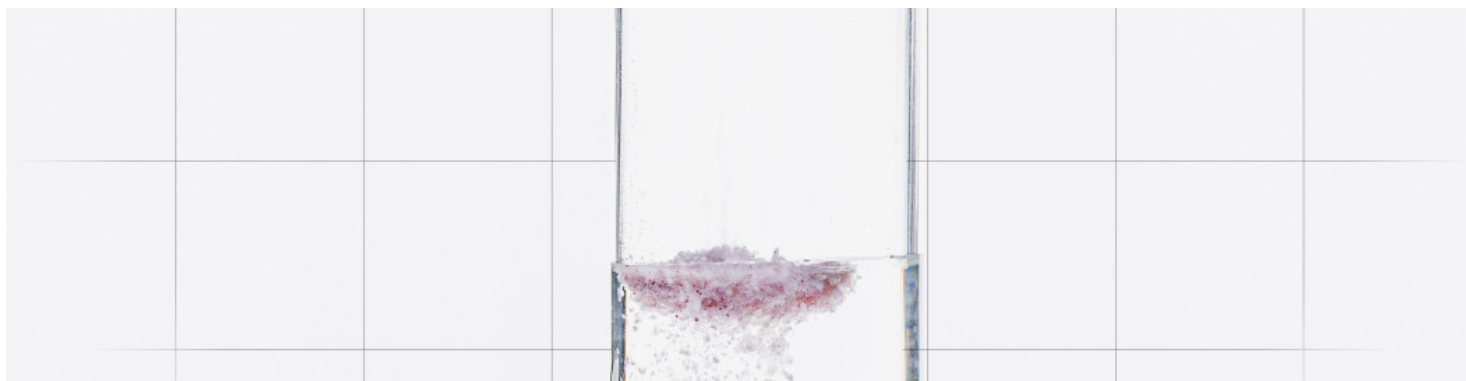
An initial foothold with premium health retailer Mannings in Hong Kong, with memoranda of understanding under negotiation with distributors in Vietnam ahead of a staged, partner-led rollout across Southeast Asia.

The product format underpins the economics of all four channels. Powdered products carry significantly higher margins than ready-to-drink beverages, require less capital to manufacture and store, and have a far more attractive weight-to-value ratio for export — making international expansion capital-efficient relative to ready-to-drink alternatives. Combined with

a capital-light operating model, this margin structure has enabled Vitadrop to reach profitability over the trailing six months while continuing to grow, with cumulative revenue since launch exceeding \$3.5 million and annual recurring revenue above \$1 million.



2.5 Business strategy



Vitadrop's strategy is to consolidate its position as Australia's sugar-free hydration leader, then extend that leadership into the Asia Pacific. Growth is focused on four pillars where the business already has demonstrated traction.

1. Grow direct-to-consumer revenue.

Accelerate Vitadrop's highest-margin channel through three levers: focused advertising investment to scale customer acquisition; co-creation of flavour extensions of the hero range in partnership with influencers, giving each launch built-in audience and reach; and extension of the practitioner programme to online key opinion leaders, carrying the credibility loop that drives pharmacy conversion into digital channels. With more than 40% of D2C revenue already recurring, every dollar of D2C growth compounds through subscription.

2. Expand pharmacy distribution.

Deepen penetration of Australia's network of approximately 1,500 key-banner pharmacies, prioritising the banners with the strongest sell-through and reorder behaviour. Pharmacy is one of Vitadrop's highest-trust channels, and the practitioner network of 500+ pharmacists and naturopaths gives the brand a structural advantage at the point of recommendation. Deeper pharmacy penetration directly improves the quality and durability of the company's revenue.

3. Build supply-chain control.

Invest in manufacturing capability and tooling to improve product consistency, shorten lead times and strengthen margins as volume scales. Supply-chain investment is the clearest lever for improving unit economics at this stage of the company's growth, and progressively brings production capability in-house.

4. Scale into Southeast Asia and New Zealand.

Execute a staged, partner-led rollout from the established Hong Kong foothold with Mannings into markets including Singapore, Vietnam and Malaysia, alongside entry into New Zealand. Distributor

relationships are already underway, with memoranda of understanding under negotiation in Vietnam. The powdered format's weight-to-value ratio makes international expansion capital-efficient relative to ready-to-drink alternatives.

Beyond these four pillars, Vitadrop will continue to invest in product innovation, supported by non-dilutive government R&D funding. This will include development of a hydration offering for diabetic consumer and in its collaboration model, which pairs the company's formulation expertise with culturally resonant brand partners to launch new products with credibility and reach from day one.

Growth plan — FY27.

The focus is domestic growth and margin strength:

1. Grow direct-to-consumer revenue — Vitadrop's highest-margin channel

2. Expand pharmacy distribution

3. Build supply-chain control

Growth plan — FY28.

The focus shifts to international scale:

4. Scale into Southeast Asia and New Zealand, executing the staged, partner-led rollout from a larger, more profitable domestic base.

Pathway to a liquidity event.

The Board's objective is to position Vitadrop for a strategic exit around FY28–FY29, once the company has demonstrated profitable omnichannel scale domestically and established its Asia Pacific footprint. Potential pathways include a trade sale to a strategic acquirer or participation in consolidation within the consumer health and wellness sector. There is no guarantee an exit will occur within this timeframe, or at all, and any transaction would be assessed by the Board in the interests of all shareholders.

2.6 Directors and senior managers

Vitadrop is led by a founder-driven team combining scientific credibility, lived product experience, commercial acumen and operational discipline.

2.6.1 Directors



Charlie Wood
Co-Founder & Managing Director.

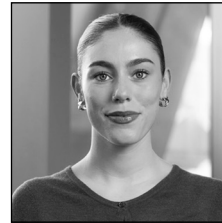
Charlie is a science-led founder with a background in biomedical research at St Vincent's Institute in Melbourne before moving into commercial leadership. He led product and commercial teams at venture-backed marketplace Flippa, including a secondment to Austin, Texas to scale the platform in North America, and held go-to-market leadership roles across high-growth technology businesses. He was later a partner and director at creative and growth agency Studio Tekni, which he exited before founding Vitadrop. Charlie leads Vitadrop's product formulation, brand, commercial strategy, fundraising and investor relations.



Daniel Concannon
Co-Founder & Creative Director.

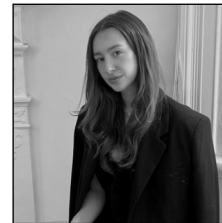
Dan is a former professional rugby player with the Melbourne Rebels whose career was cut short by a diagnosis of ulcerative colitis, a chronic autoimmune gut condition. That experience sparked a decade-long exploration of health optimisation and functional nutrition, and led directly to the formulation of Vitadrop's flagship hydration product, combining L-glutamine with electrolyte science. Dan leads Vitadrop's creative direction and brand expression, and is a key spokesperson for the brand, embodying the transformation Vitadrop aims to enable for its customers.

2.6.2 Key team members



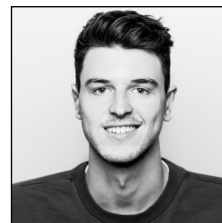
Jordan Timperio
Head of Design.

Jordan leads Vitadrop's design across brand, packaging and digital, ensuring the premium, science-led identity established in the company's repositioning carries consistently through every product and channel.



Jessica Martin
Head of Communications.

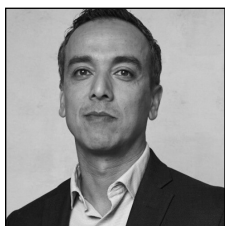
Jessica leads Vitadrop's communications, including brand PR, practitioner and partner communications, and investor-facing storytelling.



Adrian Sabic
Head of Growth.

Adrian leads growth marketing across Vitadrop's direct-to-consumer and retail-support channels, spanning performance marketing, retention and subscription growth.

2.6.3 Advisors



Amar Jassal
Advisor & Investor

Amar works at the intersection of capital and opportunity, with a sharp focus on private credit in Australia. Investing his own capital with conviction, he has built a strong track record of risk-adjusted returns through disciplined underwriting and genuine partnership with borrowers. He operates on three pillars: discretion, speed, and integrity.



Greta van Riel
Advisor & Investor

Founder of multi-million dollar eCommerce brands including SkinnyMe Tea, The 5TH Watches, and Drop Bottle. Ex board member Hydralyte North America



Cam Walshe
Advisor & Investor

An entrepreneur and strategist passionate about innovation, scalability, and impactful ventures. Cam ran pitch black venture studio which incubated Mr Yum, which went on to raise over \$80m and scaled globally.

2.6.4 Legal or disciplinary actions.

There are no current or past legal or disciplinary actions against the Directors and Senior Managers nor against the company.

2.6.5 Corporate structure

Vitadrop Pty Ltd

2.6.6 Organisation Chart

Board of Directors

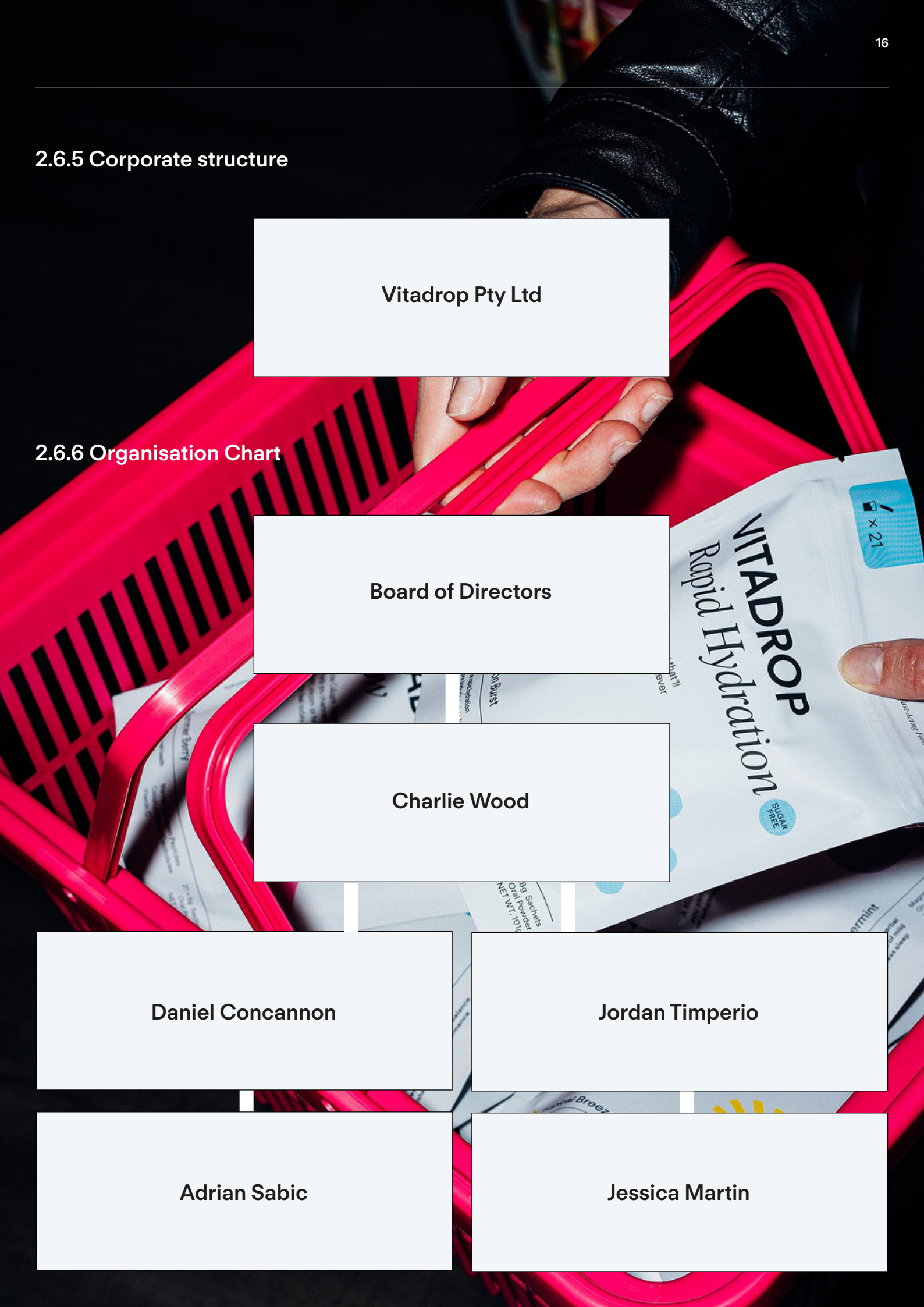
Charlie Wood

Daniel Concannon

Jordan Timperio

Adrian Sabic

Jessica Martin



2.7 Capital Structure

2.7.1 Issued capital

As at the date of this Offer Document, the Company has 817,635 fully paid ordinary shares on issue, the Company's only class of share. The majority of shares are held by the Company's founders. The Company also has authority to issue options equivalent to up to 20% of its issued share capital under an Employee Share Option Plan.

The table sets out the issued capital of the Company following the Offer.

2.7.2 Rights associated with Ordinary shares and options

The only class of shares on issue in Vitadrop Pty Ltd is fully paid ordinary shares. The shares offered under this Offer are fully paid ordinary shares ranking equally with all ordinary shares on issue. A full copy of the Company's Constitution is available on the Intermediary's platform.

All ordinary shares carry the following core rights:

Voting rights. One vote per share, in accordance with the Corporations Act.

Dividend rights. Equal entitlement to participate in any dividends declared by the Company, if and when paid.

Rights on winding up. A proportional share of surplus assets on a winding up of the Company, after payment of all liabilities.

Additional rights and obligations set out in the Constitution include restrictions on transfer (including pre-emptive rights for existing shareholders), certain founder rights preserving strategic alignment, and drag-along and tag-along provisions enabling majority shareholders to require participation in an exit event and giving minority shareholders the right to participate in such an exit on equal terms. A more detailed explanation of shareholder rights is included in Section 3.3.

Table 1: Issued capital of the Company before the offer

SHARES	Minimum	%	Maximum	%
Existing shares	817,635	100%	817,635	100%
Total shares before offer	817,635		817,635	

Table 2: Issued capital of the Company following the offer

SHARES	Minimum	%	Maximum	%
Existing shares	817,635	98.77%	817,635	92.3%
CSF Offer shares	10,200	1.23%	68,200	7.7%
Total shares after offer	827,835	100%	885,835	100%

2.7.3 Other securities and capital instruments

Employee Share Option Plan. The Board is authorised to establish and operate an ESOP to attract, retain, and incentivise key team members with a pool equivalent to up to 20% of the Company's issued share capital.

As at the date of this Offer Document, no options have been granted or allocated under the ESOP.

Convertible notes. The Company has three unsecured convertible notes on issue, held by Toon Mustang, Adam Metwally and Sean Gregory Pty Ltd totalling \$250,000.

Debt funding. The Company's debt position is modest and structured on favourable terms. It comprises a government-backed COVID-era SME loan of \$234,000 on a ten-year term, and a secured working capital facility of \$250,000 provided by a related party. The directors have also put in \$500,000 of Debt into the business for working capital over the company's history. Interest on shareholder lending accrues but is not payable in cash, and these loans are subordinated to all other debts of the Company, terms that prioritise the Company's cash position and align lender and shareholder interests.

2.7.4 Grant funding

Vitadrop actively leverages non-dilutive government programs that supplement investor capital while preserving equity.

R&D Tax Incentive. Vitadrop receives a cash rebate on eligible R&D activities under the Australian Government's R&D Tax Incentive. In FY24 the Company received a rebate of \$91,504. In 2025 the company received a \$188,000 rebate. The company expects a rebate similar to 2025 for 2026 landing by September.

Export Market Development Grant. The EMDG program reimburses up to 50% of eligible international marketing expenses for up to \$40,000 of eligible expenditure. The company has received \$20,000 in a rebate for FY26 and will apply for the next tier up for FY2027.

2.7.5 Significant Shareholders

SHAREHOLDER	ORDINARY SHARES	EXISTING OWNERSHIP
Charles Lester Wood CL Wood Investments Trust	212, 085	25.9%
Daniel Patrick Concannon DP Concannon Investments Trust	212, 085	25.9%
TC Food Events Trust	95, 605	11.7%
R.P Investments Australia Pty Ltd + S M Karunaratne Investments Pty Ltd	47, 628	5.8%

2.8 Key risks facing the business

An investment in Vitadrop involves risk. The key risks set out below are specific to the Company's business and should be considered alongside the general risk warning in Section 1. This list is not exhaustive.

Manufacturing and supply chain risk.

The Company currently relies on third-party contract manufacturers and suppliers for production and key inputs. Disruption at a manufacturing partner, ingredient shortages or freight cost increases could affect product availability and margins. The Company's strategy includes investment in supply-chain control and tooling to progressively reduce this dependency.

Regulatory risk.

Vitadrop operates in a regulated category. Selected products are listed on the Australian Register of Therapeutic Goods, and the Company's products and marketing claims are subject to regulation in Australia (including by the TGA) and in each international market it enters. Changes to regulation, or failure to maintain compliance, could restrict product sales or require costly reformulation or re-labelling. International expansion multiplies this complexity, as each market carries its own regulatory regime.

Competition risk.

The hydration and wellness category is competitive and attracts well-funded local and international entrants. Larger competitors could replicate aspects

of Vitadrop's positioning or use superior resources in marketing and distribution. The Company's defences include its differentiated sugar-free formulation approach, practitioner endorsement network, ARTG-listed standing and established retail relationships, though these do not guarantee continued advantage.

Key person risk.

The Company depends significantly on its founders and a small senior team for formulation expertise, brand direction, key relationships and strategic execution. The loss of a key person could disrupt operations and growth. The Company maintains an ESOP pool to attract and retain talent and is progressively deepening its team.

Profitability and cash flow risk.

The Company's recent profitability may not be sustained as it invests in growth, inventory and international expansion. Working capital demands of retail and export channels (including payment terms and inventory cycles) can create cash flow pressure. The Company manages this through its capital-light model, subordinated shareholder lending arrangements and non-dilutive grant funding.

2.9 Financial information

Management comments on historical performance and outlook

Vitadrop has generated cumulative revenue of more than \$3.5 million since launch, with more than four million sachets sold. The Company's revenue base has strengthened materially in quality over the past three financial years, reflecting deliberate strategic decisions: the exit from low-margin grocery retail in FY22, the rebrand and SKU rationalisation of FY24, and the channel expansion of FY25 across Kmart Group, Adore Beauty and Mannings Hong Kong.

The Company achieved profitability over the trailing six-month period – a milestone reflecting its capital-light operating model, the structural margin advantages of the powdered format, and a distribution mix weighted toward higher-margin channels. Direct-to-consumer, the Company's highest-margin channel, now carries more than 40% recurring subscription revenue and annual recurring revenue above \$1 million, providing a stable and predictable revenue foundation.

Non-dilutive funding supports the Company's innovation program: an R&D Tax Incentive rebate of approximately \$188,000 is anticipated in September 2026 on FY26 eligible expenditure with EMDG support also being received in FY26 and engaged for FY27.

Looking forward, the Company expects continued revenue growth in FY27 driven by direct-to-consumer scaling, deeper pharmacy penetration and supply-chain investment, with FY28 weighted toward international expansion. The Board intends to reinvest operating cash flow into growth and does not anticipate paying dividends in the foreseeable future.

Statement of financial position

ASSETS	June 2025	\$	June 2024	\$
Current Assets				
Cash and cash equivalents	176,989		206,001	
GST			14,166	
Inventories	277,608		443,146	
Trade and Other Receivables	255,345		46,004	
Prepayments	81,150		9,979	
Total Current Assets	761,091		719,296	
Non-Current Assets				
Property, Plant and Equipment	14,580		-	
Total Non-Current Assets	14,580		-	
Total Assets	775,671		719,296	

Statement of financial position

LIABILITIES	June 2025	\$	June 2024	\$
Current Liabilities				
Bank Overdrafts	97,299		49,454	
GST	26,961		-	
Financial Liabilities	200,751		284,159	
Trade and Other Payables	344,147		169,539	
Total Current Liabilities	669,158		503,152	
Non-Current Liabilities				
Financial Liabilities	694,183		274,459	
Related Party Payables	509,517		(28,188)	
Total Non-Current Liabilities	1,203,700		246,272	
Total Liabilities	1,872,857		749,423	
NET ASSETS	June 2025	\$	June 2024	\$
Equity				
Retained Earnings / (Accumulated Losses)	(3,083,604)		(1,988,446)	
Issued Capital	1,986,418		1,958,318	
Total Equity	(1,097,186)		(30,128)	

Statement of Changes in Equity

EQUITY	2025	\$	2024	\$
Opening Balance	(30,128)		(89,778)	
Increases				
Issue of Shares	28,100		1,441,821	
Total Increases	28,100		1,441,821	
Decreases				
Loss of the Year	1,095,158		1,382,170	
Total Decreases	1,095,158		1,382,170	
Total Equity	(1,097,186)		(30,128)	

Profit and Loss Statement

INCOME	2025 \$	2024 \$
Sales revenue	1,155,060	859,709
Cost of Sales		
Production Costs	(433,616)	(437,836)
Customer Rebates and Charges	(207,398)	(240,150)
Freight and Other	(172,628)	(125,849)
Total Cost of Sales	(813,643)	(803,835)
Gross Profit	341,417	55,874
OTHER INCOME		
Grants	91,505	24,600
Interest Income	263	8
Other Revenue	100,148	-
Total Other Income	191,917	24,608
OPERATING EXPENSES		
Marketing and Advertising	(319,211)	(547,583)
Employee Expenses	(449,998)	(392,106)
Depreciation and Amortization	(497)	(13,243)
Legal and Professional Fees	(318,760)	(136,349)
General and Administration	(207,764)	(180,711)
Research and Development	(186,588)	(80,496)
Total operating Expenses	(1,542,818)	(1,350,488)
Operating Profit/(Loss)	(1,009,484)	(1,270,006)
OTHER EXPENSES		
Finance Costs	(85,586)	(112,164)
Total Other Expenses	(85,586)	(112,164)
Profit/(Loss) Before Tax	(1,095,070)	(1,382,170)
Profit/(Loss) For the Year	(1,095,070)	(1,382,170)

Profit and Loss Statement

OTHER COMPREHENSIVE INCOME	2025 \$	2024 \$
Foreign Currency gains and Losses	(88)	-
Total Other Comprehensive Income	(88)	-
Total Comprehensive income/(Loss)	(1,095,158)	(1,382,170)

Statement of Cash Flows

CASH FLOW OPERATING ACTIVITIES	2025 \$	2024 \$
Net Comprehensive Income/(Loss)	(1,095,070)	(1,382,170)
Depreciation and Amortization	497	13,243
Finance Costs	85,586	112,164
Change in Working Capital	668,466	(100,515)
Net Cash Flow from operating Activities	(340,521)	(1,357,278)
CASH FLOW FINANCING ACTIVITIES		
Finance Costs	(85,586)	(112,164)
Interest Accrued	57,641	85,570
Proceeds from Borrowings	793,345	763,093
Proceeds from Share Issues	28,100	1,441,821
Repayments of Borrowings	(598,482)	(557,831)
Net cash Flow from Financing Activities	285,018	1,620,489
CASH FLOW INVESTING ACTIVITIES		
Purchases of Plant & Equipment	(21,353)	(13,243)
Net cash Flow from Investing Activities	(21,353)	(13,243)
Net Movement in Cash	(76,856)	249,968

CASH AND CASH EQUIVALENTS	2025 \$	2024 \$
Cash and Cash Equivalents at beginning of Period		
Cash and Cash Equivalents at beginning of Period	156,546	(93,422)
Total cash and Cash Equivalents at beginning of Period	156,546	(93,422)

NET MOVEMENT IN CASH		
Net Movement in Cash	(76,856)	249,968
Total Net Movement in Cash	(76,856)	249,968
Cash and cash Equivalents at the end of Period	79,690	156,546

RECONCILIATION OF CASH AND CASH EQUIVALENTS		
Bank Balances	176,989	206,000
Bank Overdrafts	(97,299)	(49,454)
Total Reconciliation of Cash and cash Equivalents	79,690	156,546

Section 3

Information about the *offer*



3.0 Terms of the offer

Shares	Fully paid ordinary shares
Price per share	\$7.34
Minimum Subscription	\$74,868
Maximum Subscription	\$500,588
Minimum parcel size	\$249.56
Opening date	19/06/2026
Closing date	3/07/2026

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

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

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

The Offer is not underwritten.

3.1 Use of funds

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

Intended use	Minimum	Maximum
Working capital	\$37,500	\$250,000
Growth: (D2C, marketing, advertising, practitioner programme)	\$18,750	\$125,000
Supply chain and other costs	\$18,618	\$125,588
Total	\$74,868	\$500,588

In Table 3.2, 'working capital' includes overhead expenses, employee wages and director remuneration.

Details of payments to be made to directors and senior managers are itemised below:
directors' remuneration: Nil

Senior manager remuneration: Nil

The costs of the Offer include the Intermediary's fees under the hosting agreement between the Company and the Intermediary. These fees are 6.25% of the total capital raised.

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 18–24 months.

If only the Minimum Subscription amount is raised, the Company will require further funding to be able to carry out our intended activities over the next 12–18 months. In such circumstances, the Company may consider undertaking a further CSF offer under the CSF regime. Until additional funding is obtained, we will scale back sales and marketing and production activities, and continue to focus our cash resources on research and development and working capital costs to advance the clinical trials of our new technology.

3.2 Rights associated with the shares

The shares offered are fully paid ordinary shares, the same class of shares held by the founders. Investors will hold equity on the same terms as the people building the business. The rights attaching to the shares are set out in the Company's Constitution, available on the Intermediary's platform, and include: voting rights (one vote per share); dividend rights (equal entitlement to any dividends declared, noting the Company does not anticipate paying dividends in the foreseeable future); rights on winding up (proportional share of surplus assets after liabilities); pre-emptive rights and transfer restrictions; and drag-along and tag-along provisions in an exit event, ensuring minority shareholders can participate in any sale on equal terms.

3.3 What can I do with my shares?

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

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

There is no guarantee that any of the exit options will eventuate. Therefore potential shareholders should consider this investment as illiquid and be prepared to hold it until there is an exit event as set out above.

3.4 Details of previous CSF offers

The company has raised \$755,000 capital in CSF offers in 2024.



Section 4

Information about *investor rights*



4.0 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 the Company), you must do so within five business days of making your application (the Cooling-off Period).

You must withdraw your application via the Intermediary's platform as follows:

Proceed to your profile on the top right-hand side of the screen on Swarmer's website by clicking your profile image.

Click on the right-hand side bar and select "My Investments"

Scroll until you find your Vitadrop Investment

Click the "Withdraw" button below the Vitadrop logo

Confirm the selection by clicking the "Confirm" button on the pop up

Your Withdraw request will be processed. This may take a few days to complete.

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

4.1 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.

4.2 Proprietary company corporate governance obligations

4.2.1 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, 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.

4.2.2 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 on the Company's website at vitadrop.co free of charge, or can purchase the report from ASIC.

4.2.3 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).

4.2.4 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.

Section 5:

Glossary

**Company:**

Means Vitadrop Pty Ltd ACN 617 877 415.

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 Swarmer Pty Ltd ABN 18 609 908 009 AFSL 507 867

Maximum Subscription

Means the amount specified in this CSF offer document as the maximum amount sought to be raised by the Offer, 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, 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.

Thank-you for choosing to *invest*

