

Cashrewards Q2FY21 Quarterly Activities Report and Appendix 4C

27 January 2021: Cashback ecosystem, Cashrewards Limited (Cashrewards) (ASX:CRW) is pleased to provide an activities report for the quarter ended 31 December 2020, along with its 4C Quarterly Cashflow Report.

Highlights

- Successful IPO on the ASX on 2 December 2020
- Cashrewards' increased marketing investment helped add 117,711 new members during the December quarter, up 124% against the September quarter during which 52,573 new members were added¹
- A suite of initiatives saw active members for the 12 months to 31 December growing 37% versus pcp to 245,817, compared to 33% growth versus pcp at the end of the September quarter, reflecting the increasing positive momentum behind the Cashrewards' ecosystem²
- Net cash used in operating activities of \$6.7 million, including marketing expenditure of \$5.0 million
- Cash and cash equivalents as at 31 December 2020 of \$39.5 million with no debt
- Cashrewards powered MoneyMe Perks rewards program launched
- ANZ nominee Rob Goudswaard appointed as non-executive director effective today

Cashrewards CEO and Managing Director, Bernard Wilson, said: "We are very pleased that the positive momentum outlined in our Prospectus has continued into the December quarter, including across the crucial digital sales events and the festive period.

"We are in a strong financial position following our successful listing in December 2020, enabling Cashrewards to invest to drive growth and create value for our shareholders.

"Despite receiving the IPO funds late in the quarter, we were able to quickly deploy new brand marketing investment during the crucial December shopping period in the lead-up to Christmas.

"This activity helped enhance an already very strong uptick in both new member growth and engagement with Cashrewards among existing members.

"While these early signs are very encouraging, we expect the benefits to continue to build throughout the second half of FY21 with sustained investment in awareness and an acceleration of investment of the IPO proceeds towards product, technology and platform development to enhance our ecosystem to fuel scale," said Mr Wilson.

Receipts from customers of \$4.5 million, down from \$4.7 million in the pcp. This is a result of Cashrewards' operating cashflows being influenced by seasonal and category trends which impact the timing of both inflows and outflows. Consequently, whilst an important indicator of financial health, quarterly cashflow reports are not an accurate proxy for quarterly trading performance. In particular, cashflow from the

¹ New members are members who have joined Cashrewards during the period

² An active member is a person who has transacted with Cashrewards in the past 12 months and remains a Member

strong performance in the December quarter will be received in the second half of FY21. Cashrewards will report its FY21 first half results on 25 February 2021.

Cashrewards appoints ANZ nominee Rob Goudswaard as non-executive director

Cashrewards Chairman, Brett Johnson, today announced the appointment of ANZ nominee Rob Goudswaard to the Cashrewards Board effective today.

Commenting on the appointment Mr Johnson said: "We are delighted to welcome Rob to the Board which will benefit greatly from his deep experience in commercial and retail banking across the listed, government-owned and mutual sectors."

Mr Goudswaard has extensive business experience including CEO roles at Credit Union Australia and Rural Finance Victoria. He has also held a number of senior executive roles across the finance industry including a number with ANZ. He is a non-executive director of Lawson Grains and Chairman of Orygen Foundation.

MoneyMe launches new rewards program leveraging Cashrewards

In December 2020, MoneyMe launched MoneyMe Perks 'Powered by Cashrewards' enabling its Freestyle Virtual Mastercard customers to earn 'credit back' on on-line purchases from Cashrewards' 1500+ merchant partners.

"We are delighted to partner with MoneyMe to deliver a credit card rewards program offering Australians a choice of 'credit back' or cash to share or spend on whatever they choose. This is a fantastic example of how innovators at the cutting edge of fintech and e-commerce can work together to deliver compelling new experiences for Australian consumers." said Mr Wilson.

Use of funds

The Cashrewards Initial Public Offer (the "Offer") raised \$45 million (before costs) after payments to selling shareholders, which will be primarily invested in:

- marketing to drive brand and category penetration and grow member engagement;
- product, technology and platform development;
- research and development to support continued product development and innovation; and
- key talent acquisition and working capital.

The funds raised under the Offer mean Cashrewards is currently debt-free and well-funded to execute on its ambitious growth agenda. The proceeds were received late in the quarter, meaning they were not significantly invested during the reporting period. They will be applied per the below table as outlined in Cashrewards' Prospectus dated 10 November 2020 ("Prospectus"):

Uses of funds	Funds received per prospectus (\$m)	% of Offer funds	Q2 Expenditure (\$m)	% of Funds Received	Cumulative since Offer (\$m)
Marketing	14.0	21.5%	1.7	12.1%	1.7
Ongoing investment in product, technology and platform development	7.6	11.7%	0.2	2.6%	0.2
Working Capital	8.3	12.7%	0.6	7.2%	(0.2)
Key employee hires	4.0	6.2%	0.1	2.5%	0.1

Research & Development	3.6	5.5%	0.3	8.3%	0.3
Repayment of debt	2.0	3.1%	2.0	100%	2.0
Costs of the Offer	5.5	8.5%	4.6	83.6%	5.7
Payments to Selling Shareholders	20.0	30.8%	20.0	100%	\$20.0
Total uses	\$65.0	100.0%	\$29.5		\$29.5

Offer costs were slightly lower than included in the Prospectus. All other costs are aligned with the Company's expected use of funds as outlined in its Prospectus. 34% of the funds utilised during the quarter related to one-off costs associated with the Offer.

As noted in section 6 of Appendix 4C, payments totalling \$437,523 were made to related parties of Cashrewards during the quarter, comprising NED fees and executive director salaries and a short-term incentive for the CEO.

This announcement was approved by Cashrewards' CEO Bernard Wilson, on behalf of the Cashrewards Board.

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About Cashrewards

Australian-owned and operated, Cashrewards is a cashback centred e-commerce ecosystem, where members browse brands and offers and receive cashback on transactions by shopping online or in-store.

Cashrewards provides over 800,000 Members with a broad array of Cashback offers via its 1,500+ merchant partners including Adidas, Amazon.com.au, Apple, Booking.com, Cellarmasters, Chemist Warehouse, Dan Murphy's, Dell, Expedia, Myer, Nike, The Iconic, and Microsoft.

This ecosystem has driven more than \$2.3 billion of TTV for Merchant Partners since its inception, translating into more than \$100 million of Cashback for Members.