

## Appendix 4D

This interim report of Gratifii Limited is provided to the Australian Securities Exchange (ASX) under ASX Listing Rule 4.2A.

### 1. COMPANY DETAILS

<b>Entity Name</b>	Gratifii Limited
<b>ABN</b>	47 125 688 940
<b>Reporting Period</b>	For the half-year ended 31 December 2024
<b>Previous Period</b>	For the half-year ended 31 December 2023

### 2. RESULTS FOR ANNOUNCEMENT TO THE MARKET

	Half-year ended 31 Dec 2024 \$	Half-year ended 31 Dec 2023 \$	Change \$	Change %
Revenue from ordinary activities	24,072,394	15,576,604	8,475,790	54.54%
Other income	4,915	366,237	(361,322)	(98.66%)
Net loss before tax	(3,768,546)	(2,067,786)	(1,700,760)	(82.25%)
Exchange difference on translating foreign operations	309	73,731	(73,422)	(99.58%)
Total comprehensive loss for the half year	(3,921,478)	(1,994,055)	(1,927,423)	(96.66%)
Loss from ordinary activities (EBITDA)	(1,995,546)	(829,041)	(1,166,505)	(140.71%)
<b>Underlying loss from ordinary activities (EBITDA)</b>	<b>(1,132,513)</b>	<b>(976,462)</b>	<b>(156,051)</b>	<b>(15.98%)</b>

**Brief explanation for any of the figures reported above necessary to enable the figures to be understood:**

#### Revenue from Ordinary Activities

Revenue from ordinary activities includes trading for Club Connect from 1 November 2024 and Rapport from 1 December 2024 and represents a 54.54% increase on the prior corresponding period.

### 3. UNDERLYING EBITDA

Underlying EBITDA for 1H FY25 was a loss of \$1.13m (1H FY24: loss \$976k). The result is impacted by an increase in technology costs related to the higher cost of compliance including ISO standards, offset somewhat by revenue growth.

A reconciliation of the calculation is as per the table below:

	Half-year ended 31 Dec 2024 \$	Half-year ended 31 Dec 2023 \$
<b>Underlying EBITDA*</b>	<b>(1,132,513)</b>	<b>(976,462)</b>
Non-operating revenue	4,915	366,237
One-off transaction costs	(275,951)	-
Restructuring costs	(65,385)	-
Share-based payment	(526,921)	(292,548)
Foreign exchange	309	73,731
<b>Total one-off adjustments</b>	<b>(863,033)</b>	<b>147,420</b>

<b>Reported EBITDA<sup>#</sup></b>	<b>(1,995,546)</b>	<b>(829,042)</b>
Depreciation and amortisation expense	(1,602,841)	(1,073,483)
Finance costs	(170,159)	(165,261)
Income tax	(153,241)	-
<b>Operating loss before income tax</b>	<b>(3,921,787)</b>	<b>(2,067,786)</b>

#Non-IFRS item

#### Non-Operating Revenue

Non-operating revenue in FY24 (\$366k) was recognition of a reduced purchase price (share-based consideration of Hachiko Pty Ltd), compared to \$4k of interest received in FY25.

#### Transaction Costs

The Company incurred \$276k of legal and transaction costs, directly in relation to the acquisition of Club Connect and Rapport Group Limited, which are in addition to the Company's ongoing expenditure.

#### Restructuring Costs

During the period, a provision for restructuring costs of \$65k has been recognised, and will be realised in 2H FY25 due to a management restructure and impact related to the integration of the acquisitions.

#### Share-Based Payments

The Company vested performance rights to Executives and Directors, which incurred a non-cash expense in the period of \$527k. In the prior corresponding period, the Company recognised \$293k.

Refer to the Review of Operations in the half year financial report for commentary on the results for the period and explanations to understand the Group's revenue and profit/(loss) from ordinary activities.

The financial statements for the half year ended 31 December 2024, represent the results of Gratificii for the period from 1 July 2024 to 31 December 2024.

## 4. NET TANGIBLE ASSETS

	<b>As at 31 Dec 2024</b>	<b>As at 31 Dec 2023</b>
Net tangible assets per security with the comparative figure for the previous corresponding period	(0.05)	(0.10) <sup>1</sup>

<sup>1</sup> The comparative net tangible asset per shares has been re-stated to account for the share consolidation implemented in December 2024 to compare 'like for like' numbers

## 4. DETAILS OF ENTITIES OVER WHICH CONTROL HAS BEEN GAINED OR LOST

The Group gained control of Ticketmates Australia Pty Ltd on 1 November 2024 and gained control of Rapport Group Limited on 1 December 2024.

## 5. DIVIDENDS

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

## 6. DIVIDEND REINVESTMENT PLAN

There is no dividend reinvestment plan in operation.

## 7. DETAILS OF ASSOCIATES AND JOINT VENTURE ENTITIES.

There were no associate and joint venture entities during the reporting period.

## 8. FOREIGN ENTITY STATUS

The Company is not a foreign entity.

## 9. NON-IFRS FINANCIAL INFORMATION

Within this Appendix 4D the directors have presented several pieces of non-IFRS financial information, including a calculation of Underlying EBITDA, to better describe the underlying results of the business to users of this report. The directors believe that this additional disclosure allows users to better understand the business which is navigating the integration of its recent acquisitions and expected growth. See above for a reconciliation of non-IFRS information to the IFRS results in the attached interim report.

## 10. AUDIT REVIEW

The financial statements were subject to review by MNSA Pty Ltd and their unqualified review report is attached as part of the Interim Financial Report. The auditor's review report was issued without qualification, however, includes an Emphasis of Matter in relation to going concern.

## 11. ATTACHMENTS

The Interim Financial Report of Gratifii Limited for the half-year ended 31 December 2024 is attached.

Signed



**Bryan Zekulich**

Chairman

27 February 2025



**GRATIFII LIMITED**  
**AND ITS CONTROLLED ENTITIES**

ABN: 47 125 688 940

**FINANCIAL REPORT**  
**FOR THE HALF YEAR ENDED 31 DECEMBER 2024**

## **CORPORATE DIRECTORY**

### **Directors**

Iain Dunstan  
CEO & Managing Director

Bryan Zekulich  
Non-Executive Chairman

Mike Hill  
Non-Executive Director

Patrina Kerr  
Non-Executive Director

### **Company Secretary**

Ben Newling

### **Registered Office and Principal Place of Business**

Suite 303, 50 Holt Street  
Surry Hills NSW 2010

T: +61 2 9922 6988

W: [www.gratifi.com](http://www.gratifi.com)

### **Auditor**

MNSA Pty Ltd  
Level 1, 283 George Street,  
Sydney NSW 2000  
T: +61 2 9299 0901

### **Share Register**

Automatic Registry Services Pty Ltd  
Level 5, 126 Phillip Street  
Sydney NSW 2000  
T: +61 2 9698 5414

### **Securities Exchange Listing**

Australian Securities Exchange  
(Home Exchange: Sydney, NSW)  
ASX Code: GTI

### **Bank**

National Australia Bank Ltd  
255 George Street  
Sydney NSW 2000

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## Directors' Report

The Directors of Gratificii Limited ("**Gratificii**" and/or "**the Company**") present their Report together with the financial statements of the consolidated entity, being Gratificii Limited and its controlled entities ("**Group**"), for the half year ended 31 December 2024.

### GENERAL INFORMATION

## Directors

The following people were Directors of the Company during the reporting period and up to the date of this report:

- Iain Dunstan – Managing Director and Chief Executive Officer (appointed 17 April 2020)
- Bryan Zekulich – Non-Executive Chairman (appointed Director 29 December 2020 appointed Chairman 22 December 2023)
- Mike Hill – Non-Executive Director (appointed 29 December 2020)
- Patrina Kerr – Non-Executive Director (appointed 1 September 2022)

## Principal activities

The principal activities of the Group during the reporting period were the delivery of loyalty and rewards services to the employees and members of corporate intermediaries.

Gratificii provides end-to-end loyalty solutions and curated reward content for over 80 enterprise clients to engage with their customers in Australia and New Zealand. Through our acquisitions of Ticketmates Australia Pty Ltd (Club Connect) and Rapport Group Limited (Rapport) Gratificii has increased the range and scale of its operations across all sectors including retail, hospitality, energy, technology, financial services, automotive, automobile clubs and health and wellness.

## Dividends paid or recommended

The Directors do not recommend the payment of a dividend, and no amount has been paid or declared by way of a dividend to the date of this Report.

## Review of operations and financial results

### Operational update

During the period, the Company increased its footprint through the acquisition of Club Connect and Rapport. This will provide the opportunity to consolidate expenditure across the combined group and leverage its increased scale to enable new products and offerings to clients, and increase margins and customer penetration.

The investment in Mosaic has significantly decreased in the period to \$0.714m (1H FY24:\$1.63m). This is in part due to a pivot in the Company's strategy to focus on Loyalty and Rewards (as opposed to Software as a Service) due to changes in customer demand and economic conditions.

The significant scale, customer and supplier relationships as well as expertise acquired in these acquisitions sets the Company up well for continued growth, product diversification and access to tier one corporates.

Client deliverable highlights during the half year included:

- Bespoke rewards offering to Coles Online (\$2.6m)
- Executed and onboarded Mitsubishi Heavy Industries to expand loyalty services into the Hong Kong and Macau markets

- 'Member's Mobile' through Fastter Pty Ltd due to launch in March, will allow the distribution of branded mobile phone subscription plans through Gratificii's existing distribution channels
- New employees from Qantas and Medibank Private to bolster skills, loyalty credentials

The Company retained its ISO 27001 certification, the international standard for information security, during the half year following implementation of a range of policies and procedures to assist in maintaining best practice in the management and protection of information. The certification enables the Company to work with tier one companies who mandate this certification as part of any tender process.

### Corporate activity

Gratificii undertook a capital raise through a 2 phased Placement and Entitlements offer to raise, circa \$9m. These funds were used to acquire Club Connect and Rapport.

In addition, the Company undertook a 15 to 1 share consolidation as approved by shareholders at the Annual General Meeting in November.

### Financial review

The financial statements for the half year ended 31 December 2024 represent the results of Gratificii Limited and its controlled entities for the period from 1 July 2024 to 31 December 2024.

Ordinary Revenue reached \$24.1m for the half year ended 31 December 2024 (1H FY24: 15.6m). This comparison includes acquired entities (Club Connect and Rapport) from November and December respectively.

On a segmented basis, the Company generated Rewards revenue of \$18.9m (1H FY24: \$10.8m) and Loyalty Services revenue from clients of \$5.1m (1H FY24: \$4.7m).

Rewards revenue grew by 75% on the previous financial year due to targeted bespoke engagements with key customers (i.e. Coles Online), increased ticket sales from better engagement with existing clients, and increased breadth of customer base both organically and through acquisition. This was offset by general economic conditions, which saw some customers wind back promotional activities in the period.

Loyalty Services and Platform fees paid by clients increased by 18%, due to growth in marketing and program management services revenue and increased programs across Australia and New Zealand.

Operating costs increased as a result of higher depreciation and amortisation costs due to the maturation of the Mosaic platform. In addition, one-off transactions costs and employment costs increased due to the acquisition of Club Connect and Rapport.

### Outlook

The Company is focused on the integration of both the Club Connect and Rapport acquisitions. The current revenue run rate provides some comfort on the revenue outlook, given the non-organic revenue in both November and December. Gratificii expects to see significantly reduced operating expenditure towards the end of the fiscal year as the technology platforms are consolidated.

Separately there is a strong focus on delivering the current sales pipeline and opportunities that have arisen from the increase in scale, notably diversification into mobile and other adjacent areas.



## Changes in state of affairs

Other than as stated elsewhere in this Report, Directors are not aware of any other matters or circumstances at the date of this Report that have significantly affected or may significantly affect the operations, the results of the operations or the state of affairs of the Group in subsequent financial years.

## Events after the reporting period

After the reporting period, the following Subsequent Event has occurred:

### Placement

On 26 February 2025, the Company issued 26,315,790 shares at \$0.095 per share and, subject to shareholder approval, will issue 17,543,860 options with an exercise price of \$0.12 maturing 11 December 2025 to raise approximately \$2.5m.

Other than stated above, no matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may impact the Group's operations, the results of those operations, or the Group's state of affairs in future years.

## Auditor's declaration

A copy of the auditor's independence declaration as required under s307C of the Corporations Act 2001 is included on page 7 of the financial report and forms part of the Directors' report.

Signed in accordance with a resolution of the Board of Directors.



Bryan Zekulich

Chairman

Date: 27 February 2025



**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF  
THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF GRATIFII LIMITED AND CONTROLLED ENTITIES  
ABN: 47 125 688 940**

In accordance with Section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Gratifii Limited.

As the auditor for the review of the financial report of Gratifii Limited for the half-year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- i. the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. any applicable code of professional conduct in relation to the review.

MNSA Pty Ltd

**MNSA Pty Ltd**

**Allan Facey**  
Director

Sydney  
27<sup>th</sup> February 2025

## FINANCIAL STATEMENTS

### Consolidated Statement of Profit or Loss and Other Comprehensive Income

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Note	31-Dec-24 \$	31-Dec-23 \$
<b>Revenue</b>			
Rewards	6	18,925,987	10,841,338
Loyalty Services	6	5,146,407	4,360,559
Platform	6	-	374,707
<b>Total Ordinary Revenue</b>	6	<b>24,072,394</b>	<b>15,576,604</b>
Cost of Sales		(20,771,334)	(13,167,298)
<b>Gross Profit</b>		<b>3,301,060</b>	<b>2,409,306</b>
Other operating revenue	7	4,915	43,160
Other non-operating revenue	7	-	323,077
<b>Expenses</b>			
Administrative and other corporate costs		(2,031,071)	(1,319,877)
Depreciation and amortisation		(1,602,841)	(1,073,483)
Finance costs		(170,159)	(165,261)
Employee benefits expense		(2,686,114)	(2,002,234)
Share-based payment expense		(526,921)	(292,548)
Foreign exchange gain (losses)		(57,415)	10,074
<b>(Loss) before income tax expense</b>		<b>(3,768,546)</b>	<b>(2,067,786)</b>
Income tax expense		(153,241)	-
<b>Net (loss) after income tax for the year attributable to the owners of Gratifii Limited and Controlled Entities</b>		<b>(3,921,787)</b>	<b>(2,067,786)</b>
<b>Other comprehensive income</b>			
Foreign currency translation		309	73,731
<b>Total comprehensive (loss) for the year attributable to the owners of Gratifii Limited and Controlled Entities</b>		<b>(3,921,478)</b>	<b>(1,994,055)</b>
		<b>Cents</b>	<b>Cents</b>
Basic (loss)/earnings per share	18	<b>(2.16)</b>	<b>(2.40)<sup>1</sup></b>
Diluted (loss)/earnings per share	18	<b>(2.16)</b>	<b>(2.40)<sup>1</sup></b>

<sup>1</sup>The comparative loss per share has been re-stated due to the share consolidation implemented in December 2024 to compare like for like numbers

The accompanying notes form part of these financial statements.

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Note	31-Dec-24 \$	30-Jun-24 \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents		3,496,991	324,105
Trade and other receivables	8	1,500,359	1,306,343
Inventories		1,280,246	410,487
Other assets		636,642	544,703
<b>Total Current Assets</b>		<b>6,914,238</b>	<b>2,585,638</b>
<b>Non-Current Assets</b>			
Property, plant and equipment		1,031,335	998,436
Intangible assets	9	17,634,445	10,142,546
Deferred tax assets		49,140	-
<b>Total Non-Current Assets</b>		<b>18,714,920</b>	<b>11,140,982</b>
<b>Total Assets</b>		<b>25,629,158</b>	<b>13,726,620</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	10	12,082,189	7,592,810
Borrowings	11	815,599	1,855,596
Lease liabilities	12	283,583	194,145
Provisions	13	524,045	347,022
Deferred revenue	14	2,019,866	1,376,488
<b>Total Current Liabilities</b>		<b>15,725,282</b>	<b>11,366,061</b>
<b>Non-Current Liabilities</b>			
Trade and other payables	10	16,723	184,962
Lease liabilities	12	615,158	702,607
Provisions	13	62,389	13,894
Deferred tax liability		22,325	-
<b>Total Non-Current Liabilities</b>		<b>716,595</b>	<b>901,463</b>
<b>Total Liabilities</b>		<b>16,441,877</b>	<b>12,267,524</b>
<b>Net Assets</b>		<b>9,187,281</b>	<b>1,459,096</b>
<b>Equity</b>			
Issued capital	16	61,595,219	50,383,354
Reserves	17	704,095	265,988
Accumulated losses		(53,112,033)	(49,190,246)
<b>Total equity</b>		<b>9,187,281</b>	<b>1,459,096</b>

The accompanying notes form part of these financial statements.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Issued Capital \$	Foreign currency reserve \$	Option Reserve \$	Accumulated Losses \$	Total \$
<b>Balance as at 1 July 2023</b>	<b>46,868,617</b>	<b>(374,412)</b>	<b>416,929</b>	<b>(38,799,401)</b>	<b>8,111,733</b>
Loss after income tax for the period	-	-	-	(2,067,786)	(2,067,786)
Other comprehensive income for the period after tax	-	73,731	-	-	73,731
<b>Total comprehensive loss for the period</b>	<b>-</b>	<b>73,731</b>	<b>-</b>	<b>(2,067,786)</b>	<b>(1,994,055)</b>
Contributions of equity, net of transaction costs	1,604,273	-	-	-	1,604,273
Issue of options	-	-	201,520	-	201,520
<b>Total transactions with owners and other transfers</b>	<b>1,604,273</b>	<b>-</b>	<b>201,520</b>	<b>-</b>	<b>1,805,793</b>
<b>Balance as at 31 December 2023</b>	<b>48,472,890</b>	<b>(300,681)</b>	<b>618,449</b>	<b>(40,867,187)</b>	<b>7,923,471</b>

	Issued Capital \$	Foreign currency reserve \$	Option Reserve \$	Accumulated Losses \$	Total \$
<b>Balance as at 1 July 2024</b>	<b>50,383,354</b>	<b>(309,001)</b>	<b>574,989</b>	<b>(49,190,246)</b>	<b>1,459,096</b>
Loss after income tax for the period	-	-	-	(3,921,787)	(3,921,787)
Other comprehensive income for the period after tax	-	309	-	-	309
<b>Total comprehensive loss for the period</b>	<b>-</b>	<b>309</b>	<b>-</b>	<b>(3,921,787)</b>	<b>(3,921,478)</b>
Contributions of equity, net of transaction costs	11,122,742	-	-	-	11,122,742
Issue of options	-	-	526,921	-	526,921
Conversion of options into shares	89,123	-	(89,123)	-	-
<b>Total transactions with owners and other transfers</b>	<b>11,211,865</b>	<b>-</b>	<b>437,798</b>	<b>-</b>	<b>11,649,663</b>
<b>Balance as at 31 December 2024</b>	<b>61,595,219</b>	<b>(308,692)</b>	<b>1,012,787</b>	<b>(53,112,033)</b>	<b>9,187,281</b>

The accompanying notes form part of these financial statements.

## Consolidated Statement of Cash Flows

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	31-Dec-24 \$	31-Dec-23 \$
<b>Cashflows from operating activities</b>		
Receipts from customers (inclusive of GST)	25,588,085	16,640,199
Payments to suppliers and employees (inclusive of GST)	(27,189,715)	(16,735,998)
Interest received	-	3,157
Interest and other finance costs paid	(54,772)	(27,168)
<b>Net cash (used in) operating activities</b>	<b>(1,656,402)</b>	<b>(119,810)</b>
<b>Cashflows from investing activities</b>		
Payment for purchase of subsidiary	(6,414,860)	-
Payment for property, plant and equipment	(19,299)	(2,339)
Payment for intangibles	(806,324)	(1,633,140)
Cash received on acquisition	4,734,502	-
<b>Net cash (used in) investing activities</b>	<b>(2,505,981)</b>	<b>(1,635,479)</b>
<b>Cashflows from financing activities</b>		
Proceeds from issue of shares	9,090,578	903,737
Proceeds from borrowings	225,000	-
Share issue transaction costs	(701,515)	(115,107)
Repayment of borrowings	(382,233)	-
Repayment of convertible notes	(587,400)	-
Repayment of lease liabilities	(146,235)	(81,107)
Interest paid	(163,231)	(3,133)
<b>Net cash from financing activities</b>	<b>7,334,964</b>	<b>704,390</b>
Net increase/(decrease) in cash and cash equivalents	3,172,581	(1,050,899)
Cash and cash equivalents at the beginning of the financial year	324,105	1,686,611
Effects of exchange rate changes on cash and cash equivalents	<b>305</b>	<b>56,389</b>
<b>Cash and cash equivalents at the end of the financial year</b>	<b>3,496,991</b>	<b>692,101</b>

The accompanying notes form part of these financial statements.

## **NOTE 1 | NATURE OF OPERATIONS**

Gratifii Limited is a listed public company incorporated and domiciled in Australia.

Registered office:  
Suite 303, 50 Holt Street  
Surry Hills NSW 2010

Principal place of business:  
Suite 303, 50 Holt Street  
Surry Hills NSW 2010

## **NOTE 2 | BASIS OF PREPARATION**

These interim financial statements for the half-year reporting period ended 31 December 2024 are for the consolidated entity consisting of Gratifii Limited and its controlled entities (the "Group") and have been prepared in accordance with Australian Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Act 2001*, as appropriate for for-profit entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting.

These interim 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 2024 and any public announcements made by the Company 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. The interim financial statements have been approved and authorised for issue by the Board of Directors on 27 February 2025.

## **NOTE 3 | New or amended Accounting Standards and Interpretations adopted.**

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

The Group has considered the implications of new or amended Accounting Standards but determined that their application to the financial statements is either not relevant or not material.

## **NOTE 4 | GOING CONCERN**

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

For the half year ended 31 December 2024, the Consolidated Entity incurred a net loss before income tax on operations for the period of \$3,768,546 (31 Dec 2023: loss of \$2,067,786), had net cash outflows from operating activities of \$1,656,402 (31 Dec 2023: outflows \$119,810), and at 31 December 2024 had a deficiency of current assets in relation to current liabilities of \$8,811,044 (June 2024: \$8,780,423) and net assets of \$9,187,281 (June 2024: \$1,459,096). The net current liabilities position may cast uncertainty over the Group's ability to continue as a going concern.

The directors have prepared projected cash flow information for the 12 months from the date of approval of these financial statements taking into consideration the future expectations of trading performance and investment in the Company, including plausible downside forecast scenarios. Key to the forecasts are the expected synergies expected to be realised with the recent acquisitions of Club Connect and Rapport, including cost reductions from system migration as well as margin and revenue uplift through new sales opportunities.

The directors expect to be able to raise additional capital through a pipeline of supportive existing and new financial investors based on recent market soundings. The successful outcome of any capital raise is not guaranteed and is subject to agreeing suitable commercial terms, as well as approval by the Board, and existing shareholders if required under applicable legislation / listing rules.

The net current liabilities position may cast uncertainty over the Group's ability to continue as a going concern. However, the Board believe the Company will continue as a going concern given the ability to raise capital as well as the expectation of increased revenues from the full year effect of the recent acquisitions, synergy cost reductions, as well as the planned wind back of capital expenditure on the Mosaic platform.

In the Directors opinion, based upon the forecasts and that the Group will be able to raise sufficient new capital, there are reasonable grounds to believe that the consolidated entity will be able to continue as a going concern, and that it is appropriate to prepare these accounts on a going concern basis. As a result, the accounts have been prepared on the basis that the consolidated entity can meet its commitments as and when they fall due and can therefore continue business activities and can realise its assets and extinguish its liabilities in the ordinary course of business. 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 consolidated entity does not continue as a going concern.



## NOTE 5 | BUSINESS COMBINATIONS

On 5 November 2024, Gratificii Limited completed the acquisition of 100% of the shares in TicketMates Australia Pty Ltd (Club Connect), a market leading loyalty and rewards platform provider on the terms announced to the ASX on 6 September 2024. The Company acquired Club Connect for \$8,000,000 of which \$6,000,000 was settled in cash, with \$2,000,000 being settled in shares subject to a 12-month escrow period. In December 2024, an additional cash consideration of \$94,327 was paid for working capital.

<b>Consideration transferred</b>	<b>\$</b>
Cash consideration paid	6,000,000
Consideration settled in shares	2,000,000
Additional cash consideration for working capital	94,327
<b>Total consideration transferred</b>	<b>8,094,327</b>
Less: net assets acquired in Club Connect at the date of acquisition	(2,051,713)
<b>Goodwill carried forward</b>	<b>6,042,614</b>

**The fair value of the identifiable assets and liabilities are determined as at 1 November 2024 and detailed as follows:**

<b>Consideration transferred</b>	<b>\$</b>
Cash and cash equivalents	4,469,952
Trade and other receivables	374,312
Other assets	306,027
Plant and equipment	87,561
Intangible assets	1,696,323
Deferred tax asset	45,943
Trade and other payables	(4,397,703)
Deferred revenue	(388,207)
Provisions	(56,562)
Deferred tax liability	(22,631)
Lease liability	(63,302)
<b>Total consideration transferred</b>	<b>2,051,713</b>

## NOTE 5 | BUSINESS COMBINATIONS (CONTINUED)

On 2 December 2024, Gratifii Limited completed the acquisition of 100% of the shares in Rapport Group Limited on the terms announced to the ASX on 6 September 2024. The Company acquired Rapport Group Limited for NZ\$500,000 (A\$456,232) of which NZ\$350,000 (A\$320,533) was settled in cash, with NZ\$150,000 (A\$135,699) being settled in shares subject to a 12-month escrow period.

<b>Consideration transferred</b>	<b>A\$</b>
Cash consideration paid	320,533
Consideration settled in shares	135,699
<b>Total consideration transferred</b>	<b>456,232</b>
Less: net assets acquired in Club Connect at the date of acquisition	(65,252)
<b>Goodwill carried forward</b>	<b>390,980</b>

The fair value of the identifiable assets and liabilities are determined as at 1 December 2024 and detailed as follows:

<b>Consideration transferred</b>	<b>A\$</b>
Cash and cash equivalents	264,550
Trade and other receivables	74,031
Other assets	8,640
Plant and equipment	25,310
Intangible assets	8,289
Trade and other payables	(129,838)
Deferred revenue	(153,019)
Provisions	(32,711)
<b>Total consideration transferred</b>	<b>65,252</b>

## NOTE 6 | REVENUE

	31-Dec-24 \$	31-Dec-23 \$
<b>Consolidated</b>		
Rewards	18,925,987	10,841,338
Loyalty Services	5,146,407	4,360,559
Platform (SaaS)	-	374,707
<b>Total revenue</b>	<b>24,072,394</b>	<b>15,576,604</b>

## NOTE 7 | OTHER REVENUE

	31-Dec-24 \$	31-Dec-23 \$
<b>Consolidated</b>		
Recognising reduced purchase price of acquisition through profit or loss and other comprehensive income	-	323,077 <sup>1</sup>
Sundry Income	4,915	43,160
<b>Total Other Revenue</b>	<b>4,915</b>	<b>366,237</b>

<sup>1</sup> The difference between the issue price and the carrying value of the deferred consideration.

## NOTE 8 | TRADE AND OTHER RECEIVABLES

	31-Dec-24 \$	30-Jun-24 \$
<b>Consolidated</b>		
<b>Current</b>		
Trade receivables	1,259,707	1,288,379
Less: Allowance for expected credit losses	(83,953)	(104,676)
<b>Total trade receivables</b>	<b>1,175,754</b>	<b>1,183,703</b>
Other receivables	55,938	-
Funds in transit <sup>1</sup>	268,667	122,640
<b>Total other receivables</b>	<b>324,605</b>	<b>122,640</b>
<b>Total trade and other receivables</b>	<b>1,500,359</b>	<b>1,306,343</b>

<sup>1</sup> Funds held in the Group's Payment Gateway for sales relating to the current period, which then cleared to the Group's bank account in January 2025.

### Allowance for expected credit losses

The Group has recognised a gain of \$20,274 (2024: \$88,039 loss) in the profit or loss in respect of the expected credit losses for the half year ended 31 December 2024.

Movements in the allowance for expected credit losses are as follows:

	31-Dec-24 \$	30-Jun-24 \$
<b>Consolidated</b>		
Opening balance	104,676	26,200
Additional provisions recognised	(20,274)	88,039
Amounts written off	(449)	(9,563)
<b>Closing balance</b>	<b>83,953</b>	<b>104,676</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 December 2024



The expected credit loss allowance as at 31 December 2024 was determined as follows:

Report Category	Days	Adjusted loss rate	Receivables balance at 31 December 2024	Loss allowance at 31 December 2024
		%	\$	\$
<b>Current</b>	0-30	0.4	503,590	1,974
<b>Past due 1-30</b>	31-60	1	574,607	5,076
<b>Past due 31-60</b>	61-90	15	33,415	5,001
<b>Past due 61-90</b>	91-120	43	15,765	6,756
<b>Past due over 120</b>	121-150	43	15,963	6,855
<b>Greater than over 150 days overdue</b>	Greater than 150	50	116,367	58,291
		<b>Total</b>	<b>1,259,707</b>	<b>83,953</b>

The expected credit loss allowance as at 30 June 2024 was determined as follows:

Report Category	Days	Adjusted loss rate	Receivables balance at 30 June 2024	Loss allowance at 30 June 2024
		%	\$	\$
<b>Current</b>	0-30	4	280,359	12,520
<b>Past due 1-30</b>	31-60	4	831,343	32,877
<b>Past due 31-60</b>	61-90	10	60,043	6,121
<b>Past due 61-90</b>	91-120	26	24,438	6,434
<b>Past due over 120</b>	121-150	48	7,934	3,839
<b>Greater than over 150 days overdue</b>	Greater than 150	51	84,262	42,885
		<b>Total</b>	<b>1,288,379</b>	<b>104,676</b>

## NOTE 9 | INTANGIBLE ASSETS

	31-Dec-24 \$	30-Jun-24 \$
<b>Consolidated</b>		
<b>Non-current assets</b>		
<b>Goodwill at cost</b>	<b>12,738,023</b>	<b>6,304,429</b>
Capitalised development – at cost	16,787,947	12,728,865
Less: Accumulated amortisation	(11,891,525)	(8,890,748)
<b>Total capitalised development</b>	<b>4,896,422</b>	<b>3,838,117</b>
Restraint of trade	569,885	569,885
Less: Accumulated amortisation	(569,885)	(569,885)
<b>Total restraint of trade</b>	<b>-</b>	<b>-</b>
Customer list	300,000	300,000
Less: Accumulated amortisation	(150,000)	(150,000)
Less: Impairment	(150,000)	(150,000)
<b>Total customer list</b>	<b>-</b>	<b>-</b>
<b>Total intangible assets</b>	<b>17,634,445</b>	<b>10,142,546</b>

### Reconciliation of net carrying values

	31-Dec-24 \$	30-Jun-24 \$
<b>Consolidated</b>		
<b>Goodwill</b>		
Balance at beginning of the year	6,304,429	6,304,429
Additions (See note 5)	6,433,594	-
<b>Balance at beginning of the year</b>	<b>12,738,023</b>	<b>6,304,429</b>
<b>Other intangible assets</b>		
Balance at beginning of the year	3,838,117	7,437,978
Additions	806,324	2,866,037
Additions through business combinations – At Cost	3,251,084	-
Additions through business combinations – Accumulated depreciation	(1,546,472)	-
Amortisation	(1,452,629)	(2,178,549)
Impairment	-	(4,288,000)
Translation of opening balances	(2)	651
<b>Balance at end of the year</b>	<b>4,896,422</b>	<b>3,838,117</b>
<b>Total</b>	<b>17,634,445</b>	<b>10,142,546</b>

## NOTE 10 | TRADE AND OTHER PAYABLES

Consolidated	31-Dec-24 \$	30-Jun-24 \$
<b>Current liabilities</b>		
Trade payables	10,400,086	6,255,862
Credit cards	(83,626)	137,752
Sundry payables and accrued expenses	1,765,729	1,199,196
<b>Total trade and other payables</b>	<b>12,082,189</b>	<b>7,592,810</b>
<b>Non-current liabilities</b>		
Sundry payables and accrued expenses	16,723	184,962
<b>Total non-current trade and other payables</b>	<b>16,723</b>	<b>184,962</b>
<b>Total trade and other payables</b>	<b>12,098,912</b>	<b>7,777,772</b>

## NOTE 11 | BORROWINGS

Consolidated	31-Dec-24 \$	30-Jun-24 \$
<b>Current liabilities</b>		
Loans	-	343,806
Convertible notes payable	815,599	1,511,790
<b>Total current borrowings</b>	<b>815,599</b>	<b>1,855,596</b>
<b>Total borrowings</b>	<b>815,599</b>	<b>1,855,596</b>

## NOTE 12 | LEASE LIABILITIES

Consolidated	31-Dec-24 \$	30-Jun-24 \$
<b>Current liabilities</b>		
Lease liability	283,583	194,145
<b>Non-current liabilities</b>		
Lease liability	615,158	702,607
<b>Total lease liabilities</b>	<b>898,741</b>	<b>896,752</b>

	Less than 6 months \$	6 months to 1 year \$	1 to 5 years \$	5+ years \$	Total \$
Lease payments	178,278	164,746	676,997	-	1,020,021
Finance charges	(32,384)	(27,057)	(61,839)	-	(121,280)
<b>Net Present Value</b>	<b>145,894</b>	<b>137,689</b>	<b>615,158</b>	<b>-</b>	<b>898,741</b>

## NOTE 13 | PROVISIONS

Consolidated	31-Dec-24 \$	30-Jun-24 \$
<b>Current liabilities</b>		
Employee benefits – annual leave	459,355	339,757
Employee benefits – long service leave	74,214	35,060
Income tax	(9,524)	(27,795)
<b>Total current provisions</b>	<b>524,045</b>	<b>347,022</b>
<b>Non-current liabilities</b>		
Employee benefits – long service leave	62,389	13,894
Other provisions	-	-
<b>Total non-current provisions</b>	<b>62,389</b>	<b>13,894</b>
<b>Total provisions</b>	<b>586,434</b>	<b>360,916</b>

## NOTE 14 | DEFERRED REVENUE

Consolidated	31-Dec-24 \$	30-Jun-24 \$
<b>Current liabilities</b>		
Deferred revenue	2,019,866	1,376,488

### Unsatisfied performance obligations

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied at the end of the reporting period was \$2,019,866 as at 31 December 2024 (30 June 2024: \$1,376,488) and is expected to be recognised as revenue in future periods as follows:

Consolidated	31-Dec-24 \$	30-Jun-24 \$
<b>Within 12 months<sup>1</sup></b>	<b>2,019,866</b>	<b>1,376,488</b>

<sup>1</sup> Part of the increase is due to additional deferred revenue in recently acquired companies. See note 5 for more detail. (\$541,226)

## NOTE 15 | FAIR VALUE MEASUREMENTS

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, and based on the lowest level input that is significant to the fair value measurements as a whole:

- Level 1: Quoted market prices in an active market (that are unadjusted) for identical assets or liabilities.
- Level 2: Valuation techniques (for which the lowest level input that is significant to the fair value measurements is directly observable).
- Level 3: Valuation techniques (for which the lower-level input that is significant to the fair value measurement is unobservable).

		Level	As at 31 December 2024		As at 30 June 2024	
			Carrying Amount	Fair Value	Carrying Amount	Fair Value
			\$	\$	\$	\$
<b>Financial assets</b>						
Cash and cash equivalents	1		3,496,991	3,496,991	324,105	324,105
Trade and other receivables	1		1,500,359	1,500,359	1,306,343	1,306,343
Other assets	1		636,642	636,642	544,703	544,703
Deferred tax assets	1		49,140	49,140	-	-
<b>Total financial assets</b>			<b>5,683,132</b>	<b>5,683,132</b>	<b>2,175,151</b>	<b>2,175,151</b>
<b>Financial liabilities</b>						
Trade and other payables	1		12,098,912	12,098,912	7,777,772	7,777,772
Deferred revenue	2		2,019,866	2,019,866	1,376,488	1,376,488
Borrowings	2		815,599	815,599	1,855,596	1,855,596
Lease liabilities	2		898,741	898,741	896,752	896,752
Deferred tax liabilities	2		22,325	22,325	-	-
<b>Total financial liabilities</b>			<b>15,855,443</b>	<b>15,855,443</b>	<b>11,906,608</b>	<b>11,906,608</b>

The following table represents a comparison between the carrying amounts and fair values of financial assets and liabilities.

	Level	As at 31 December 2024		As at 30 June 2024	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
		\$	\$	\$	\$
Non-financial assets					
Inventory	2	1,280,246	1,280,246	410,487	410,487
Property, plant and equipment	2	1,031,335	1,031,335	998,436	998,436
Total non-financial assets		2,311,581	2,311,581	1,408,923	1,408,923
Non-financial liabilities					
Provisions	2	586,434	586,434	360,916	360,916
Total non-financial liabilities		586,434	586,434	360,916	360,916



## NOTE 16 | ISSUED CAPITAL

Consolidated	As at 31 December 2024		As at 30 June 2024	
	Shares	\$	Shares	\$
Ordinary shares – fully paid	307,008,803	66,355,441	1,756,047,663	54,442,061
Capital raising costs	-	(4,760,222)	-	(4,058,707)
<b>Total issued capital</b>	<b>307,008,803</b>	<b>61,595,219</b>	<b>1,756,047,663</b>	<b>50,383,354</b>

### Movements in ordinary share capital

	As at 31 December 2024		As at 30 June 2024	
	Shares	\$	Shares	\$
At the beginning of the period	1,756,047,663	50,383,354	1,213,427,512	46,868,617
Share placement	2,272,644,858 <sup>1</sup>	9,090,578	376,483,547	2,503,737
Settlement of business acquisition	426,967,808 <sup>2</sup>	2,135,699	53,846,153	484,615
Share-based payments	55,614,998 <sup>3</sup>	597,980	112,290,451	765,079
Options converted	14,343,734 <sup>4</sup>	89,123	-	-
Share consolidation	(4,218,610,258) <sup>5</sup>	-	-	-
Costs of issue	-	(701,515)	-	(238,694)
<b>Closing balance</b>	<b>307,008,803</b>	<b>61,595,219</b>	<b>1,756,047,663</b>	<b>50,383,354</b>

<sup>1</sup> Share Placement is made up of the following:

- On 13 September 2024: 393,148,522 shares were issued under tranche 1 of the Institutional Placement
- On 5 November 2024: 673,877,052 shares were issued under tranche 2 of the Institutional Placement
- On 5 November 2024: 1,179,886,471 shares were issued under the Retail Entitlement offer
- On 5 November 2024: 25,732,813 shares were issued under an over subscription

<sup>2</sup> Settlement of business acquisition is made up of the following:

- On 5 November 2024: 425,408,049 shares were issued as part of total consideration transferred to acquire TicketMates Australia Pty Ltd (Club Connect). See Note 5 for more details
- On 9 December 2024: 1,559,759 shares were issued as part of total consideration transferred to acquire Rapport Group Limited. See Note 5 for more details

<sup>3</sup> Share-based payments are made up of the following:

- On 5 November 2024: 51,495,000 shares were issued as a share-based payment for broking services provided
- On 9 December 2024: 2,120,000 shares were issued as a share-based payment for technology services
- On 9 December 2024: 1,999,998 shares were issued as a share-based payment in lieu of Director fees as approved by shareholders on 25 November 2024

<sup>4</sup> On 18 November 2024: 14,343,734 Options converted into Ordinary shares

<sup>5</sup> On 29 November 2024 the Company completed a share consolidation which resulted in 15 shares consolidating into 1 share. Please view our ASX announcement on 19 November 2024 for full details.

## NOTE 17 | RESERVES

	31-Dec-24 \$	30-Jun-24 \$
<b>Consolidated</b>		
Foreign currency reserve	(308,692)	(309,001)
Options reserve	1,012,787	574,989
<b>Total reserves</b>	<b>704,095</b>	<b>265,988</b>

	31-Dec-24 \$	30-Jun-24 \$
<b>Consolidated</b>		
<b>Option reserve</b>		
Opening balance	574,989	416,929
Additions	526,921	284,170
Converted into ordinary shares <sup>1</sup>	(89,123)	-
Lapsed	-	(126,110)
<b>Closing balance</b>	<b>1,012,787</b>	<b>574,989</b>
<b>Foreign currency translation reserve</b>		
Opening balance	(309,001)	(374,412)
Foreign currency translation	309	65,411
<b>Closing balance</b>	<b>(308,692)</b>	<b>(309,001)</b>
<b>Total Reserves</b>	<b>704,095</b>	<b>265,988</b>

<sup>1</sup> On 18 November 2024: 14,343,734 Performance Rights were exercised by two plan members and converted into Ordinary Shares.

### Foreign currency reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

### Options reserve

The option reserve represents the fair value of options granted to employees and suppliers for services provided to the Group. The fair value of options is expensed over the vesting period or during the period in which the services are received.

## NOTE 18 | EARNINGS PER SHARE

<b>Consolidated</b>	<b>31-Dec-24 \$</b>	<b>31-Dec-23 \$</b>
Loss after income tax attributable to the owners of Gratifii Limited and Controlled Entities	(3,921,787)	(2,067,786)

<b>Consolidated</b>	<b>31-Dec-24 Shares</b>	<b>31-Dec-23 Shares</b>
<b>Weighted average number of shares used for the purposes of calculating basic and diluted loss per share:</b>		
Basic loss per share	181,867,649	86,063,213
Diluted loss per share	181,867,649	86,063,213

<b>Consolidated</b>	<b>31-Dec-24 Cents</b>	<b>31-Dec-23 Cents</b>
Basic loss per share	<b>(2.16)</b>	<b>(2.40)</b>
Diluted loss per share	<b>(2.16)</b>	<b>(2.40)</b>

## NOTE 19 | OPERATING SEGMENTS

**Geographic segment information:** Historically, the Group has been organised into three geographical segments: Australia and New Zealand, South Africa and Singapore. The Group's South African operations were closed during the period.

	Australia & New Zealand \$	South Africa \$	Singapore \$	Total \$
<b>31 December 2024</b>				
<b>Revenue</b>				
Sales to external customers	24,072,394	-	-	24,072,394
Other operating revenue	3,682	1,233	-	4,915
<b>Total revenue and other operating income</b>	<b>24,076,076</b>	<b>1233</b>	<b>-</b>	<b>24,077,309</b>
Net loss before income tax and other items	(1,994,588)	(940)	(18)	(1,995,546)
Depreciation and amortisation	(1,592,053)	(10,788)	-	(1,602,841)
Finance costs	(170,159)	-	-	(170,159)
<b>Loss before income tax expense</b>	<b>(3,756,800)</b>	<b>(11,728)</b>	<b>(18)</b>	<b>(3,768,546)</b>
Income tax expense	(153,241)	-	-	(153,241)
<b>Loss after income tax expense</b>	<b>(3,910,041)</b>	<b>(11,728)</b>	<b>(18)</b>	<b>(3,921,787)</b>
<b>Assets</b>				
Segment assets	25,591,512	33,856	3,790	25,629,158
<b>Total assets</b>				
<b>Liabilities</b>				
Segment liabilities	14,687,372	414,587	1,339,918	16,441,877
<b>Total liabilities</b>				
	Australia & New Zealand \$	South Africa \$	Singapore \$	Total \$
<b>31 December 2023</b>				
<b>Revenue</b>				
Sales to external customers	15,419,352	117,633	39,619	15,576,604
Other non-operating revenue	323,077	-	-	323,077
Other operating revenue	40,000	3,160	-	43,160
<b>Total revenue and other operating income</b>	<b>15,782,429</b>	<b>120,793</b>	<b>39,619</b>	<b>15,942,841</b>
Net loss before income tax and other items	(838,999)	(26,532)	36,489	(829,042)
Depreciation and amortisation	(1,064,013)	(9,470)	-	(1,073,483)
Finance costs	(165,261)	-	-	(165,261)
<b>Loss before income tax expense</b>	<b>(2,068,273)</b>	<b>(36,002)</b>	<b>36,489</b>	<b>(2,067,786)</b>
Income tax expense	-	-	-	-
<b>Loss after income tax expense</b>	<b>(2,068,273)</b>	<b>(36,002)</b>	<b>36,489</b>	<b>(2,067,786)</b>
<b>Assets</b>				
Segment assets	18,482,231	63,545	16,367	18,562,143
<b>Total assets</b>				
<b>Liabilities</b>				
Segment liabilities	(8,939,932)	(400,172)	(1,298,568)	(10,638,672)
<b>Total liabilities</b>				

## **NOTE 20 | CONTINGENT ASSETS, LIABILITIES, AND GUARANTEES**

The Group is unaware of any contingent assets, liabilities or guarantees that may have a material impact on the Group's financial position.

## **NOTE 21 | EVENTS AFTER THE REPORTING PERIOD**

On 25 February 2025, the Group issued 26,315,790 shares at \$0.095 per share and, subject to shareholder approval, will issue 17,543,860 options with an exercise price of \$0.12 maturing 11 December 2025 to raise approximately \$2.5 million.

Other than stated above, no matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may impact the Group's operations, the results of those operations, or the Group's state of affairs in future years.

## **DIRECTORS' DECLARATION**

In accordance with a resolution of the directors of Gratifii Limited and controlled entities, the directors of the Group declare that:

1. The financial statements and notes, as set out on pages 8 to 26, are in accordance with the *Corporations Act 2001*, including:
  - a. complying with Accounting Standard AASB 134: Interim Financial Reporting; and
  - b. giving a true and fair view of the Consolidated Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.



**Bryan Zekulich**

Chairman

**Date: 27 February 2025**



## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF GRATIFII LIMITED AND CONTROLLED ENTITIES ABN 47 125 688 940

### Conclusion

We have reviewed the half-year financial report of Gratifii Limited, which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year then ended, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Gratifii Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Gratifii Limited financial position as at 31 December 2024 and of its performance for the half year ended on that date; and
- (b) complying with 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 Gratifii Limited 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 Gratifii Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

### Emphasis of Matter on Going Concern

We draw your attention to Note 4 on going concern in the financial report, which indicates that the Group incurred a net loss before income tax on operations for the period of \$3,768,546 (31 December 2023: loss of \$2,067,786) and net cash outflows from operating activities of \$1,656,402 (31 December 2023 outflows: \$119,810) during the half year ended 31 December 2024 and, as of that date, the Group's current liabilities exceeded its current assets by \$8,811,044 (June 2024: \$8,780,423) and net assets of \$9,187,281 (June 2024: \$1,459,096). As stated in Note 4, these events and conditions, along with other matters set forth in Note 4, indicate that a material uncertainty exists that may cast doubt of the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.



## Responsibility of the Directors for the Financial Report

The directors of Gratifii Limited 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 the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility for the Review of the Financial Report

ASRE 2410 requires us to conclude whether 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 Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134: *Interim Financial Reporting and the Corporations Regulations 2001*.

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.

MNSA Pty Ltd

**MNSA Pty Ltd**

**Allan Facey**  
Director

Sydney  
27<sup>th</sup> February 2025



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