

INVESTMENT IN BEANHUNTER

PROGRESSING STRATEGIC PARTNERSHIP

Key Highlights and Summary



Progressing strategic partnership established with Beanhunter in 2019

Rewardle is investing \$178k to fund the growth of Beanhunter and establishing a 51% shareholding in Australia's leading online community for independent cafes and coffee lovers.



Cash flow funded investment will consolidate Beanhunter's recurring revenue of ~\$200,000 PA

Consolidating and capitalising Beanhunter for growth aligns with the Company's strategy to leverage its operations and resources to drive growth without the need for additional funding.



Beanhunter integration will support Rewardle's post-pandemic growth in the café sector

Beanhunter's content and services will support Rewardle re-engaging with the café sector as it returns resources to growing its merchant network and associated services revenue following COVID-19 disruption.

Rewardle Holdings Limited (ASX:RXH) ("**Rewardle**" or the "**Company**") provides the following update with respect to the strategic partnership it established in August 2019 with Beanhunter, Australia's leading online community for independent cafes and coffee lovers.

The ASX announcement including an overview of the partnership can be viewed at: www.rewardle.com/ASXrelease/beanhunter.

While the COVID-19 pandemic disrupted aspects of the partnership, the parties have successfully transitioned Beanhunter's day to day operating responsibilities to Rewardle's team and Beanhunter's proprietary content has been integrated into the Rewardle Platform.

As per the Rewardle's strategy to leverage its operations and resources to drive growth, the Company has elected exercise its Options to subscribe for shares in Beanhunter and will invest \$178k to capitalise Beanhunter for growth and establish a 51% shareholding.

The investment in Beanhunter aligns with the Company focus shifting to the growth of its merchant services revenue and the launch of new membership features in the Rewardle app that support the generation of additional, high margin revenue.

The café sector is a key merchant category for Rewardle and the Company will leverage Beanhunter's content and services to support its post-pandemic re-engagement with the sector as it seeks to rebuild the Company's merchant network and associated revenue.

Rewardle's Founder and Executive Chairman, Ruwan Weerasooriya, said;

"We're looking forward to returning resources to growing our merchant network and cafes are a key area of focus. Our re-engagement with the café sector will be supported by packaging Beanhunter's content and services into our offering."

"We're on track to deliver another strong quarter and as per our strategy, we're leveraging our positive cash flow into growth initiatives to create a compounding growth flywheel effect for the business moving forward."

"While our investment in Beanhunter is relatively small, it is strategically meaningful and a great opportunity for us to get match fit for future investment and acquisition opportunities."

Beanhunter Strategic Partnership Background

A component of Rewardle's strategy is to secure equity positions in partner businesses by leveraging the Company's operational team, platform and network merchants and members to provide the following services:

- Software development and/or licensing
- Sales and marketing
- 1st tier customer service/support
- Design and advertising
- Corporate/commercial strategy and fundraising support

As part of this strategy, in August 2019, Rewardle established a strategic partnership with Beanhunter, Australia's leading online community for independent cafes and coffee lovers. (For more information visit www.rewardle.com/ASXrelease/beanhunter).

Under the agreed Terms, Rewardle agreed to leveraging its resources to assist in growing Beanhunter and was issued Options to subscribe for Beanhunter shares @ \$350k valuation (post-money) within 3 yrs. The Options give Rewardle a 51% shareholding in Beanhunter on a fully diluted basis.

While partnership plans were paused during 2020 as each business managed the impact of the COVID-19, the parties re-engaged during 2021 to develop a path forward which included the following:

1. Beanhunter website upgrade

After reviewing the Beanhunter business it was determined that a modest refresh of the Beanhunter website was required to position the business for growth. Beanhunter commissioned Rewardle to undertake the website upgrade project on a fee for service basis which was undertaken and completed during 2021.

The upgrade made Beanhunter's website more attractive to users and potential partners while also making it easier for Beanhunter to enhance features and develop new revenue opportunities through integrations and partnerships.

Integration of Beanhunter with Rewardle Platform

Further to the website upgrade detailed above, Beanhunter commissioned Rewardle to integrate Beanhunter content and services into the Rewardle Platform.

Integration of Beanhunter's content and brand into the Rewardle Platform extends its audience and creates incremental commercial opportunities for both Beanhunter and Rewardle to exploit.

Ongoing operational support services

Beanhunter commissioned Rewardle to undertake ongoing customer support and sales services during 2021. Integration of operational resources is a key component of Rewardle's strategic partnership approach and the use of Rewardle's customer support and sales resources has provided Beanhunter with operating efficiency and flexibility while allowing Rewardle to commercialise excess operating capacity.

This ASX announcement has been approved for release by The Board of Directors.

About Rewardle Holdings Limited

Rewardle is positioned to be a leading player as the worlds of social media, marketing, mobile and payments converge to transform how we connect, share and transact.

Rewardle is a software business undertaking the development, operation and commercialisation of its proprietary Business to Business to Consumer (B2B2C) software platform (Rewardle Platform).

The Rewardle Platform connects millions of members with thousands of local businesses across Australia. It is a marketing and payments platform that combines membership, points, rewards, payments and social media into a single cloud based platform powered by Big Data analysis.

As part of its long term strategy, the Company is seeking to leveraging its operational capabilities, expertise and IP to develop new markets and opportunities.

In addition to operating the Rewardle Platform, the Company is building a portfolio of transactional, licensing and equity positions in partner businesses by leveraging the Company's operational team, platform and network of merchants and members.

The Company is led by an experienced entrepreneurial team with a successful background in Internet and media businesses.

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