



My Rewards International Limited  
Appendix 4C  
Period ended 30 September 2023

**myrewards**

## **QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDING 30 SEPTEMBER 2023**

### **Key Business Highlights**

- Sustained emphasis on expanding Business-to-Business (B2B) Rewards and Loyalty Programs.
- Ongoing acquisition and integration of new brands and products onto the Tmall Global platform.

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My Rewards International Limited (MRI, My Rewards, or the Company), a global provider of subscription-based Customer Engagement Technologies aimed at attracting, engaging, and retaining customers and employees, is pleased to present a summary of its activities for the quarter ending on 30 September 2023.

### **Persistent Commitment to Advancing Business-to-Business (B2B) Member Rewards and Loyalty Programs**

Throughout the quarter, the Company has maintained its efforts to expand its B2B Rewards and Loyalty programs by establishing partnerships with new clients. These collaborations are projected to yield over \$72,000 in annualized, higher-margin membership revenue, underscoring the Company's dedication to fostering sustainable growth and profitability through its three-pronged strategy. In its pursuit of sustainable growth and profitability, the Company relies on three core pillars: augmenting B2B membership, diversifying the product mix to enhance margins, and making complementary business acquisitions.

### **Frankly Digital Agency Integration**

My Rewards is pleased to welcome the Frankly Digital Agency (Frankly) team and clients. The inclusion of Frankly's services will fortify My Rewards' value proposition to its clients, offering additional resources to engage, attract, and retain both employees and customers. The Company is still in dispute with Frankly regarding certain aspects of the acquisition and anticipates a satisfactory outcome.

### **Continued Integration of Brands and Products into Tmall Global Platform**

The partnership team at My Rewards has continued to concentrate on the expansion of new brands and products on the Tmall Global platform. The Company takes pride in enabling Australian brands and businesses to enter the extensive Chinese market without the burdens of substantial upfront costs, warehousing, or customs requisites.

## Suspension from Quotation

My Rewards was suspended from quotation on the ASX on 2 October 2023. ASX had determined that MRI's financial condition was not adequate to warrant the continued quotation of its securities and therefore is in breach of Listing Rule 12.2. My Rewards response to ASX's financial condition query was published on 30 October 2023, following which ASX confirmed that MRI would remain suspended until MRI rectifies to ASX's satisfaction the disclaimed audit opinions contained in its 2023 Annual Report and ASX is otherwise satisfied MRI is in compliance with the ASX Listing Rules, including Listing Rule 12.2.

## Financials

An Appendix 4C is attached to this announcement.

The net cash used in operating activities during the 3 months till 30 September 2023 was \$978k.

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.

<b>Use of Funds under Prospectus</b>	<b>Funds allocated under Prospectus</b>	<b>Funds expended between admission and 30-Sep-23</b>	<b>Variance</b>	
Supplier Acquisitions	\$350,000	\$252,906	\$97,094	28%
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	\$275,000	\$325,000	54%
Payment to acquire Perx Rewards Pty Ltd	\$1,000,000	\$1,000,000	\$0	0%
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>\$5,145,996</b>	<b>\$34,004</b>	<b>1%</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.

### About My Rewards International Limited (ASX: MRI)

My Rewards is a growing global provider of subscription-based Customer Engagement Technologies that includes loyalty and rewards programs for businesses and consumers, custom marketplaces and eCommerce solutions. My Rewards' core solutions include Loyalty technology, Rewards, and Customer Experience to attract engage and retain employees and customers. 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.

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

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My Rewards International

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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")**

30 September 2023

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	2,681	2,681
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(2,308)	(2,308)
(c) advertising and marketing	(271)	(271)
(d) leased assets	(41)	(41)
(e) staff costs	(342)	(342)
(f) administration and corporate costs	(585)	(585)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(172)	(172)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	60	60
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(978)</b>	<b>(978)</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	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 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)	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	960	960
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	(7)	(7)
3.5 Proceeds from borrowings	668	668
3.6 Repayment of borrowings	(481)	(481)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	<b>1,140</b>	<b>1,140</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	(9)	(9)
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(978)	(978)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	-

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,140	1,140
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>153</b>	<b>153</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	153	(9)
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>153</b>	<b>(9)</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	36
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.*

The amount at 6.1 includes payment of director's fees and salaries and consulting fees, excluding GST where applicable.

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

7. <b>Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<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>		
7.1 Loan facilities	3,500	674
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 <b>Total financing facilities</b>	3,500	674
7.5 <b>Unused financing facilities available at quarter end</b>		2,826
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.		
<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 credit facilities has been extended to 31 December 2024 as announced on 17 March 2023. The purpose of the facility is to provide additional workings capital.</p>		

8. <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)	(978)
8.2 Cash and cash equivalents at quarter end (item 4.6)	153
8.3 Unused finance facilities available at quarter end (item 7.5)	2,826
8.4 Total available funding (item 8.2 + item 8.3)	2,979
8.5 <b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	3.0
<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>	
<i>*The company has excluded the R&amp;D tax incentive of \$4,679 (item 1.7) from the calculation of 'Net cash from / (used in) operating activities' (item 8.1) to better reflect the 'Estimated quarters of funding available' (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

*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 October 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.