

12 December 2023

ASX ANNOUNCEMENT

Replacement Convertible Notes

Gratifii Limited (ASX: GTI) (**Gratifii** or **the Company**) is pleased to announce \$728,000 of the \$813,000 Convertible Notes due on 18 February 2024 will be replaced by new Notes extending the term to 1 February 2025 on terms set out below.

The new convertible notes ensure that Gratifii's financial position remains robust as it enters 1Q 2024. This is a transformational period for the Company as it finalises the integration and onboarding of major clients ClubConnect, RACV and RAA, plus the expected launch of its Neat Destinations travel offering. Additionally, the Company continues to work on numerous exciting opportunities in its pipeline.

The Company remains confident it will transition to profitability in 2HFY24, which aims to facilitate either the conversion or redemption of the new Convertible Notes before or at the end of the extended term.

Gratifii CEO & Managing Director, Iain Dunstan said: *"I'd like to thank the noteholders for their continued support and commitment to Gratifii by replacing their expiring Notes. The new extended term provides the least dilutive option to ensure the Company is sufficiently capitalised to execute upon this exciting phase of our growth profile."*

GTI – New Convertible Note Terms		
Roll-Over Terms	Current	New
Note Start	18/08/2022	01/01/2024
Note End*	18/02/2024	01/02/2025
Coupon	10%	12%
Note Conversion per share	\$0.023	\$0.016

*The note holders that are extending have agreed to end the initial Note term on 31st December 2023 and the term for the new Notes will extend for 13 months to 1 February 2025. The new Notes will be issued within the Company's existing 7.1 capacity.

The new Note conversion of \$0.016 per share, represents a 100% premium to the current 15-Day VWAP of \$0.008 per share.

Noteholders that have agreed to the new Notes will also be issued one option for every eligible share, exercisable at \$0.02 per share, representing a 151% premium to the 15-day VWAP. The options will have an expiry date of 31 December 2026.

The Company has \$657,000 of additional Convertible Notes on the original terms that come due on 22 July 2024. Major Shareholder, Bombora Special Investments Growth Fund owns \$400,000 of these Notes and remains committed to supporting Gratifii and its growth initiatives.

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



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About Gratificii Limited

Gratificii Limited (ASX:GTI) is an ASX listed company transforming the way that loyalty and rewards are managed and delivered. Our single platform is a complete solution offering affordable, market-leading functionality and configurability. Over 60 mid-to-top tier brands rely on Gratificii for their loyalty and rewards across Australia, New Zealand, Singapore and UAE.

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