



ASX Announcement  
29 January 2018

## REFFIND COMPLETES INVESTMENT WITH LOYYAL

### HIGHLIGHTS

- Reffind has completed its strategic investment in leading US based blockchain loyalty and rewards company Loyyal Corporation (Loyyal)
- The maximum investment level of US\$2.3m was secured consisting of US\$1.5m in Series A-3 preferred stock in Loyyal providing 9.38% of the fully diluted ownership of Loyyal plus US\$800,000 in convertible notes which upon conversion will combine with the Series A-3 shares to provide a total equity holding of 14.71% of Loyyal's share capital on a fully diluted basis
- The investment has also secured exclusive performance based territorial licenced rights under which the Company will be granted rights to Loyyal's advanced blockchain based loyalty and rewards platform in Australia, New Zealand and the Asia Pacific region. These rights are the subject of a Binding Heads of Agreement entered into with Loyyal with further details to be set out in a Territorial Licence and Service Level Agreement.
- The investment also secures Loyyal board representation rights with Reffind's nominee Anthony Dunlop being appointed to the Loyyal board of directors as non-executive director
- Blockchain is the technology that underpins cryptocurrencies such as Bitcoin and is delivering global whole-of-industry process and cost efficiencies with large scale growth opportunities
- Loyyal is the global leader in leveraging the breakthrough advantages of blockchain to the loyalty and rewards industry with a proven product offering including Fortune 500 companies Deloitte and Emirates Airlines with numerous others that cannot yet be named for contractual reasons
- The proposed transaction represents a major milestone in Reffind executing its strategic growth plan and positions the company well for significant customer and revenue growth in Australia and key international markets

### The Investment

Further to its announcements on 18 December 2017 and 15 January 2018, REFFIND Limited (ASX: RFN) (the **Company**) is pleased to advise that the Company and San Francisco-based Loyyal Corporation (**Loyyal**) have completed execution of binding investment documentation seeing the Company invest a total of US\$2.3m in Loyyal through the subscription of:

- US\$1,500,000 worth of Series A-3 Preferred Stock giving the Company 4,670,714 shares with an immediate equity interest of 9.38% in Loyyal on a fully diluted basis; and
- US\$800,000 worth of 2 year convertible promissory notes in Loyyal;

Conversion of the convertible promissory notes would see a further equity interest of 5.33% to be obtained which would combine for a total fully diluted equity holding of 14.71% in Loyyal.

Further details on the terms of the notes and stock subscribed for and the other key terms of the Investment are set out in the Company's announcement of 18 December 2017 relating to its entry into a term sheet with Loyyal.

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The investment has a number of completion requirements including Loyyal shareholder consents and State of Delaware corporate filings for previous stock issues which are scheduled to be completed in February.

### **Territorial Rights**

The Company has also advanced negotiations regarding the exclusive licence under which the Company will be granted rights to Loyyal's advanced blockchain based loyalty and rewards platform in Australia, New Zealand and the Asia Pacific region (**Territory**). The Company has entered into a binding heads of agreement with Loyyal with the following licence terms having been agreed:

- the Company is entitled to incorporate Loyyal's blockchain technology into its own products, pursuant to a limited use, non-transferable, non-assignable license;
- the Company may resell Loyyal's platform within the Territory;
- the Company can provide consulting services to parties in the Territory who use Loyyal's platforms; and
- the Company's right to an exclusive licence will continue for five years, and shall be subject to annual review, the payment of a fixed licence fee per Territory country, royalties, technical support and the achievement of yearly transaction volume targets, all of which are to be agreed in a Territory Licence and Service Level Agreement.
- Subject to complying with its obligations under the licence the Company has an exclusive first right of refusal to negotiate with Loyyal for any licences of Loyyal's technology in countries and territories in the Asia Pacific region including Japan, Thailand, Singapore, Hong Kong, India, Indonesia, South Korea, Philippines, Taiwan and Vietnam.

### **Board Representation**

Under the agreed investment terms the Company has Loyyal board representation rights with Anthony Dunlop to join Loyyal's board of directors as the Company's nominee director.

### **Loyyal Corporation**

Loyyal, which was incorporated in 2014, is based in San Francisco and has offices in London and Dubai. Its Board, and executive team are highly qualified and experienced with a proven track record in digital transformation and business leadership.

Loyyal is the first company to have leveraged the breakthrough advantages of blockchain for the global loyalty and rewards industry with its proprietary blockchain network platform. This proprietary platform (the subject of filed patent applications) can be white labelled or offered direct to large enterprises and loyalty program operators. Loyyal has rapidly delivered a proven product offering that has attracted Fortune 500 leaders including the likes of Deloitte, Dubai Points, Emirates Airlines and several others that cannot currently be named for confidentiality reasons but which include a large OEM manufacturer and a large US Financial Services company.

These high-value partnerships are testament to the superiority of the Loyyal platform, which brings interoperability to a technically constrained and fragmented global industry, creates multi-branded coalition loyalty, offers superior program liability management, and allows for the issuance and redemption of points in real-time.

Partnering with Loyyal is a crucial component of an extensive strategic review undertaken by the Company last year. It demonstrates that the Company is executing on its strategic growth plans as released via the ASX in September this year.

### **More on Blockchain**

Blockchain, or distributed ledger technology has the ability to generate unprecedented opportunities to create and trade value in society. A blockchain is a decentralized ledger. In the same way the internet facilitates direct exchange of information, blockchain facilitates direct exchange of value, without the need for a trusted intermediary.

Notwithstanding the technology is still in its early stage of wide scale implementation, as infrastructure and enterprise adoption continue there is potential to drastically impact industries as diverse as finance, energy, media, gaming, real-estate and logistics. Global IT consulting giant Capgemini has recently estimated USD\$15-\$20 billion dollars of savings by 2022 in the banking industry alone (*Source - Nilesh Vaidya, Head of Banking and Capital Markets, Capgemini*)

### **Anthony Dunlop, Board member at the Company said:**

“We are delighted to become a major shareholder and strategic regional partner with Loyyal. There are few blockchain investment opportunities with such strong Fortune 500 customer uptake across North America, Europe and the Middle East, let alone in our core product markets of loyalty and rewards so we identified our investment and relationship with Loyyal as a clear strategic fit right from the start. We look forward to a close working relationship with Loyyal and can now progress our activity focus and resources to delivering significant customer and revenue growth in Australia and our target markets in the Asia Pacific region where we can leverage our relationship networks.

### **Greg Simon, Founder and CEO of Loyyal said:**

“Launched in 2016, Loyyal’s blockchain based loyalty network is the world’s first to market. Currently operating with clients in the Americas, Middle East, and Europe we are excited to continue our global expansion into the Asia-Pacific region with Reffind. Leveraging the depth of Reffind’s regional strength and exceptional management we expect to aggressively and rapidly expand across the region together”

### **For further information please contact:**

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### **About REFFIND Limited**

REFFIND Limited is a Software as a Service (SaaS) solutions provider with a product focus on enterprise to employee solutions including rewards, loyalty and recognition, employee communication and engagement. Based in Sydney, Australia the Company is listed on the Australian Securities Exchange (ASX: RFN). The Company has built its growth to date through both organic growth and acquisition. For more information please visit [www.reffind.com](http://www.reffind.com)

### **About Loyyal Corporation**

Loyyal Corporation (Loyyal) is a privately held company positioned as the Internet of Loyalty, with a product focus on reinventing how loyalty is created and rewarded. Using blockchain and smart contract

technology, Loyyal has built an interoperable loyalty and rewards platform to address a highly fragmented industry, and offer multiple industries an innovative way to both improve profitability while putting the customer first. For more information please visit [www.loyyal.com](http://www.loyyal.com)

loyyal

**The Internet of Loyalty**

January 2018

Let's make more profit and  
**put the customer first... again**

WHERE WE ARE NOW

# The Evolution of Loyalty



Coins

1790



Stamps

1890



Cards

1981



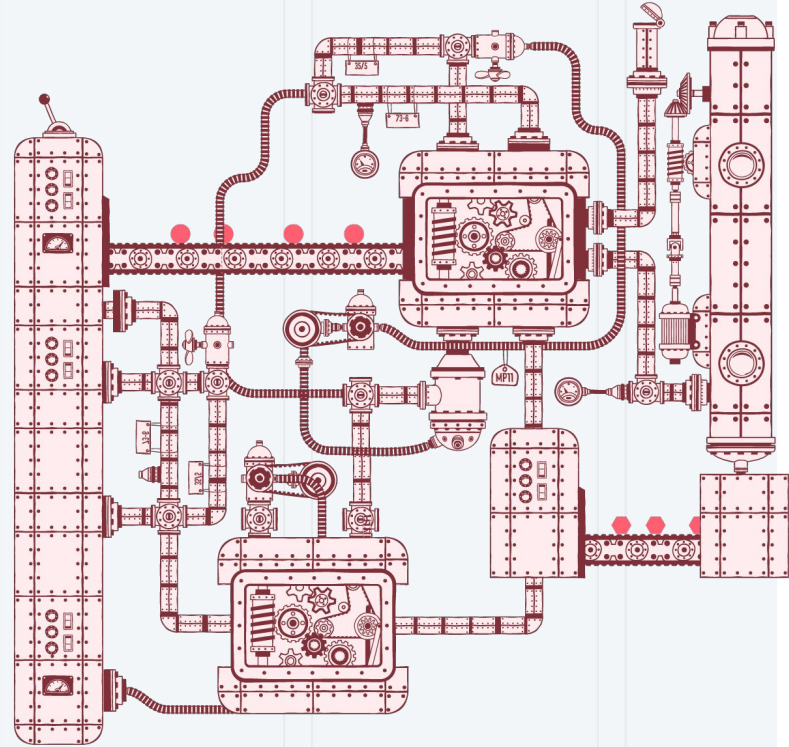
Mobile

2007

## CHALLENGES FOR OPERATORS

# Current technology is too expensive to manage and scale

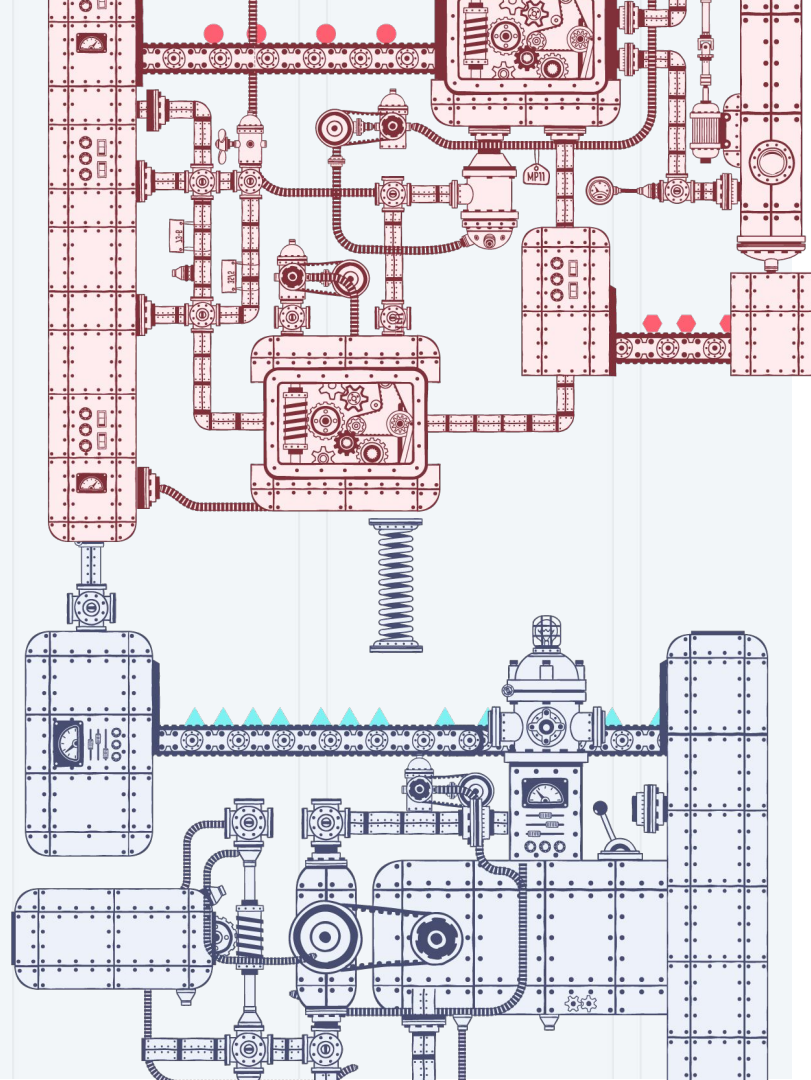
- Laborious reconciliation process
- Convoluted data management
- Limits customer experience and commercial opportunities



## INDUSTRY CHALLENGES

# Innovation in the industry is constrained by fragmented technology

- Few common protocols
- Integrations are difficult
- Reliance on file transfers
- Struggling to meet customer expectations for seamless flow of their value





WHERE WE ARE GOING

# Loyal ushers in the next evolution in loyalty using blockchain technology

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Blockchain



Mobile



Coins

1790



Stamps

1890



Cards

1981

2007

2014

**Our mission is to build  
the Internet of Loyalty®**

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OUR TECHNOLOGY

# Common Ledger

## BENEFITS

No file transfers between different databases. Operators write to and read transactions from the same ledger in near real-time.

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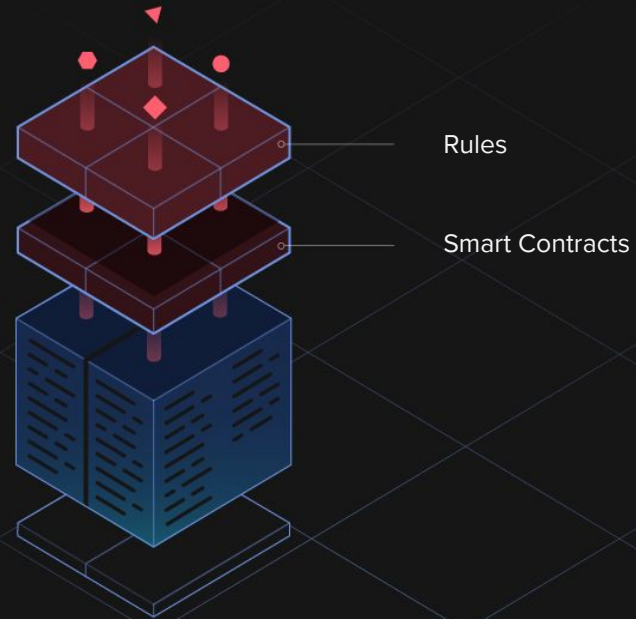
OUR TECHNOLOGY

# Smart Contracts

## BENEFITS

Flexible program structures and rules are defined by smart contracts, held on blockchain and auto-executed instantly.

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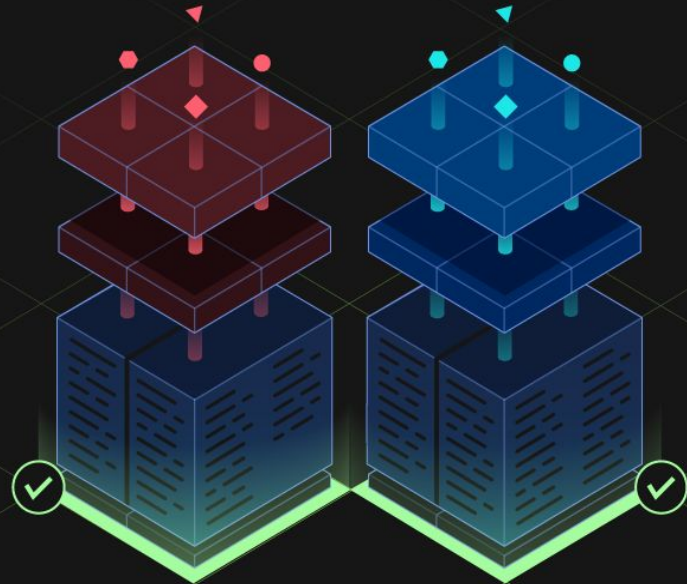
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# Distributed Trust

## BENEFITS

Shared data is trusted for reconciliation, billing, and settlement, reducing effort and cost.

Transaction validation is near real-time improving the customer experience.



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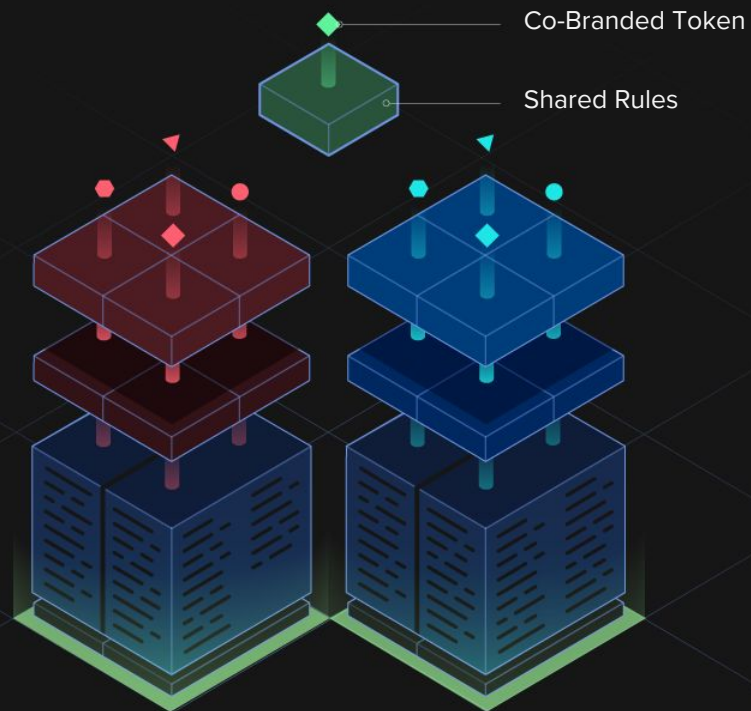
OUR TECHNOLOGY

# Branded Tokens

## BENEFITS

A wallet can hold multiple loyalty tokens, branded by one or more partners, enabling new customer propositions, including tracking and targeting mechanics.

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OUR NETWORK

# The Internet of Loyalty<sup>®</sup>

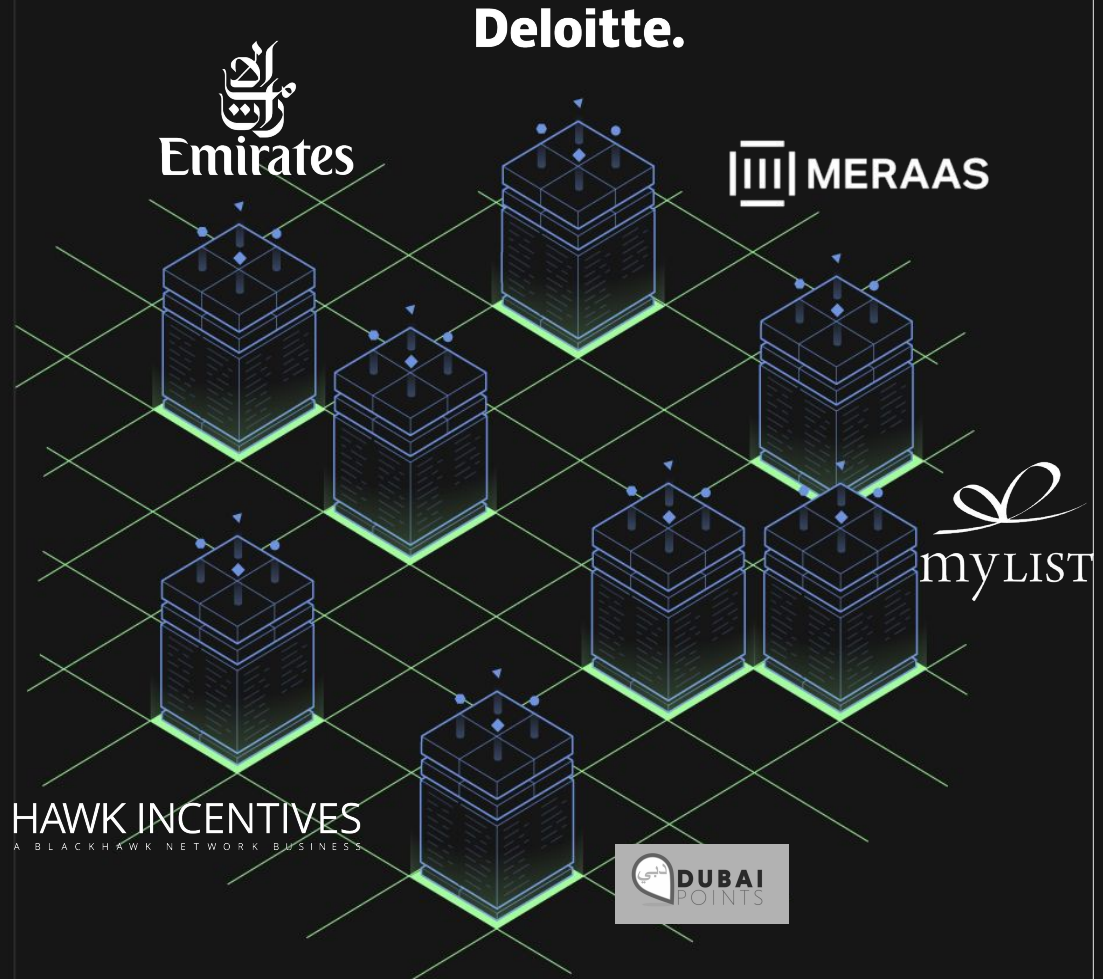
## BENEFITS

A global permissioned network of program operator and redemption clients.

Blockchain benefits all operators and partners, multiplied by a network effect, yielding a paradigm shift for the loyalty industry.

Built on IBM HyperLedger Fabric distributed ledger technology.

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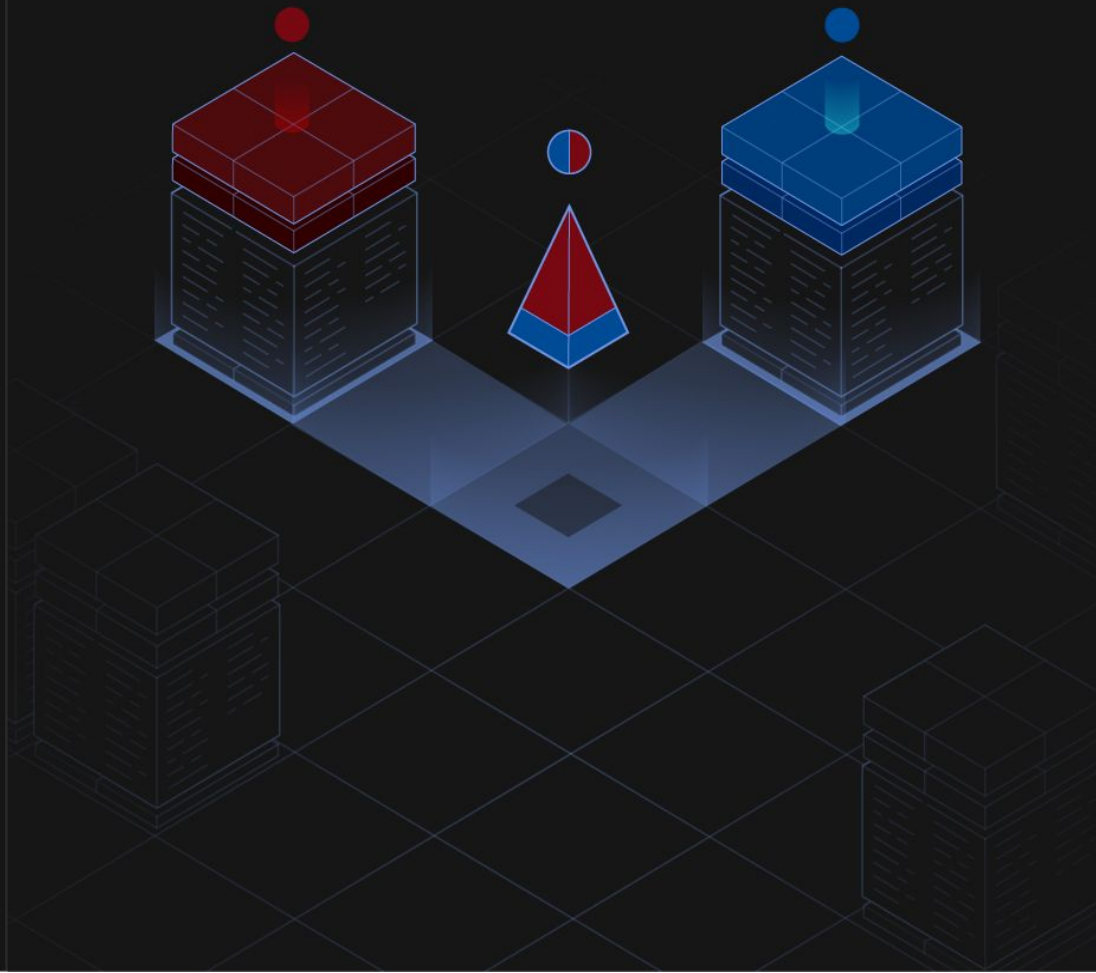


UNLIMITED PARTNERSHIP OPPORTUNITIES

# Program Tree

## MULTI-BRANDING

Programs can operate within other programs as a parent-child relationship, with cascading permissions.



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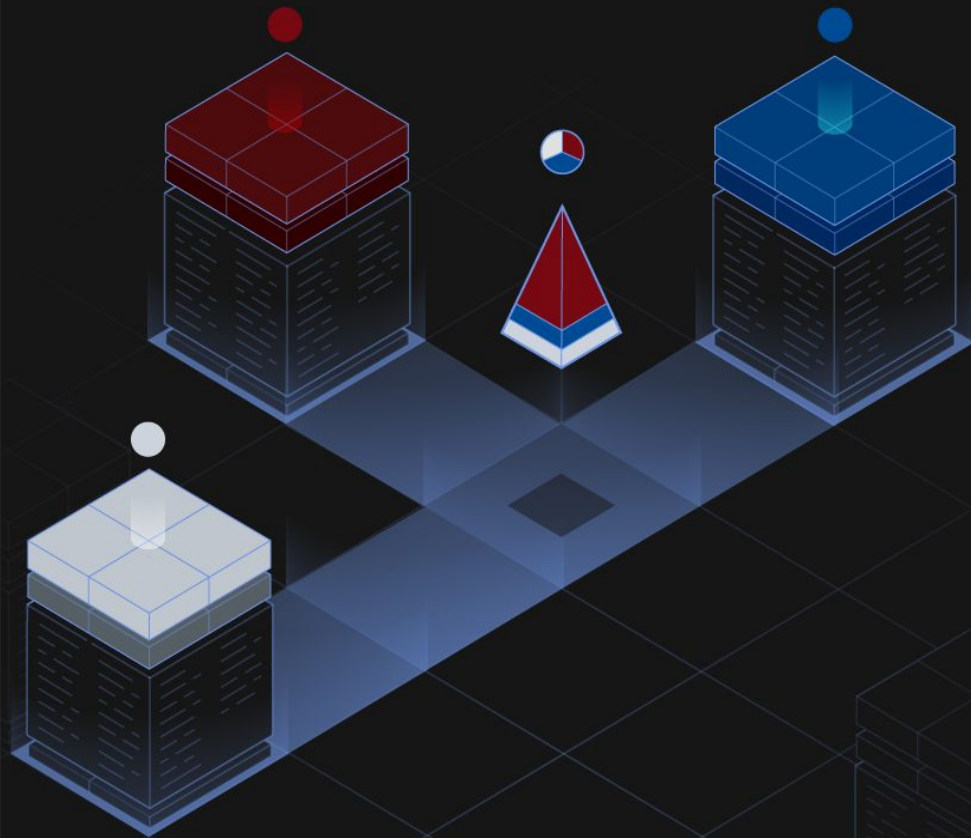


UNLIMITED PARTNERSHIP OPPORTUNITIES

# Program Tree

## MULTI-BRANDING

Any number of tiers can be permitted in a complex multi-branded environment, with any number of program operators



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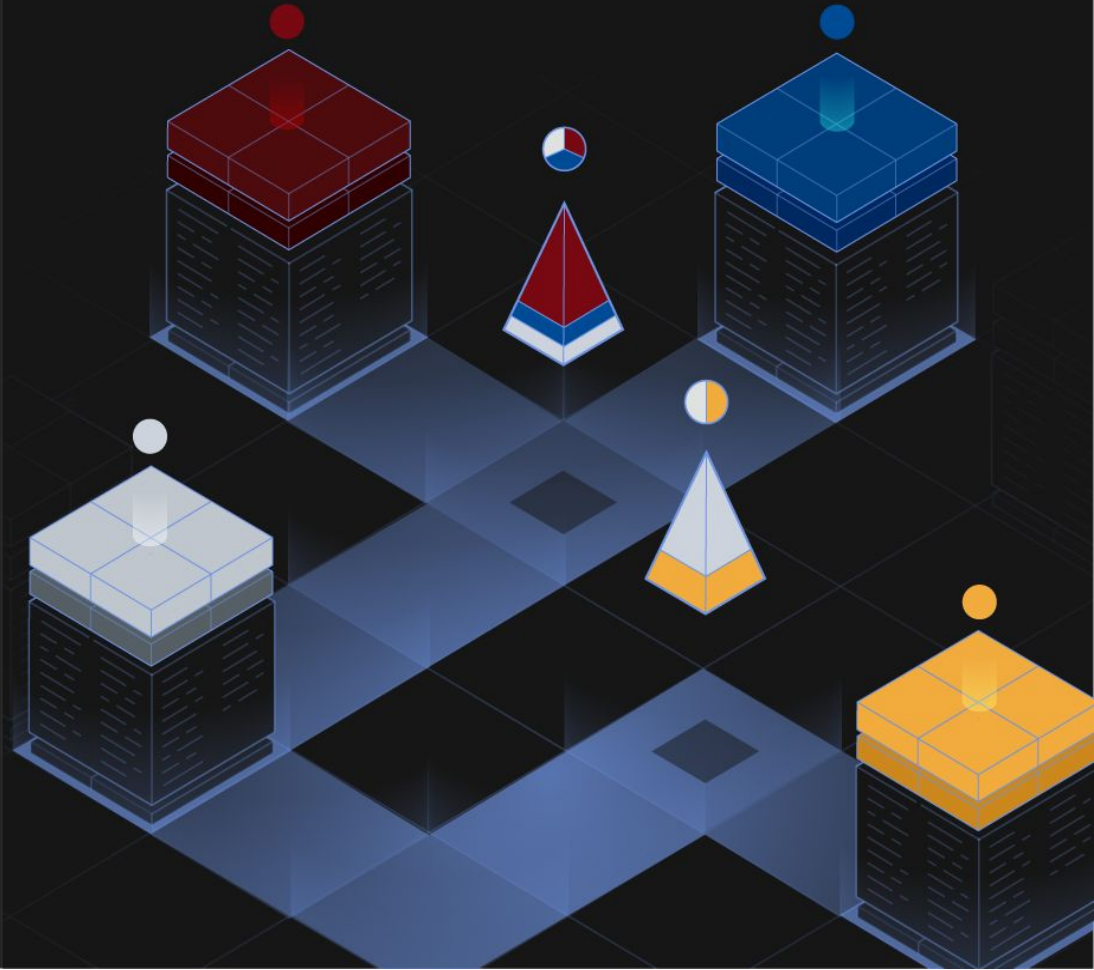
UNLIMITED PARTNERSHIP OPPORTUNITIES

# Program Tree

## MULTI-BRANDING

The parent-child relationship can be inverted to facilitate any program leading a multi-branded incentivization scheme of any number of tiers.

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CURRENT CLIENTS

**A global  
permissioned  
network of  
program operator  
and redemption  
clients**

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**Deloitte.**

  
**Emirates**



**Major Canadian Bank**

**US Financial Services**

**GCC Financial Services**

**Major Auto OEM**

## USE CASE

# Emirates Airlines: A Seamless Customer Journey

### WHAT'S NEW

- Directly connecting partners with blockchain.
- Customers can seamlessly continue their journey across partners by using Skyward Miles.
- Replaces the file transfer process saving time and money.
- More efficient near real-time reconciliation process.
- Live pilot launched.

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## USE CASE

### **Deloitte D. Coins: Socially Shareable Loyalty**

#### WHAT'S NEW

- An employee engagement program, owned by Deloitte, operated on the Loyal network.
- Employee wallets, balances and transactions stored on-chain. Multiple currencies, from points to badges, stored in one easy to use wallet.
- Employees can directly rewarded and recognized peers, with visibility on a leaderboard.
- Employee wallets are permissioned to share and redeem D.Coins.

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## USE CASE

# Dubai Points: Smart City Engagement

### WHAT'S NEW

- Globally owned, operated & white-labeled by Dubai-based GlobalCo
- Multiple government entities and commercial businesses, connected with blockchain.
- Points can be branded and defined with smart contracts for multiple purposes.
- Interactive points can be accrued and tracked using proximity recognition.
- Tokenized points are released instantly, based on tracked behavior.
- The program follows the customer and rewards engagement, in near real-time.

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## USE CASE

### **BlackHawk: Redemption Possibilities**

#### WHAT'S NEW

- Points earned across the Loyal network can be redeemed for BlackHawk gift cards.
- Any program operator on the Loyal network can use smart contracts to permission customer access for BlackHawk offers.

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WORK WITH US

# How do clients work with us?

**Workshop**



**POC**



**Pilot**



**Production**

**1 - 3 days**

Define objectives,  
challenges, &  
Identify solutions

**4 - 12 weeks**

Provide sandbox node  
& support configuration

**3 - 6 months**

Support prototype  
build, deployment, and  
ecosystem integration

Node & network  
support

Share expertise  
Scope the business  
case & POC

Build a working model  
including UI / UX

Testing and member  
engagement

Training, operations,  
and live services

Our certified value-added resellers and system integration partners:

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Deloitte.

IBM

Capgemini

INET  
Always by your side

REFFIND

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Client  
/VAR



**Thank You.**

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