

JUNE QUARTERLY ACTIVITIES UPDATE

CONSISTENTLY EXECUTING STRATEGY

Key Highlights and Summary



Consistent Positive Cash Flow from Operations

During the quarter, the Company generated cash receipts of \$5,516k resulting in \$2,110k of positive operating cash flow. These funds were reinvested into growth initiatives, while maintaining cash and cash equivalents of \$1.2m at the end of the period.



Investment in CloudHolter Validated by External Investors

CloudHolter successfully raised capital from a sophisticated group of external investors, including private investment offices and high net worth individuals, at a revised valuation of \$100 million. This provides independent validation of Rewardle's strategic investment.



Ongoing Effort to Complete Outstanding Accounts and Seek Relisting

The Company continued working closely with its auditor to finalise outstanding accounts. Completion of these accounts will enable Rewardle to initiate the process of relisting its shares, allowing the successful execution of its growth strategy—particularly its investment in CloudHolter—to be appropriately reflected in the Company's market valuation.

Rewardle Holdings Limited (ASX:RXH) ("Rewardle" or "the Company") provides the following update regarding its activities during the June quarter and the continued execution of its growth strategy.

During the quarter, the Company generated strong cash receipts from customers and delivered positive operating cash flow. In line with its strategic objectives, these funds are being reinvested into targeted growth initiatives designed to create a compounding flywheel effect that drives long-term shareholder value.

A key highlight of the period was the successful capital raise by CloudHolter Pty Ltd ("CloudHolter"), which secured investment from sophisticated private investment offices and high net worth investors at a revised valuation of \$100 million. This milestone reflects CloudHolter's rapid growth and operational scale, achieved in part through its Growth Services partnership with Rewardle, and serves to externally validate the Company's investment.

While supporting CloudHolter's ongoing development remained a primary focus, Rewardle also advanced the integration of its grocery delivery services with the local membership, points, rewards, and payments application of its proprietary Business-to-Business-to-Consumer (B2B2C) software platform. This initiative represents a future growth opportunity as the Company's commitments to CloudHolter are expected to moderate over time.

The Company continues to work closely with its auditor to finalise its outstanding financial accounts and expects to complete its FY24 accounts in the coming days. Both Rewardle and its auditor are acutely aware of upcoming reporting deadlines and are collaborating with CloudHolter and its auditor to complete the remaining outstanding accounts. Upon completion, the Company intends to initiate the process of relisting its shares, enabling the market to appropriately reflect the value of its strategic investments, particularly in CloudHolter.

Rewardle's Founder and Executive Chairman, Ruwan Weerasooriya, commented;

"We continue to execute our growth strategy by reinvesting operating cash flow—generated through the effective use of our operations, resources, and capabilities—into new initiatives that drive long-term value."

"We're particularly pleased with the ongoing success of our Growth Services partnership with CloudHolter, and the external validation of our investment following CloudHolter's recent capital raise from sophisticated investors at a revised valuation of \$100 million."

"We remain focused on finalising our outstanding financial accounts and are working closely with our auditor, as well as CloudHolter and its auditor, to complete this process as soon as possible. Once our reporting obligations are met, we will initiate the relisting process, enabling the market to appropriately reflect the value of our strategic investments—especially in CloudHolter—in the Company's share price."

"Interested investors and can contact me directly via email or mobile to discuss our strategy, progress, and future prospects."

Rewardle Holdings Limited - Business Overview and Strategic Execution

Rewardle Holdings Limited is a software company focused on the development, operation, and commercialisation of its proprietary Business-to-Business-to-Consumer (B2B2C) software platform, known as the Rewardle Platform.

The Company continues to successfully execute its growth strategy, as outlined in the Investor Presentation released on 22 December 2021, available at: www.Rewardle.com/ASX/InvestorPresentationDec2021. For reference, Slide 7 of the presentation provides an overview of the Company's key growth areas and strategic priorities.



KEY GROWTH AREAS ASX | RXH

LEVERAGING OUR PLATFORM, NETWORK AND OPERATIONAL CAPABILITY

GROWTH GROWTH GROWTH

Multiple high growth opportunities

Rewardle's Business to Business to Consumer (B2B2C) technology platform business model offers multiple opportunities to generate highly profitable additional revenue and grow by leveraging existing operating resources and capabilities.

- Generate cash flow positive merchant sales**
New sales process, product offering & pricing transform merchant sales from negative to positive cash flow.
- Launch high margin, features and services**
Ongoing investment in platform features and functionality to launch new, high margin digital services for merchants & members.
- Explore geographic expansion opportunities**
The Rewardle Platform is a cloud/app based solution designed to operate globally with minimal, incremental operating costs.
- Create VC style portfolio of strategic partnerships**
Develop a portfolio of transactional, licensing and equity positions in complementary partner businesses to create VC style exposure.

LARGE, ESTABLISHED, NATIONAL NETWORK OF MERCHANTS AND MEMBERS

LOW OPERATING COST BASE, COMPLETE OPERATING CAPABILITY

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Strategic Execution and Investment Update – Q4 FY25

During Q4 FY25, Rewardle continued to generate positive operating cash flow, which has been—and will continue to be—reinvested into strategic growth initiatives designed to create a compounding flywheel effect that drives long-term business value.

A core component of the Company's growth strategy is the development of a portfolio of transactional, licensing, and equity positions in complementary partner businesses. The primary focus during the June quarter was CloudHolter, a fast-growing cardiac MedTech company.

CloudHolter provides general practitioners with an innovative, in-practice Holter monitoring service and is leveraging the workflow and data generated from this diagnostic offering to develop an Artificial Intelligence (AI)-powered software solution for ECG analysis and the diagnosis of cardiac arrhythmia. This AI-based solution has the potential to outperform existing manual practices in terms of speed, cost, and accuracy, with broad global applicability across multiple clinical use cases—ultimately enhancing patient care and health outcomes, including the prevention of stroke, death, and disability.

During the quarter, CloudHolter successfully raised capital from sophisticated family offices and high net worth investors at a revised valuation of \$100 million. This valuation reflects CloudHolter's rapid growth trajectory and substantial operating scale, achieved with the support of its Growth Services partnership with Rewardle. The investment by external parties provides strong validation of the Company's strategic position in CloudHolter.

To maintain and slightly increase its equity stake, Rewardle used \$1.9 million of its service fees during the quarter to subscribe for additional shares in CloudHolter, bringing its total shareholding to 49.9%. Under the agreed terms of the fee-to-equity conversion, the Company is precluded from acquiring a controlling interest.

Rewardle believes CloudHolter's unique combination of fast-growing diagnostic revenue and promising AI-driven software development with global potential positions it as a high-value investment capable of delivering strong returns.

Rewardle Holdings Limited - Business Overview and Strategic Execution ... (cont.)

The Company anticipates that its provision of Growth Services to CloudHolter will moderate in the coming periods, as CloudHolter begins to internalise more of its operations in line with its business and corporate strategy.

While supporting CloudHolter's growth remained the primary focus during the quarter, Rewardle also progressed the integration of its grocery delivery services with the local membership, points, rewards, and payments application of its proprietary Business-to-Business-to-Consumer (B2B2C) software platform.

In addition, the Company continued to invest resources into the development and testing of its local membership platform, including beta testing of new merchant and member services. These services are designed to leverage the existing merchant and membership network to generate high-margin, incremental revenue. As the Company's commitments to CloudHolter ease, these initiatives represent significant future growth opportunities.

Rewardle also advanced its pipeline of Growth Services opportunities and is actively engaged in discussions with potential partners. The Company is exploring partnership models that may increase deal flow and accelerate its strategy to build a venture capital-style portfolio of transactional, licensing, and equity positions in complementary businesses.

Updates on individual opportunities will be provided as appropriate, taking into account their nature and potential impact on the business.

Quarterly Cash Flow Commentary

Q4 FY25 marks the 14th consecutive quarter of positive operating cash flow, underscoring the Company's ability to drive growth through operating leverage without the need for additional external funding.

- **Cash receipts** for Q4 FY25 were \$5,516k, an increase of \$815k or 17% from \$4,701k in the previous quarter. This uplift was primarily driven by increased Growth Services fees and the timing of payments.
- **Outgoing cash payments** totalled \$3,406k, up \$63k or 2% from \$3,343k in the prior quarter. Key movements include:
 - **Product manufacturing and operating costs:** \$2,548k, down \$129k or 5% from \$2,677k. The decrease reflects timing of payments for recurring operating expenses and variable costs associated with testing new transactional reward capabilities on the Rewardle Platform.
 - **Staff costs:** \$641k, up \$103k or 19% from \$538k. The increase is attributed to additional resourcing and timing of payments. The Company is also continuing to reduce accrued staff-related liabilities, which is reflected in the reported costs.
 - **Administration costs:** \$217k, up \$89k or 70% from \$128k. This increase is due to timing of payments and the reclassification of certain expenses from product manufacturing to administration to better reflect their nature.
 - **Equity investments:** \$1,900k, up from \$1,400k in the previous quarter. These payments relate to the Company's arrangement with CloudHolter to convert service fees into equity, resulting in a total shareholding of 49.9%.
 - **Repayment of borrowings:** \$25k, representing partial repayment of the \$1,300k working capital loan provided by Executive Chairman, Ruwan Weerasooriya.
 - **Related party payments:** \$97k, comprising \$55k in accrued Directors' fees paid to Mr. David Niall and \$42k to Mr. Ruwan Weerasooriya.

Update on Outstanding Financial Statements and Working Capital Management

As previously announced, the Company was unable to lodge its FY23 accounts by the 29 September 2023 deadline, resulting in the suspension of trading in its listed securities. Trading will remain suspended until all outstanding accounts have been lodged.

The delay in lodging the accounts was primarily due to the Company's auditors determining that audited financial statements were required for CloudHolter to support the equity accounting treatment of Rewardle's shareholding. CloudHolter is a privately held entity that is not controlled by the Company and is not legally required to prepare statutory accounts or have them audited.

While CloudHolter has been cooperative in undertaking the necessary audits for its own purposes, it is important to note that Rewardle has no representation on the CloudHolter Board, and the preparation and audit of CloudHolter's accounts remain outside the Company's control.

Update on outstanding Financial Statements and working capital management ... (cont.)

Following the lodgement of the FY23 accounts on 30 August 2024, the Company has continued working closely with its auditor to finalise the remaining outstanding accounts and the FY24 accounts are expected to be completed in the coming days.

Both Rewardle and its auditor are mindful of upcoming regulatory deadlines and are collaborating with CloudHolter and its auditor to ensure timely completion. Once the accounts are lodged, the Company will initiate the process of relisting its shares, enabling the market to appropriately reflect the value of its strategic investments—particularly in CloudHolter.

In the interim, the Company continues to successfully execute its growth strategy, consistently delivering positive operating cash flow and advancing its broader strategic objectives as outlined in quarterly updates.

Rewardle remains committed to balancing its operating cash flow between investing in growth opportunities and reducing liabilities. As highlighted in the Quarterly Cash Flow Commentary, the Company has used its improving cash position to pay down accrued Directors' loans and fees. The Directors remain supportive and are willing to defer payment of fees when necessary to preserve cash for strategic investment.

While fluctuations in operating cash flow are expected, the Company is pleased with the progress of its strategy. Management remains confident that Rewardle's multi-dimensional growth strategy and agile operating structure provide the flexibility needed to sustain and grow the business without requiring additional capital.

This announcement has been approved for release to ASX by the Board of Directors

About Rewardle Holdings Limited

Rewardle is positioned to be a leading player as the worlds of social media, marketing, mobile and payments converge to transform how we connect, share and transact.

Rewardle is a software business undertaking the development, operation and commercialisation of its proprietary Business to Business to Consumer (B2B2C) software platform (Rewardle Platform).

The Rewardle Platform connects millions of members with thousands of local businesses across Australia. It is a marketing and payments platform that combines membership, points, rewards, payments and social media into a single cloud based platform powered by Big Data analysis.

As part of its long term strategy, the Company is seeking to leveraging its operational capabilities, expertise and IP to develop new markets and opportunities.

In addition to operating the Rewardle Platform, the Company is building a portfolio of transactional, licensing and equity positions in partner businesses by leveraging the Company's operational team, platform and network of merchants and members.

The Company is led by an experienced entrepreneurial team with a successful background in Internet and media businesses.

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