

JUNE 2024 QUARTERLY ACTIVITIES REPORT

Highlights

- RocketBoots progressed its market validated AI and Computer Vision technology across a growing pipeline of enterprise customers, with:
 - over 30 customers in current sales engagement;
 - number of customer sites in advanced pipeline is 8,080; with another 10,000+ in early stage
 - 8 trials entered or entering multi-year contract negotiations this calendar year; and
 - conversion of any one of the current trials would make a material impact to cash inflows.
- Ongoing platform enhancements being developed in conjunction with customer feature requests and research into new AI applications
- Corporate focus transitioning from market validation and initial trials to acceleration of international sales outreach, particularly in Europe and North America
- \$555k cash at bank at 30 June 2024. Subsequent to the quarter's completion, ROC received cash payment from a tenured retail customer for \$163K and is expecting further cash from accounts receivables, customer trial payments, long term customer annual renewals, as well as the R&D tax incentive to be received in the current quarter.

Artificial Intelligence software company RocketBoots Limited (ASX:ROC) (RocketBoots or the Company), is pleased to provide an update on activities for the quarter ending 30 June 2024 (the **Quarter**) focused on delivering its AI & cloud based SaaS platform to enable enterprise retail and retail banking businesses to continually adapt their In-Person channels to rapidly changing customer behaviour. The platform enables these businesses to fundamentally transform their performance in workforce management, customer service, and loss prevention.

Sales Pipeline

RocketBoots continued to focus on sales with new customers and conversion of existing trial clients. Conversion of existing customers trials to multiyear, scaled contracts would make a material cash inflow impact to the Company and enable focus on international expansion acceleration activities.

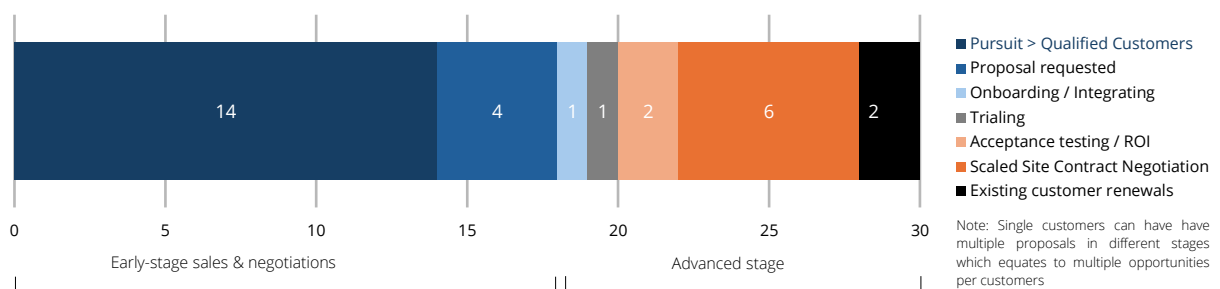


Figure 1: RocketBoot's customer sales pipeline by stage*

Our sales pipeline has strengthened due to increased outreach, positive word-of-mouth, and through our partnerships. As current trials enter contract negotiations, the team is gearing up for the next wave of customer acquisition and trials.

The strong foundation laid through these initial trials positions RocketBoots for growth in the coming year.

Customer Activity and Platform Enhancements

The team has been exceptionally busy delivering trials and addressing customer feature requests while simultaneously exploring new AI applications.

RocketBoots has developed a cloud-only module to complement its edge-cloud hybrid solution. The module was designed to expedite the time to value for customers and speed to revenue for RocketBoots, mitigating the need to get RocketBoots' edge solution installed at every site before revenue can be earned. This module uses 'banks' & retailers' own data to identify relationships between that data & RocketBoots' computer vision data, and whilst not as precise as the edge solution, it provides the customer quick value that will assist customers prioritise site to adopt the edge solution.

During the quarter, several successful customer trials were completed and demonstrated tangible Return on Investments (**ROI**) of our software. Notably, all customers that have successfully completed user acceptance testing of the software have not opted out of the sales process, highlighting the product's value proposition.

It is, however, important to note that as ROC engages with major banks and retailers globally, the rigour required to complete contract negotiations and technical onboarding processes are involved and intensive. Historically though, customers that have entered a scaled multi-year contract have remained with the Company for more than 5 years.

RocketBoots International Expansion Opportunity

With Artificial Intelligence (**AI**) in focus and positive market sentiment with respect to growth opportunities, RocketBoots is transitioning its focus from international market validation and trials to accelerating its international expansion. The Company provides AI software solutions to enterprise level customers in banking and retail sectors which help them improve profitability, and sees a large \$2 billion plus serviceable target market (see last investor presentation released on May 20th 2024). RocketBoots has a visible opportunity to leverage its market validated technology that is scalable using AWS compute and NVIDIA GPUs currently in use across customers in Australia, New Zealand, UK & the United States,

ROCs target market priorities are culturally and economically similar to Australia and are predominantly in the Europe and North America regions. Building on the sales and contracting knowledge created over the past 2 years since international outreach begun and combining with our first international case studies, ROC is preparing to run its largest and most targeted outreach campaign ever.

Corporate

Annual General Meeting Date & Director Nominations

RocketBoots confirmed that it will hold its Annual General Meeting (**AGM**) on Monday, 26 August 2024 at 2:00pm AEST. In accordance with the Company's Constitution, ASX Listing Rule 3.13.1 and 14.3, the closing date for the receipt of nominations from persons wishing to be considered for election as a Director was 12 July 2024. RocketBoots will announce further details regarding the AGM in a separate notice of meeting which will be provided to shareholders shortly.

Extraordinary General Meeting Results

All resolutions were passed being decided on a poll at the meeting held on Tuesday, 14 May 2024. The following information is provided in accordance with section 251AA(2) of the Corporations Act 2001 (Cth) and ASX Listing Rule 3.13.2.

Resolution details		Instructions given to validly appointed proxies (as at proxy close)				Number of votes cast on the poll (where applicable)			Resolution Result
Resolution	Resolution Type	For	Against	Proxy's Discretion	Abstain	For	Against	Abstain*	Carried / Not Carried
1, RATIFY PLACEMENT SHARES	Ordinary	29,843,600 99.75%	53,820 0.18%	19,857 0.07%	10,134	29,871,457 99.82%	53,820 0.18%	10,134	Carried
2, RATIFY ADVISOR OPTIONS	Ordinary	32,108,170 99.67%	87,351 0.27%	19,857 0.06%	11,033	32,136,027 99.73%	87,351 0.27%	11,033	Carried
3, RATIFY SECOND PLACEMENT	Ordinary	32,082,600 99.59%	113,820 0.35%	19,857 0.06%	10,134	32,110,457 99.65%	113,820 0.35%	10,134	Carried

* Votes cast by a person who abstains on an item are not counted in calculating the required majority on a poll

Capital Raising

During the quarter, the Company successfully raised \$1,307,500 in capital through:

- **\$355,500 Placement (April)** - The Company successfully completed a Placement of approximately 3,555,000 new fully paid ordinary shares at an issue price of \$0.10 per new share to new and existing sophisticated international and domestic investors. Taylor Collison was the sole lead manager (see ASX Announcement 5 April 2024).
- **\$120,000 Share Purchase Plan** - The Company offered eligible shareholders with a registered address in Australia and New Zealand the opportunity to apply for up to \$30,000 of new fully paid ordinary shares at a price per share of \$0.10. The price represented a 9.1% discount to the last traded price and a 9.1% discount to the 5-day volume weighted average price. The Share Purchase Plan (**SPP**) was closed on 1 May 2024 (see ASX Announcement 7 May 2024).
- **\$832,000 Placement (May)** - Placement of 10,400,000 shares to new and existing shareholders at \$0.08 a share. Twyford Hawk Australia Pty Ltd acted as sole lead manager (see ASX Announcement 20 May 2024).

RocketBoots is using the funds raised to continue to fund the Company's working capital requirements and expansion activities, advancing trials and progressing contract negotiations with several customers previously announced in the UK, USA, Australia and New Zealand.

Cashflow Position

Following the release of the Company's March 2024 Appendix 4C Cash Flow Report and Quarterly Activities Report, RocketBoots responded to the requests for information from the ASX under Listing Rule 12.2 (see ASX Announcement 6 June 2024).

Appendix 4C

1. The cash balance at 30 June 2024 was **\$555k**.
2. **Cash inflows were \$54K** from new trial activations. No Existing customer contract renewals fell due this quarter. However, subsequent to the quarter's completion, ROC received cash payment from a tenured retail customer for \$163K and is expecting further cash from accounts receivables, customer trial payments, long term customer annual renewals, as well as the R&D tax incentive to be received in the current September 2024 quarter.
3. Cash outflows were slightly higher than forecast line with forecast at (\$834K) resulting from audit, insurance and ASX fees all falling in the same quarter.

As per item 6.1 of the attached Appendix 4C, payments to related parties of the entity and their associates, totals A\$47K, relate to fees and salaries paid to executive and non-executive Directors during the quarter.

This announcement has been authorised for release by the Board of RocketBoots Board.

- Ends -

For more information:

Joel Rappolt

Chief Executive Officer

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About RocketBoots

RocketBoots is a Software-as-a-Service (SaaS) platform that leverages AI, machine learning, edge computing, and cloud technology to empower retail banks and retailers to address the challenges of a dynamic customer landscape.

Our core focus is to help customers adapt In-Person channels to continuously changing customer behaviour patterns and ensure physical locations remain relevant and efficient. To do this, RocketBoots software delivers optimised staffing, customer experience & loss prevention strategies, ultimately leading to improved profitability. Core **Solutions include:**

- **Workforce & Customer Experience Optimisation:** Optimise staffing levels to meet customer service expectations whilst reducing costs and maintaining or improving customer service to drive loyalty & NPS; and
- **Adaptive Loss Prevention:** A revolutionary approach to preventing loss and needless friction at self checkout & registers.



Appendix 4C

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

Name of entity

RocketBoots Limited

ABN

83 165 522 887

Quarter ended ("current quarter")

30 June 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities			
1.1 Receipts from customers		54	570
1.2 Payments for			
(a) research and development		-	-
(b) product manufacturing and operating costs		(316)	(1,316)
(c) advertising and marketing		(6)	(48)
(d) leased assets		-	-
(e) staff costs		(452)	(1,876)
(f) administration and corporate costs		(143)	(434)
1.3 Dividends received (see note 3)		-	-
1.4 Interest received		-	9
1.5 Interest and other costs of finance paid		(1)	(3)
1.6 Income taxes paid		-	-
1.7 Government grants and tax incentives		-	305
1.8 Other (provide details if material)		-	-
1.9 Net cash from / (used in) operating activities		(864)	(2,793)
2. Cash flows from investing activities			
2.1 Payments to acquire or for:			
(a) entities		-	-
(b) businesses		-	-
(c) property, plant and equipment		-	(13)
(d) investments		-	-
(e) intellectual property		-	-
(f) other non-current assets		-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 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)	-	-
2.6	Net cash from / (used in) investing activities	-	(13)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,307	1,807
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	(54)	(84)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	1,253	1,723

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	166	1,638
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(864)	(2,793)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(13)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,253	1,723
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	555	555

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	555	166
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other – Term Deposit ¹	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	555	166

¹A term deposit of \$0.5m matures on 5 October 2023 but can be called in a matter of days with minimal financial impact.

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	47
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>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.</i>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities		-
7.5	Unused financing facilities available at quarter end		-
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.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(864)
8.2	Cash and cash equivalents at quarter end (item 4.6)	555
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	555
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	0.6
	<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>	
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: No existing customer contract renewals fell due this quarter. The company expects an increase in cash inflows in the September 24 quarter coming from accounts receivables, customer trial payments, long term customer annual renewals, new contract conversions, as well as the R&D tax incentive that have been historically received. Subsequent to the quarter's completion, ROC received cash payment from a tenured retail customer for \$163K.	
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: The entity has its AGM in late August and will refresh its capacity to raise capital if required. RocketBoots' broker has provided a letter of support to raise additional funds if required.	

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: Yes, the entity believes it has cash to meet business objectives. The entity can depend on confirmed cashflows from customers and government grants, and has access to raising funds from new and existing shareholders.

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 July 2024

Authorised by: By the Board
(Name of body or officer authorising release – see note 4)

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.