



1QFY24 QUARTERLY RESULTS PRESENTATION

Gratificii Limited (ASX: GTI)
October 2023

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1QFY24 RESULTS



1H FY24 on track for 7th consecutive half of revenue growth

**1QFY24
CASH
RECEIPTS**

\$7.27m

**+32%
v 1QFY23**

**1QFY24
OPERATING
CASH FLOW**

-\$0.29m

**+52%
v 1QFY23**

**CASH AT 30
SEPTEMBER
2023**

\$1.37m

**CASH RECEIPTS
2-YEAR CAGR
TO END OF
1QFY24**

103%

**SHARES ON
ISSUE**

1,323m

SHARE PRICE

\$0.01¹

MARKET CAP

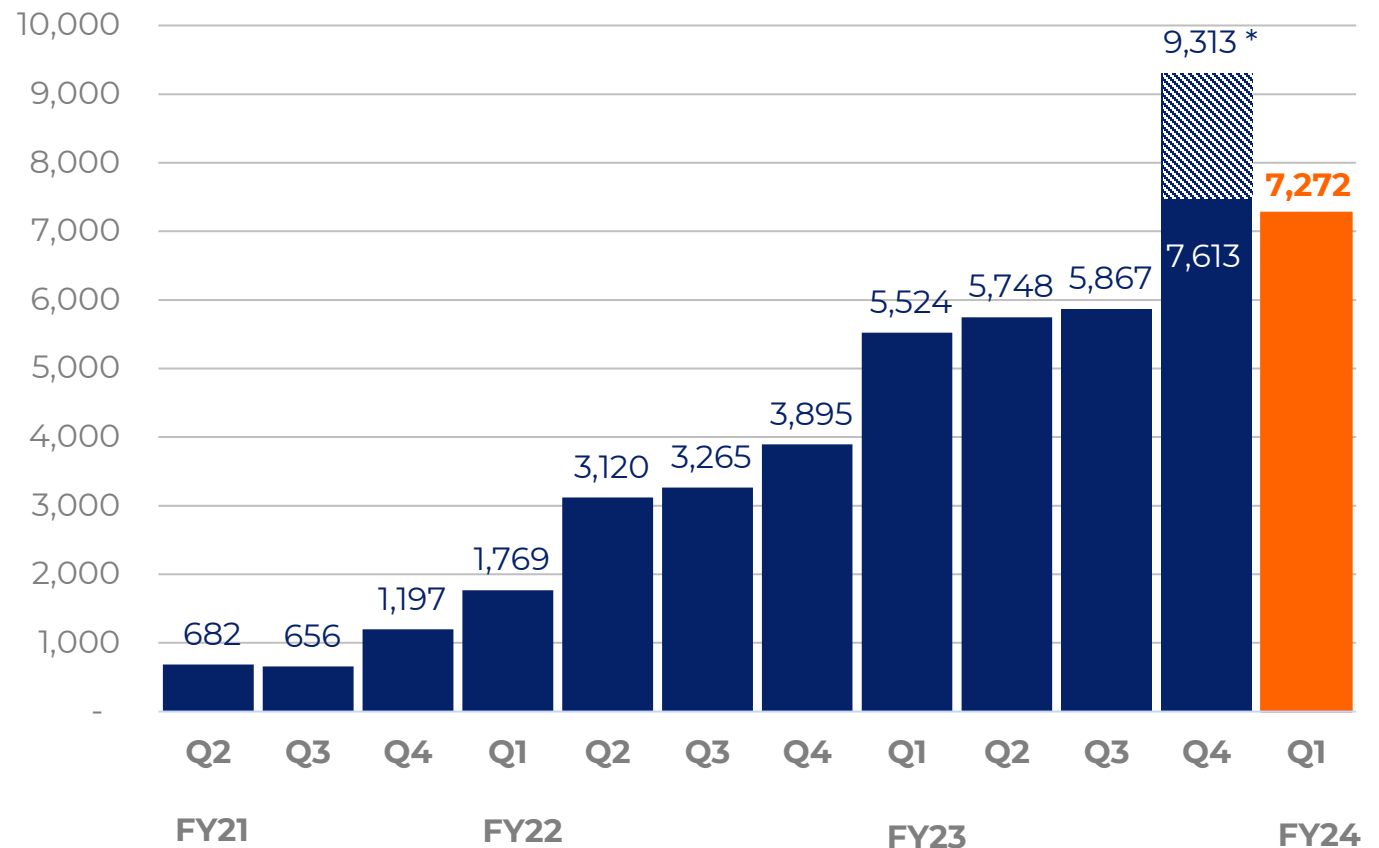
\$13.2m¹

1. As at 31 October 2023.

1QFY24 CASH RECEIPTS +32% v 1QFY23

- September quarter is typically our slowest quarter but strong momentum in 4QFY23 carried into 1QFY24
- Demonstrates more consistent volumes and activity on our platform from the growing number of users
- 2QFY24 is anticipated to deliver continued revenue growth

QUARTERLY CASH RECEIPTS (\$'000)



* Q4FY23 included a special EOFY ~\$1.7m rewards program with Mitsubishi.

1Q FY24 quarterly update

1QFY24 CASH HIGHLIGHTS

2-year cash receipts
CAGR of 103%

1QFY24 Cash Highlights

Operating Cashflow

- 52% improvement in Operating Cashflow: **Q1FY24 = -\$0.29m v -\$0.6m Q1FY23**

1QFY24 cash receipts of \$7.27m (+32% on 1QFY23)

The 1QFY24 result is a culmination of various factors including:

- Building a connected community with access to a growing range of discounted products and services
- Accelerated uptake of all products and services from new and existing clients
- The countercyclical nature of Gratified's business model

Substantial investment in RACV project

- As previously announced, approximately \$600,000 development costs invested in RACV project on Phases 1 & 2
- First revenue expected to flow from November onwards

Transitioning to positive cashflow

- Successful June 2023 capital raise has provided the additional working capital to support the current development projects to enable additional users to access our products, especially in 2QFY24 which is typically the high-volume quarter, and to ensure the indicative new business growth is able to be delivered on new contract signings



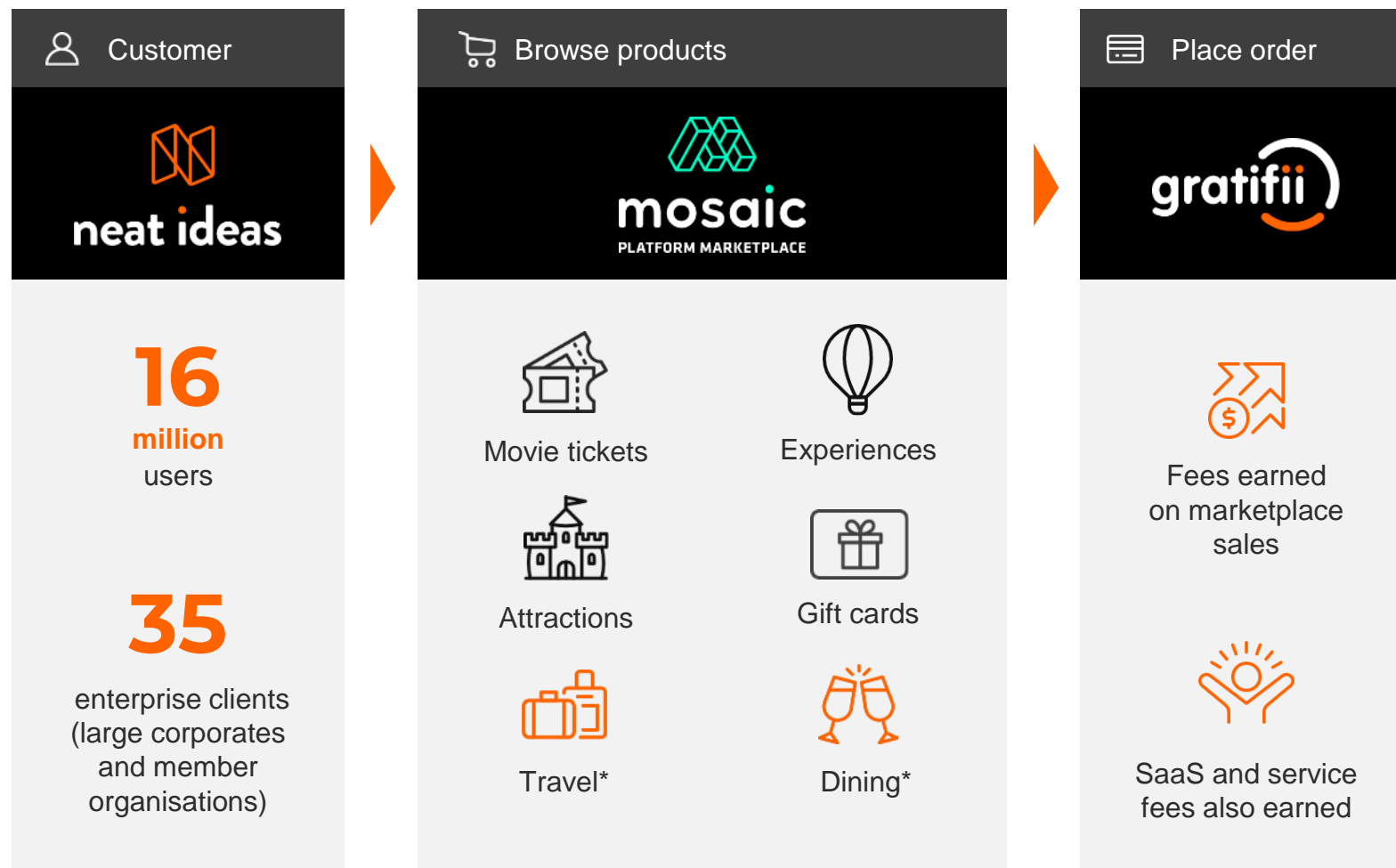
Attractive business model

- Scalable business driven by proprietary technology
- Supplier products in front of millions of customers in return for margin on each sale

Competitive advantage

- Reach – 16 million users and growing
- Value – lowest prices due to buying power
- Service – seamless customer experience through proprietary technology

LEADING MARKETPLACE FOR MEMBERS AND EMPLOYEES



* To be launched in 2Q24

1QFY24 CLIENT HIGHLIGHTS

1QFY24 Client highlights

- ✓ **ClubConnect: 3-year SaaS Agreement** to provide access to our API for all Australian Auto Club members to be able to access our products
- ✓ **RAA (SA):** signed **2-year SaaS Agreement** to provide access to tickets for approximately 800,000 members
- ✓ **RACV: Phase One built** and delivered to **Cliqit** clients. Phase 2 to be delivered in 3QFY24
- ✓ **Seagrass brands:** Dining Rewards Program continues to be rolled out across **six of its restaurant brands**
- ✓ **Cornerstone Health:** Now has 14 medical centres and over **230,000 users** on the system (up 57,000 since 1 July 2023)



1QFY24 OPERATIONAL HIGHLIGHTS

1QFY24 Operational Highlights

Phase 1 delivered for RACV

- Contract expected to generate **~\$8.8m** in additional revenue in FY24* and represents Gratified's largest SaaS contract to date. Contract **anticipated to deliver ~\$13.0m** revenue in FY25*
- Staged integration underway, on-time and on-budget

Record client integrations delivered:

- Multiple client projects successfully delivered during the quarter namely, Meat & Wine Co, Italian Street Kitchen, Cornerstone Health, Niterra, FAB Group, and Spark

ISO 27001

- Audit of Gratified's information security management standards successfully completed
- Critical investment required to protect data – now complete
- Certification expected in November 2023

* Based on RACV volumes in the prior 12 months.

Outlook - 2QFY24 & Beyond

New contracts and integrations on track

- Integrations in progress expected to deliver material revenue growth in FY24 (refer to slide 10)
- Upon completion of Phase 2 of the **RACV** project in 3QFY24, Gratifii anticipates it will transition to cashflow positive
- Multi-year API agreement signed to provide access to **ClubConnect's** motoring club member marketplace. It provides substantial new revenue opportunities and is expected go-live in Mid -November.

Enhance the performance of existing customers

- Engaging with clients and providing them with the tools and strategies to better engage and reward their large user bases.
- **Potential to deliver notable revenue growth**

Pipeline

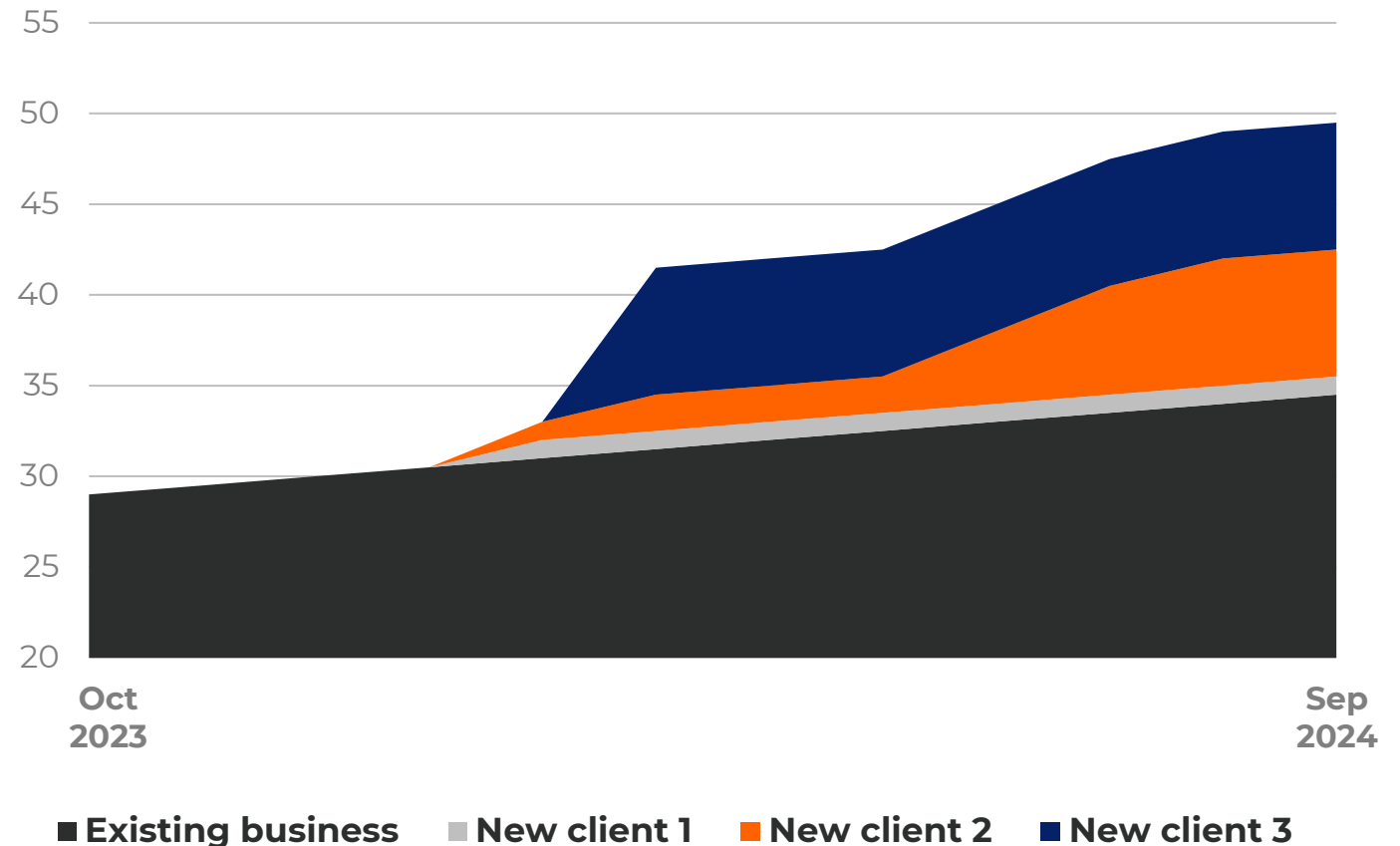
- Gratifii is building a **large pipeline** of enterprise clients, which has the potential to deliver a strong growth profile for the foreseeable future
- Well progressed discussions with **additional large member organisations**

On track to deliver continued growth

- Well positioned for further organic growth
- Current contracts being implemented are projected to grow the revenue run rate to approximately \$49 million (FY23 revenue: \$30 million), exclusive of any new pipeline opportunities*
- Growth driven by existing customers, new product lines, plus potential new motoring club contracts via new ClubConnect contract

*Factors that could influence the Company's short-term outlook include external market conditions, particularly interest rates and inflation, consumer sentiment, unforeseen project delays, and key client gains or losses.

NEXT 12 MONTHS INDICATIVE REVENUE RUN RATE OUTLOOK (\$m)



New market opportunity: travel rewards



Gratificii is launching a new branded rewards platform for members and employees focused on the travel sector in 2QFY23

Industry trends

- Despite cost-of-living pressures, more Australians are planning to travel in the next 12 months, and they plan on spending more
 - **92%** plan to travel domestically and **57%** plan to travel internationally¹
- Gratificii well positioned to expand existing rewards marketplace to discounted travel and dining offers

Market opportunity

- Consumers seeking value to extend their travel budgets
- Clients looking to engage and reward their customers via everyday savings
- **Neat Destinations** platform connects consumers with best-in-market travel offers via their member or employee engagement program

“With cost-of-living pressures elevated, we continue to see strong consumer demand for low-priced consumables that represent great value.”²

1. “Travel D_Stilled” research published by News Corp Australia’s Growth D_Stillery research insights lab, August 2023.
2. The Reject Shop Limited (ASX: TRS) Annual General Meeting 2023 Chairman’s address.

Travel marketplace opportunity

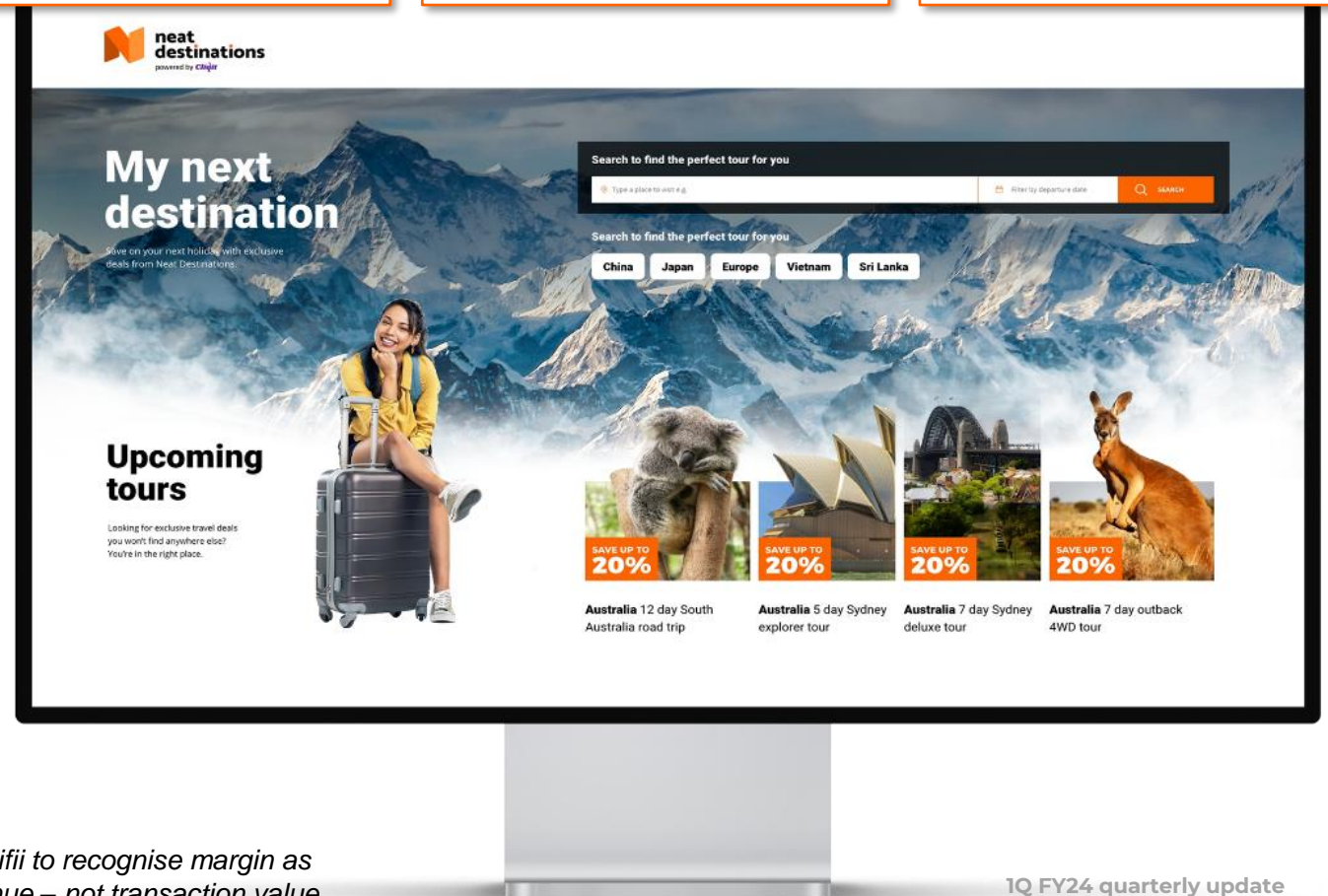
- **Neat Destinations** makes it easy for consumers to book accommodation via their member organisation or employer – and save while doing it
- Suitable for companies aspiring to offer everyday savings to their customers, employees or members (“users”)
- Over 17,000 travel listings across holiday packages, tours, cruises and accommodation to be available via RACV Travel affiliates
- Significant new revenue line for Gratifii earning reseller margin on sales

How Neat Destinations works

Gratifii client installs ‘Neat Destinations’ API to their member portal

API provides their users access to 17,000 discounted travel listings

Gratifii receives a margin on sales*



*Gratifii to recognise margin as revenue – not transaction value

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.