

EDEN TOWERS PTY. LTD.

EDEN TOWERS

CROWD-SOURCED FUNDING OFFER DOCUMENT

Date 25 May 2023

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

Offer of fully-paid ordinary shares in Eden Towers Pty Ltd at \$1.41 per share to raise a maximum of \$1,000,000

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

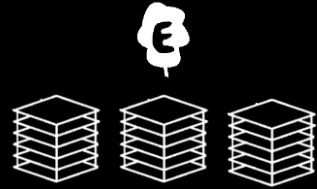
Issuer
Eden Towers Pty Ltd ACN 647460026

Intermediary
Swarmer Pty Ltd AFSL 507 867

ACHIEVEMENTS SINCE OUR LAST RAISE



Secured over \$6m in sales arrangements



Investing in >\$3m in equipment and infrastructure



Equipment funding for next stage of growth (\$8 million) available



New crop varieties and mushroom market secured



Farming as a Service achieving over \$200k in revenue



Plant-Led strategy with new IP development and commercialisation



Diversification strategy into Future Food company



Achieved global reach for Farming as a Service and new projects

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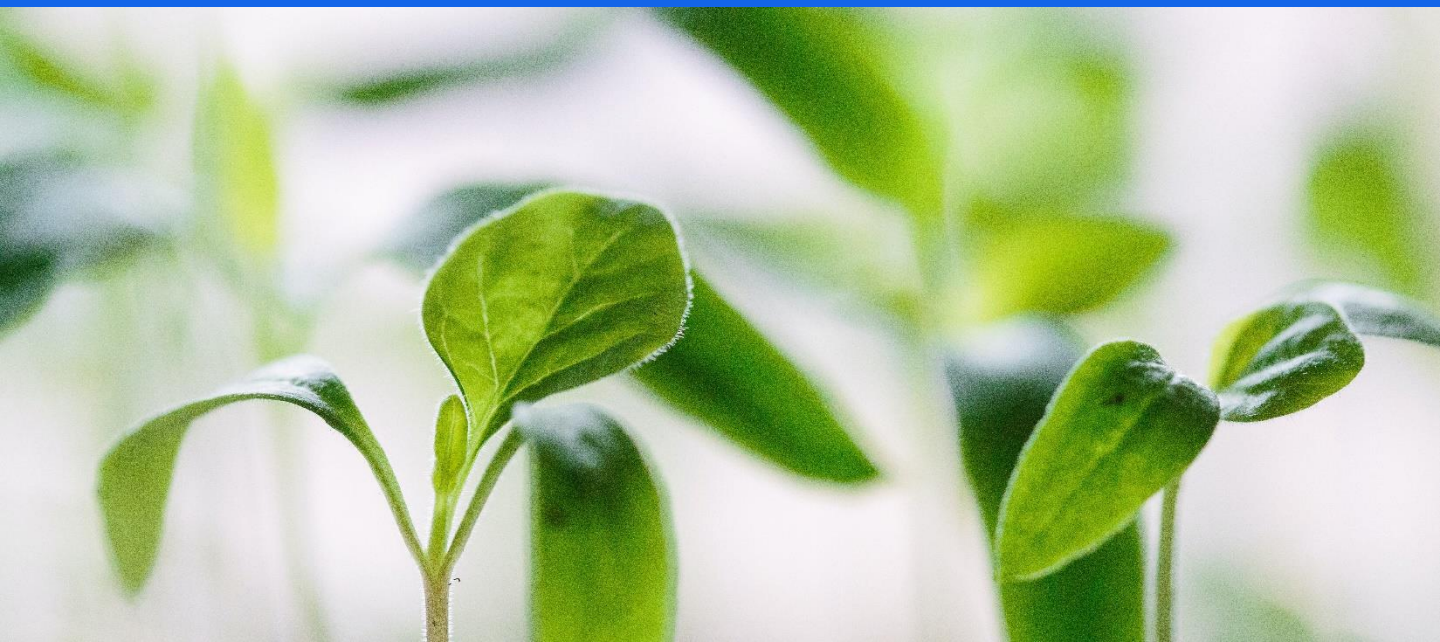
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SECTION 1

—
RISK WARNING



RISK WARNING

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

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

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

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

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

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

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





SECTION 2

—
INFORMATION ABOUT THE
COMPANY



LETTER FROM JULIA and CHRISTIAN



GOING BEYOND HEALTHY DISRUPTION IN THE FOOD SPACE

Dear Future Farmers,

WE HAVE ACHIEVED SOME INCREDIBLE SUCCESS IN THE LAST 2 YEARS – FAR BEYOND OUR EXPECTATIONS, WE ARE READY TO ACHIEVE EVEN MORE AND SHARE THIS WITH YOU

As co-founders of a business that is able to redefine the fresh food value chain we have been very proud of our achievements to date. We have come from a family-led startup to be a leader in the Australian and regional Controlled Environment Agriculture space.

This has taken a lot of hard work, perseverance and careful spending of capital and operating funds to make the company ready for its next big stage of growth.

Since our initial crowdfunding raise in mid-2021, we have made some incredible progress as a business:

- We achieved a huge sales jump from our operational activities
- Our marketing efforts resulted in sales arrangements of over \$6m to be executed

- We have invested in commercial scale equipment and infrastructure once commissioned valued at \$3m
- Completed an R&D roadmap as part of our Plant-Led strategy
- Diversified our crops into new markets and worked with our Indigenous Aboriginal partners to grow bush foods and crops and learn about the culture

And that's only some of the major achievements to date, there is an exciting list of great things to come.

Eden Towers' proposition as part of this crowdfunding raise provides an opportunity for investors to access an early mover in the vertical farming space, access to a strategic move into the Future Food space and your funding will support an emerging sustainable agriculture industry for future generations, driving the fresh food industry through innovation and disrupting the food value chain.

We are excited that you have chosen to take the time to read our Founders Letter and that you will take the time to read this Offer Document. It contains a lot of information and details about Eden Towers, our strategy and where we are going next.

We are available for a meeting at any stage if you would like to clarify or discuss the offer.

On behalf of the team at Eden Towers, we thank you for your interest and time and look forward to welcoming you into the Eden Towers family of Future Farmers.

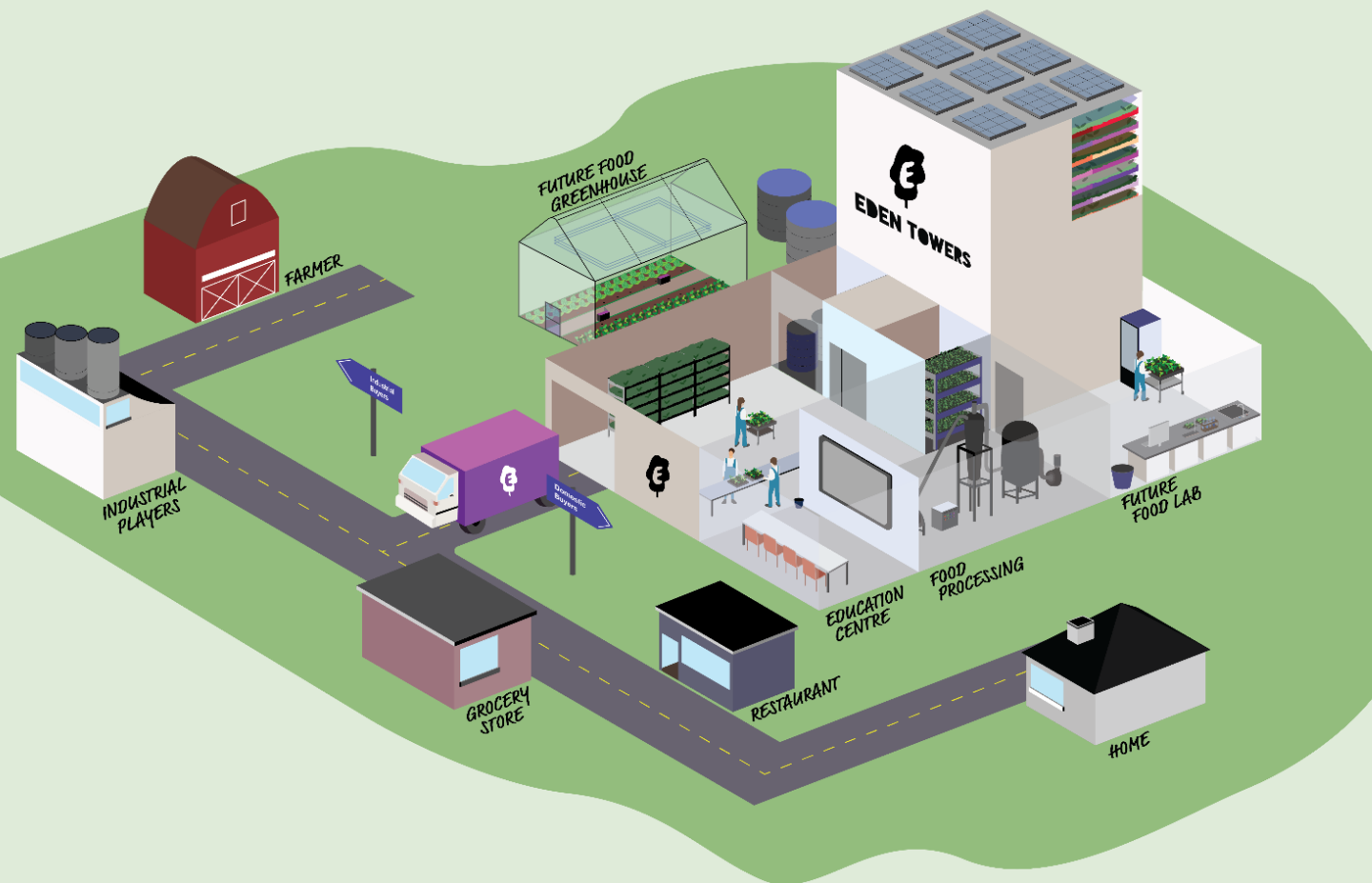
Julia Prichodko


Christian Prokscha


2.1 COMPANY DETAILS


This offer of shares is made by Eden Towers Pty Ltd ACN 647460026 (Company).


Company name	Eden Towers Pty Ltd (Australian Proprietary Limited Company)
ACN	647460026
Date of incorporation	28 January 2021
Registered office	U3, 326 Hay Street Perth, WA, 6000, Australia
Principal place of business	U3, 326 Hay Street Perth, WA, 6000, Australia



 Indoor hyper-efficient vertical farm technology with crop science advancement

 Renewable energy and water/input recycling

 Integrated seed to harvest line

 Downstream food processing and value adding

 Delivering to domestic and industrial buyers

2.2 ABOUT EDEN TOWERS

EDEN TOWERS IS A HYPER-EFFICIENT VERTICAL FARMING BUSINESS DELIVERING FRESHER, HEALTHIER, AND BETTER LEAFY GREENS.

Our vertical farms use cloud, AI and IoT technology to create an indoor ecosystem where plants thrive all year round without soil, using 98% less water and achieving up to 2 to 15x the yield of a greenhouse or open field, producing sustainable post-organic produce with almost zero food miles.

The concept was founded in June 2019 by Julia Prichodko and Christian Prokscha when we were living in Jakarta, Indonesia, looking at how the fresh produce value chain worked in a developing country and within the region. When COVID hit and we moved back home to Perth, we decided to use our learnings and concepts to start Eden Towers in Australia.

During the first two years, we explored various technologies and a lot of trial and error to find the best approach to grow produce in a cost efficient and scalable way.

We started farming in 2021 in Perth with a scaled down version of our commercial scale farm. This then grew into a larger facility in 2022, when at the same time we started farming in Adelaide. Combined, our technology had the possibility to produce over 4T per year. At the same time we diversified into mushrooms and other non-edible crops.

In 2023, we are now moving into commercial scale farming. We recently completed the purchase of equipment that will provide us with 600m² of vertically stacked growing space able to grow ca. 60T per year at an investment once commissioned at over \$3m across Perth and Adelaide. This moves us into a unique space as one of the largest producers in Australia once completed by the end of 2023.

Beyond this, we are ready to invest further into the next stage of commercial scale equipment working with international vendors to deploy farms with 2000m² plus and producing beyond 200T per year. The activities for this on engineering and design are already underway and we are looking to invest \$6m per farm to become the largest vertical farming grower in Australia and Southern Hemisphere.

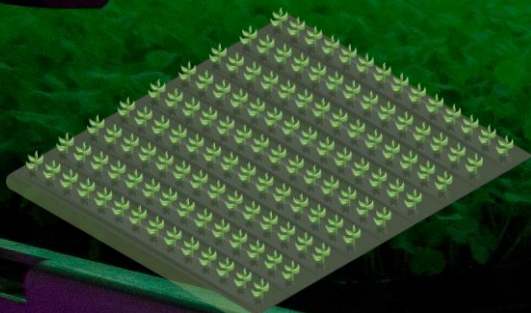
The sales arrangements we have in place in Perth and Adelaide total approximately 450T or \$6 million in future revenue, once commercial scale farms are operational. This is still only less than 10% of the combined volume our buyers sell on an annual basis; the room for us to scale and grow is tremendous.

Beyond this we know that our diversification plans to become a Future Food company are well positioned with interest already from our buyers and other food producers to combine our fresh produce range with our future alternative proteins, mushrooms and other lines .



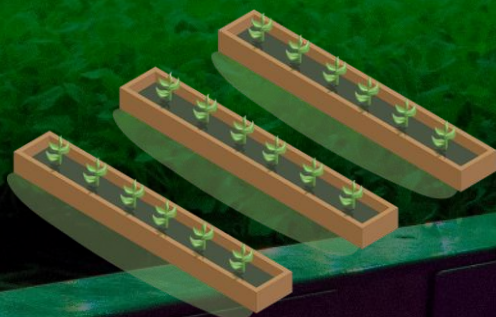
THE CONCEPT – VERTICAL FARMING

1



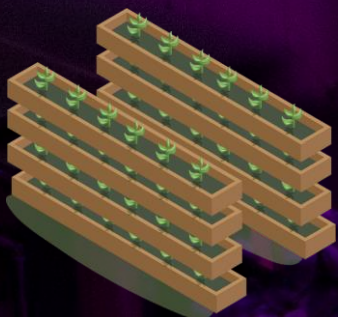
Take a farm field

2



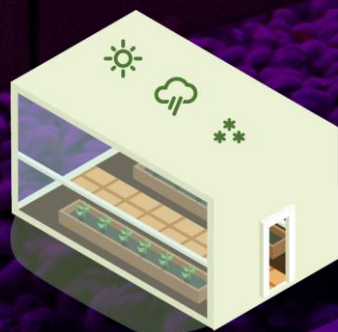
Segment the field

3



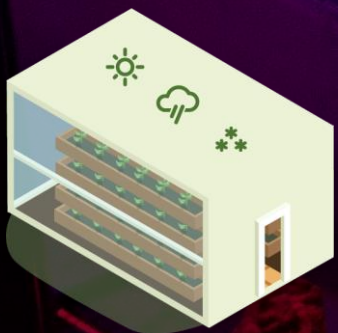
Stack the segments
12m high

4



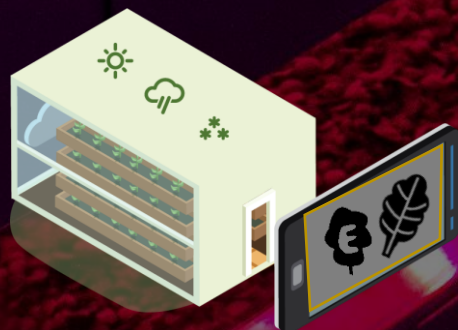
Put segments in a
controlled building

5



Create the climate
inside the controlled
building

6



Control it with
your device

2.2 ABOUT EDEN TOWERS cont.

Beyond the Farms we Build, Own and Operate (BOO)¹ and our move to become a Future Food company, we also developed a capital light revenue model – Farming as a Service. This was done as a pivot away from just farming to being able to provide our expertise and internal innovation IP to other companies globally.

Since launching our Farming as a Service (FaaS)² model we have been able to secure two contracts, one in the Philippines and one in South Africa, to design, engineer and commission farms utilising new and innovative technology and processes. Our experience in operations is critical as each FaaS project is unique and develops great data to enhance growing conditions and technology IP.

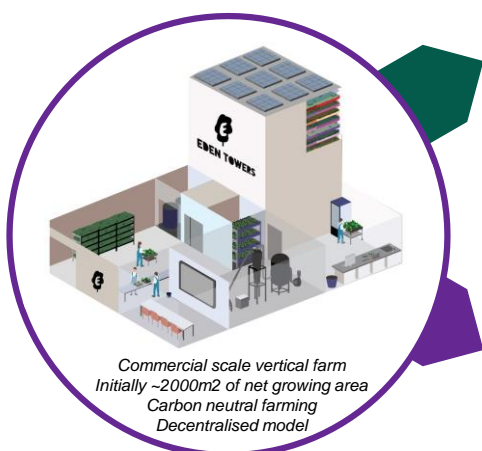
The FaaS model allows us to generate revenue, enhance our IP, work with future partners and enhance our brand position in markets where we would generally not venture.

Our business has been supported by our

Plant-Led Strategy. This strategy was devised in early 2022 to focus on the next wave of IP and innovation for vertical farming.



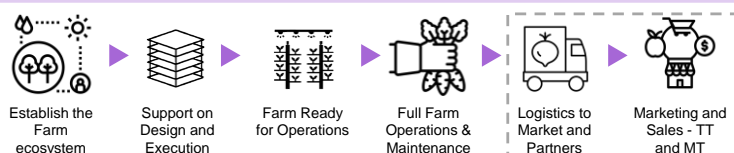
When setting out Eden Towers we chose a path to minimise capital spend innovating hardware (unless there was a strategic advantage) as the hardware market has become saturated globally in the past years. We focused on the plant science and plant performance. Our Plant-Led strategy looks into every part of the plant and to build IP into the next plant innovation. See the next page for our Plant-Led strategy information.



FRESH PRODUCE SUPPLY DIRET TO MARKET – target B2B and B2C markets



FARMING AS A SERVICE – multi-location farming with ET IP and knowledge



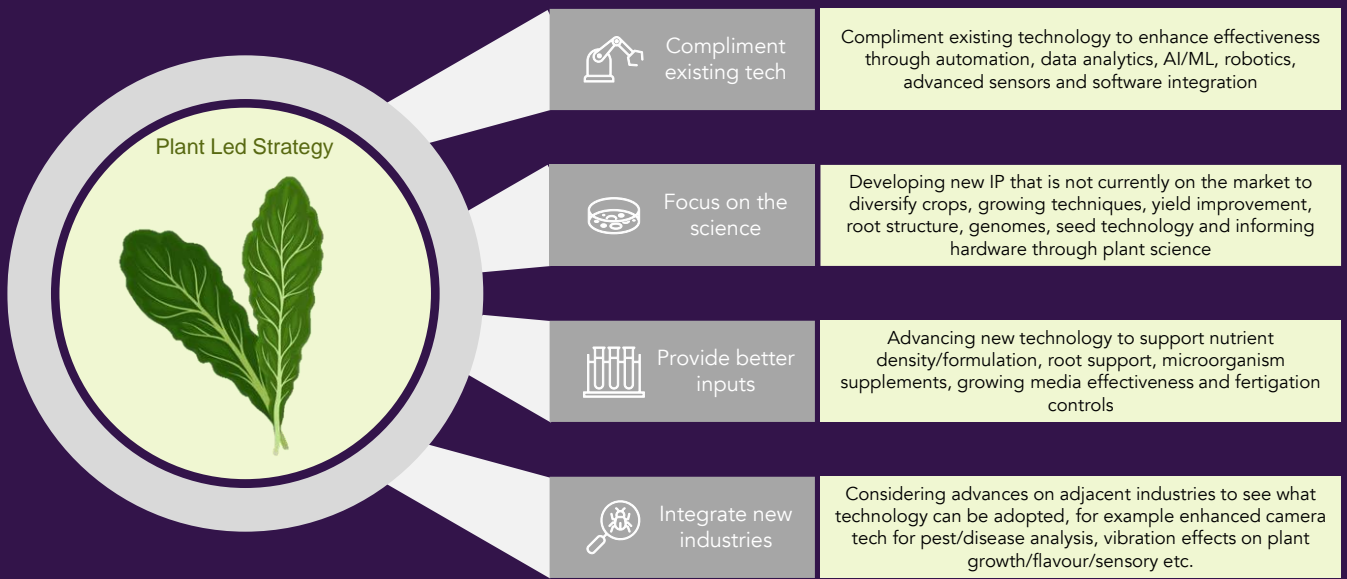
1. Build, Own and Operate (BOO) – Eden Towers deploys capital to build farming assets which are Owned and Operated by Eden Towers.

2. Farming as a Service (FaaS) – Eden Towers provides consulting services to third party partners to design, engineer, commission and market vertical farms that are not owned by Eden Towers.

2.2 ABOUT EDEN TOWERS cont.

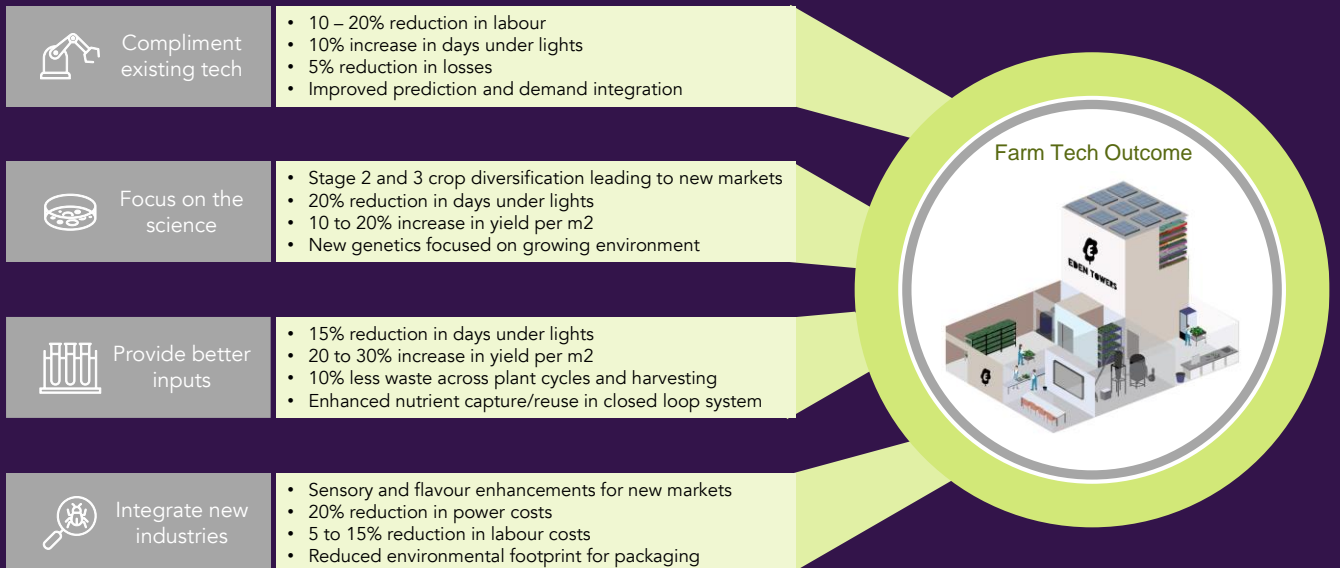
OUR TECH DIFFERENTIATOR IS FOCUSING ON THE PLANT

Eden Towers Plant-Led strategy is developing new IP to advance the development and enablement of better vertical farming outcomes



PLANT-LED PROVIDES BETTER IN FARM PERFORMANCE

Significant gains in efficiency, cost, yield and diversification will be gained at the farm level from a Plant-Led strategy



2.2 ABOUT EDEN TOWERS – Our Mission

GROWING SUSTAINABLE PRODUCE THAT PROMOTES A HEALTHIER & TASTIER FUTURE

GUIDING PRINCIPLES



Healthy

High quality, long-lasting, nutritious, fresh produce to challenge the current model and build a new segment



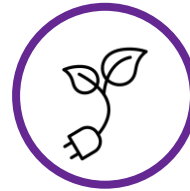
Natural

Crops are grown in a clean environment with zero pesticides, GMOs or other toxins



Local

We grow exact volumes all year round in your city, reducing travel and waste



Smart

Using 98% less water, with 1/10th space, and scaling to the right size for sales arrangements



Pioneer

We are an progressive ESG business with socially conscious operations, zero emissions and full recycling

CURRENT PRODUCT CATEGORIES SOLD OVER 40 PRODUCTS (Stage 1 - cropmix)



LEAFY GREENS



HERBS



ASIAN LEAFY GREENS



MICRO GREENS



EDIBLE FLOWERS



INDIGENOUS CROPS

A man with a beard, wearing a white lab coat, is holding a large tray filled with lush green basil plants. The background shows a greenhouse setting with other plants and structural elements. The entire image has a purple and blue color overlay.

THE FUTURE

OF MODERN

FARMING IS

HERE —

READY TO

JOIN?

2.2 ABOUT EDEN TOWERS – Disrupting tradition to deliver the best products

WE TAKE THE TRADITIONAL FARMING MODEL, OPTIMISE IT AND CUT OUT THE MIDDLE-MEN

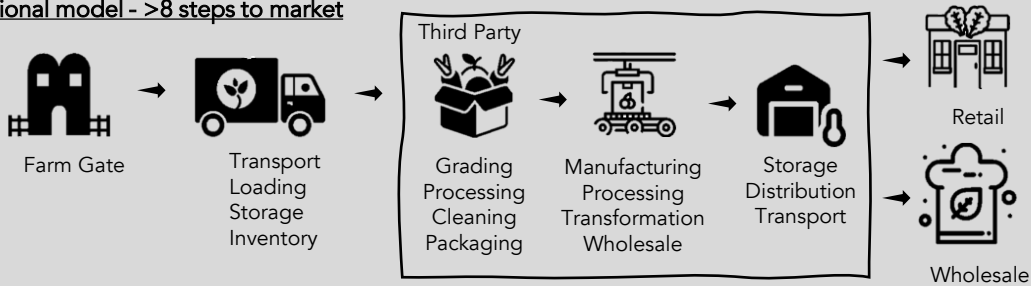
The current fresh produce value chain is complicated with several different groups handling produce across many kilometres before it is sold to you – the consumer. And at the end of this journey, the farmer barely makes a margin while the middle-men and retailers mark-up the value of their produce. We are left with a system where consumers pay a high price and get days-old produce.

Eden Towers thinks that Australians deserve fresher and better. Our farms use a direct Farm to Buyer model, streamlining the fresh value chain and maximising freshness and sustainability.

Best of all the consumer gets a fresher product, at a better price, all grown locally – what a yummy way of thinking!

Eden Towers deploys a simple 3 step process to achieve a **TRUE FARM TO PLATE** model.

Traditional model - >8 steps to market



The current value chain is complicated with many handoffs and margin sharing from Farm Gate to Retailer

Eden Tower model – 3 steps to market with almost zero food miles



Eden Towers goes direct from Farm to Retail and Wholesale - maximum-margin potential is preserved

The products we grow are broad, can change quickly based on customer/market demand and grow between 2 to 3 times faster than traditional farming techniques

LEAFY GREENS	HERBS	MICROGREENS	NEW CROPS (out soon)
Arugula Bok Choy Cos Lettuce Kale Various Kailan Red Mustard Lettuce Mesculin Mizuna English Spinach Warrigal Greens + others	Basil Basil Thai Chervil Chives Chives Garlic Coriander Dill Mint Oregano Parsley Tarragon Salt Bush + others	Basil Beetroot Celery Coriander Dill Kale Various Mizuna Mustard Parsley Radish + others	Edible flowers – varieties Strawberry Cherry Tomato +others for future development
16 to 21 days to market ¹	15 to 23 days to market ¹	5 to 7 days to market ¹	x2 to x3 faster ¹

1. Times are from seeding to harvest – we grow from seed and preserve the utmost purity of the plants

2.2 ABOUT EDEN TOWERS – Farming for the Future

Eden Towers' farms in Perth and Adelaide have been operating for over 1.5 years and we have supplied to a diverse set of customers from Hotels, Restaurants and Cafes (HORECA), wholesale and food service businesses. We are now ready to expand our sites and use the latest technology to overcome traditional and common farming challenges and produce the best fresh produce and food in Australia.

PERTH

We have selected the Peel Business Park and Food Innovation Precinct of WA to build our commercial scale farm in Perth. This location is well suited with a captive 3MW solar farm, excellent logistics routes and we will have a purpose built building ready by end of 2023. The Perth facility will house our current set of technology with revenue capacity of up to \$250k per year and we will look to expand this in 2024 with a new state of the art automated and commercial scale farm, which will service the wholesale sales arrangements with revenue capacity of up to \$2.5m per year. The Perth facility will also house our mushrooms, alt-protein and other future foods currently in development.

ADELAIDE

Our current farm in Wingfield will soon be moved to Pooraka, where we have secured a building located directly next to our wholesales partner reducing food miles to close to zero – incredible!

The farm in Adelaide will be expanded using our recent equipment purchase and will see production and revenue capacity by end of 2023 at ca. \$200k per year. The facility in Adelaide already has engineering underway and will be upgraded to also a state-of-the-art facility at over 2000m² and producing over 200T with a revenue capacity of \$2.5m per year once operational in 2024. Adelaide will also have facilities for mushrooms, alternative proteins and other future food.

HOW THE TECH WORKS

The commercial technology we are deploying is unique to each site and is based on market and operational requirements. It is fully automated and modular, using a plug-and-play system – that makes it easy to expand production and change production output. This will allow us to meet our tight customer demands and plan to the kg the production output we will have on a daily basis. Our customers love this, as currently they are often short on supply from traditional farmers.

The automation platform offers an ecosystem which requires minimal human effort, with the equipment managing the process from seed to harvest via automation and controls. This includes an IoT-managed system that utilises a cloud-based app to provide all scheduling, monitoring and plant nurture. Reducing food waste due to process efficiency, reduced contamination and improved plant cleanliness/health.

Biosecurity is managed through physical barriers and a tight operational procedure – no pests are able to penetrate the facility.

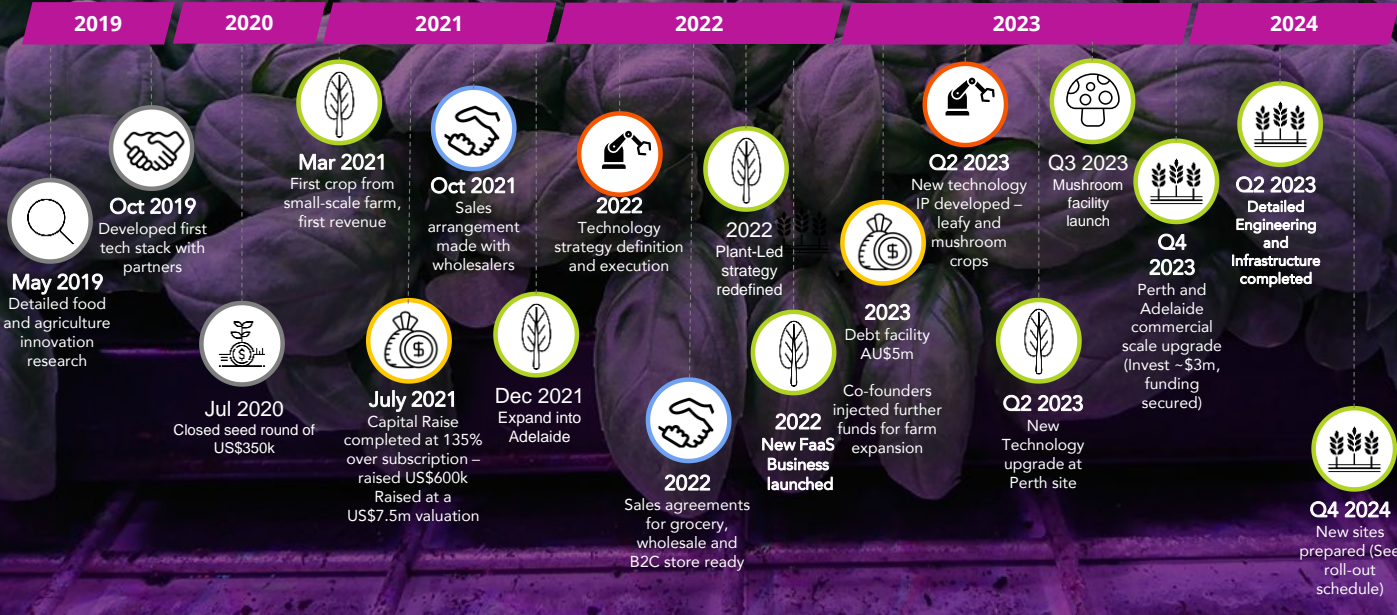
Plant disease is managed on a crop tray level – meaning if there is disease, it is confined to the tray and less than 1% of production is impacted.

Seeding, germination, growing, harvesting and packaging is automated – requiring only 5 to 6 people to run a facility up to 240T production capacity per year.

Note: revenue capacity is based on current sales prices achieved multiplied by current yield performance on a per m² basis. These are then multiplied by the future farm m² capacity.

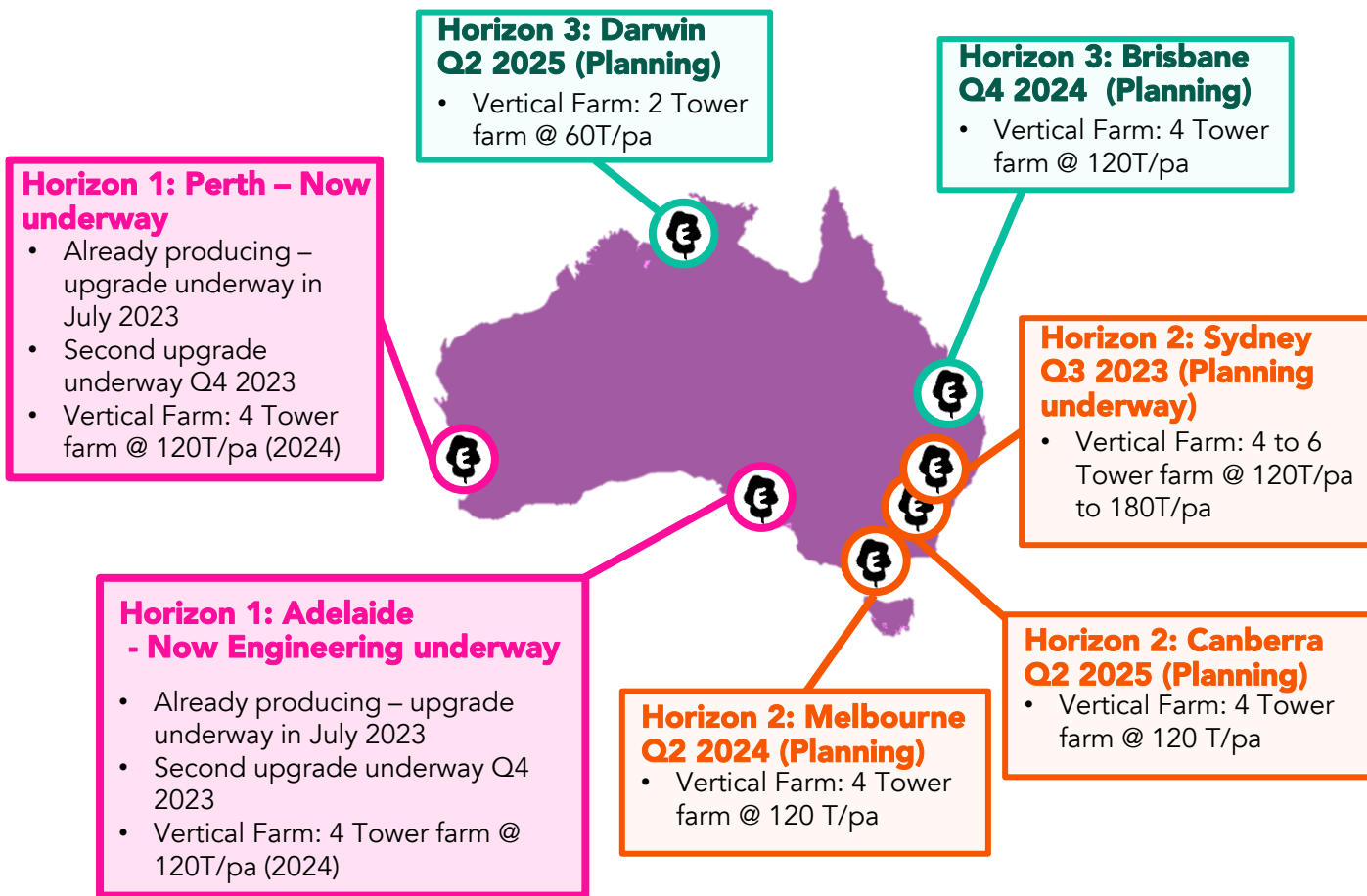


The story so far...



NEXT STAGE OF GROWTH – HORIZON 2 AND 3 AUSTRALIA

We have received strong market engagement from our existing and new customers. We believe a significant first mover advantage exists for Eden Towers to scale its production nationally and our aspiration is to put a farm in every major Australian city.

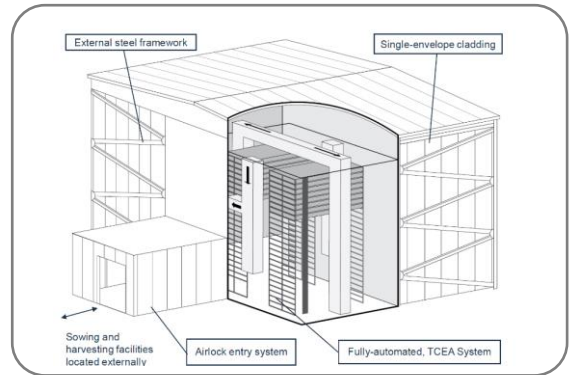


2.2 About Eden Towers – Scaling the farms to achieve commercial scale

WE USE A MODULAR GROWING SYSTEM THAT ALLOWS US TO BUILD FARMING FACILITIES OF VARIOUS SIZES AND CROP MIXES. THIS ALLOWS US TO MAXIMISE OUR PRODUCTION SCALE, WHICH IS CRUCIAL FOR PROFITABLE INDOOR VERTICAL FARMING.

Our system uses 72 hydroponic growth trays at 6.2m² each across 36 levels per tower, providing 446m² per tower (with a land footprint of only 40m²). These trays are independently controlled by software that optimises growing time and conditions. When ready, harvest is automated through a lift system and robotised tray carrier.

The growth towers are contained within a superstructure. Each set of 2 towers is modular and can be expanded within a short three month period. The service area for seeding and harvest scales with the towers to a capacity of 10 towers, requiring no additional capital expenditure as towers are expanded and more produce is grown.



WE PLAN TO BUILD SEVERAL CONFIGURATIONS OF COMMERCIAL-SCALE FARMS DEPENDING ON MARKET SIZE. THE TABLE BELOW IS A REPRESENTATION OF THE ANTICIPATED BUSINESS MODEL BASED ON RESEARCH:

	Current farms (Adelaide and Perth)	2 tower commercial facility	4 tower commercial facility	6 tower commercial facility
Total grow area (sqm)		888	1,776	2,664
Yield scenario (tonnes p.a.)	4 to 5	c.60	c.120	c.180
Revenue scenario @ full yield (p.a.)	\$45-75k	\$1.2-1.4m	\$2.4-2.8m	\$3.6-4.2m
Crop pricing scenario (per kg)	\$7-35	\$7-35	\$7-35	\$7-35
Gross profit margin scenario %	20-45%	40-55%	40-55%	50-60%
Location examples (prior to expansion and factoring new crops, initial deployment only)	Short-term facilities to secure market position	Darwin, Canberra	Adelaide, Perth, Melbourne, Brisbane	Sydney
CAPEX/OPEX Required to Execute	N/A	\$1.7-2m	\$3.25-3.75m	\$4.75-5.5m
Payback scenario	N/A	<5 years	<4.5 years	<4.5years

Note:

- Yield scenarios are based on current crop performance and that of our technology partners in operations. Revenue scenarios and profit scenarios are based on a combination of current farming achievements for a selected cropmix.
- It is possible the CSF Offer may not raise sufficient capital to fund the costs of constructing and operating Eden Towers' first commercial-scale facility in Perth. To the extent that there is a shortfall, Eden Towers has explored supplementary funding. Please see page 26, section 2.4.7 for this strategy.

2.2 About Eden Towers – Our commitment to the planet, society and our ecosystem

WE ARE VERY PROUD TO EMBRACE A RIGOROUS ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) FRAMEWORK. IN 2021 WE SIGNED OUR ESG FRAMEWORK DESIGNED TO SUPPORT OUR MISSION OF GROWING SUSTAINABLE PRODUCE THAT PROMOTES A HEALTHIER & TASTIER FUTURE – WITH MINIMAL IMPACT ON THE PLANET.

WHY ESG?

Environmental, Social and Governance (ESG) is both a framework and a methodology to improve financial and non-financial performance. This criteria captures and critiques all aspects of a business beyond business plans and financial reporting.

EDEN TOWERS' GOALS

By implementing the ESG framework in the Company we aim to achieve the following:

- Improved shareholder performance and stakeholder makeup through greater transparency;
- Reduced risk profile through a broader assessment of risk and greater implementation of mitigating actions;
- Improved environmental performance;
- Improved employee health and wellbeing;
- Increased stakeholder engagement with suppliers and customers;
- Reduced risk of losing corporate supplier contracts;
- Greater social acceptance of the business;
- Access to alternative funding mechanisms.

By ensuring that all entities within the Eden Towers ecosystem adopt the Governance policies in place, Eden Towers will be developed in a manner that is sustainable, safe and economically efficient, allowing the vision and mission of Eden Towers to be achieved.

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UNSDG)

There are 17 UNSDG which serve as a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030.



Eden Towers has selected 8 UNSDG as targets to work towards improving for the greater good. The Sustainability Development Goal targets include:

- 2 ZERO HUNGER**
Sustainable food production for multiple generations
Food security for local population
- 3 GOOD HEALTH AND WELL-BEING**
No antibiotics, chemicals or hormones in produce
Fresh, healthy, traceable food produce
- 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE**
Sustainable modern technologies
Productivity through technological innovation
- 11 SUSTAINABLE CITIES AND COMMUNITIES**
Self-sufficient food systems that are safe, affordable and diverse | Safe and sustainable workplaces
- 12 RESPONSIBLE CONSUMPTION AND PRODUCTION**
Protection of natural resources
No land pollution and damage to the environment
- 13 CLIMATE ACTION**
Lower Carbon foot print through efficient farming |
Environmentally friendly by recycling and minimise waste
- 15 LIFE ON LAND**
No impact on diverse ecosystems through being contained and not disturbing natural habitats
- 17 PARTNERSHIPS FOR THE GOALS**
Partners with shared goals – minimal impact on plant
Global collaboration for sustainable development

The ESG framework goals and the UNSDG's selected will provide Eden Towers targets to achieve beyond financial and business goals.

2.2 About Eden Towers – Our Sustainability led culture

WE BELIEVE OUR FARMS WILL FULLY HAVE INTENTIONAL, POSITIVE, MEASURABLE AND SUSTAINABLE IMPACT ON SOCIETY WHILE DELIVERING ABOVE MARKET RETURNS.

WE ARE DEVELOPING OUR APPROACH TO SUSTAINABILITY FROM THE GROUND UP – CULTURE, INTEGRATION AND WORKING IN AN ECOSYSTEM TO ADVANCE OUR SUSTAINABILITY PRIORITY IMPACTS.

In 2022 we engaged a consultant to support us in developing our end to end Sustainability framework.

The framework was developed by engaging with existing CSF shareholders, industry benchmarks, customers and our internal team.

A key output of the Sustainability framework is Eden Towers’ Sustainability led culture. To make an effective change, gather buy-in from our stakeholders and become a leader our culture needed to be set right.

In addition we have made some further commitments to our Sustainability framework.



Our projects will create direct and indirect jobs for new types of farmers using data, science and technology



We turn unused industrial or polluted land/buildings into carbon neutral farms



Develop our renewable energy projects and provide excess capacity to surrounding homes



Deploy farms that are carbon neutral, recycle inputs and allow for certification of credits

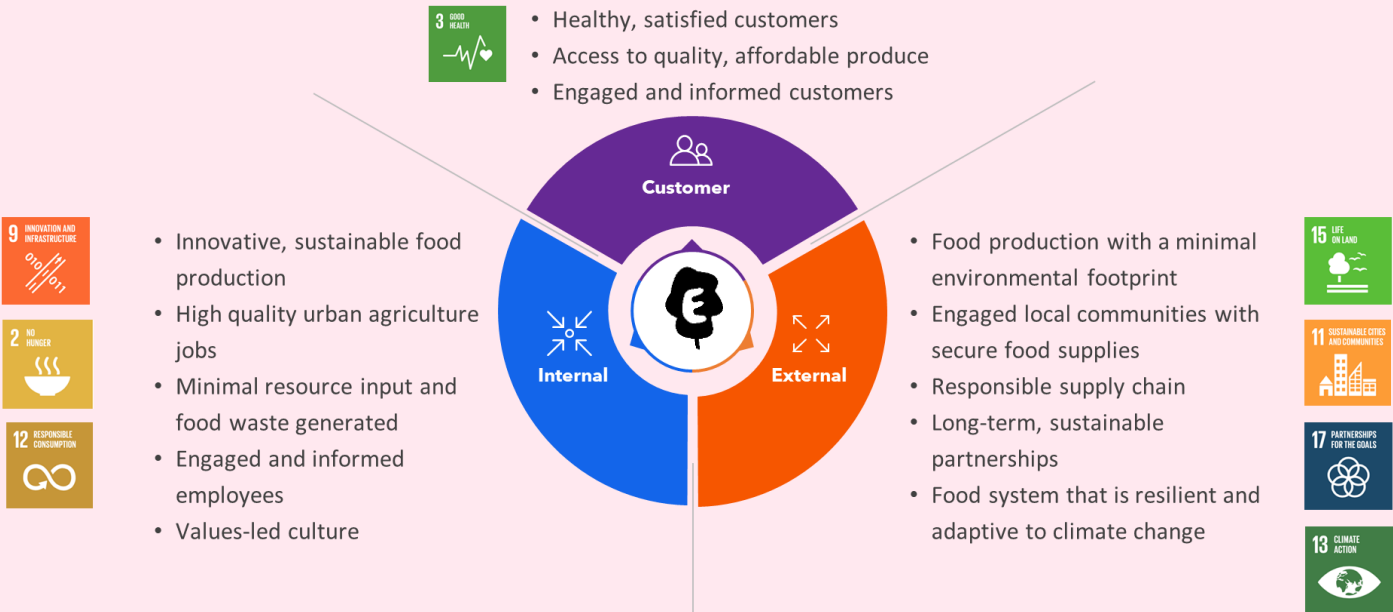


Our education program is for all students and provides access to new jobs and awareness



Develop partnerships with R&D, innovation, business and local communities

Eden Towers’ Sustainability Framework (see more in our ESG report)



2.3 Business and Revenue Model

Eden Towers utilises an integrated revenue model. We do not use 'middle-men' across the sales and distribution value chain. Where typically a farmer makes the least amount of margin by selling at the farm gate, our integrated model maximises returns for the farmer, and importantly freshness for the consumer, reducing food waste and profit leakage.

In addition to the fresh produce model, we also have a new revenue offering called Farming as a Service.

FARMING AS A SERVICE (FaaS)

A novel, capital light, high growth revenue model providing our vertical farming expertise and innovation from concept through to operations to partners in new frontier locations. A new revenue model that has seen great success from Asia to Africa, securing 2 projects with limited marketing. We see FaaS growing in market size to provide significant revenue contribution for Eden Towers.

SALES CHANNELS – B2B

We utilise B2B sales channels in our model. B2B segment services wholesalers, HORECA and food services. B2B sales include longer term sales agreements with monthly quotas to fulfill and more efficient supply chain/logistics paths. Produce is sold on a per kilo bulk basis in Eden Towers packaging.

We have chosen the B2B model based on experience of the fresh produce value chain. In Australia a B2C model would require major investments into infrastructure and logistics, something we believe is not sustainable at the moment. We are also exploring other segments outside of B2B with industrials like FMCG, pharmaceuticals and also local government and farmers for revegetation, rehabilitation and seedling

The B2B sales channel will also allow us in future to include our new products like the alternative proteins and mushrooms, as some of our buyers already service those industries. Setting us up well into the future to grow into a Future Food company.

DATA DRIVEN PRICING

We complete a pricing analysis every three months to test market movements and to remain competitive.

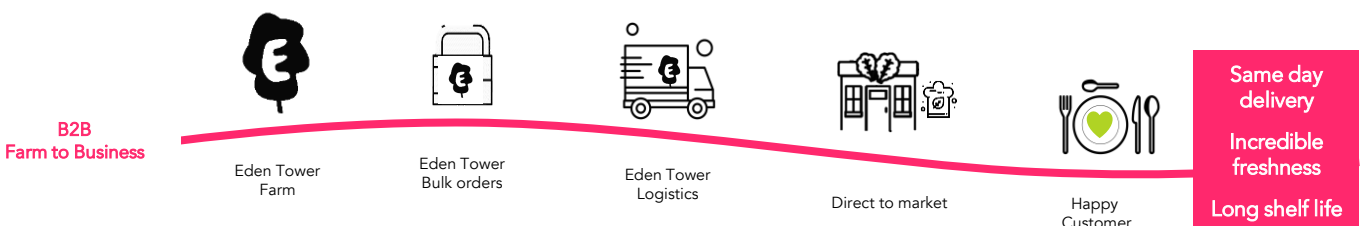
Our pricing analysis sources data from supermarkets, farmers' markets, organic producers, and online retailers. We then analyse the data to extract insights that will optimise our positioning in the market.

We currently price our produce at the midway point between supermarkets and that of farmers' markets. We believe this gives us the ideal market positioning. Because we do not charge an excessive premium, our produce is attainable by all customer segments.

EDEN TOWERS – THE DIFFERENCE

The Eden Towers produce is superior to that currently available at scale, we are better than farmers market and organic as we do not have any chemical residue on our produce, and we also have significantly reduced food miles so that our freshness is preserved for longer. This product quality combined with our ability to deliver at scale and maintain a stable marginal cost structure, places us in a unique spot in the market and supports robust future margins.

Eden Towers can remain competitive even if experiencing discounting from supermarkets, grocery chains or other retailers and wholesalers. To ensure competitiveness, our margins are sufficiently robust so that we have the capacity to price below supermarkets pricing should we need to.



2.3 Business and Revenue Model continued

TRACTION TO DATE

Across Perth and Adelaide we have had significant traction, often selling out of our produce and achieving strong margins of >50% gross margin. Our produce is better:



TASTIER – a better taste and more pure flavours are produced using our growing method. People that have tasted our produce all comment on the richness and purity of the taste.



FRESHER – we grow local and we grow to precise timelines. All our produce is uniform, same high quality and does not have to travel large distances. We harvest on the day we deliver to the retailer or consumer. Our produce also lasts between 2 to 3 weeks in the fridge at home (if stored properly)



NO WASHING – we have proven to customers and resellers that our produce does not need washing. This enhances the taste and also supports the freshness/health aspect of the produce.



EFFICIENT – our growing method grows crops 2-3x faster than traditional farms. Everyone is impressed at the speed and quality we grow.



VALUE FOR MONEY – the pricing strategy we have deployed directly competes with big retail. This was done to allow us to reach as much of a target audience as possible.



SCALABLE – on the success of the mini towers and the CSF campaign, we will build a commercial scale farm within 9 months of planning approval. Beyond this to scale for further demand, each site can double production in 3 months of planning approval.

ACHIEVED SALES ARRANGEMENTS WORTH \$6M FOR FRESH PRODUCE AND MUSHROOMS CROPS

Our sales to date are completed through direct marketing efforts by the team in Perth and Adelaide. B2B sales are on a spot basis and usually sold in per kilo basis with an average margin between \$5 to \$20 per kilo. Some sales have been to catering/restaurants for functions and for special meals to showcase the quality and unique flavours of the produce.

With the recent investment into the new equipment we will be increasing our sales significantly and start to service at commercial quantities the \$6m sales arrangement we have in place. This will transform Eden Towers into a serious player in the Perth and Adelaide market and see a x50 increase in revenue from our farming business. This growth sets us up well to deploy the next stage of our technology and execute the \$6m sales arrangement in full.



2.4 Business Strategy

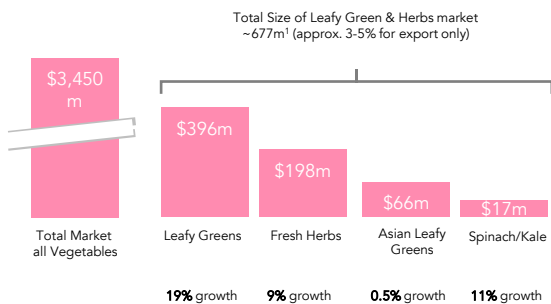
RAPID GROWTH TO CAPITALISE ON MARKET DEMAND AND POSITION AS THE ONLY COMMERCIAL PLAYER WITH SCALABILITY

Our strategy covers three areas – market, position, and investment. It is based on the realisation that the market is growing rapidly, there are limited competitors with the same potential scale and product quality, and that it is difficult to recruit investors without providing a clear pathway to growth.

We have built our strategy by making use of our team's many years of experience in developing early-stage companies, building large traditional businesses, and in managing the fresh food supply chain.

2.4.1 MARKET CONTINUES TO GROW AND SHIFT INTO HEALTHIER FOODS

The total vegetable market is currently worth approximately A\$3.45 billion and continues to grow, both for local consumption and for export (export only makes up 3-5% per year). Currently, our business plan includes only our Stage 1 crop mix – leafy greens, herbs, and micro-herbs. The Australian market size for Stage 1 crops (Eden Towers' Target Market) is currently close to AU\$700m in size.



Although already planned, we have not yet included any Stage 2 crops – specialty and nursery plants - a very lucrative market which will provide further upside to our total addressable market in the future. We do already have buyers for these in local councils and rehabilitation planters however need to scale our farms prior to executing these sales arrangements.

2.4.2 CONSUMER CONSUMPTION

Australians' consumption of vegetables, including leafy greens, is still only 60% of the recommended intake. Current consumption per capita is only 24kg per year. If Australians were to grow their consumption to 80% of the required intake this would mean a addressable market size of almost AU\$900m. Trends are showing the consumption of healthier food, including leafy greens, is on the rise.

55% of average Australian households currently buy leafy greens when they do their household shopping. The majority of those prefer ready to eat packaged - bagged, sealed, and washed produce. Consumers also prefer fresh produce over refrigerated produce and will pay a premium to get it. 60% of consumers will choose ready to eat meals where the price point is higher, and the consumer spend intervals are shorter.

A majority of the consumption within the target market occurs within 20km from the CBD, as our populations are denser within that radius. Unfortunately, because of the complexity of the existing fresh food value chain, there is on average 80 to 100km in distance and more than 2 days in travel time, from the point of harvest to the consumer.

2.4.3 ORGANIC OPPORTUNITIES

Organic farm production only makes up 21% of sales in the Australian market, with most produce difficult to source for consumers due to its niche nature. Most consumers purchase organic produce at farmers' markets where the price point is high, and volumes are low. Often unable to complete their shopping basket.

Existing online channels for organic produce have become popular with significantly higher pricing than offered by supermarkets and compared to Eden Towers produce. **There is currently no scalable solution for a grower of healthier and fresher produce – this is where Eden Towers has the advantage.**

Our ability to scale and meet market demand for a higher quality produce is far stronger than any grower today.

2.4 Business Strategy continued

2.4.4 UNIQUE POSITION TO SCALE QUICKLY ACROSS AUSTRALIA – A FARM IN EVERY MAJOR CITY OF AUSTRALIA

Our position in the market is unique. We are an early mover in the vertical farming space in Australia, we are successfully supplying fresh produce at commercial scale, with proven scalable technology, per kilo profitability and achieving outstanding sustainability outcomes. Our team has strong experience in commercial growing and we have a network across Australia.

We have many years of experience in various Australian and regional markets, from large scale agriculture developments to establishing niche incubators for alternative proteins and flavours. Our relationships in those markets goes deep and the ability to scale quickly across Australia and the region is an outcome of our experience.

Our vision is for an Australian company to be a force in a large and growing domestic market and possibly in the future, across the region. Australia is our immediate target market and currently there are no commercial-scale (50T+ per year) operators.

With the acquisition and investment of almost \$3m in new equipment and infrastructure, we will be the first operator to have multiple commercial scale farms across Australia. These farms have sales agreements in place and will be expanded, our prices are very competitive even at wholesale prices and has the right production quality and consistency of supply. The opportunity to replicate this model across every large Australian city is substantial and there are already projects in planning phase underway.

Our positioning in the market is always evolving. Currently, our Stage 1 crops of Leafy Greens, Herbs and Microherbs are the focus. This is because there is a gap on fresh, healthy and quality produce in Australia. Our farm in every city goal is to reduce the number of food miles and to allow everyone to eat fresh produce all year around.

As we move to commission our next expansion farms in Perth and Adelaide by the end of 2023, and we fulfill our supply agreements, we will move to start our diversification into a Future Food company and start to supply new product lines with high margins and downstream processed ingredients into the market. Improving our profitability and market position.

2.4.5 IT'S A VERY EXCITING TIME TO GROW

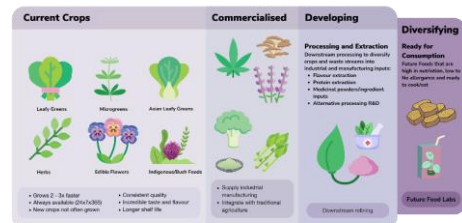
Not only are we leading the number of crops commercialised in the vertical farming space in Australia, but we know we are able to achieve profits based on current supply into the wholesale market in Perth and Adelaide. We have over 40 different crops and species commercialised and have been sold into the market at different times.

Stage 1 Crops:



Stage 1 crops are fresh, always available, with no quality changes 24x7x365 days per year.

Our Stage 2 Crops are exciting, having done R&D and product development on these already, we know our Stage 2 crops and products are incredible and ready to be provided into the market.



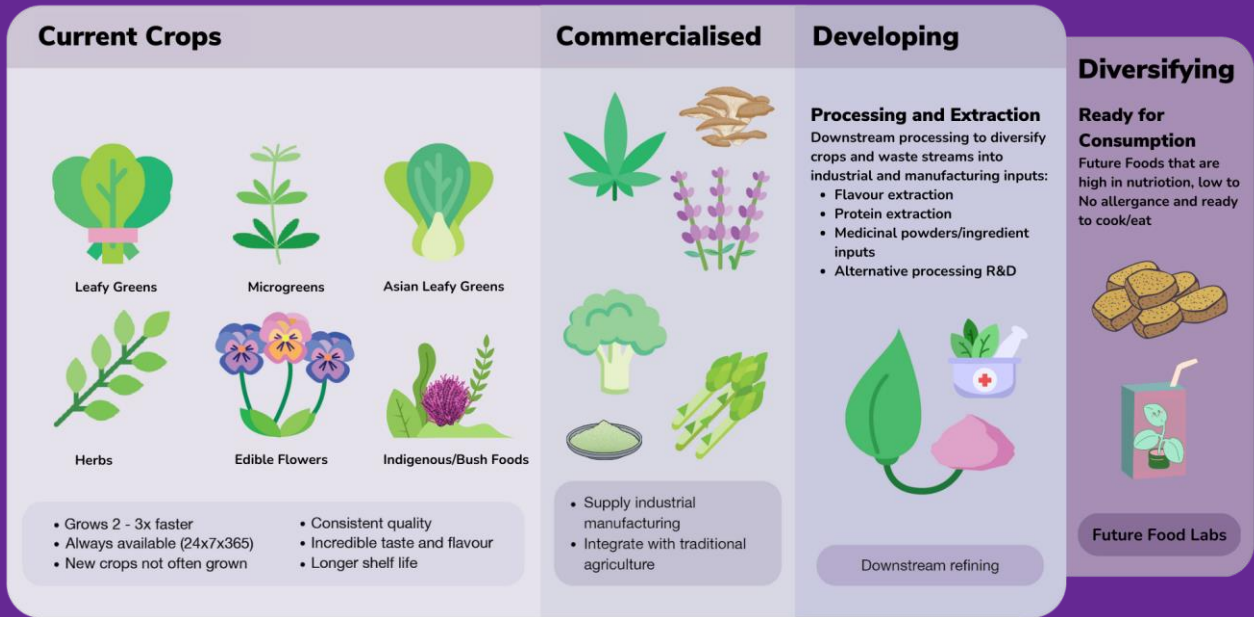
Stage 2 crops will position Eden Towers in a new lucrative market (over \$3bn annually across the region). With options to export quality and commercial scale crops around the region. (See next page for more info)

OUR PLANT DIVERSIFICATION ACROSS FOOD AND NON-FOOD CROPS IS INDUSTRY LEADING!

2.4 Business Strategy continued

CROP DIVERSIFICATION

We are well advanced into our new crop types and downstream processed products. Our focus towards the end of 2023, once our new equipment is commissioned, will be to fast-track our market expansion into the next segments – “Developing” and “Diversifying”. While at the same time executing our diversification into a Future Food company.



2.4 Business Strategy continued

2.4.6 A FARM IN EVERY MAJOR AUSTRALIAN CITY

Placing a farm in every Australian capital city is an important step for Eden Towers and a key part of our mission to achieve a healthier and better future. A farm in every city saves carbon emissions, reduces the impact on the planet by having less toxins, biocides, fungicides, and other nasty stuff sprayed into the atmosphere, and will provide fresher, better and cleaner produce to consumers. It also lays the foundation for much greater scaling, profitability and innovation in the future.

We founded Eden Towers to make a big positive impact on farming and the way produce is sold in Australia. We have structured Eden Towers to combine best of breed technology, plant science and innovation and great market access to provide a path to profitability. What also makes us unique is our energy mix profile to achieve one of the lowest cost per kilo production profiles in the industry.

Following the expansion commissioning of Perth and Adelaide in 2023, our medium-term goal is to establish commercial-scale vertical farming sites across other states, focusing on those with dense urban populations and high food mileage. We plan to be capital efficient, ensuring the right funding strategy is employed to maximise our pace of sustainable growth.

The whole Eden Towers team, including our advisors, is very excited about this roadmap and Eden Towers' future as the largest vertical farming company in Australia.

WE ARE CURRENTLY RAISING FUNDS TO SUPPORT THE EXECUTION OF OUR STRATEGY AND TO CAPITALISE ON A MARKET THAT IS READY FOR DISRUPTION.

The initial capital raise will be used to:

1. Support the expansion commissioning of the commercial-scale vertical farms in Perth and Adelaide (see note 2.4.7)
2. Invest in new Mushroom facility Adelaide and expand Perth

3. Invest in initial working capital (growing inputs) and day 1 operating expenses
4. Future Food diversification
5. Invest in R&D to test new crop varieties and growing conditions
6. Grow the New Farmer team by 3 people
7. Increase the Eden Towers reach to distributors and customers through traditional and online marketing

Information above is further defined in section 3.2 Use of Funds

We are presently one of the leaders in the vertical farming space in Australia. However, the business must equip itself to scale up quickly to achieve our mission to place a farm in every city of Australia. In support of this we are pursuing a broad funding strategy.

2.4.7 FUTURE FUNDING STRATEGY

This current CSF Offer may not raise sufficient capital to fund the costs of constructing and operating Eden Towers' commercial-scale facility in Perth and Adelaide. To the extent that there is a shortfall, Eden Towers has explored supplementary funding from the following sources:

- Additional equity or shareholder loan investment from the current co-founders of the Company; or
- Project and Equipment funding that has been offered to Eden Towers; or
- Debt funding provided by a large Australian bank that Eden Towers is currently in discussions with.

Our goal is to scale the business quickly but sustainably to be the dominant commercial-scale vertical farming operator in Australia, with facilities in every major city. This will require further capital raises and, following this equity crowdfunding raise, we may need to embark on a institutional round of investments where we will target private equity, venture capital and family office investors to raise growth capital to further execute on our strategy.



THE FUTURE IS **GREEN**

WHEN WE ACHIEVE OUR CURRENT STRATEGY AND AMBITION WE WILL BE THE LEADER IN FUTURE FOOD AND VERTICAL FARMING IN THE REGION.

-  A farm in every city of Australia
-  One of the largest vertical farming growers
-  Scaling quickly beyond our \$6m of sales arrangements
-  Future Food Company solving food challenges
-  Growing beyond our market into a regional leader

2.5 Organisational Structure

MEET THE EDEN TOWERS TEAM

Eden Towers' team is a blend of agriculture experienced professionals and business operations professionals.

Eden Towers Team



Christian Prokscha
Co-Founder & FaaS
interim lead



Julia Prichodko
Co-Founder & CFO



Santiago Insaurralde
Chief Plant Officer



Siska Burwinkel
Marketing



James Cronan
Sustainability

Roles to Hire



Operations Support (Q4 20223)
Perth



Operations Support (Q4 20223)
Adelaide

Eden Towers FaaS Team

Roles to Hire



Engineering Lead (Q1 2023)
Adelaide

Advisory Team



Monish Paul
Innovation & Growth



James Clayton-Payne
Legal & VC



Mario Falchoni
PR & IPOs



Sid Jain
Agri & Innovation

ESG Committee

CAPEX Committee

Advisory Board



2.5 Organisational Structure continued

Core Team

Person	Description
 <p data-bbox="87 922 322 980">Christian Prokscha Director of Eden Towers</p>	<p data-bbox="368 538 1296 673">Christian's role is to develop the Eden Towers growth ambitions and continue with the capital raising of the subsequent rounds. Additionally Christian's role is to lead the operational activities and build out initial markets.</p> <ul data-bbox="368 679 1315 955" style="list-style-type: none"> • Christian has over 20 years business experience across management consulting, finance, private equity and agriculture. He is the co-founder of Eden Towers and has spent the last 2 years building the business from an idea to a business ready to scale significantly. • Christian has experience in production agriculture and developing new technology businesses covering the region for agriculture, plant and animal technology solutions. He has advised and developed a number of agri-start-ups on B2B, traceability and distribution.
 <p data-bbox="87 1413 322 1471">Julia Prichodko Director of Eden Towers</p>	<p data-bbox="368 1011 1320 1114">Julia's role is on managing the financial matters of Eden Towers and fulfilling investor and corporate obligations. Her other role is to lead the development of the first site in Perth from Planning through to Execution.</p> <ul data-bbox="368 1120 1329 1462" style="list-style-type: none"> • Julia is a results-driven professional with a track record in large scale project delivery, financial management and business reporting as well as performance improvement across a variety of industries. Her experience ranges from management consulting and project delivery to tax accounting and auditing, locally and internationally, in small, medium as well as international businesses. • More recently prior to Eden Towers, Julia advised three start-ups on the professionalisation and development of B2B and B2C businesses including grocery B2C and online fresh produce B2B. • She solely focuses on Eden Towers' financial and governance matters.
 <p data-bbox="72 1902 337 1960">Santiago Insaurralde Team Member</p>	<p data-bbox="368 1502 1296 1605">Santiago is our Chief Plant Officer, he is responsible for all the growing, Plant-Led Strategy and any new innovations. His role is to ensure our plants are happy and healthy.</p> <ul data-bbox="368 1612 1329 1949" style="list-style-type: none"> • Santiago brings a wealth of expertise in the field of Controlled Environment Agriculture (CEA) and a deep understanding of sustainable farming technology and practices. With a Bachelor's degree in Agricultural Engineering and over 5 years of hands-on experience as a Glasshouse and Vertical Farming supervisor and grower, Santiago has developed a comprehensive skill set to lead the plant operation team and adopting optimal technology solutions. • Beyond technical expertise, Santiago is deeply driven by its passion for cultivating clean and sustainable, fresh food, creating a synergy with Eden Towers' goals and vision.

2.5 Organisational Structure continued

Core Team

Person	Description
 <p>Siska Burwinkel Team Member</p>	<p>Siska is leading our marketing efforts in the business. This includes completing our social media and digital campaigns. Her role will also support Eden Towers' events and media locally and internationally.</p> <ul style="list-style-type: none"> • Her experience in marketing for FMCG brands across Asia, digital and social media marketing and digital design provide Siska with excellent experience to grow Eden Towers' presence as we scale up our operation and onboard more customers. • Siska has a degree in Digital Marketing and has worked for over 10 years in a direct marketing capacity. She has led teams in defining the marketing strategy, execution and customer engagement. She is well versed with consumer brands having worked for a variety of global brands in Jakarta, Singapore and Australia.
 <p>James Cronan Team Member</p>	<p>James leads the strategic part of Eden Towers, focusing on markets, growth opportunities and having a presence on the east coast of Australia. James also represents Eden Towers as part of the ESG and sustainable matters and supports Christian in the capital raising activities.</p> <ul style="list-style-type: none"> • James is a leader internationally across sustainability, ESG and responsible investment working on renewable energy, waste management/recycling, water infrastructure, agriculture and government projects, spanning globally. • James brings with him a unique skillset, coupling knowledge of the financial and investment market with projects in agriculture. He is a regular contributor to the industry on topics such as renewables, energy efficiency, sustainable finance, environmental, social and governance (ESG) investment trends and green finance.

2.5.1 LEGAL OR DISCIPLINARY ACTIONS AGAINST THE COMPANY

There are no legal or disciplinary actions

2.5.1 LEGAL OR DISCIPLINARY ACTIONS AGAINST THE COMPANY DIRECTORS

There are no legal or disciplinary actions

2.6 Capital Structure

2.6.1 ISSUED CAPITAL (BEFORE AND AFTER THE OFFER)

As at the date of this Offer Document, the Company has 10,585,353 ordinary shares on issue

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

As set out in Table 1, the 10,000,000 shares are held by two of the Eden Towers' Directors, Mr Christian Prokscha (Managing Director) and Mrs Julia Prichodko (Director). Eden Towers Pte. Ltd. is owned by Christian Prokscha. There are no ESOP, options or other structures established.

Shareholder	Share Type	Shares	Options
Christian Prokscha	Ordinary	1,500,000 (14.17%)	N/A
Julia Prichodko	Ordinary	1,500,000 (14.17%)	N/A
Eden Towers Pte. Ltd.	Ordinary	7,000,000 (66.12%)	N/A
Others (ECF Shareholders)	Ordinary	585,353 (5.52%)	N/A
TOTAL		10,585,353 (100%)	N/A

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

Shareholder	Minimum Subscription	Maximum Subscription
Existing Shares	10,585,353 (99%)	10,585,353 (94%)
Offer Shares	AU\$ 250,000 177,304 Shares (1%)	AU\$ 1,000,000 709,219 shares (6%)
TOTAL	10,762,657 (100%)	11,294,572 (100%)

2.6.2 Rights and Liabilities Associated with Securities

As of the date of this Offer, the only class of shares on issue are ordinary shares. There is no shareholders agreement between the existing shareholders. Shareholders are only liable for the funds they have contributed to purchasing their shares. The rights of shares are set out in the Constitution and Section 3.3 of the offer document. A copy of the Company's constitution is available on Swarmer's platform.

2.6.3 Debt funding and other sources of funding

There are currently only shareholder loans to the value of: \$1,306,566

(this amount is not reflective of previous equity injections from co-founders, there is no interest chargeable and currently no schedule to make repayment of these funds until institutional capital raise is completed)

Grants obtained in 2021 including:

Enterprise Support Program - \$200,000

Regional Economic Development Grant - \$170,000

2.6.4 Related party arrangements

Depending on the site selected for the first commercial scale farm in Perth, there may be a related party arrangement for the rent of the land or building as one of the owners is a shareholder in Eden Towers. Full disclosure will be provided on lease arrangement prior to completion.

2.7 Risks Facing the Business

AN INVESTMENT IN EDEN TOWERS PTY LTD SHOULD BE SEEN AS HIGH-RISK AND SPECULATIVE. A DESCRIPTION OF THE MAIN RISKS THAT MAY IMPACT THE COMPANY'S BUSINESS 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 COMPANY (FOR EXAMPLE, RISKS RELATING TO GENERAL ECONOMIC CONDITIONS OR THE INABILITY TO QUICKLY OR EASILY SELL YOUR SHARES). THERE HAVE BEEN OR ARE NO LEGAL OR DISCIPLINARY ACTIONS AGAINST THE COMPANY.

Risk	Description
Funding risk	<ul style="list-style-type: none"> The Company is in the process of raising funds to achieve its strategic business objectives and to fund a high capex facility and cover its projected operating expenses. The Company may not raise all of the required funding and therefore may not achieve all of its business objectives. Depending on the success of the Offer, the Company may also need to raise additional funds in the future from investors or third parties. There is no assurance that the Company will be able to obtain additional rounds of funding on substantially the same terms as outlined in this Offer Document or at all. The Company's value may be materially affected if the required additional funding is not available.
Market risk	<ul style="list-style-type: none"> The Company is raising funds to develop a commercial-scale facility several times greater than its current production capacity. While the interest in current production has been strong, the Company may not be able to secure contracts or orders of sufficient volume or price to sell this increased offtake and this would have a negative impact on the revenue, profitability and future prospects of the Company. The Company's go-to-market strategy focuses on a certain crop-mix that may not be suitable based on market response, consumer trends or pricing competition. The Company may need to adjust its crop-mix to remain competitive which could result in some short-term impact on revenue and profits.
Cash flow risk	<ul style="list-style-type: none"> The Company's operating activities involve a series of cash inflows and outflows. Although the Company seeks to manage its cash flow efficiently, there is a risk that the Company may not have sufficient cash or working capital, at times, to fund both its operations and its expansion plans. This could affect the Company's profitability, future prospects, and its ability to meet its business objectives.
Key person risk	<ul style="list-style-type: none"> As an early stage business, the Company is susceptible to the loss of key team members as they are considered critical to the continued success of the Company. If a key team member was lost, due to illness for example, this could significantly affect the Company's ability to continue its operations or achieve its business objectives.
Competition risk	<ul style="list-style-type: none"> The Company operates in a highly competitive market, with several known competitors, and moderate barriers to entry that could give rise to new and unknown competitors. If the Company is unable to successfully compete with existing and/or new competitors, this would have a negative impact on the revenue, profitability and future prospects of the business.
Insolvency risk	<ul style="list-style-type: none"> The Company is not yet profitable or cash flow positive and the Company is seeking to obtain further funding to achieve its objectives. There is no guarantee that funding will be available on favourable terms or that the Company will receive any level of funding at all.
Dilution	<ul style="list-style-type: none"> A shareholder's interest in the Company could be diluted if the Company raises further capital via share issuance and existing shareholders do not participate in future fundraisings. Please see Section 2.4 Business Strategy for the Company's future funding strategy.

2.7 Risk Facing the Business continued

Risk	Description
Technology risk	<ul style="list-style-type: none"> The Company uses a single, specialised third party technology provider to supply the hardware and software used to manufacture and package the products. This technology provider could fail, could choose not to work with the Company in the future, or could materially change the prices of their products and services which would negatively impact the Company. The technology used by the Company could fail, require additional investment or optimisation, or result in a loss of revenue and profits which would negatively impact the Company.
Operational risks	<ul style="list-style-type: none"> The Company manufactures, distributes and markets fresh produce. Its operations are subject to the following risks: <ul style="list-style-type: none"> Yield risk – The Company could take some time to optimise its growing conditions for maximum yield, which would negatively impact revenue and profits. Energy price risk – Energy is the highest operating cost for the Company. Movements in the cost of energy could have a large impact on the business. The current tariff rate used in the business plan may increase with future changes to the energy market or could also decrease should the company move into the contestable market. Other operating costs risk – Managing operational costs in a high technology precision farming environment is critical to maintaining profitability. Should any operational or technology procedures not be adhered to, the farm may incur additional operational costs. This could have an impact on the profitability of the farm.



2.8 Financial Information

BELOW ARE THE FINANCIAL STATEMENTS OF THE COMPANY FOR THE PERIOD FROM 1 JULY 2022 TO 30 APRIL 2023, WHICH HAVE BEEN PREPARED IN ACCORDANCE WITH AUSTRALIAN ACCOUNTING STANDARDS.

2.8.1 Balance Sheet – Eden Towers Pty. Ltd.

	Note	30 Apr 2023	30 Jun 2022
		\$	\$
ASSETS			
Current Assets			
Cash Assets			
Cash at bank – Account #1		16,481	179,024
Cash at bank – Account #2		100,000	21,450
		116,481	200,474
Receivables			
Trade debtors		436,415	370,000
		436,415	370,000
Total Current Assets			
Taxation		78,572	-
Input tax credit control account		3,165	6,175
Input tax credit adjustment control a/c		-	4,217
		81,737	10,392
Total Current Assets		634,632	580,866
Non-Current Assets			
Property, Plant and Equipment			
Plant, technology, equipment, motor vehicles	1	1,386,037	179,188
Less: Accumulated depreciation		-164,949	-164,949
		1,221,089	14,239
Other			
Borrowing expenses		285	360
		285	360
Total Non-Current Assets		1,221,374	14,599
Total Assets		1,856,006	595,465

2.8 Financial Information

BELOW ARE THE FINANCIAL STATEMENTS OF THE COMPANY FOR THE PERIOD FROM 1 JULY 2022 TO 30 APRIL 2023, WHICH HAVE BEEN PREPARED IN ACCORDANCE WITH AUSTRALIAN ACCOUNTING STANDARDS.

2.8.1 Balance Sheet – Eden Towers Pty. Ltd.

	Note	30 Apr 2023	30 Jun 2022
		\$	\$
LIABILITIES			
Current Liabilities			
Payables			
Unsecured:			
Trade creditors		3,131	-
		3,131	
Current Tax Liabilities			
Amounts withheld from salary & wages	2	1,776	6,000
		1,776	6,000
Total Current Liabilities		4,907	6,000
Non-Current Liabilities			
Financial Liabilities			
Unsecured:			
Hire purchase		60,426	71,621
Less: Unexpired interest charges		-6,257	-8,703
Loans from other persons		1,306,566	78,687
		1,360,735	141,605
Total Non-Current Liabilities		1,360,735	141,605
Total Liabilities		1,365,642	147,605
Net Assets (Liabilities)		490,364	447,860
EQUITY		\$	\$
Issued Capital			
Net Income Tax		78,672	-
Issued & paid-up capital		585,453	585,453
Retained profits / (accumulated losses)		-173,660	-137,593
Total Equity		490,364	447,860

2.8 Financial Information continued

2.8.2 Profit and Loss – Eden Towers Pty. Ltd.

	Note	30 Apr 2023	30 Jun 2022
INCOME		\$	\$
Produce Sales		17,597	6,748
Assessable government industry payments		-	370,000
Income tax refund on R&D activities		103,867	-
FaaS Income		164,232	11,180
Total income		285,696	387,928
EXPENSES		\$	\$
Capital raising expenses			
Advertising expenses		8,469	11,625
CSF fees and charges		5,000	42,070
Consultants and contractors		21,591	39,871
Depreciation expense	3	-	111,189
Employee benefits expense	2	53,040	100,760
General and administrative expenses		60,107	56,475
Hire Purchase expenses		2,521	4,216
Production and distribution costs		12,159	7,624
Rent on land and buildings		34,600	44,490
Research & Development		11,944	12,399
Other expenses		8,465	5,036
Total expenses		217,897	435,754
Profit (Loss) from Ordinary Activities before income tax		67,799	(47,826)
Income tax expense on ordinary activities		25,295	-
Profit (Loss) from Ordinary Activities before income tax		42,504	(47,826)

2.8 Financial Information continued

2.8.3 Cashflow Statement – Eden Towers Pty. Ltd.

	Note	30 Apr 2023	30 Jun 2022
		\$	\$
CASHFLOW			
Cash Flow From Operating Activities			
Receipts from customers		81,829	39,378
Payments to suppliers and employees		- 245,944	-321,907
Interest and other costs of finance		-2,521	-4,216
Net cash provided by (used in) operating activities		-166,635	-286,745
Cash Flow From Financing Activities			
Proceeds of issue of shares		-	585,353
Proceeds of borrowings	1	1,227,879	7,749
Repayment of borrowings		-32,170	-122,506
Net cash provided by (used in) financing activities		1,195,709	470,597
Net increase (decrease) in cash held		- 83,993	183,852
Cash at the beginning of the year		200,474	16,622
Cash at the end of the year		116,481	200,474

2.8.4 Statement of changes in equity

	Note	30 Apr 2023	30 Jun 2022
		\$	\$
Opening balance as at 1 July 2022		447,860	-89,666
Shares issued		-	585,353
Loss for the year from ordinary activities		-36,068	-47,826
Net income tax		78,572	-
Closing balance as at 30 April 2023		490,364	447,860

Notes accompanying financial information

1. Shareholder loan provided from co-founders to support in the acquisition and deployment of technology or equipment for farming purposes. Shareholder loan does not accrue any interest and a schedule for repayment of the loan is to be crafted in FY24 or when the business has sufficient funds to support a repayment or should a large institutional investor provide equity funding.
2. Salary of Co-Founders and staff reduced to minimise burden on business and improve cash balance for growth or R&D initiatives.
3. Depreciation to date not charged in FY23 on new equipment, as currently in transit and is planned to be commissioned by end of calendar year 2023, when it will start its useful life.

2.8 Financial Information continued

2.8.5 Management comments on historical performance and outlook

Historical Performance

Eden Towers started in June 2019 as a project activity to assess technology, market and development opportunities. In July 2020 a Perth seed capital round of A\$300,000 was raised (majority co-founders' own capital), opening new opportunities and completing an in-depth market analysis supported the step to set up vertical indoor farms in Australia. The initial 9 months of operation were focused on starting small-scale commercial farming, engaging in research & development of produce and customer experience and building out the market strategy beyond Perth. In January 2021 Eden Towers Pty Ltd was incorporated after a review of the feasibility of the business. Once incorporated and without any media presence until launching our initial CSF raise, Eden Towers was able to attract a local IGA, restaurants and individual customers to sell to and enjoy our fresh produce.

After the successful CSF raise in July 2021, Eden Towers grew significantly into the east coast of Australia and established its first east coast farm in Adelaide. This farm was used to secure customer trials, complete initial commercial sales into wholesale and secure a large sales arrangement with our wholesale partner. The Perth farm was expanded, and new technology was trialled to enhance Perth supply and complete further R&D into new crops and market segments.

Towards the end of 2022 the co-founders secured additional equipment from Europe to build out the next stage of the Perth farm, this equipment was injected through a shareholder loan to the company to support Eden Towers and reduce impact on its cash position.

Early 2023 various technology, growing and equipment trials were completed on internally developed technology for mushroom crops which yielded great results and secured a contract with a wholesale partner. This contract is being executed in Q3 2023.

Mid 2023 the co-founders again secured additional equipment, 600m² of farming equipment, to transition Eden Towers into a commercial scale grower of crops. This capital has been injected through a shareholder loan to Eden Towers to support the growth of the business and to start execution of the \$6 million of sales arrangements in place in Perth and Adelaide.

Outlook

Raising capital through this CSF supports Eden Towers in commissioning Australia's first commercial scale vertical farms¹ in Perth and Adelaide and execute the \$6m² of sales arrangements in place by early 2024. The initial capital outlay will amortise over a number of years through scalability, increased profitability, low maintenance costs and a small team of farmers. The Company's goal is to execute the sales arrangements, use small part of the revenue to support its growing diversification and sales opportunities into the Future Food segment.

Revenue composition is projected over the mid-term, next 1 to 1.5 years at ca. 75% B2B sales from the Vertical Farm, ca. 10% through our Future Food product lines and 15% through Farming as a Service. Marketing and packaging development will ensure a strong brand and customer awareness as well as guaranteed freshness using sustainable materials and air-lock thermal packaging. R&D activities will focus on refining Stage 2 crops which have been proven to secure market position, Future Food product development and execution of the Plant-Led Strategy.

Note 1: The CSF Offer may not raise sufficient capital to fund the costs of constructing and operating Eden Towers' commercial-scale facility in Perth. To the extent that there is a shortfall, Eden Towers has explored supplementary funding. Please see page 26, section 2.4.7 for this strategy.

Note 2: Comments on revenue outlook are inherently uncertain and should not be solely relied upon as they are subject to change, uncertainty and unexpected events, many of which cannot be controlled. Accordingly, actual results are likely to differ from the forecasts. No representation or assurance is or can be given that the forecasts will be achieved. Past performance is no guarantee of future performance. This revenue outlook has been prepared by Eden Towers Pty Ltd and has not been validated by an independent third party.



SECTION 3

—
INFORMATION ABOUT THE
OFFER



3.1 Terms of the Offer

EDEN TOWERS PTY LTD IS OFFERING UP TO 709,219 SHARES AT AN ISSUE PRICE OF \$1.41 PER SHARE TO RAISE UP TO \$1,000,000. THE KEY TERMS AND CONDITIONS OF THE OFFER ARE SET OUT BELOW.

Term	Details
Shares	Fully-paid ordinary shares
Price	\$1.41 per share
Minimum Subscription	\$250,000
Maximum Subscription	\$1,000,000
Minimum parcel size	\$250.00
Opening date	25 May 2023
Closing date	11 June 2023

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.



3.2 Use of Funds

THE TABLE BELOW SETS OUT THE INTENDED USE OF FUNDS RAISED UNDER THIS OFFER BASED ON THE MINIMUM AND MAXIMUM SUBSCRIPTION AMOUNTS

Intended use	2023/2024 FY Min. Subscription	2023/2024 FY Max. Subscription
Commission new equipment	\$85,000	\$250,000
Invest in new Mushroom facility in Adelaide and expand Perth	\$0	\$150,000
Invest in initial working capital (growing inputs) and day 1 operating expenses	\$75,000	\$200,000
Future Food diversification	\$20,000	\$100,000
Invest in R&D to test new crop varieties and growing conditions	\$0	\$65,000
Grow the New Farmer team by 3 people in stages	\$30,000 ²	\$100,000
Increase the Eden Towers reach to distributors and customers through marketing	\$10,000	\$25,000
Offer Marketing Costs	\$15,000	\$50,000
Swarmer and Offer costs	\$15,000	\$60,000
Total	\$250,000	\$1,000,000

The costs of the Offer include the Intermediary's fees under the hosting agreement between the Company and the Intermediary (Swarmer Pty Ltd). These fees are 6% of the total raised amount.

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.

Working capital includes overhead expenses, employee wages and director remuneration. The details of director remuneration are as follows:

Director 1: \$2.5k per month

Director 2: \$2.5k per month

Working capital expenses will be met through a combination of funds raised through the Offer, existing funds at bank and revenue generated through the sales.

We expect that the Maximum Subscription amount will be sufficient to meet the Company's short-term objectives over the next 9-18 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 6–12 months. In such circumstances, the Company may consider undertaking a further CSF offer under the CSF regime, inject further founder capital, raise shareholder loan, raise debt finance through banking relationships or complete an institutional capital raise.

Note 1: The allowance of \$85,000 for the minimum amount would provide support for the technology commissioning at one of the current sites commercial farm. There may be a possibility that this will be supplemented with additional funding, please see section 2.4.7 for info.

Note 2: No FaaS role to be hired, continue internal organic growth

3.3 Rights Associated with Shares

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

The rights associated with the shares are set out in the Company's constitution. These rights are described below. A copy of the constitution is available on the Intermediary's platform.

3.3.1 Voting rights

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

3.3.2 Dividends

All shareholders have a right to receive any dividends declared and paid by the Company. The directors have a discretion and may resolve to pay dividends, subject to their obligations under the Corporations Act (for example, they cannot pay dividends unless the Company's assets are sufficiently in excess of its liabilities immediately before the dividend is declared and where it may materially prejudice the Company's ability to pay its creditors).

3.3.3 General meetings and notices

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

3.3.4 Election and removal of directors

Each Member shall have the right to appoint and remove a Director for each full 10% interest it holds in the Company. Independent directors can be appointed on a simple majority vote of the Members. A

Director may be removed by a simple majority vote of the Members.

3.3.5 Winding-up

If the Company is wound up and the Company assets can pay all outstanding debts and liabilities (including the costs of the winding up), the excess will be divided amongst the Members pro rata. If the Company assets are insufficient to pay off debts and liabilities there will be no distribution to Members.

3.3.6 Restrictions on Sale and Transfer

Members are permitted to transfer their shares, so long as they offer their shares first to existing Members. If the existing Members take up the offer, the shares must be sold to participating Members. If some or all of the shares are not acquired by existing Members, the remainder may be sold to third parties at a price equal to or higher than the price offered to the existing Shareholders. If 75% of the Company shares are sold to a third party, the selling Members may require the remaining Members to sell to the third party at the same price and on the same terms (drag-along right). If the drag-along is not exercised, the minority Members will have the right to require the third party to acquire their shares at the same price and on the same terms (tag-along). There is no lock-up period binding on any Member where share transfers are restricted.

3.4 What can I do with my shares

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

- A trade sale of the Company
- A listing on a registered stock exchange (e.g. 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.



3.5 ESIC

Early Stage Investment Company

From 1 July 2016, if you invest in a qualifying early-stage innovation company (ESIC), you may be eligible for tax incentives. The incentives provide eligible investors, who purchase new shares, with:

- a non-refundable carry forward tax offset equal to 20% of the value of their qualifying investments. This is capped at a maximum tax offset amount of \$200,000 for sophisticated investors and their affiliates and \$50,000 for retail investors and their affiliates.
- a modified capital gains tax (CGT) treatment, under which capital gains made or accrued on qualifying shares that are continuously held for at least 12 months and less than ten years are exempt from CGT.
- Capital losses made or accrued on shares held less than ten years are also disregarded.

More information about the ESIC regime is available from the ATO website here -

<https://www.ato.gov.au/Business/Tax-incentives-for-innovation/In-detail/Tax-incentives-for-early-stage-investors/>

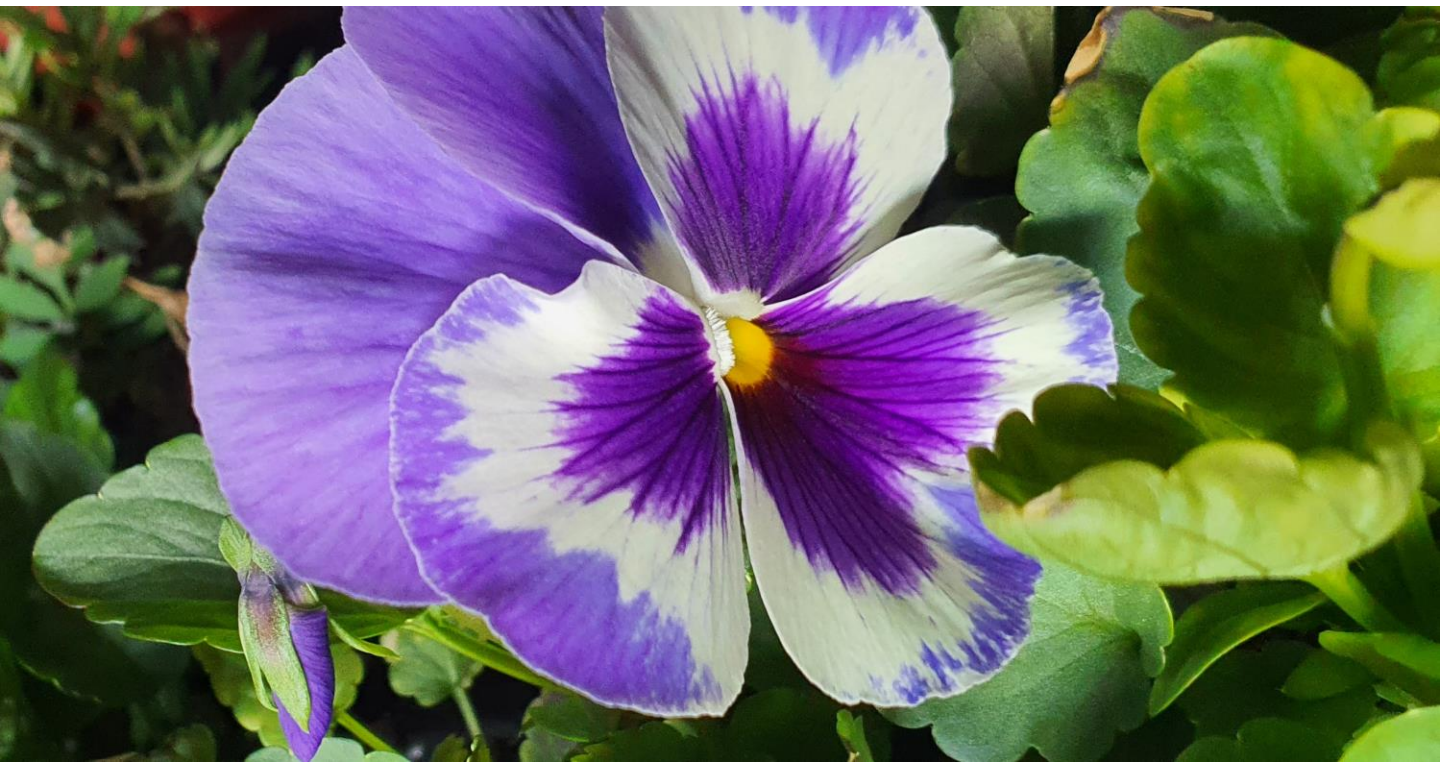
Based on an objective self-assessment with the assistance of advisors, the Company has assessed itself and believes that it meets the criteria as a qualifying ESIC for the purposes of this Offer. Investors who purchase new shares in qualifying ESICs may be eligible for certain early-stage tax incentives.

The Company does not warrant or guarantee that it will qualify under relevant rules as an ESIC and is not able to form a view or give investors tax advice as to whether they are eligible for any tax incentives. Neither the Company nor Swarmer Pty Ltd take any responsibility for investors that invest on the assumption that ESIC will apply to them or the Company. We recommend that investors seek independent tax advice about their investment.



3.6 Details of previous CSF raises

Raise Date	Raise Platform	CSF Offer	Min Amount Raised
22 July 2021	Birchal	Successful	Yes \$500,000





SECTION 4

INFORMATION ABOUT INVESTOR RIGHTS



4 Rights Associated with Shares

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 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 Eden Towers Investment

Click the "Withdraw" button below the Eden Towers logo

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

Your Withdrawal 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.

4.2 Communication facility for the Offer

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

You will be able to post comments and questions about the Offer. The Company and/or the Intermediary will also be able to respond to questions and comments posted by investors.

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

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

4.3 Proprietary company corporate governance obligations

4.3.1 Annual report

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

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

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

4 Rights Associated with Shares

4.3.2 Distribution of annual report

The Company is not required to notify shareholders in writing of the options to receive or access the annual report. Shareholders will not be able to elect to receive a copy of the annual report by way of email or post. However, shareholders can access the annual report on the Company's share registry website at the following address www.cakeequity.com (free of charge) or can purchase the report from ASIC.

4.3.4 Related party transactions

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

4.3.5 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 that a person may be able to get control of the Company without making a formal takeover bid to all shareholders or without seeking shareholder approval.

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

4.5 Company updates

The Company will provide regular updates to investors via the Company's share registry website at the following address www.cakeequity.com.



SECTION 5

GLOSSARY



5 Glossary

Company means Eden Towers Pty Ltd
ACN 647460026

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

ESG means Environment, Social and Governance

HORECA means Hotels, Restaurants and Cafes

Intermediary means Swarmer Pty Ltd
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

Minimum Subscription means the amount specified in this CSF offer document as the minimum amount sought to be raised by the Offer

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

Retail investor has the meaning given to the term "retail client" under the Corporations Act



Thank you.

