

9 September 2024

ASX ANNOUNCEMENT

Gratificii Announces Placement and Partially underwritten Entitlement Offer to Raise up to A\$9.0 million

Key Highlights

- Gratificii to raise up to approximately A\$9.0 million via the issue of up to approximately 2.25 billion fully paid ordinary securities (**New Shares**) through a Placement and partially underwritten accelerated pro-rata non-renounceable entitlement offer (**Entitlement Offer**).
- Proceeds from the equity raising will be used to fund the strategic acquisitions of Club Connect and Rapport Group.
- Major Shareholder **Bombora Investment Management** has agreed to commit A\$0.65 million in the Entitlement Offer through the redemption of their convertible note agreement with the company of A\$0.47 million and A\$0.18 million of new capital.
- The retail component of the Entitlement Offer is expected to be fully committed through a combination of firm commitments from investors to subscribe for their entitlements and the shortfall, as well as partial underwriting of by MST Financial (**MST**).

Gratificii Limited (**GTI** or the **Company**) is pleased to announce the launch of a up to A\$8,987,648 capital raising via the issue of approximately 2.25 billion New Shares by way of a two-tranche institutional placement to raise up to A\$3.5 million in total (**Placement**) and a 1 for 1.28 accelerated non-renounceable pro rata entitlement offer to raise up to A\$5,487,649 (**Entitlement Offer**) (together, the **Capital Raisings**).

The offer price for the Placement and Entitlement Offer will be A\$0.0040 per New Share (**Offer Price**), representing a discount of:

- 20.0% to the last closing price on Tuesday, 3 September 2024 of A\$0.0050 per share;
- 31.9% to the 30-day volume-weighted average price of A\$0.0059 per share

Each New Share issued under the Capital Raising will rank equally with existing fully paid ordinary securities in GTI from the date of issue.

MST will act as the placement agent for the Placement, as well as the lead manager, bookrunner, and sole partial underwriter for the Entitlement Offer.

GTI's Managing Director, Iain Dunstan said: "Club Connect and Rapport are exciting consolidation and growth opportunities for Gratifii. In particular, we are eager to share this new potential with our shareholders who have consistently supported our vision through an accelerated rights issue. Both the placement and accelerated rights issue will enable Gratifii to raise funds it needs to complete these acquisitions and improve its offerings to users and shareholders."

Further details of the Capital Raisings are set out below.

Placement

The Placement will be conducted in two tranches and has received firm commitments to raise up to A\$3.5 million via the issue of 875 million New Securities. The Placement is not underwritten.

- Tranche 1 will be unconditionally issued under GTI's ASX L.R. 7.1 placement capacity. Tranche 1 will raise up to A\$804,492 by the issue of up to 201,122,948 New Shares at the Offer Price (**Tranche 1**).
- Tranche 2 will be conditional, subject to shareholder approval at an Extraordinary General Meeting to raise up to A\$2,695,508 by the issue of up to 673,877,052 New Shares at the Offer Price (**Tranche 2**) and the Company having an unconditional right to complete the Club Connect acquisition.

Entitlement Offer

Under the Entitlement Offer, eligible shareholders are invited to subscribe for one 1 New Share for every 1.28 existing GTI shares held at the record date at the Offer Price. The Entitlement Offer is comprised of:

- an accelerated institutional component opening on Monday, 9 September 2024 (**Institutional Entitlement Offer**); and
- a retail component which is expected to open on Monday, 16 September 2024 and close on Thursday, 17 October 2024 (**Retail Entitlement Offer**).

The record date under the Entitlement Offer is 7.00pm (AEST) on Wednesday, 11 September (**Record Date**).

The Entitlement Offer is non-renounceable and accordingly entitlements will not be tradeable on the ASX or be otherwise transferable. Shareholders who do not take up their full entitlement will not receive any payment in respect of the entitlements they do not take up and their percentage equity interest in Gratifii will be diluted.

GTI shares will remain in a trading halt pending completion and announcement of the results of the Placement and the institutional component of the Entitlement Offer.

Institutional Entitlement Offer

Eligible institutional shareholders (**Institutional Shareholders**) will be invited to participate in the Institutional Entitlement Offer which will commence on Monday, 9 September 2024.

Institutional Shareholders may opt to take up all, part or none of their entitlements. The Institutional Entitlement Offer will be made under a transaction specific prospectus issued under section 713 of the *Corporations Act 2001* (Cth) (**Prospectus**). The Prospectus will be lodged with ASIC and released on the ASX on Monday, 9 September 2024.

Retail Entitlement Offer

Eligible shareholders who have a registered address in Australia or New Zealand on the register as at the Record Date and who were not invited to participate in the Institutional Entitlement Offer will be invited to participate in the Retail Entitlement Offer at the same Offer Price and offer ratio as under the Institutional Entitlement Offer.

The Retail Entitlement Offer is expected to open on Monday, 16 September 2024 and close at 5:00pm (AEDT) on Thursday, 17 October 2024

The Retail Entitlement Offer will also be made under the Prospectus. The Prospectus will be lodged with ASIC and released on ASX on Monday, 9 September 2024 and will be dispatched to eligible retail shareholders, along with personalized application forms, on Monday, 16 September 2024. The Prospectus will provide details of how to participate in the Retail Entitlement Offer. Eligible retail shareholders may opt to take up all, part or none of their entitlement. Eligible retail shareholders will also have the opportunity to apply for and be allocated additional New Securities up to 150% of their entitlement (subject to scale back at the sole discretion of Gratifii).

Underwriting & Firm Commitments

Through the combination of firm commitments and underwriting the Retail Entitlement Offer is expected to be fully committed via:

- approximately \$2.5 million from investors who have committed to their entitlements under the Entitlement Offer and Entitlement Offer shortfall; and
- approximately \$2.9 million underwritten by MST of the Retail Entitlement Offer shortfall (**Underwriting**).

The underwriting is subject to the terms and conditions of the Underwriting Agreement, which are summarised in the Prospectus.

Major Shareholder Support

Gratifii's major shareholder, Bombora Investment Management (**Bombora**), has agreed to commit \$0.65 million in the Entitlement Offer through the redemption

of their convertible note agreement with the Company (\$0.47 million) and new capital (\$0.18 million).

- All convertible notes (with an aggregate face value of A\$0.47 million) issued to Bombora will be redeemed and those amounts applied to subscribing for shares in the Entitlement Offer.
- Bombora will commit an additional \$0.18 million in the Entitlement Offer

Please refer to the Prospectus released to ASX today in relation to the potential control effects of the Entitlement Offer.

Impact of the Capital Raisings

The Capital Raisings (other than Tranche 1) are to chiefly facilitate the acquisition of Club Connect and Rapport announced on Friday 6th September 2024. Those acquisitions also contain a scrip consideration component. Accordingly, the impact of the Capital Raisings, when considered together with the acquisitions will result in the Company increasing the total number of shares it has on issue by 149% to 4,365,078,544¹ on an undiluted basis. The full impact of the Capital Raisings and acquisitions on GTI will be set out at length in section 3 of the Prospectus.

Timetable

EVENT	DATE
Trading Halt	Wednesday, 4 September 2024
Lodgment of Prospectus with ASIC and announcement of Offers	Monday, 9 September 2024
Institutional Offer opens – 10:30am (Sydney time)	Monday, 9 September 2024
Institutional Offer closes – 5:00pm (Sydney time)	Monday, 9 September 2024
Trading halt ends	Tuesday, 10 September 2024
Announcement of results of Institutional Offer and Placement	Tuesday, 10 September 2024
Shares quoted 'ex' rights	Tuesday, 10 September 2024
Record Date for Retail Offer - 7:00pm (Sydney time)	Wednesday, 11 September
Settlement of Institutional Offer and Tranche 1 of the Placement	Friday, 13 September 2024

¹ Assumes the scrip consideration for Club Connect (A\$2 million) and Rapport (A\$136,500 on a \$1NZ = \$0.91AUD basis) will be issued at \$0.0059 per share

EVENT	DATE
Issue of New Shares under the Institutional Offer and Tranche 1 Placement Shares	Monday, 16 September 2024
Despatch of Prospectus and Application Form to Eligible Retail Shareholders	Monday, 16 September 2024
Opening Date for Retail Offer and Shortfall Offer	Monday, 16 September 2024
Quotation of New Shares under the Institutional Offer and Tranche 1 Placement Shares	Tuesday, 17 September 2024
Despatch of Notice of Meeting for EGM	Tuesday, 17 September 2024
Last day to extend the Closing Date of the Retail Offer and Shortfall Offer	Monday, 14 October 2024
Closing Date for Retail Offer and Shortfall Offer – 5.00pm (Sydney time)	Thursday, 17 October 2024
Extraordinary General Meeting	Friday, 18 October 2024
Announcement of results of Retail Offer and Shortfall Offer	Monday, 21 October 2024
Completion of the Club Connect acquisitions	Monday, 21 October 2024
Settlement of New Shares under the Retail Offer and Shortfall Offer as well as the Tranche 2 Placement Shares*	Tuesday, 22 October 2024
Issue of New Shares under the Retail Offer and Shortfall Offer and Tranche 2 Placement Shares*	Wednesday, 23 October 2024
Quotation of New Shares issued under the Retail Offer and Shortfall Offer	Thursday, 24 October 2024
Quotation of Tranche 2 Placement Shares*	Friday, 25 October 2024
Completion of the Rapport acquisition	Thursday, 31 October 2024

GTI confirms that this announcement has been approved by the Board of Directors of GTI.

Ben Newling

Company Secretary

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About Gratificii Limited

Gratificii Limited (ASX:GTI) is an ASX listed company transforming the way that loyalty and rewards are managed and delivered. Our single platform is a complete solution offering affordable, market-leading functionality and configurability. Over 80 mid-to-top tier brands rely on Gratificii for their loyalty and rewards across Australia, New Zealand and Southeast Asia.