

## ASX ANNOUNCEMENT

ASX: CDE | 19th November 2024

### CDE China yields positive cash and P&L over Q2&3

#### Key Highlights:

- **China operations positive cash flow and P&L:** Positive cash flow and P&L measured over the past two quarters has been achieved in China,
- **New Website launch:** Codeifai has launched a user-focused website at [codeifai.com](https://codeifai.com) to better communicate its offerings and capture growing market demand
- **Results driven by high-margin (~95%) tracer products and disciplined operational management.**

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The Board of brand solutions Company **Codeifai Limited (CDE or the Company)** is pleased to advise that our China operations have shown positive Cashflow and P&L measured over the past 2 quarters. Additionally CDE is pleased to announce the release of our new website (see link [here](https://codeifai.com)).

#### China Operations showing financial momentum

Under our 2024 strategy, Codeifai's China operations have achieved a pivotal turning point: Cashflow and P&L both positive measured over the past two consecutive quarters. This success underscores the effectiveness of the Company's focus on high-margin, scalable digital solutions, high margin historical tracer solutions and overall operational efficiency.

This financial result reflects the increasing adoption of Codeifai's historical tracer/scanner solutions in the Chinese market and lays a solid foundation for continued growth.

Whereas the numbers supporting this result are modest, the positive trend achieved by the Company's China business is meaningful as the following unaudited numbers indicate:

Positive Profit & Loss over Q2 and Q3 RMB38,334 and Positive Cash Flow over Q2 and Q3 RMB 74,294 (RMB/AUD 4.7 to 1).

### **Foundations laid for sustained growth**

Codeifai's operational model is built on maximising profit margins while maintaining cost discipline. The combination of high gross margins and controlled costs allows the Company to scale into 2025 without proportional increases in expenditure. This positions Codeifai to unlock further market opportunities and expand its revenue base in China.

### **CDE Digital Foundation for Growth**

Codeifai is pleased to announce the launch of its newly revamped website, [codeifai.com](https://codeifai.com), designed to enhance its "digital first" strategy and improve the overall customer experience. The platform simplifies the discovery and acquisition process for Codeifai's market-leading dynamic QR code and digital engagement solutions.

This initiative aligns with Codeifai's strategy of leveraging self-service SaaS products to drive global scalability and profitability. The website will act as a catalyst for customer acquisition, particularly in high-growth markets.

### **Turning point for China Operations**

The result signals a turning point for Codeifai's China operations and this momentum is indicated for Q4 and into 2025.

### **Outlook for FY2024 and Beyond**

The progress in China, combined with the launch of the new website, positions CDE for accelerated growth as we approach FY2025 and beyond. The company remains on track to meet or exceed its revenue and profitability targets for the year, driven by:

- Continued momentum in high-growth markets.
- Expansion of its "digital first" product suite.
- Operational efficiency and scalability.

Codeifai's disciplined execution and strong market positioning underscore its commitment to delivering sustainable value for shareholders.

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This announcement has been authorised by the Board of Codeifai Limited.

**For further information, please contact:**  
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### **About Codeifai Limited**

Codeifai Limited (ASX: CDE) is a leading provider of digital and AI-powered brand solutions listed on the Australian Stock Exchange. With a strong focus on empowering brands through smart digital engagement, Codeifai's high-margin offerings are designed to deliver exceptional scalability and profitability. Our solutions allow Brands to Connect Deeper, Faster, Smarter with their consumers.

Codeifai's digital Brand Solutions provide a code for everybody and everything.