

My Rewards International Limited
Appendix 4D
Half-year report

1. Company details

Name of entity:	My Rewards International Limited
ABN:	47 095 009 742
Reporting period:	For the half-year ended 31 December 2023
Previous period:	For the half-year ended 31 December 2022

2. Results for announcement to the market

			\$
Revenues from ordinary activities	down	77.2% to	3,015,988
Loss from ordinary activities after tax attributable to the owners of My Rewards International Limited	down	12.6% to	(2,205,605)
Net loss for the half-year attributable to the owners of My Rewards International Limited	down	12.6% to	(2,205,605)

Dividends

There were no dividends paid, recommended or declared during the current financial period.

Comments

The loss for the consolidated entity after providing for income tax amounted to \$2,205,605 (31 December 2022: \$2,524,851).

During the reporting period, two key suppliers altered their offerings and redemption requirements. Additionally, the group lost two key clients, leading to a 77% decline in revenue. Meanwhile, cost-cutting initiatives were implemented, resulting in a 12.6% reduction in the net loss for the half-year attributable to the owners.

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	(1.11)	(1.06)

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividends

Current period

There were no dividends paid, recommended or declared during the current financial period.

Previous period

There were no dividends paid, recommended or declared during the previous financial period.

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Not applicable.

9. Audit qualification or review

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Financial Report.

10. Attachments

The Interim Financial Report of My Rewards International Limited for the half-year ended 31 December 2023 is attached.

11. Signed

Signed



Date: 20 January 2025

My Rewards International Limited

ABN 47 095 009 742

Interim Financial Report for the half-year 31 December 2023

My Rewards International Limited
Corporate directory
31 December 2023

Registered office	Minas & Associates Suite 62, 3-7 Fetherstone Street Bankstown, NSW 2200 Australia
Principal place of business	Suite G02, 181-185 St. Kilda Road St. Kilda VIC 3182
Share register	Boardroom Pty Ltd Level 8, 210 George Street Sydney NSW 2000 +61 (0)2 9290 9600
Auditor	Connect National Audit Pty Ltd L11 333 Collins Street, Melbourne VIC 3000
Stock exchange listing	My Rewards International Limited shares are listed on the Australian Securities Exchange (ASX code: MRI)
Website	www.myrewardsinternational.com

My Rewards International Limited
Directors' report
31 December 2023

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of My Rewards International Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2023.

Directors

The following persons were directors of My Rewards International Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Mr David Vinson
Ms Maitreyee Khire
Mr Daniel Goldman
Mr Alex Gold (Appointed on 9 May 2024)

Principal activities

The principal activities of the group during the half-year were providing membership service and loyalty programs for corporate and retail clients.

Review of operations

The loss for the consolidated entity after providing for income tax amounted to \$2,205,605 (31 December 2022: \$2,524,851).

Overview

My Rewards International Limited (MRI, My Rewards, or the Company) is a global leader in subscription-based customer engagement technologies, focused on attracting, engaging, and retaining customers and employees. Below is a summary of the Company's key activities for the half year ending 31 December 2023.

Key Highlights

Continued focus on B2B Rewards and Loyalty Programs MRI has continued its focus on expanding B2B rewards and loyalty programs across key industries such as accounting, financial services, fitness, and utilities. Leveraging its technology platform, the Company is actively creating opportunities for reward programs tailored to small and medium-sized businesses. These programs enhance customer and staff engagement, fostering loyalty while enabling members to save on essential expenses like groceries and fuel.

Reduction in Losses The Company has successfully reduced losses from ordinary activities by 12.6%, driven by strategic cost-saving measures that have effectively lowered overheads and operational expenses.

New Investments MRI is pleased to report additional investments from sophisticated investors, further supporting the Company's growth trajectory.

Leadership Update

Appointment of CEO As announced on 20 September 2024, MRI welcomed Mr. Alexander Gold as Chief Executive Officer and Managing Director. Mr. Gold's leadership will steer the Company through its next phase of innovation and expansion.

Product Launch

Soft Launch of Klevo Card On 5 November 2024, MRI soft launched the "Klevo MasterCard" in collaboration with Fly Wallet Pty Ltd. The event was held at the Melbourne Cup charity lunch at the Dusit Thani Hotel in Bangkok, Thailand, attended by Australian expatriates, diplomats, and business leaders.

The Klevo MasterCard is a pivotal element of MRI's global rewards initiatives, marking the first phase of an AI-driven rewards and loyalty platform for Australians. Key features include:

Global Cashback Rewards: 1% cashback on global spending outside Australia, with higher rates at partner vendors.

Thailand-Specific Benefits: Cashback rates of 10%, 15%, or more at leading local establishments, including restaurants, hotels, spas, and medical centres.

Support for Wellness and Long-Stay Travel: Simplified money management and significant financial benefits for Australians seeking wellness and extended-stay experiences abroad.

This milestone reflects MRI's commitment to empowering Australian travellers and expats, enhancing their experiences while delivering sustained shareholder value.

Regulatory and Compliance Update

ASX Suspension MRI remains suspended from quotation on the ASX, effective 2 October 2023, due to concerns over its financial condition under Listing Rule 12.2. The Company's response to ASX's financial condition query was published on 30 October 2023. Since then, MRI has:

Rectified the disclaimed audit opinions in its 2023 Annual Report.

Reissued the FY 2023 Annual Report.

MRI is now focused on finalising the FY 2024 Annual Report, satisfy ASX's financial condition requirements and ensure full compliance with Listing Rule 12.2.

Significant changes in the state of affairs

There has been no significant changes in the state of affairs of the group during the financial half-year.

Matters subsequent to the end of the financial half-year

Share issues

The following share issues occurred after the Balance Date:

On 15 February 2024, 28,707,000 ordinary shares were released from escrow.

On 20 March 2024 15,000,000 ordinary shares were issued to an external consultant at \$0.009 each.

On 20 March 2024 38,888,889 ordinary shares were issued at \$0.009 each.

On 19 July 2024 44,444,445 ordinary shares were issued at \$0.009 each

On 5 September 2024 30,858,889 ordinary shares were issued at \$0.009 each

On 13 September 2024 18,744,667 ordinary shares were issued at \$0.009 each

On 31 October 2024 17,063,110 ordinary shares were issued at \$0.009 each

On 27 November 2024 200,000,000 ordinary shares were issued at \$0.0072 each

Amram Corp Pty Ltd

In March 2023, the company entered a \$5 million capital raising facility and extended its \$3.5 million line of credit ('LOC') with AMRAM Corp Pty Ltd to further accelerate its growth strategy. Since 1 July 2023 and until as at the date of this report, MRI has drawn an additional \$357,000 on the AMRAM LOC facility bring the total drawn under this facility to \$961,000.

On the 20th of March 2024, under Resolution 19 of the Annual General Meeting held on the 20th December 2023, a total of 38,888,889 ordinary paid shares which amount in \$350,000 in the Company were issued in satisfaction of the partial drawdown of the LOC.

Frankly Dispute

MRI first identified what it considered to be potential discrepancies with the Frankly Acquisition purchase documentation on 19 July 2023. This dispute centers on the underlying information on which the consideration is determined. MRI has engaged lawyers to defend a writ filed on behalf of Frankly Agency Pty Ltd and is in the discovery phase. The writ seeks payment of amounts outstanding of \$649,999 under the original agreement (plus damages, costs and interest) and the final agreed amount is \$685,700. Parties settled the dispute under a Deed of Settlement on the 12th of November 2024. As at 31 December 2023, liability under dispute is \$799,999, refer to Note 9.

121 Group dispute

On 29th of December 2023, a writ was filed by 121 Group Pty Ltd for a breach of agreement for \$135,000 owing to 121Group Pty Ltd. A mediation was held on 4 September 2024 and was settled, and the Company agreed to pay \$100,000 in 10 equal installments starting 28 September 2024. The company incurred legal fees in relation to this dispute to the value of \$7,800 inclusive of GST.

Suspension from ASX

The securities of MRI were suspended from quotation on the ASX on 2 October 2023 in accordance with Listing Rule 17.3. The ASX has determined that MRI's financial condition is not adequate to warrant the continued quotation of its securities and therefore in breach of Listing Rule 12.2. As at the date of this report, the suspension is still in place.

My Rewards International Limited
Directors' report
31 December 2023

iGoDirect Group Pty Ltd

Between April 2024 to September 2024, My Rewards entered into a suite of agreements (the 'Agreements') with iGoDirect Group Pty Ltd (iGoDirect) which saw the Company reduce its loan facility from iGoDirect by \$725,000.00. As at the date of this report, there is no balance outstanding. The Company was negotiating repayment of the outstanding loan amount, interest and trade creditors with iGoDirect. The two companies were unable to agree upon final amounts owing to which led to iGoDirect exercising its rights to appoint a receiver. Receiver Managers were appointed at 6.48 pm on Thursday 21 November 2024 (and ceased being receivers at 6.17 pm on Monday 25th November 2024).

Mr. George Minas has advanced the full outstanding amount (Minas Loan) on behalf of the Company to iGoDirect and iGoDirect has assigned to George Minas all rights and obligations under the original iGoDirect Loan Facility Agreement, General Security Deed, Deed of Extension and Variation of the Loan Facility Agreement and Deed of Acknowledgement (together Agreements). The assignment of the Agreements is on the same terms as the original Agreements. The receivership was terminated at 6.17 pm on Monday 25th November 2024.

Change of CEO, Company Secretary and CFO

MRI announced the appointment of Non-Executive Director Daniel Goldman as Company Secretary, effective 27 October 2023. Mr Goldman stepped down as the Company secretary on 20 September 2024.

Mr Goldman replaces Phillip Hains, who resigned as Company Secretary and CFO effective 27 October 2023 after holding the position since April 2022. The Board expects to announce a new CFO in due course.

Ms Maitreyee Khire stepped down as CEO on 20 September 2024, and was appointed as company secretary and Non-Executive Director from that date.

Mr Alex Gold was appointed as a Non Executive Director on 9 May 2024 and subsequently appointed as CEO on 20 September 2024.

Abreco Enterprises Pty Ltd (Abreco) Placement

On 11 July 2024, the Company announced \$1mil placement from Abreco Enterprises Pty Ltd (Abreco) to assist with the working capital requirements of the Company. This placement was successfully completed by 31 October 2024.

Placement

On 27th November 2024, the Company successfully completed a placement of \$1.44 million to sophisticated investors to assist with the growth and working capital requirements of the Company.

No other matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Rounding of amounts

The group is of a kind referred to in ASIC Legislative 2016/191, relating to the 'rounding off' of amounts in the directors' report and financial report. Amounts in the directors' report and financial report have been rounded off the nearest dollar in accordance with the instrument.

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)a of the Corporations Act 2001.

On behalf of the directors



Mr David Vinson
Non-Executive Chairman and Director



Ms Maitreyee Khire
Director

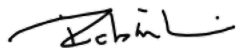
20 January 2025

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**

As lead auditor for the review of My Rewards International Limited for the half-year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of My Rewards International Limited.



ROBIN KING HENG LI CA RCA
DIRECTOR
CONNECT NATIONAL AUDIT PTY LTD
Authorised Audit Company No. 521888
20 January 2025

My Rewards International Limited

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31 December 2023

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General information

The financial statements cover My Rewards International Limited as a consolidated entity consisting of My Rewards International Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is My Rewards International Limited's functional and presentation currency.

My Rewards International Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

Minas & Associates
Suite 62, 3-7 Fetherstone Street,
Bankstown, NSW 2200
Australia

Principal place of business

My Rewards International Limited
Suite G02, 181-185 St. Kilda Road
St. Kilda VIC 3182
Australia

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 20 January 2025.

My Rewards International Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2023

		Condensed Consolidated	31 December 2023	31 December 2022
	Note	\$	\$	
Revenue from contract with customers	2	3,015,988	13,253,733	
Other income	3	1,271,138	33,306	
Expenses				
Cost of sales		(3,456,109)	(12,848,241)	
Employee benefits expense	4	(1,041,951)	(825,694)	
Depreciation and amortisation expense	4	-	(166,375)	
Share-based payments		-	15,651	
Advertising and marketing expense		(7,073)	(514,027)	
Impairment of assets		(131,772)	-	
Legal professional and consultancy	4	(986,103)	(712,744)	
Other expenses		(350,840)	(658,413)	
Finance costs	4	(518,883)	(102,047)	
Loss before income tax expense		(2,205,605)	(2,524,851)	
Income tax expense		-	-	
Loss after income tax expense for the half-year attributable to the owners of My Rewards International Limited		(2,205,605)	(2,524,851)	
Other comprehensive income for the half-year, net of tax		-	-	
Total comprehensive income for the half-year attributable to the owners of My Rewards International Limited		<u>(2,205,605)</u>	<u>(2,524,851)</u>	
		Cents	Cents	
Basic earnings per share	14	(0.56)	(1.20)	
Diluted earnings per share	14	(0.56)	(1.20)	

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

My Rewards International Limited
Statement of financial position
As at 31 December 2023

		Condensed Consolidated	
		31 December	
	Note	2023	30 June 2023
		\$	\$
Assets			
Current assets			
Cash and cash equivalents		88,173	-
Trade and other receivables		462,655	479,363
Inventories		-	3,802
Other current assets	5	714,809	781,705
Total current assets		<u>1,265,637</u>	<u>1,264,870</u>
Total assets		<u>1,265,637</u>	<u>1,264,870</u>
Liabilities			
Current liabilities			
Trade and other payables	6	1,613,496	1,886,961
Borrowings	7	343,795	676,415
Lease liabilities		57,930	103,222
Employee benefits	8	695,249	506,325
Liability under dispute	9	799,999	649,999
Deferred revenue	10	545,999	1,100,706
Total current liabilities		<u>4,056,468</u>	<u>4,923,628</u>
Non-current liabilities			
Borrowings	11	2,216,851	633,827
Lease liabilities		96,606	114,051
Employee benefits non-current		52,256	77,577
Total non-current liabilities		<u>2,365,713</u>	<u>825,455</u>
Total liabilities		<u>6,422,181</u>	<u>5,749,083</u>
Net liabilities		<u>(5,156,544)</u>	<u>(4,484,213)</u>
Equity			
Share capital	12	20,732,955	19,199,681
Other reserves		757,163	757,163
Accumulated losses		<u>(26,646,662)</u>	<u>(24,441,057)</u>
Total deficiency in equity		<u>(5,156,544)</u>	<u>(4,484,213)</u>

The above statement of financial position should be read in conjunction with the accompanying notes

My Rewards International Limited
Statement of changes in equity
For the half-year ended 31 December 2023

Condensed Consolidated	Issued capital \$	Other Reserves \$	Accumulated losses \$	Non- controlling interest \$	Total equity \$
Balance at 1 July 2022	15,438,052	422,707	(15,766,821)	-	93,938
Loss after income tax expense for the half-year	-	-	(2,524,851)	-	(2,524,851)
Other comprehensive income for the half-year, net of tax	-	-	-	-	-
Total comprehensive income for the half-year	-	-	(2,524,851)	-	(2,524,851)
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity	2,005,546	-	-	-	2,005,546
Share issue expenses	(278,202)	-	-	-	(278,202)
Share-based payments	-	(15,651)	-	-	(15,651)
Total transactions with owners	1,727,344	(15,651)	-	-	1,711,693
Balance at 31 December 2022	<u>17,165,396</u>	<u>407,056</u>	<u>(18,291,672)</u>	<u>-</u>	<u>(719,220)</u>
Condensed Consolidated	Issued capital \$	Other Reserves \$	Accumulated losses \$	Non- controlling interest \$	Total deficiency in equity \$
Balance at 1 July 2023	19,199,681	757,163	(24,441,057)	-	(4,484,213)
Loss after income tax expense for the half-year	-	-	(2,205,605)	-	(2,205,605)
Other comprehensive income for the half-year, net of tax	-	-	-	-	-
Total comprehensive income for the half-year	-	-	(2,205,605)	-	(2,205,605)
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity	12 1,585,525	-	-	-	1,585,525
Share issue expenses	12 (52,251)	-	-	-	(52,251)
Total transactions with owners	1,533,274	-	-	-	1,533,274
Balance at 31 December 2023	<u>20,732,955</u>	<u>757,163</u>	<u>(26,646,662)</u>	<u>-</u>	<u>(5,156,544)</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

My Rewards International Limited
Statement of cash flows
For the half-year ended 31 December 2023

	Condensed Consolidated December 2023	December 2022
	\$	\$
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	3,676,114	13,246,590
Payments to suppliers (inclusive of GST)	(4,984,664)	(14,599,772)
Other revenue	73,013	33,306
Interest and other finance costs paid	(878,348)	(102,047)
	(2,113,885)	(1,421,923)
Interest and other finance costs paid	(518,883)	-
Net cash used in operating activities	(2,632,768)	(1,421,923)
Cash flows from investing activities		
Payments for intangibles	-	(188,643)
Net cash used in investing activities	-	(188,643)
Cash flows from financing activities		
Proceeds from issues of shares and other equity securities	960,000	1,120,075
Proceeds from borrowings	2,128,501	765,780
Share issue transaction costs	(86,608)	(278,202)
Repayment of borrowings	(218,215)	-
Repayment of lease liabilities	(62,737)	(55,329)
Net cash from financing activities	2,720,941	1,552,324
Net increase/(decrease) in cash and cash equivalents	88,173	(58,242)
Cash and cash equivalents at the beginning of the financial half-year	-	349,046
Cash and cash equivalents at the end of the financial half-year	<u>88,173</u>	<u>290,804</u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Segment information

Management has determined, based on the reports reviewed by the chief operating decision maker that are used to make strategic decisions, that the group has one reportable segment being providing membership service and loyalty programs for corporate and retail clients. The segment details are therefore fully reflected in the body of the financial report.

Note 2. Revenue from contract with customers

	Condensed December 2023 \$	Consolidated December 2022 \$
Item sales	2,334,261	12,931,653
Membership fees	419,602	322,080
Management fees	262,125	-
Revenue from contract with customers	<u>3,015,988</u>	<u>13,253,733</u>
	Condensed December 2023 \$	Consolidated December 2022 \$
<i>Timing of revenue recognition</i>		
Goods transferred at a point in time	2,334,261	12,931,653
Services transferred over time	681,727	322,080
	<u>3,015,988</u>	<u>13,253,733</u>

Revenue from contract with customers are all from Australia.

Revenue from the item sales is recognized at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Note 3. Other income

	Condensed December 2023 \$	Consolidated December 2022 \$
Other income	<u>1,271,138</u>	<u>33,306</u>

Note 4. Other expense items

(a) Expenses

	31 December 2023 \$	31 December 2022 \$
Employee benefits expense		
Wages and Salaries	974,227	683,434
Directors Fee	17,308	20,455
Superannuation and Payroll tax	146,344	111,938
Leave obligations	(95,928)	9,867
	<u>1,041,951</u>	<u>825,694</u>

Note 4. Other expense items (continued)

	31 December 2023	31 December 2022
Depreciation and amortisation expense		
Amortisation	-	108,586
Depreciation	-	57,789
	<u>-</u>	<u>166,375</u>
	31 December 2023	31 December 2022
	\$	\$
Legal, professional and consultancy		
Accounting and audit	179,514	72,812
Consulting fees	615,888	596,791
Legal fees	190,701	43,141
	<u>986,103</u>	<u>712,744</u>
	31 December 2023	31 December 2022
	\$	\$
Finance costs		
Interest and finance charges paid/payable on borrowings	512,524	94,266
Interest on leases	6,360	7,781
	<u>518,884</u>	<u>102,047</u>

Note 5. Current assets - other

	Condensed Consolidated 31 December 2023	30 June 2023
	\$	\$
Prepayments	919,665	754,455
Allowance for expected credit losses	(198,760)	(198,760)
Deferred expenses	(6,096)	225,432
	<u>714,809</u>	<u>781,705</u>

Note 6. Current liabilities - trade and other payables

	Condensed Consolidated 31 December 2023	30 June 2023
	\$	\$
Trade payables and other payables	971,731	1,818,126
Credit card payables	288,238	23,751
GST and PAYG payables	353,527	45,084
	<u>1,613,496</u>	<u>1,886,961</u>

Note 6. Current liabilities - trade and other payables (continued)

Trade payables are unsecured and are usually paid within 30 days of recognition.

The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

Deferred costs are cash paid amounts that represent costs already incurred but not yet consumed. Deferred costs are recorded as an asset until such time as the underlying goods or service is consumed. The period is for 12 months and are consumed monthly.

Note 7. Current liabilities - borrowings

	Condensed Consolidated	
	31 December	30 June 2023
	2023	
	\$	\$
Bank overdraft	-	8,598
Loan - Third party	218,000	600,548
Interest payable	125,795	67,269
	<u>343,795</u>	<u>676,415</u>

Note 8. Current liabilities - provisions

	Condensed Consolidated	
	31 December	30 June 2023
	2023	
	\$	\$
Wages and Superannuation Payable	529,176	269,645
Provision for Annual Leave	166,073	236,680
Employee benefits	695,249	506,325
	<u>695,249</u>	<u>506,325</u>

Note 9. Current liabilities - Liability under dispute

	Condensed Consolidated	
	31 December	30 June 2023
	2023	
	\$	\$
Liability under dispute	799,999	649,999
	<u>799,999</u>	<u>649,999</u>

MRI first identified what it considered to be potential discrepancies with the Frankly Acquisition purchase documentation on 19 July 2023. This dispute centers on the underlying information on which the consideration is determined. MRI has engaged lawyers to defend a writ filed on behalf of Frankly Agency Pty Ltd and is in the discovery phase. The writ seeks payment of amounts outstanding of \$649,999 under the original agreement (plus damages, costs and interest) and the final agreed amount is \$685,700. Parties settled the dispute via a Deed of Settlement on 12th November 2024.

Note 10. Current liabilities - other

	Condensed Consolidated	
	31 December	30 June 2023
	2023	
	\$	\$
Deferred revenue	545,999	1,100,706
	<u>545,999</u>	<u>1,100,706</u>

Note 11. Non-current liabilities - borrowings

	Condensed Consolidated	
	31 December	30 June 2023
	2023	2023
	\$	\$
Loan - PayPal	88,087	-
Loan - HP Financial Services	41,764	29,827
Loan - AMRAM	961,000	604,000
Loan - IGODirect	1,126,000	-
	<u>2,216,851</u>	<u>633,827</u>

Total secured liabilities

The total secured liabilities (current and non-current) are as follows:

	Condensed Consolidated	
	31 December	30 June 2023
	2023	2023
	\$	\$
Bank overdraft	-	8,598
Loan - PayPal	306,087	600,548
Loan - HP Financial Services	41,764	29,827
Loan - AMRAM	961,000	604,000
	<u>1,308,851</u>	<u>1,242,973</u>

Assets pledged as security

The bank overdraft and loans are secured by first mortgages over the consolidated entity's land and buildings.

Note 12. Equity - Issue capital

(a) Share capital

	31 December	30 June	31 December	30 June
	2023	2023	2023	2023
	Shares	Shares	\$	\$
Ordinary shares				
Fully paid	448,797,949	350,499,867	20,732,955	19,199,681

(i) Movements in ordinary shares:

Note 12. Equity - Issue capital (continued)

Details	Number of Shares	Total \$
Balance at 1 July 2023	350,499,867	19,199,681
Issue of Shares in lieu of payment for services at \$0.017 (05/07/2023)	9,247,059	157,200
Issue of Shares in lieu of payment for services at \$0.022 (05/07/2023)	1,000,000	22,000
Issue of Shares in lieu of payment for services at \$0.017 (05/07/2023)	8,823,529	150,000
Issue of Shares in lieu of payment for services at \$0.016 (06/07/2023)	8,125,000	130,000
Issue of Shares in lieu of payment for services at \$0.017 (14/07/2023)	8,823,528	150,000
Issue of Shares in lieu of payment for services at \$0.017 (14/07/2023)	8,680,882	147,575
Issue of Shares in lieu of payment for services at \$0.019 (28/07/2023)	7,894,735	150,000
Issue of Shares in lieu of payment for services at \$0.019 (28/07/2023)	2,105,263	40,000
Issue of Shares in lieu of payment for services at \$0.017 (11/08/2023)	9,411,764	160,000
Issue of Shares in lieu of payment for services at \$0.017 (11/08/2023)	2,847,058	48,400
Issue of Shares in lieu of payment for services at \$0.014 (23/08/2023)	7,142,857	100,000
Issue of Shares in lieu of payment for services at \$0.014 (23/08/2023)	1,571,428	22,000
Issue of Shares in lieu of payment for services at \$0.014 (25/08/2023)	9,278,570	129,900
Issue of Shares in lieu of payment for services at \$0.014 (25/08/2023)	9,603,552	134,450
Issue of Shares in lieu of payment for services at \$0.014 (04/09/2023)	3,142,857	44,000
Less: Transaction costs arising on share issues	-	(52,251)
	<u>448,197,949</u>	<u>20,732,955</u>

Ordinary shares entitled the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the company does not have a limited amount of authorised capita

(b) Other reserves

Notes	Share-based payments \$	Total other reserves \$
At 1 July 2023	<u>757,163</u>	<u>757,163</u>

(i) Nature and purpose of other reserves Share-based payments

The share-based payment reserve records items recognised as expenses on valuation of share options and warrants issued to key management personnel, other employees and eligible contractors.

Note 13. Events after the reporting period

Share issues

The following share issues occurred after the Balance Date:

- On 15 February 2024, 28,707,000 ordinary shares were released from escrow.
- On 20 March 2024 15,000,000 ordinary shares were issued to an external consultant at \$0.009 each.
- On 20 March 2024 38,888,889 ordinary shares were issued at \$0.009 each.
- On 19 July 2024 44,444,445 ordinary shares were issued at \$0.009 each
- On 5 September 2024 30,858,889 ordinary shares were issued at \$0.009 each
- On 13 September 2024 18,744,667 ordinary shares were issued at \$0.009 each
- On 31 October 2024 17,063,110 ordinary shares were issued at \$0.009 each
- On 27 November 2024 200,000,000 ordinary shares were issued at \$0.0072 each

Note 13. Events after the reporting period (continued)

121 Group dispute

On 29th of December 2023, a writ was filed by 121 Group Pty Ltd for a breach of agreement for \$135,000 owing to 121Group Pty Ltd. A mediation was held on 4 September 2024 and was settled, and the Company agreed to pay \$100,000 in 10 equal installments starting 28 September 2024. The company incurred legal fees in relation to this dispute to the value of \$7,800 inclusive of GST.

Amram Corp Pty Ltd

In March 2023, the company entered a \$5 million capital raising facility and extended its \$3.5 million line of credit ('LOC') with AMRAM Corp Pty Ltd to further accelerate its growth strategy. Since 1 July 2023 and until as at the date of this report, MRI has drawn an additional \$357,000 on the AMRAM LOC facility bring the total drawn under this facility to \$961,000.

On the 20th of March 2024, under Resolution 19 of the Annual General Meeting held on the 20th December 2023, a total of 38,888,889 ordinary paid shares which amount in \$350,000 in the Company were issued in satisfaction of the partial drawdown of the LOC.

Frankly Dispute

MRI first identified what it considered to be potential discrepancies with the Frankly Acquisition purchase documentation on 19 July 2023. This dispute centers on the underlying information on which the consideration is determined. MRI has engaged lawyers to defend a writ filed on behalf of Frankly Agency Pty Ltd and is in the discovery phase. The writ seeks payment of amounts outstanding of \$649,999 under the original agreement (plus damages, costs and interest) and the final agreed amount is \$685,700. Parties settled the dispute under a Deed of Settlement on the 12th of November 2024. As at 31 December 2023, liability under dispute is \$799,999, refer to Note 9.

Suspension from ASX

The securities of MRI were suspended from quotation on the ASX on 2 October 2023 in accordance with Listing Rule 17.3. The ASX has determined that MRI's financial condition is not adequate to warrant the continued quotation of its securities and therefore in breach of Listing Rule 12.2. As at the date of this report, the suspension is still in place.

iGoDirect Group Pty Ltd

Between April 2024 to September 2024, My Rewards entered into a suite of agreements (the 'Agreements') with iGoDirect Group Pty Ltd (iGoDirect) which saw the Company reduce its loan facility from iGoDirect by \$725,000.00. As at the date of this report, there is no balance outstanding. The Company was negotiating repayment of the outstanding loan amount, interest and trade creditors with iGoDirect. The two companies were unable to agree upon final amounts owing to which led to iGoDirect exercising its rights to appoint a receiver. Receiver Managers were appointed at 6.48 pm on Thursday 21 November 2024 (and ceased being receivers at 6.17 pm on Monday 25th November 2024).

Mr. George Minas has advanced the full outstanding amount (Minas Loan) on behalf of the Company to iGoDirect and iGoDirect has assigned to George Minas all rights and obligations under the original iGoDirect Loan Facility Agreement, General Security Deed, Deed of Extension and Variation of the Loan Facility Agreement and Deed of Acknowledgement (together Agreements). The assignment of the Agreements is on the same terms as the original Agreements. The receivership was terminated at 6.17 pm on Monday 25th November 2024.

Change of CEO, Company Secretary and CFO

MRI announced the appointment of Non-Executive Director Daniel Goldman as Company Secretary, effective 27 October 2023. Mr Goldman stepped down as the Company secretary on 20 September 2024.

Mr Goldman replaces Phillip Hains, who resigned as Company Secretary and CFO effective 27 October 2023 after holding the position since April 2022. The Board expects to announce a new CFO in due course.

Ms Maitreyee Khire stepped down as CEO on 20 September 2024, and was appointed as company secretary and Non-Executive Director from that date.

Mr Alex Gold was appointed as a Non Executive Director on 9 May 2024 and subsequently appointed as CEO on 20 September 2024.

Note 13. Events after the reporting period (continued)

Abreco Enterprises Pty Ltd (Abreco) Placement

On 11 July 2024, the Company announced \$1mil placement from Abreco Enterprises Pty Ltd (Abreco) to assist with the working capital requirements of the Company. This placement was successfully completed by 31 October 2024.

Placement

On 27th November 2024, the Company successfully completed a placement of \$1.44 million to sophisticated investors to assist with the growth and working capital requirements of the Company.

No other matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 14. Loss per share

	Condensed Consolidated 2023 \$	2022 \$
Loss after income tax attributable to the owners of My Rewards International Limited	<u>(2,205,605)</u>	<u>(2,524,851)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>391,229,031</u>	<u>211,202,462</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>391,229,031</u>	<u>211,202,462</u>
	Cents	Cents
Basic earnings per share	(0.56)	(1.20)
Diluted earnings per share	(0.56)	(1.20)

Note 15. Summary of significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2023 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by the Group during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

Note 15. Summary of significant accounting policies (continued)

General information

The financial statements cover My Rewards International Limited as a consolidated entity consisting of My Rewards International Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is My Rewards International Limited's functional and presentation currency.

My Rewards International Limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is: Suite G02, 181-185 St Kilda Road St Kilda, Victoria 3182.

A description of the nature of the consolidated entity's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of the Directors, on 20 January 2025. The Directors have the power to amend and reissue statements.

(a) New accounting standards and interpretations

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Note 15. Summary of significant accounting policies (continued)

(b) Going concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the Group incurred a net loss after income tax of \$2,205,605 and had net cash outflows from operating activities of \$2,632,768 for the half-year ended 31 December 2023. As of that date the Group had net current liabilities of \$2,790,831 and a net liability position of \$5,156,544.

These factors indicate a material uncertainty which may cast significant doubt as to whether the Group will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors believe that it is reasonably foreseeable that the Group will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:

AMRAM Corp Pty Ltd

In March 2023, the company entered a \$5 million capital raising facility and extended its \$3.5 million line of credit ('LOC') with AMRAM Corp Pty Ltd to further accelerate its growth strategy. Since 1 July 2023 and until as at the date of this report, MRI has drawn an additional \$357,000 on the AMRAM LOC facility bring the total drawn under this facility to \$961,000.

On the 20th of March 2024, under Resolution 19 of the Annual General Meeting held on the 20th December 2023, a total of 38,888,889 ordinary paid shares which amount in \$350,000 in the Company were issued in satisfaction of the partial drawdown of the LOC.

Andrew Shi (Investor) Heads of Agreement

MRI entered into a Heads of Agreement with the Investor on 11 August 2023. Subject to sufficient placement capacity in the Company and any relevant ASX listing rules requirement, this agreement will allow the Company to access investment of up to \$4.4 million.

As of date of this report, \$300k was invested under this arrangement, and availability of the remaining investments is subject to reinstatement of trading the Group's securities on ASX.

Abreco placement

On 11 July 2024, the Company announced \$1 million placement from Abreco to assist with the working capital requirements of the Company. As at the date of this report, the Company has received \$1 million from Abreco.

Placement

On 27th November 2024, the Company successfully completed a placement of \$1.44 million from sophisticated investors.

Further Fundraising Ability

The directors are confident the Group has the ability to raise further capital from existing shareholders and new investors if required.

Accordingly, the Directors believe that the Group will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the Group does not continue as a going concern.

My Rewards International Limited
Directors' declaration
31 December 2023

In the directors' opinion:

- the financial statements and notes as set out on pages 6 to 19 comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Mr David Vinson
Non-Executive Chairman and Director



Ms Maitreyee Khire
Director

20 January 2025

Independent Auditor's Review Report

To the members of My Rewards International Limited

Report on the Half-year Financial Report

Conclusion

We have reviewed the accompanying Half-year Financial Report of My Rewards International Limited, which comprises the condensed consolidated statement of financial position as at 31 December 2023, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the director's declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Half-year Financial Report of My Rewards International Limited is not in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the Half-year ended on that date; and
- Complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We confirm that the independence declaration required by the Corporations Act 2001 which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Emphasis of Matter – Material Uncertainty Related to Going Concern

We draw attention to note 15 in the half year financial report which indicates that the Group incurred a net loss after income tax of \$2,205,605 and had net cash outflows from operating activities of \$2,632,768 for the half-year ended 31 December 2023. As of that date the Group had net current liabilities of \$2,790,831 and a net liability position of \$5,156,544. These factors indicate a material uncertainty which may cast significant doubt as to whether the Group will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. Our opinion is not modified in respect of this matter.

Other Matter – Prior Period reviewed/audited by another auditor

The financial report for the half-year ended 31 December 2022 and year ended 30 June 2023, was reviewed/audited by another auditor who expressed an unmodified conclusion/opinion on those reports on 28 February 2023 and 4 October 2024, respectively.

Information Other Than the Financial Report and Auditor's Report Thereon

The Directors are responsible for the other information. The other information comprises the information included in the Consolidated entity's half-year financial report for the half-year ended 31 December 2023 but does not include the financial report and our review report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our review of the half-year financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the half-year financial report or our knowledge obtained in the review or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters Relating to the Electronic Presentation of the Reviewed Half-Year Financial Report

This review report relates to the half-year financial report of My Rewards International Ltd for the half-year ended 31 December 2023, intended to be included on the Consolidated entity's or other websites. The Consolidated entity's Directors are responsible for the integrity of the Consolidated entity's or other websites. We have not been engaged to report on the integrity of the Consolidated entity's website. The review report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the review half-year financial report to confirm the information included in the reviewed half-year financial report presented on websites.

Responsibilities of the Directors for the Half-year Financial Report

The Directors of the consolidated entity are responsible for:

- The preparation of the Half-year Financial Report that gives a true and fair view in accordance with Australian Accounting Standards and *Corporations Act 2001*
- For such internal control as the Directors determine is necessary to enable the preparation of the Half-year Financial Report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the Half-year Financial Report

Our responsibility is to express a conclusion on the Half-year Financial Report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the Half-year Financial Report is not

in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As auditor of My Rewards International Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

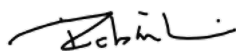
A review of a Half-year Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Connect National Audit

CONNECT NATIONAL AUDIT PTY LTD

Authorised Audit Company No. 521888



ROBIN KING HENG LI CA RCA
DIRECTOR

Date: 20 January 2025