



QUARTERLY ACTIVITIES REPORT
FOR THE PERIOD ENDING
31 December 2023

31 January 2024

myrewards

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDING 31 December 2023

Key Business Highlights

- Ongoing emphasis on expanding Business-to-Business (B2B) Rewards and Loyalty Programs.
- Strong progress in our pathway to profitability

Leading provider of customised solutions to attract, engage and retain employees & customers.

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 31 December 2023.

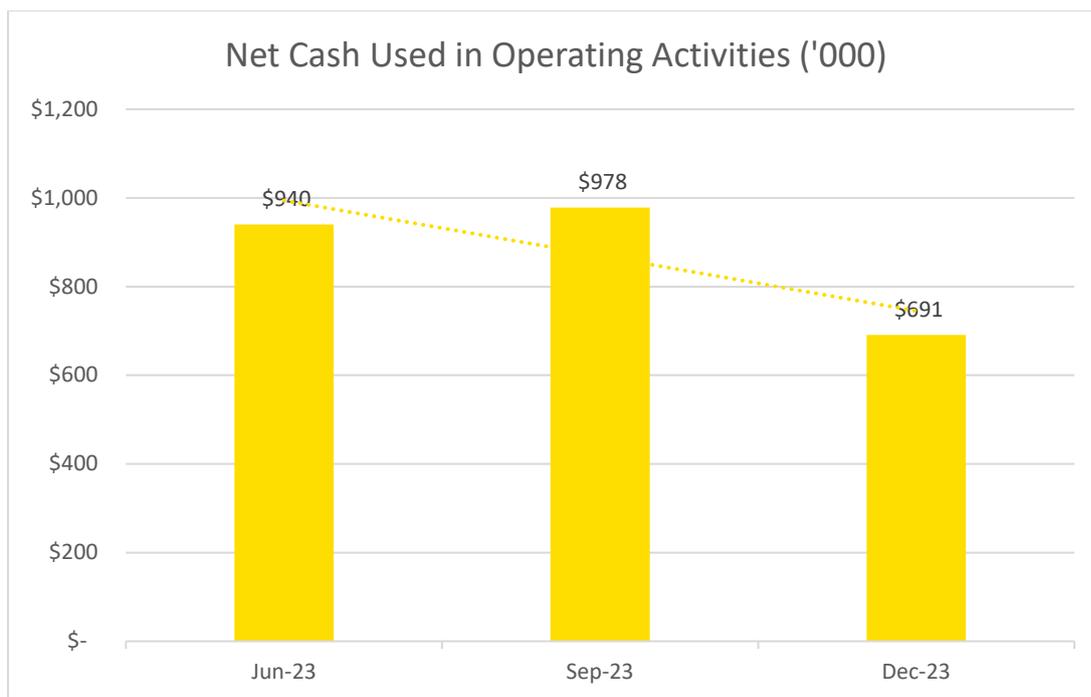
Advancing Business-to-Business (B2B) Member Rewards and Loyalty Initiatives

Throughout the quarter, the company has consistently pursued the expansion of its B2B Rewards and Loyalty programs by forging partnerships with new clients. These collaborations are anticipated to roll out in Q3 and Q4 of FY 2024 and increase the company's higher-margin membership revenue. My Rewards has identified several opportunities in small to medium sized businesses to expand its rewards and loyalty programs.

The Company will continue to focus on increasing engagement and offering additional services to its existing clients via its new collaboration with the iGoDirect Group which has also provided to the Company a \$1 million loan. (For further details, refer to ASX announcement dated 20 November 2023.)

Pathway to Profitability

The Company is pleased to report a reduction in its net cash used in operating activities from \$978k for the 3 months ending in September 2023 to \$691k for the 3 months ending in December 2023 as it continues to progress on its pathway to profitability.



My Rewards has been focusing on improving gross margins of its revenues by diversifying its product mix and services and reducing overheads by bringing operational efficiencies into the business. As the Company progresses on this journey, it is anticipated that there will be a significant reduction in the top line low margin or loss-making revenue streams. These changes are clearly noticeable with a drop in Receipts from Customers of \$2.68 mil for the 3 months ending in September 2023 to 942k for the 3 months ending in December 2023.

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 inadequate to warrant the continued quotation of its securities and therefore was 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 that MRI is in compliance with the ASX Listing Rules, including Listing Rule 12.2.

My Rewards is working with its auditors to rectify the disclaimed audit opinions contained in the 2023 Annual Report and ensure compliance with 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 31 December 2023 was \$691k as compared to the \$978k for the 3 months ending 30 September 2023.

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 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.

Use of Funds under Prospectus	Funds allocated under Prospectus	Funds expended between admission and 31-Dec-23	Variance	
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	\$354,900	-\$58,884	-20%
Expenses of the Offer	\$708,984	\$940,379	-\$231,395	-33%
Administration Costs	\$1,200,000	\$1,367,320	-\$167,320	-14%
Total	\$5,180,000	\$5,180,000	\$0	0%

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 businesses 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, Sodexo, Cummins, and AIG.

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

For enquiries:

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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")

31 December 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	942	3,623
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs	(896)	(3,204)
(c) advertising and marketing	(59)	(330)
(d) leased assets	(16)	(57)
(e) staff costs	(300)	(642)
(f) administration and corporate costs	(314)	(899)
1.3 Dividends received (see note 3)		
1.4 Interest received	1	1
1.5 Interest and other costs of finance paid	(62)	(234)
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)	13	73
1.9 Net cash from / (used in) operating activities	(691)	(1,669)

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) business		
(c) property, plant and equipment		
(d) investments		
(e) intellectual property		
(f) other non-current assets		
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		
3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)		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	(80)	(87)
3.5 Proceeds from borrowings	1,461	2,129
3.6 Repayment of borrowings	(755)	(1,236)
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	626	1766

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
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4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	153	(9)
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(691)	(1,669)
4.3	Net cash from / (used in) investing activities (item 2.6 above)		
4.4	Net cash from / (used in) financing activities (item 3.10 above)	626	1,766
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	88	88

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	88	153
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	88	153

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	20
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.

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

7.	Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
	<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	4,760	2,129
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	4,760	2,129
7.5	Unused financing facilities available at quarter end		2,631
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.		
	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. On 20 November 2023, the Company entered into a line of credit facility with iGoDirect Group for an amount of \$1million. For further details, refer to announcement dated 20 November 2023.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(691)
8.2	Cash and cash equivalents at quarter end (item 4.6)	88
8.3	Unused finance facilities available at quarter end (item 7.5)	2,631
8.4	Total available funding (item 8.2 + item 8.3)	2,719
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	3.94
	<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?	
	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?	
	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?

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: 31/1/2024

Authorised by:Board of Directors.....
(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.