



# QUARTERLY ACTIVITIES REPORT

FOR THE PERIOD ENDING 31 DECEMBER 2022

ASX ANNOUNCEMENT  
31 January 2023

**myrewards**

## KEY BUSINESS HIGHLIGHTS

- **My Rewards International Limited (MRI, My Rewards, Company) secures \$160,000 in new annualised membership revenue.**
- **New partnerships aligned for pathway to profitability and customer engagement.**
- **Technology integration with Tmall Global's overseas fulfillment platform to onboard suppliers and order fulfillment is now complete.**

My Rewards is a global provider of subscription-based Customer Engagement Technologies that includes loyalty and rewards programs for corporates and consumers, custom marketplaces and eCommerce solutions, is pleased to provide a summary of its activities for the quarter ending 31 December 2022.

### GROWING OUR B2B MEMBER REWARDS AND LOYALTY

The Company continues to build on its Rewards and Loyalty B2B programs signing on new clients that will deliver \$160k+ in annualised, higher margin, membership revenue.

The Company continues to pursue its three key pillars of its growth strategy – growing B2B membership, diversifying product mix for increased margin and complementary business acquisitions.

### NEW INITIATIVES AND PARTNERSHIPS

The Company is in advanced discussions to acquire:

- an eCommerce company to grow higher margin revenues
- a full-service marketing agency to support My Rewards' focus on building a next-generation integrated technology platform for customer engagement, customer experience, rewards and loyalty

To facilitate the above proposed transactions, My Rewards is exploring a range of funding options. Any transaction would be subject to due diligence and approval from the appropriate regulatory authorities and the ASX.

The Company is pleased to announce the signing of an Exclusive Agency Agreement with Blazed In Glory Sports Memorabilia (BIG)

- The exclusive agency agreement comprises of "The Americas Range" collection which has an aggregate recommended retail value of A\$55m
- MRI receives a 15% commission on items sold.

## KEY BUSINESS HIGHLIGHTS

- The Americas Range comprises of 85,900 units of signed, authenticated products from multiple globally recognised sports superstars including Pele, Maradona, Kobe Bryant, Michael Jordan, Ronaldo, Muhammad Ali and others.
- Leveraging off its current platform's supplier onboarding, distribution and delivery capabilities the Company anticipates low costs of sales; building on its strategic pillar to grow margin on sales.
- The Company is currently in negotiations to expand on this exclusive agency agreement to include the digital rights over the total BIG collection which is comprised of a significant number of items of high value sports memorabilia to launch a new "digital marketplace" using the physical assets and their associated digital rights to launch revenue generating verticals together.

## FINANCIALS

An Appendix 4C is attached to this announcement.

As detailed in the attached ASX Appendix 4C, the Company had \$291k in cash and equivalents as at 31 December 2022, compared to \$413k at 30 September 2022.

The net cash used in operating activities during the quarter was \$875k, compared to \$912k at 30 September 2022.

Following the announcement 2 December 2022 regarding the Entitlement Offer, the directors continue to work with Still Capital to investigate placing the Shortfall Shares under the Shortfall Offer, as detailed in section 2.6 of the Prospectus dated 4th October 2022.

In accordance with Listing Rule 4.7C, payments made to related parties and their associates included in items 6.1 of the Appendix 4C includes sign on payment, payments for directors' fees and remuneration in the normal course of business at commercial rates, excluding reimbursements of out-of-pocket expenses.

**Pursuant to Listing Rule 4.7C.2**, the Company confirms that, in the period since listing on the ASX, it has incurred expenditure largely in line with the Use of Proceeds set out in its Prospectus, as detailed below.

## KEY BUSINESS HIGHLIGHTS

Use of Funds under Prospectus	Funds allocated under Prospectus	Funds expended between admission and 31 December 2022		Variance
Supplier Acquisitions	\$350,000	\$232,906	\$117,094	33%
Customer Acquisitions	\$400,000	\$290,406	\$109,594	27%
Debt Reduction	\$275,000	\$342,730	(\$67,730)	(25%)
Further Investment and development of technology	\$350,000	\$356,359	(\$6,359)	-2%
Overseas expansion and promotion	\$600,000	\$70,000	\$530,000	88%
Payment to acquire Perx Rewards Pty Ltd	\$1,000,000	\$900,000	\$100,000	10%
Working Capital	\$296,016	\$320,896	(\$24,880)	(8%)
Expenses of the Offer	\$708,984	\$940,379	(\$231,395)	(33%)
Administration Costs	\$1,200,000	\$1,367,320	(\$167,320)	-14%
<b>Total</b>	<b>\$5,180,000</b>	<b>\$4,820,996</b>	<b>\$359,004</b>	<b>7%</b>

Expenditure in the above table relates only to the \$5 million raised during the Initial Public Offering and does not include the expenditure of the funds raised during the Convertible Note raise.

## KEY BUSINESS HIGHLIGHTS

### ABOUT MY REWARDS INTERNATIONAL LIMITED (ASX: MRI)

My Rewards is a global provider of subscription-based Customer Engagement Technologies that includes loyalty and rewards programs for corporates and consumers, custom marketplaces and live streaming eCommerce solutions. My Rewards' core solutions include Loyalty tech, Rewards, and Customer Experience. Since its incorporation in 2000, My Rewards has steadily grown to connect over 5.8 million members with more than 4,500 global, national and local suppliers. My Rewards provides more than 120 corporates with Employee Engagement and Customer Loyalty Programs to help them retain, engage, and attract employees or customers. My Rewards' clients include some of the biggest household brands in retail, financial services, and telecommunications, including Telstra, Ramsay Health, MLC and AIG.

### ABOUT BLAZED IN GLORY (BIG)

Blazed in Glory (Australia) was founded in 1992 and is Australia's leading authentic sports memorabilia company. Blazed in Glory has provided tens of thousands of Australian and international customers with authentic and high-quality signed sporting memorabilia. Supported by a 100% Money back authenticity guarantee.

**This announcement has been authorised for release by the board of directors of My Rewards International Limited.**

For enquiries:

**Maitreyee Khire**

*Managing Director*

**My Rewards International Limited**

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## Appendix 4C

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

**Name of entity**

My Rewards International Limited (ASX: MRI)

**ABN**

47 095 009 742

**Quarter ended ("current quarter")**

31 December 2022

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	5,545	13,297
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(5,487)	(12,892)
(c) advertising and marketing	(47)	(215)
(d) leased assets	(23)	(50)
(e) staff costs	(373)	(825)
(f) administration and corporate costs	(634)	(1,304)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(39)	(48)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	183	250
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(875)</b>	<b>(1,787)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	(25)
(d) investments	-	-
(e) intellectual property	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
	(f) other non-current assets	-	-
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	<b>Net cash from / (used in) investing activities</b>	-	<b>(25)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	570	1,120
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	(19)	(35)
3.5	Proceeds from borrowings	269	779
3.6	Repayment of borrowings	(67)	(110)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)		
3.10	<b>Net cash from / (used in) financing activities</b>	<b>753</b>	<b>1,754</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	413	349
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(875)	(1,787)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(25)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	753	1,754
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of period</b>	<b>291</b>	<b>291</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	291	413
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>291</b>	<b>413</b>

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	113
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>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.</i>		

Item 6.1 Reflects amounts paid to directors including director's fees, salaries, superannuation, bonuses and consulting fees (excluding reimbursements).

<b>7.</b>	<b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	3,500	604
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	3,500	604
7.5	<b>Unused financing facilities available at quarter end</b>		2,896
7.6	<p>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.</p> <p>On 29 April 2022, the Company entered into a line of credit facility with AMRAM Corp Pty Ltd for an amount of \$3,500k. The facility is unsecured with interest payable monthly in arrears at 12% per annum. The nominal term of the facility is 12 months, or as otherwise agreed by the parties. The purpose of the facility is to provide additional working capital.</p>		

<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(875)
8.2	Cash and cash equivalents at quarter end (item 4.6)	291
8.3	Unused finance facilities available at quarter end (item 7.5)	2,896
8.4	Total available funding (item 8.2 + item 8.3)	3,187
8.5	<b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	3.64
	<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: N/A	
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: N/A	
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: N/A	
	<i>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.</i>	

## 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 2023

Authorised by: The Board of Directors

## 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.