



Annual Financial Report

30 June 2022

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BIRCHAL'S BOARD OF DIRECTORS

Matt Vitale, Kellie Morton, and Adam Vise



Dear Shareholders,

I am pleased to present to you the 2022 annual report for Birchal Pty Ltd. It has been a year of significant growth and achievement for our company.

In the 2022 financial year, we recorded revenue of \$3.8 million and profit before tax of \$112,938, a strong performance that reflects the hard work and dedication of our growing team. We have continued to invest in building out our team, systems and processes to further institutionalise the business and pursue a range of growth initiatives.

One of the standout achievements of the year was our funding volume, which reached \$62.4 million, an impressive 89% increase compared to the previous financial year. This strong performance was driven by our leadership of Australia's equity crowdfunding industry, with Birchal responsible for 73% of all CSF (crowd sourced funding) funding volume in FY2022.

This success is a testament to the value that we bring to our customers, helping them to raise the capital they need to turn their ideas into reality. It is also a reflection of the innovative and forward-thinking approach that we take to our business, constantly seeking out new opportunities and ways to improve the customer experience.

As many of you will know, in April 2022 Birchal completed a \$3 million CSF offer on our own platform, making us the first company in Australia to do so. This was a major milestone for our business, and a practical demonstration of our belief in this new form of fundraising. We were delighted to welcome over 600 new shareholders as a result of the offer.

One of the key challenges we faced during the 2022 financial year was the decision to not proceed with our expansion into the European Union, from Dublin. This was a difficult decision for us, as we had invested considerable time and resources into this project. However, given the way that 2022 has unfolded, this has proven to be the right decision for our company for now.

However, we have made substantial progress on other growth initiatives, including the first successful pilot of our secondary market service (Birchal Trade) in July 2022, and the alpha release of our investor reporting tool (Birchal Engage, which our shareholders helped to name) in October 2022. We look forward to updating you on these initiatives and others in future.

As we look to the future, we remain committed to driving growth and delivering value for our shareholders. We are confident that our strong financial position, talented team, and proven track record of success will enable us to continue building on our successes and deliver on our strategic objectives.

On behalf of the entire team at Birchal, I would like to thank you for your support and confidence in our business. We look forward to continuing to work with you to simplify fundraising so that forward-thinking businesses can build communities of engaged supporters and get back to shaping the future we all want.

Sincerely,

Matt Vitale
CEO, Birchal

[INSERT FINANCIAL STATEMENTS]

