



H1 FY23 RESULTS PRESENTATION

Gratificii Limited (ASX: GTI)
February 2023

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WELCOME TO GRATIFIED

Delivering the best loyalty solution for a smarter, faster program experience, combined with unique curated rewards at market-leading pricing, delivered by an experienced managed services team with proven marketing prowess.

Together, we deliver results you'll love.

FINANCIAL SUMMARY

H1 FY23



Growth and investment were the focus in H1 FY23

**H1 FY23
REVENUE**

↑ \$14.1m

**+203%
v H1FY22**

**GROSS
PROFIT**

↑ \$2.6m

**+101%
v H1FY22**

**CASH AT END
OF H1**

\$2.45m

**INDIVIDUAL
CLIENT
ACCOUNTS**

↑ +20%

> 16m

**NEW
ENTERPRISE
CLIENT
CONTRACTS
EXECUTED**

12

**SHARES ON
ISSUE**

1,007M

SHARE PRICE

\$0.013

MARKET CAP

\$13.0M

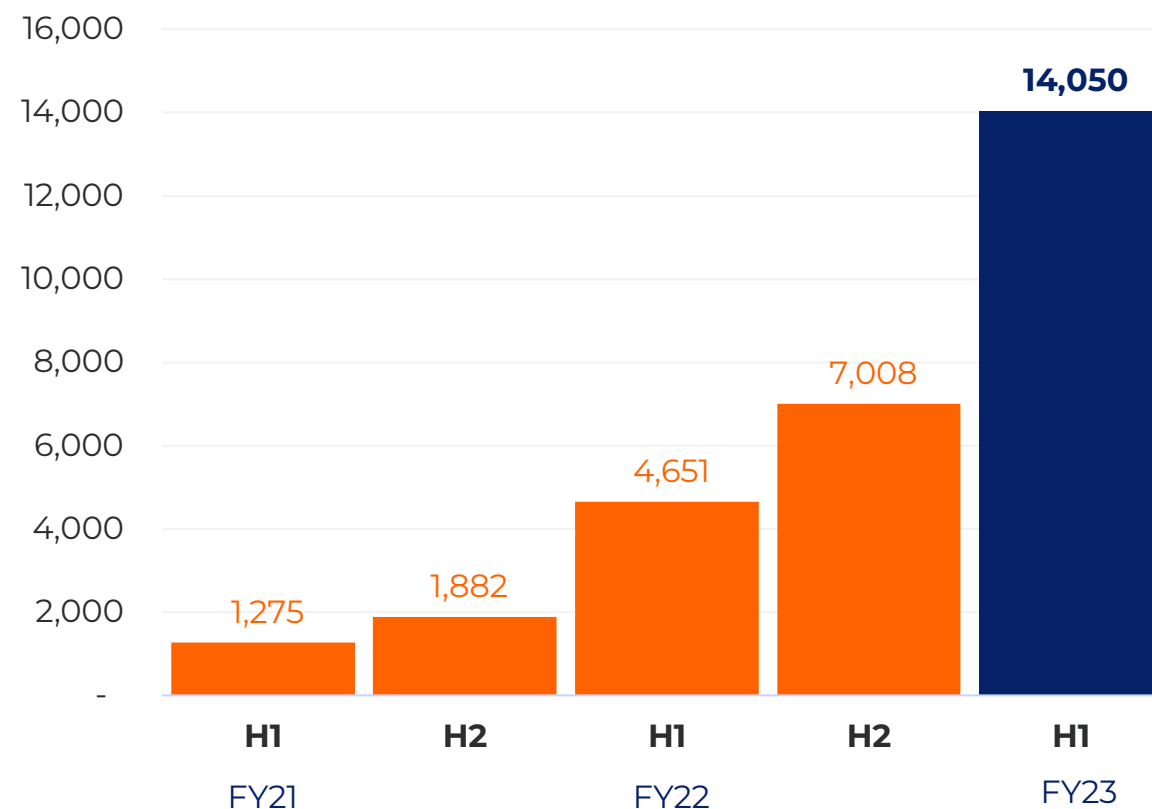


H1 FY23 RECORD REVENUE

CAGR +232%
over last two years



HALF YEAR REVENUE (\$'000)





FINANCIAL SUMMARY H1 FY23

Key milestones

- Implementation of three enterprise Mosaic contracts, two are now live with the third expected to go live in May.
- Neat Ideas appointed member benefit partner for Rest's 1.7 million superannuation fund members and Student Edge's 1.1 million members; now a total of ~16 million consumers now able to access our rewards platform
- 12 new enterprise clients signed
- Finalisation of integration of Hachiko acquisition to deliver \$0.3m p.a. in annualized cost synergies in H2FY23
- Successfully completed \$2.7m capital raise for acquisition

Financial metrics

- H1 Revenue \$14.05m up 203% v H1FY22
- H1 Gross profit \$2.62m up 101% v H1FY22
- Operating cashflow +\$0.98m up 67% from H1FY22

Investment

- Hachiko acquisition: -\$2.1m
- R&D Rebate: +\$0.8m received November 22
- R&D Expenditure to reduce by \$0.75m p.a. post 30 June 23 upon delivery of final Mosaic modules

H2 FY23 OUTLOOK

- **Continued revenue and margin growth**
- **Reducing operating expenses**
- **Reducing recurring Capex**

REVENUE GROWTH AND OPERATING LEVERAGE



Single overarching Mosaic platform resulting in continued margin and revenue growth

- Three key enterprise implementations forecast to deliver high margin licence revenues of ~\$400k ARR (excluding additional service revenues and volume growth)
- Additional enterprise pipeline opportunities in play
- Neat Ideas clients will be migrated to Mosaic by end of financial year, increasing margins and cross sell opportunities, whilst reducing operational risks
- Hachiko client migration will begin in H1 FY24

Reducing operating expenses ~\$900k p.a.

- **Technology efficiencies:** Moving all parts of the business to Mosaic will reduce 3rd party licence and support fees by approx. ~\$600k (annualised)
- **Integration efficiencies:** Hachiko acquisition integration completed in Q3 FY23, resulting in ~\$300k annualised cost synergies

Reducing recurring Capex spend ~\$750k p.a.

- **R&D milestones:** Investment to reduce outsourced development from \$3.0m to \$2.25m p.a. in FY24 upon delivery of final core Mosaic module for FAB Group and Neat Ideas

GROWING MARKET

Gratificii provides everything a brand needs to build and manage a best-in-class loyalty program.

We service a wide range of industries seeking to create a stronger connection with their customer base.

93% **\$27B**

of companies that offer a rewards program have a positive ROI ¹

forecast size of global loyalty management market by 2026 ²



Retail



Energy



Tourism



Sports & Recreation



Automotive



Tech & I.T



Health



Financial Services



Hospitality

1. Antavo 2022 Global Customer Loyalty Report,

2. USD 18.2 billion converted to AUD \$27.0 billion at 1.4861. Source: Market and Markets Loyalty Management Market research report, January 2022.

SIMPLIFIED DELIVERY OF A FULL-SERVICE LOYALTY SOLUTION FROM A SINGLE PROVIDER.



LOYALTY PLATFORM

SaaS platform that powers our comprehensive loyalty solutions



LOYALTY SERVICES



Premium program management, marketing and promotional expertise

REWARDS CONTENT



Source and supply of market leading rewards and group buying power

FULL-SERVICE LOYALTY SOLUTION

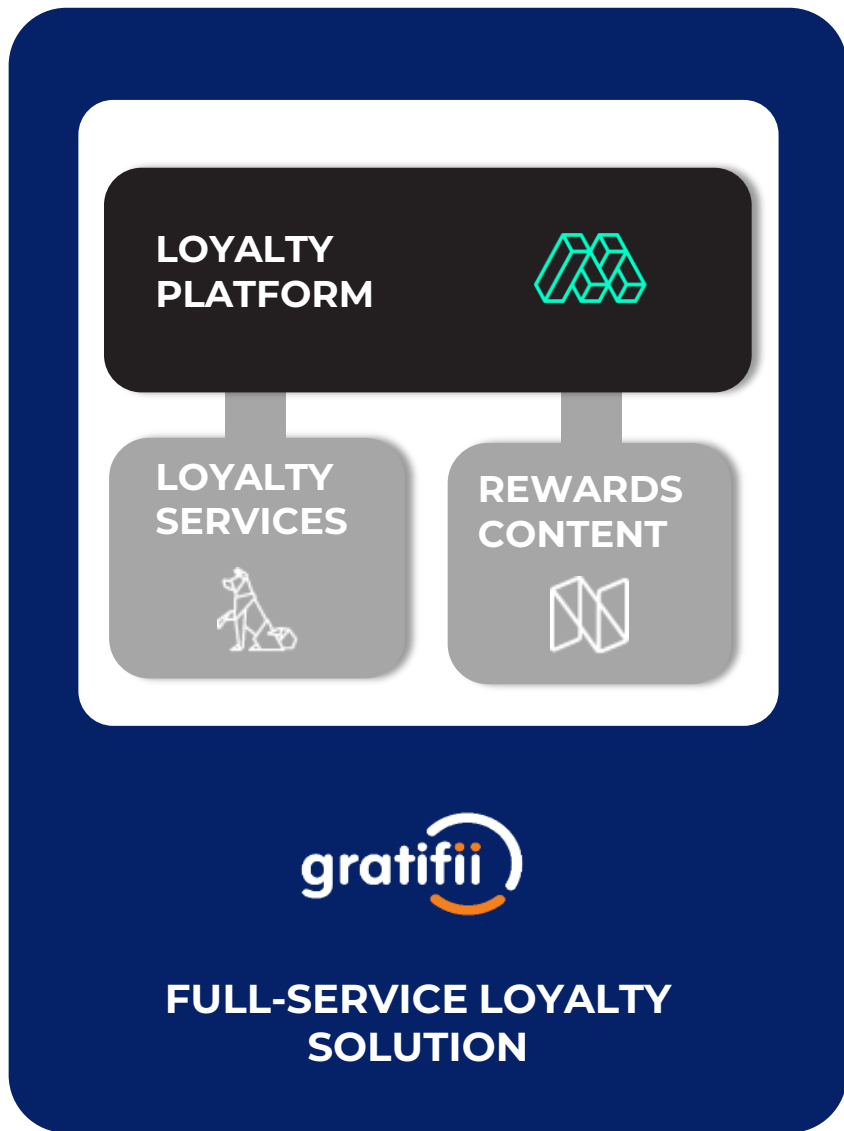


Mosaic is becoming the single overarching platform used to deliver all loyalty & reward services provided by Gratificii.

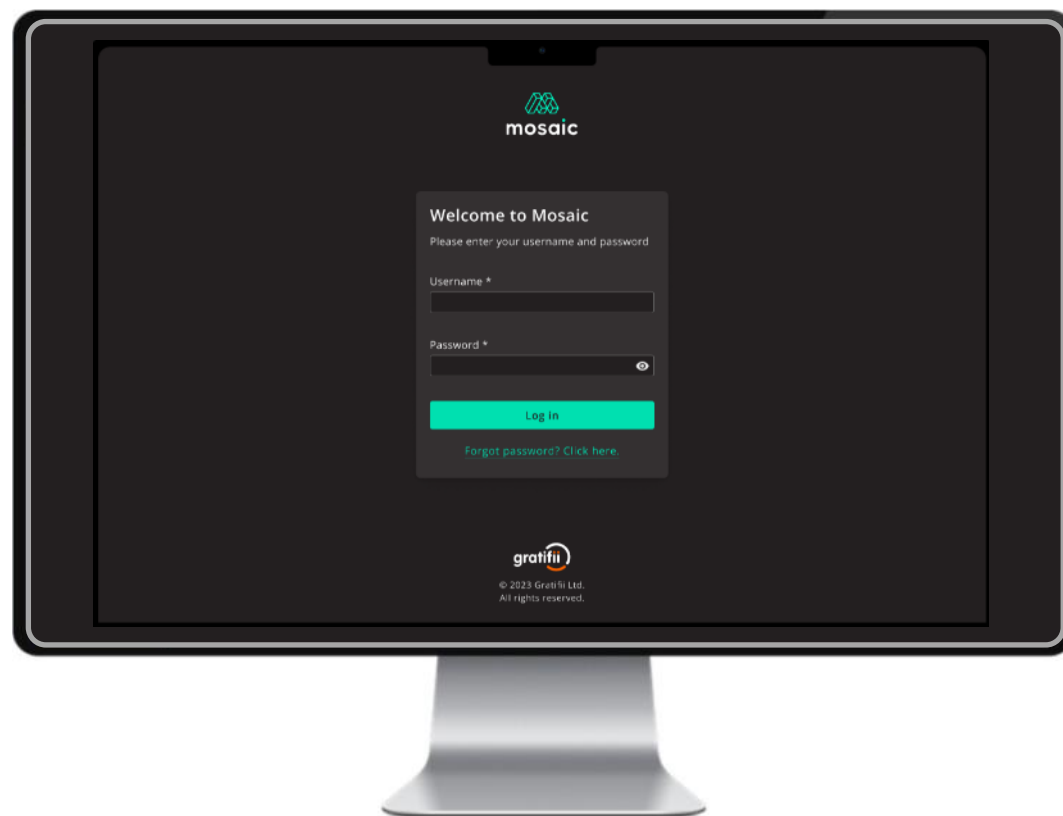


Everything you need for a best-in-class loyalty program.

- Highly configurable loyalty platform to manage program rules and reporting
- In-house experts in loyalty program design, implementation and program management
- Best in-market pricing on rewards & content
- Gamification, leaderboards, rewards claims sites
- Claim management & fulfillment
- Creative design, web services and content creation



Highly configurable loyalty platform delivering a complete loyalty & rewards solution.



H1 PLATFORM UPDATE



New opportunities expected to accelerate post current client deliverables

Implementation of enterprise contracts underway across multiple market segments



Retail



Energy



Tourism



Sports & Recreation



Automotive



Tech & I.T.



Health



Financial Services



Hospitality

Client	Market segment	Location	Key points
SEAGRASS BOUTIQUE HOSPITALITY GROUP	Hospitality	Global	<ul style="list-style-type: none"> Agreement to deploy Mosaic across six restaurant brands globally, valued at around \$500,000 in first year. First restaurant deployment has gone live and full roll out is on schedule.
Large health services provider	Health	Australia	<ul style="list-style-type: none"> Fast growing Australian private medical centre sector present a significant opportunity for Gratifi. Initial pilot program went live in February 2023, valued at over \$175,000 for 3 months. Successful pilot expected to result in a 2 year+ SaaS agreement with potential SaaS revenues of \$200,000+ p.a.
FAB GROUP	Retail	New Zealand	<ul style="list-style-type: none"> Strategically important as Gratifi's first NZ SaaS implementation, to 70 cosmetics and skincare clinics. SaaS revenues of NZ\$90,000 in year 1, growing in year 2 onwards. Planned implementation for H2 FY23.

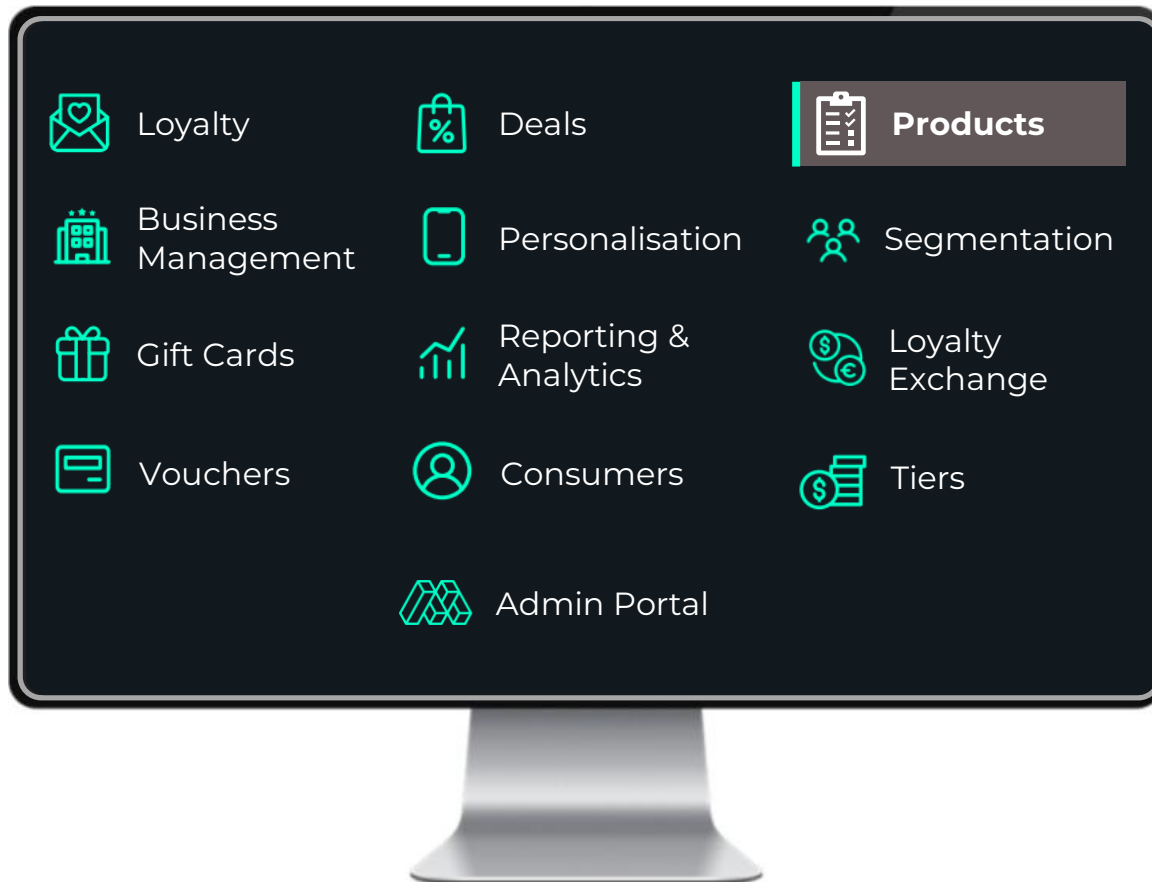
H2 PRODUCT ROAD MAP



Products module is the final core module to be delivered.

Using new client deliverables, we are quickly able to transition 50+ Neat Ideas clients onto our platform, reducing our reliance on third-party vendors and reducing ongoing licence fees.

Reduced R&D and cost synergies = ~\$1.65m in annualized savings p.a.



Q3 Developments

Products module required by FAB Group currently in development include:

- Product Management (creation, update, delete, stock)
- Product Limits (stock)
- Product Pricing (personalised)
- Payments (both with cash and loyalty value and combination)
- E-Commerce APIs



Q4 Developments

Neat requires the basics of **Products module** already delivered to FAB group along with:

- Treasury
- Invoicing
- Gifting









H1 REWARDS UPDATE

Neat Ideas source and supply tailored engagement programs and earn a margin on rewards purchased



Several high-profile member and employee rewards programs went live in H1, with users gaining access to Neat Ideas' 500+ suppliers and best-in-market pricing.

Client	Market segment	Audience	Content delivered
	Super-annuation	1.7 million members	<ul style="list-style-type: none">• Access to Neat Ideas' full supplier network• Custom-built shopping portal
	Student services	1.1 million members	<ul style="list-style-type: none">• Access to Neat Ideas' full supplier network• Custom-built shopping portal
	Property development and hotels	180 employees	<ul style="list-style-type: none">• Access to Neat Ideas' full supplier network• Custom-built shopping portal
	Experience aggregator	1.5 million experiences delivered in last 12 months	<ul style="list-style-type: none">• Movie tickets

H1 LOYALTY SERVICES UPDATE





Hachiko sources and supplies tailored engagement programs and loyalty-led marketing services. Enterprise clients are charged a monthly retainer.



“Not only has this program revolutionised our business, it has revolutionised the entire FMCG industry”

Andrew Johnson | National Merchandising Manager

We delivered bespoke engagement programs and loyalty led marketing services across a range of industries in H1

Client	Market segment	Client type	Services delivered
	Wholesale distribution	Existing client	<ul style="list-style-type: none"> National event management
	Telco	Existing client	<ul style="list-style-type: none"> Full production videos for digital campaigns
	Tech & I.T.	New client	<ul style="list-style-type: none"> New 12 month engagement program including rewards
	Tech & I.T.	New client	<ul style="list-style-type: none"> Partner activation and content creation

SUSTAINABILITY



Gratiffi's business operations were certified carbon neutral by **Climate Active** in November 2022.

Australian government backed Climate Active certification is considered one of the most rigorous and credible carbon neutrality certifications available.



POWERING LOYALTY SUCCESS



WELCOME TO THE GRATIFI GROUP!

Best-in-class loyalty platform for a smarter, faster customer experience, combined with exciting curated rewards at a remarkable value point, and delivered by an experienced managed services team with proven marketing prowess.

Together, we deliver results you'll love.

Iain Dunstan
CEO & Managing Director

APPENDIX - EXAMPLE SERVICES

PLATFORM



The API driven loyalty engine providing an intuitive UX that is highly configurable and easy to integrate.

	Configurability	Integration	Cost Effectiveness	Innovation	Data & Personalisation
Challenge	<ul style="list-style-type: none"> Restrictive options Customise vs configure Old technology 	<ul style="list-style-type: none"> Expensive Time intensive Systems prohibitive 	<ul style="list-style-type: none"> Long dev cycles Outsourced management Program funding 	<ul style="list-style-type: none"> Competitive markets Member fatigue Rapid change 	<ul style="list-style-type: none"> Member expectations Information overload Privacy concerns
Client Need	<i>"I want the flexibility to configure my program the way it works for me"</i>	<i>"I want a loyalty solution without the expensive integration requirement"</i>	<i>"I need an affordable solution the can scale to my requirements"</i>	<i>"I need a solution that helps me stay ahead of my competition in the long run"</i>	<i>"I want to reward my customers with relevant, meaningful offers"</i>
	<ul style="list-style-type: none"> Fully customisable Flexible design Simple and fast 	<ul style="list-style-type: none"> Interop Microservices Smart Integrations Embedded Tech 	<ul style="list-style-type: none"> Self-managed solution Merchant funding Scalability 	<ul style="list-style-type: none"> Innovative experiences Digital transformation Integrated partnerships 	<ul style="list-style-type: none"> Segmentation and personalisation Real time notifications Dashboards and reporting
Gratificii Outcome	Fully configurable rule engine to support any program proposition	A plug and play solution that allows easy integration of any data source	Leverage modern technology to provide an affordable solution that can grow at scale	Lead with innovation and contact platform growth	Fully personalised, relevant customer journey across all touchpoints

PLATFORM

Manage your loyalty solution end to end, the way it suits your business. Flexible program structures, earn & burn management, tiering & more.

A system with the functionality to turn any behaviour into rewards.



Spend based rules



Behaviour based rules



Time based rules



Offer based rules



Notification rules



Purchase



Activity



Behaviour



Events

**LOYALTY
PLATFORM**



**LOYALTY
SERVICES**



**REWARDS
CONTENT**



**FULL-SERVICE LOYALTY
SOLUTION**

PLATFORM



LOYALTY
SERVICES



REWARDS
CONTENT



FULL-SERVICE LOYALTY
SOLUTION



PROGRAM MANAGEMENT & MARKETING SERVICES

**In-house loyalty services that create,
manage and deliver engagement
programs and marketing content.**



PROGRAM MANAGEMENT

Engagement programs tailored to clients needs & objectives.

Promotional platform

Competitions

Gamification

Leaderboards

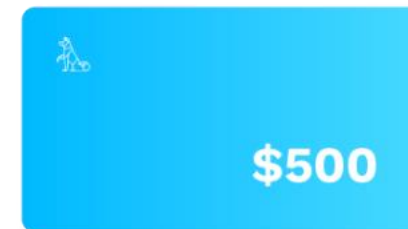
Rewards claim sites

Claim management

Data & insights reporting

Rewards issuance

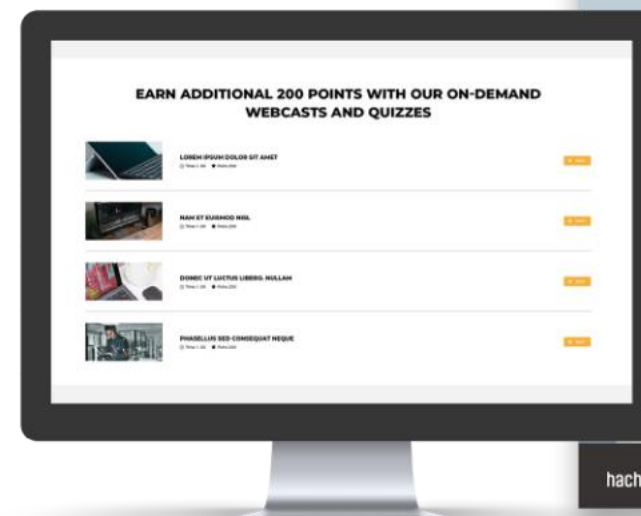
Campaign services



TOP 5
GROWTH STARS

Finish the top 5 at the end of the program period to win \$750 in Rewards!

Place	Account	Point
1	1738495	1,300
2	3940021	800
3	4995124	700
4	4838271	500
5	9128481	400



Hi John

You have 600 points to claim

Claim Sales

hachi-kō Supply-lead Marketing



MARKETING SERVICES

Content creation that's memorable and results driven.

Email campaigns

Sales presentations

Brochures

Case studies

Infographics

Landing pages

Video content

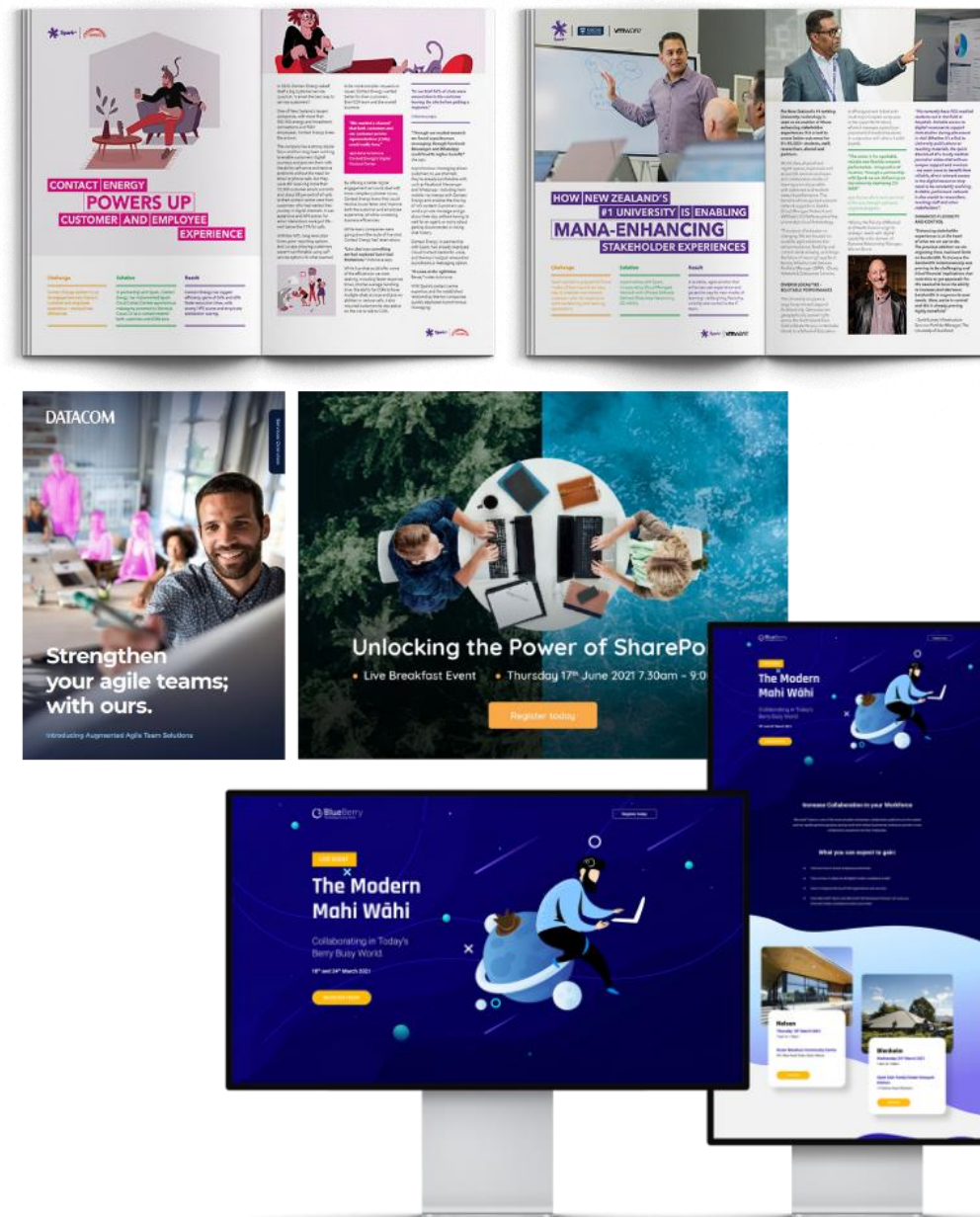
Animations

Digital banners

Flyers

Blog articles

Web design



PLATFORM



LOYALTY
SERVICES



REWARDS
CONTENT



FULL-SERVICE LOYALTY
SOLUTION



REWARDS CONTENT

Procurement, management of an
extensive and price competitive
range of content.



REWARDS CONTENT

Rewards from any industry & every leading brand.

White label platform

Customised product pricing

Client e-voucher branding

Email templates for gifting

Payment gateway

In-house procurement

Mobile optimised

Customer service team

500+
iconic brands





CONTENT ISSUANCE

Earn, burn, achieve, rewards, discounts, cashbacks, thank-you, perks, carbon credits, 2-4-1. Curated content to fit any program type.

Branded
vouchers

Gift cards –
physical & digital

Product codes

Discount offers:
% or \$ off

Points earn &
burn

Carbon credits
& gift cards

Tiered rewards

Card linking and
cash back

Staff rewards

Benefits
programs



Loyalty Amplified



**Better
Innovation**



**Stronger
Engagement**



**Greater
Rewards**

Our platform blends the best-in-class people, programs, technology and rewards to better serve clients, staff and members as one full-spectrum loyalty provider.