

ASX Announcement

RocketBoots Limited
Quarterly Business Review & Appendix 4C

January 2024

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Level 1, 6-10 O'Connell Street, Sydney NSW 2000 | ABN 83 165 522 887

Financial Highlights

- ▶ Cash outflows stable at \$783K
- ▶ Cash inflows below forecast at \$53K, impacted by delayed payment for trials (delayed payments were approx. \$189K)
- ▶ Net cash from operating activities of (\$730K)
- ▶ ROC held \$477K in cash and cash equivalents at quarter's end

Business Highlights**Contract Progress**

- ▶ First ever sites successfully installed in the UK
- ▶ First trial successfully completed in the UK & moved to rollout ROI evaluation
- ▶ Australian retail bank site extension for existing customer valued at \$57K
- ▶ Seven trials at various stage of implementation, none lost
- ▶ ROC experienced delays in installations of some trial sites for reasons such as:
 - ▶ Retailers IT environments go into a freeze in the months leading into Christmas
 - ▶ Installation company availability prior to freeze
 - ▶ Sudden changes in trial store locations at clients request

New Client Onboarding

- ▶ ROC has worked hard on outreach and new client onboarding since IPO and has now moved beyond this to delivering trials and converting these to rollout contracts.
- ▶ Successful rollout contracts for cornerstone clients in each region will assist with the conversion of other pipeline prospects to new trials into the future.
- ▶ RocketBoots has 21 opportunities/proposals pending covering A&NZ, UK, EU & US which are a combination of:
 - ▶ Contract renewals with existing clients
 - ▶ Rollouts that could result from successful trials
 - ▶ New trial proposals

Outlook

- ▶ Multiple trial to rollout contract decisions imminent
- ▶ First ever UK trial to rollout contract decision
- ▶ Ongoing activation of software at trial customer sites
- ▶ Above average quarterly cash inflows (invoices & grants)
- ▶ First North America trial installations
- ▶ Continued growth and progression of the pipeline

**RocketBoots CEO comments**

The ROC delivery team has been busy assisting our clients with their first installations of our software internationally. These first installations uncovered opportunities for ROC to further accelerate its client onboarding process. Our next set of trials will benefit from this experience and we are confident there are opportunities to take months off future pre-trial onboarding timelines.

The first international installations are the result of ROC's first outreach and sales campaign, the sales team also learnt and finessed its sales messages to meet the expectation of each market.

As an organisation, we are dedicated to continuous learning and applying the learnings to improve outcomes for our customers and the speed at which we can grow the business.

ROC is now at an unprecedented point in its history with the seven trial customers in a position to complete ROI & rollout contract decision making within a three month period, ROC is positioned for growth.

Forward looking statements

The above information is not and is not intended to constitute financial advice, or an offer or an invitation, solicitation or recommendation to acquire or sell RocketBoots Limited shares or other financial products in any jurisdiction and is not a disclosure document or other offering document under Australian law or any other law.

Actual results, performance or achievements of the Company could be materially different from those expressed in, or implied by, any forward-looking statements contained herein. This advice is for information purposes only and readers are cautioned not to place undue reliance on forward-looking statements.

Contact details

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End of Announcement

Authorised for release by the board of RocketBoots Limited

About RocketBoots

RocketBoots helps retail banks and retailers that operate in-person service locations, deliver the best possible customer service at the lowest cost using AI to fill critical data gaps from existing workforce, customer experience and loss prevention management systems.

RocketBoots (www.rocketboots.com) portfolio of software:

- Retail banking branch & digital channel service optimisation
- Retail checkout service optimisation
- Stemming loss at self-checkouts & counter checkouts



Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

RocketBoots Limited

ABN

83 165 522 887

Quarter ended ("current quarter")

31 December 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	19	368
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(270)	(665)
(c) advertising and marketing	(25)	(39)
(d) leased assets	-	-
(e) staff costs	(424)	(932)
(f) administration and corporate costs	(64)	(199)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	6	9
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	28	305
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(730)	(1,153)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(6)	(8)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(6)	(8)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,213	1,638
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(730)	(1,153)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(6)	(8)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	477	477

5. Reconciliation of cash and cash equivalents	Current quarter \$A'000	Previous quarter \$A'000
at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		
5.1 Bank balances	477	713
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other – Term Deposit ¹	-	500
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	477	1,213

¹A term deposit of \$0.5m matures on 5 October 2023 but can be called in a matter of days with minimal financial impact.

6. Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to related parties and their associates included in item 1	71
6.2 Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	Nil	-
7.2 Credit standby arrangements	Nil	-
7.3 Other (please specify)	Nil	-
7.4 Total financing facilities		Nil
7.5 Unused financing facilities available at quarter end		NIL
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(730)
8.2 Cash and cash equivalents at quarter end (item 4.6)	477
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	477
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	1
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: No, the entity expects a reduction in net operation cash flow losses from cash receipts from new customers being onboarded and renewals of contracts from existing customers.	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: Yes, the entity is currently in advanced stages of discussion with its corporate advisor regarding a capital raise as a bridge to see it through the contract negotiations described in 8.6.1. The entity ascribes a very high probability of success in this endeavour.	

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, and in addition to the planned capital raising and attached quarterly activities report, the entity believes that cashflow will improve as there are several contract negotiations in their final stages and a strong sales pipeline in place to support future cashflows.

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 January 2024

Authorised by: By the Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.