

# Preliminary Financial Report

Continuing to execute on strategy to capture the digital migration of local commerce

## Review of Operations

Rewardle Holdings Limited (ASX: RXH) ("Rewardle" or "Group" or "Company") is pleased to provide preliminary results for the Group for the year ended 30 June 2018. The results were as expected as the business improves operational performance and builds on initiatives that were introduced during the year.

Moore Stephens (Vic) Pty Ltd is still in the process of completing the audit of the Group and subject to any adjustments required by the auditors, the preliminary result of the Group for the year ended 30 June 2018 is summarised as follows:

	30 June 2018 \$	30 June 2017 \$	30 June 2016 \$
Rendering of Services	1,600,260	1,214,410	585,792
Other Revenue	1,005,690	1,409,973	1,694,243
Total Revenue	2,605,950	2,624,383	2,280,035
Loss before taxation and extraordinary items	2,530,413	3,776,434	4,516,653
Extraordinary Items	0	0	0
Loss after taxation and extraordinary items	2,530,413	3,776,434	4,516,653

The net loss for the financial year attributable to members of Rewardle Holdings Limited is \$2,530,413, a reduction of \$1,246,021 (or 33%) compared with the previous period.

The Company achieved significant YoY Services Revenue growth of 33% while reducing expenses by approximately 20%. Opportunities for further improvement have been identified across the business and are a key focus area for management during FY19.

As previously reported, the Company's focus on operational improvements delivered a 35% YoY reduction in cash used for operating and investing activity. Furthermore, there was a 41% increase YoY in cash receipts from Merchant Services Fees (SaaS) and Brand Partnerships (advertising) to \$1.824m.

The Company is continuing to invest in research and development to enhance the capability of the Rewardle Platform. Test and learn trials of Rewardle's universal point currency were undertaken and these trials are expected to continue during the first half of FY19.

Management has continued to deliver on growing cash receipts while reducing operating costs and is committed to maintaining this momentum towards cash positive operations. Management anticipates it will have sufficient working capital to meet its budget objectives for FY19 based upon the following:

- Demonstrated progress in commercialisation with growing cash receipts against falling costs.
- Existing commercial operations and planned initiatives
- FY18 R&D rebate payable in first half FY19
- Access to a Directors loan on favourable terms to the Company

The board is regularly reviewing operating budgets and strategy taking into consideration a variety of commercial and corporate scenarios and opportunities.

## About Rewardle Holdings Limited

Rewardle connects almost 3 million Members with around 5,000 local businesses across Australia.

The Rewardle Platform 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.

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.

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

For more information please contact:

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