

25 July 2025

ASX ANNOUNCEMENT

4Q FY25 Quarterly Business Update and Appendix 4C Cashflow Statement

Gratific delivers another quarterly cash receipts record

Highlights for 4Q FY25

Financial highlights

- 4Q FY25 **cash receipts of \$19.4m** (\$63.7m YTD) represents an increase of **4.7%** over previous quarter and **210%** over 4Q FY24.
- The **\$209k** operating surplus for the quarter represents a **\$3.59m** improvement over the previous quarter.
- Full year normalised¹ operating cash loss of \$0.9m (FY24: \$0.75m loss) is a solid result, given the significant reduction in trading terms for key suppliers.
- Results to date show an enhanced FY26 pro-forma cash receipts run rate of **~\$84m** is on track to be delivered.
- Exceeded the FY25 cash receipts target of **\$60m**.
- Strong cash position as at 30 June 2025 of **\$2.83m**, an increase of **\$1.47m** over 3Q, including the successful Institutional Placement detailed below.

Corporate highlights

- Member's Mobile, Australia's first B2B2C co-branded, customised mobile service is now live with **RAC(WA)**, the first of three contracted distribution partners. **EML** is expected to go live on Member's Mobile this quarter.
- Contracts have been signed with a broadband partner for the development and implementation of **Member's Internet**, due to go live later this calendar year.
- The Company successfully completed an **Institutional Placement raising \$1.7m** prior to fees.

Operational highlights

- The migration of clients from the legacy Neat Ideas platform to the new 'Gratific Connect' platform is proceeding well
 - The Neat Ideas platform will be decommissioned when migration is complete.
 - The 'Gratific Connect' platform will deliver significant scale, improved operational efficiency, and a broader client offering.
- The Company incurred one-off redundancy costs in 4Q of \$99k, which reduced employment costs by ~\$800k annualised - the full effect will be recognised from 1Q FY26.
- Discussions continue with several enterprise prospects, including across the banking and insurance sectors.

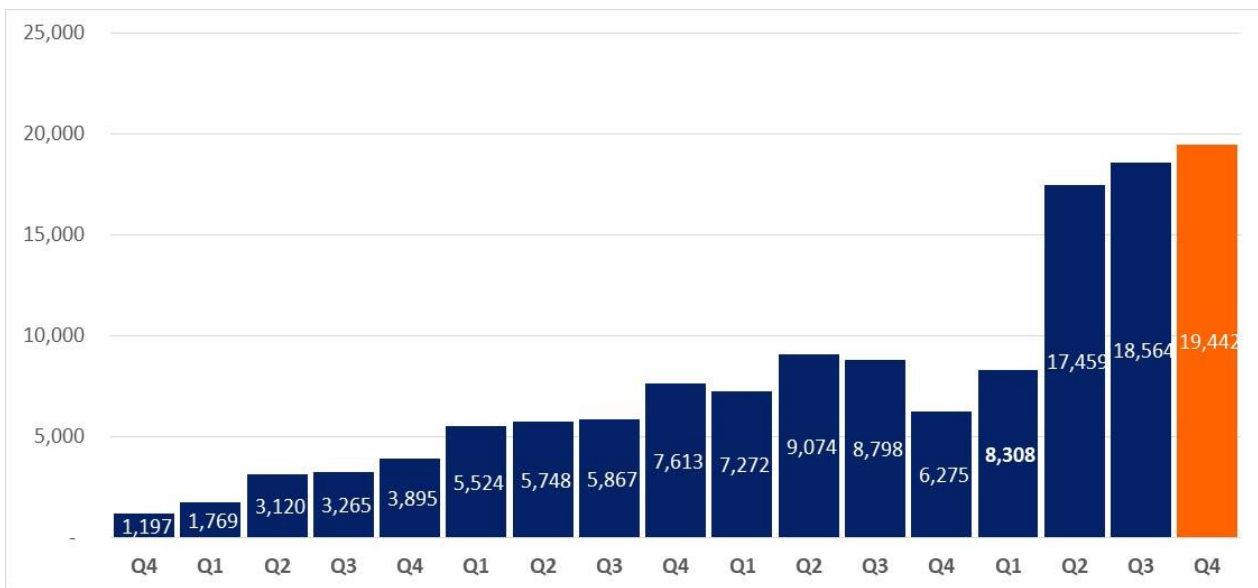
¹ \$3.9m of pre-acquisition creditors acquired in the Club Connect transaction were effectively cash backed in the acquisition balance sheet. Hence, in substance, there was no cash impact for these creditor payments, and the pro-forma normalised above reflects the commercial arrangement.

Operational update

Gratificii Limited (ASX:GTI) (**Gratificii**) delivered continued operational progress in 4Q FY25, underpinned by strong cash receipt growth, platform migration, and further advancement of post-acquisition integration activities.

Cash receipts for the quarter totalled \$19.4m, representing a 210% increase on the prior corresponding period and a 4.7% increase on 3Q FY25. This performance highlights the businesses resilience and strength in the face of ongoing cost-of-living pressures, while also underscoring the value and impact of its product offerings.

Quarterly Cash Receipts (\$'000) show 3-year CAGR to 4Q FY25 of 70.9% p.a.



The Company continued the migration of clients from the Neat Ideas platform to the 'Gratificii Connect' platform during the quarter. A major milestone was achieved with the successful migration of RACV, and overall client migration nearing completion. The Neat Ideas platform is expected to be decommissioned in September. Upon completion of migration, the Company will realise significant scale and improved operational efficiency.

One-off redundancy costs of \$99k were incurred during the quarter, which are expected to deliver ~\$800k in annualised costs savings from 1Q FY26. Additional operational savings are expected in 1Q FY26, as further integration synergies are delivered.

During the quarter, Gratificii secured several new commercial agreements, further expanding its customer base and product reach. Virgin Velocity launched its reward store featuring a select number of Gratificii products for member redemption. Member's Mobile commenced rollout through contracted enterprise partners, with RAC (WA) launching as the first of three committed enterprise clients which combined, represent a target member base of approximately 2.5 million consumers.

In addition, contracts for the upcoming launch of Member's Internet were executed, with rollout scheduled to commence before the end of calendar year 2025. As additional enterprise clients come on board and with the launch of Member's Internet, the potential for Member's Mobile to emerge as a key growth driver continues to strengthen.

The Company continues to successfully execute on its strategic plan, setting a solid foundation to leverage platform scale, deliver operating margin expansion, and accelerate earnings growth in FY26.

Iain Dunstan, CEO and Managing Director of Gratifii, said: *"This quarter's record cash receipts and operational improvement highlight the progress of our strategic plans. With platform migration continuing towards completion and early cost synergies emerging, we've maintained momentum amidst a challenging economic backdrop.*

We've secured new agreements, advanced the rollout of Member's Mobile and expanded this innovative 'telco as a reward' offering to our broader client base. Backed by our investments in scalable infrastructure, we're well positioned to accelerate growth and deliver increased shareholder value in FY26 and beyond."

Outlook

The Company will enter FY26 with a traditionally seasonally softer first quarter, followed by a stronger second quarter driven by holiday-period performance. Strong results from the first half of FY26 combined with the successful migration from the Neat Ideas platform to 'Gratifii Connect', the onboarding of new enterprise clients, and increased Member's Mobile adoption, position the Company well for continued revenue growth and progress toward profitability.

The nearing completion of the platform migration marks the culmination of eight months of integration work following recent acquisitions. It will enable Gratifii to deliver a scalable foundation to support future growth. Completion of this transition will also deliver several operational efficiency improvements, enabling management to shift its focus towards business development, pipeline growth, increasing margins, and securing additional new Tier-1 enterprise clients.

The Company remains on track to deliver its pro-forma FY26 run rate of \$84m.

ASX Additional Information

During the quarter, the Company paid remuneration of \$111k to the CEO & Managing Director.

Appendix 4C

The Company's Appendix 4C cashflow report is attached.

GTI confirms that this announcement has been approved by the Board of Directors of Gratifii.

Ben Newling
Company Secretary

For further information, contact:

Iain Dunstan
CEO & Managing Director
Gratifii Limited
iaind@gratifii.com

Alastair Murray
Investor Relations & Corporate Advisor
Candour Advisory
alastair@candouradvisory.com.au

About Gratifii Limited

Gratifii Limited (ASX:GTI) is an ASX listed company transforming the way that rewards and incentives are managed and delivered. Our single platform is a complete solution offering affordable, market-leading functionality and configurability. Over 80+ mid-to-top tier brands rely on Gratifii for their rewards and incentives across Australia, New Zealand, and Southeast Asia.

To learn more, visit: www.gratifii.com.

Appendix 4C

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

Name of entity

GRATIFII LIMITED

ABN

47 125 688 940

Quarter ended ("current quarter")

30 June 2025

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	19,442	63,773
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs	(16,552)	(58,168)
(c) advertising and marketing	(11)	(63)
(d) leased assets	-	-
(e) staff costs	(1,634)	(5,968)
(f) administration and corporate costs	(1,020)	(4,375)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	2
1.5 Interest and other costs of finance paid	(18)	(96)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	209	(4,895)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	(6,438)
(b) businesses	-	-
(c) property, plant and equipment	(15)	(33)
(d) investments	-	-
(e) intellectual property	(260)	(1,400)
(f) other non-current assets	-	-

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

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 (cash acquired on acquisition)	-	4,737
2.6	Net cash from / (used in) investing activities	(275)	(3,134)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,700	13,291
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	(74)	(1,049)
3.5	Proceeds from borrowings	-	225
3.6	Repayment of borrowings	(74)	(1,646)
3.7	Transaction costs related to loans and borrowings	-	(221)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	(15)	(66)
3.10	Net cash from / (used in) financing activities	1,537	10,534

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,358	324
4.2	Net cash from / (used in) operating activities (item 1.9 above)	209	(4,895)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(275)	(3,134)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,537	10,534
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,829	2,829

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	2,959	1,466
5.2	Call deposits		
5.3	Bank overdrafts	(130)	(108)
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,829	1,358

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	111
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.

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	-	-
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)	209
8.2 Cash and cash equivalents at quarter end (item 4.6)	2,829
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	2,829
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
<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:	
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?	
Answer:	
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?	
Answer:	
N/A	
<i>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.</i>	

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: 25 July 2025.....

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.