

1<sup>st</sup> December 2014

## **Rewardle expands into independent liquor stores, signs Service Agreement with BYO Cellars chain in NSW**

- Approximately 20 BYO Cellars branded independent liquor stores to go live with Rewardle prior to the end of year with scope to extend along with expansion plans of the group in 2015. Following an initial roll out, training and freemium phase all stores will become paying subscribers for the Rewardle Platform (\$49 per month).
- The BYO Cellars Service Agreement represents a chain deal in a new industry sector (liquor retail), re-enforcing the diverse application of the Rewardle Platform.
- Use of the Rewardle Platform by BYO Cellars highlights the opportunity for Rewardle to work with independent liquor retailers to combat the sophistication and dominance of Coles (ASX:WES) and Woolworths (ASX:WOW) liquor outlet brands, Vintage Cellars, Dan Murphys and BWS.
- The Service Agreement includes the ability for the Rewardle Platform to facilitate Brand Partnership activity between BYO Cellars and leading alcoholic beverage brands that are sold through BYO Cellars stores.

Rewardle Holdings Limited (ASX:RXH) and BKG Group Pty Ltd, the operators of the BYO Cellars independent liquor store brand, have entered an agreement to roll out the Rewardle Platform across approximately 20 BYO Cellars stores in New South Wales prior to the end of the year, with scope to extend along with BKG's expansion plans in 2015.

Established more than 30 years ago, the BKG Group was the first to offer off-license alcohol sales in New South Wales. The BYO Cellars liquor store brand incorporates a network of approximately 20 stores across New South Wales turning over an estimated \$35M per annum with plans to expand in 2015.

Rewardle founder and Managing Director, Ruwan Weerasooriya said, "Independent liquor outlets are operating in a highly competitive environment. They are competing with the sophisticated marketing and technology resources of Coles (ASX:WES) and Woolworths (ASX:WOW) who operate the dominant Vintage Cellars, Dan Murphy and BWS chains. Both organisations operate large membership and rewards programs for customers (Coles/Flybuys, Woolworths/Everyday Rewards) in addition to programs specific to their liquor outlet brands."

"Given the highly competitive nature of liquor and grocery retail, we expect this deal to generate interest from other independent liquor and grocery retailers facing the same challenges and seeking a cost effective solution to assist them in remaining competitive."

He added “In 2013, Woolworth’s (ASX:WOW) provided insight as to the value of data analysis for retailers through its 50% acquisition of Quantum Data for a reported \$20M. This data and analysis capability coupled with their membership programs and purchasing power assists in maintaining and enhancing their competitive advantage.”

Similar to the proprietary systems used by leading corporate retailers, Rewardle offers independent merchants a cost effective market leading digital customer engagement solution that combines membership, points, rewards, mobile ordering, mobile payments and social media integration into a single cloud based platform powered by Big Data analysis.

In addition to breaking Rewardle into the liquor retail sector, in working with BYO Cellars, Rewardle will gain access to Australia’s leading alcoholic beverage brands to demonstrate how the Rewardle Platform can be used to drive in store sales and establish digital consumer engagement across their distribution networks.

Weerasooriya said, “Brand Partnerships represent a potential revenue opportunity that the company has not begun monetising. Working with BYO Cellars and their suppliers represents another step in engaging Australia’s leading brands with the Rewardle Platform.”

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**About Rewardle Holdings Limited (ASX: RXH)**

Rewardle Holdings Limited (Rewardle) is a technology service provider to local SME merchants.

As technology changes how we connect, share and transact, Rewardle is positioning itself to be a leading player as the worlds of social media, marketing, mobile and payments converge.

The Company harnesses the power of mobile computing, cloud based software and big data analysis to provide local SME merchants with the digital engagement tools and business intelligence used by large retail brands.

Having secured a substantial early mover advantage the Company has established a number of barriers for new entrants, with arguably the most significant being the powerful Network Effects that accompany the growing Merchant and Member Network.

The Company listed on the ASX on the 7<sup>th</sup> October 2014 and is led by an experienced entrepreneurial team with a successful background in Internet and media businesses.