

# **GROWTH SERVICES UPDATE:**

## **MEDTECH GROWTH SERVICES AGREEMENT**

### **Executive Summary and Highlights**

**Rewardle Holdings Limited** (ASX:RXH) ("**Rewardle**" or the "**Company**") provides the following update with respect to the execution of a binding Terms Sheet to provide services to **Cardiac Rhythm Diagnostics** ("**CRD**"), a fast-growing MedTech business that is developing a disruptive, technology enabled cardiac diagnostics service for local GPs.

In keeping with Company's strategy to generate professional service fees, recurring income streams and/or securing equity positions in partner businesses, Rewardle will license aspects of its platform software and provide professional services to assist in accelerating the growth and development of CRD's business.



#### **Growth Services engagement with a fast growing, digital health service provider**

Rewardle will use its IP and operational resources to assist accelerating the growth and development of CRD in becoming a market leading digital health service.



#### **Substantial contribution to Growth Services revenue target**

The parties have established that software licensing fees plus professional services fees payable to Rewardle are expected to average \$30,000/month, with a minimum retainer of \$20,000/month.



#### **Stable services revenue over multi-year engagement**

An agreed initial term of 3 years<sup>1</sup> reflects the party's expectation of Rewardle's ongoing role in the growth and development of CRD.

**Rewardle's Non-Executive Director, David Niall, said;**

*"We believe the combined expertise of Professor Weerasooriya and Rewardle can build Cardiac Rhythm Diagnostics into a leading digital health service with strong trade sale or IPO potential."*

*"While the service fees will provide Rewardle with valuable short term cash flow, we're also excited about working with Cardiac Rhythm Diagnostics to explore how we can leverage our IP, and strategic and operational expertise into the fast growing digital health sector."*

**Cardiac Rhythm Diagnostics founder and Director, Professor Rukshen Weerasooriya said;**

*"We help local GPs provide patients with better cardiac care through a business model that's very similar to Rewardle's."*

*"While Rewardle works with local businesses to record and analyse customer transaction data we work with local GP clinics to record and analyse patient heart rhythm data."*

*"Our operating models are very similar and accessing Rewardle's operating systems, resources and experience will accelerate the growth and development of the business."*

1. Based on an agreed initial Term of 3 years with provision for either party to terminate with 90 days notice after an initial 12 month period..

Contribution to Growth Services revenue target

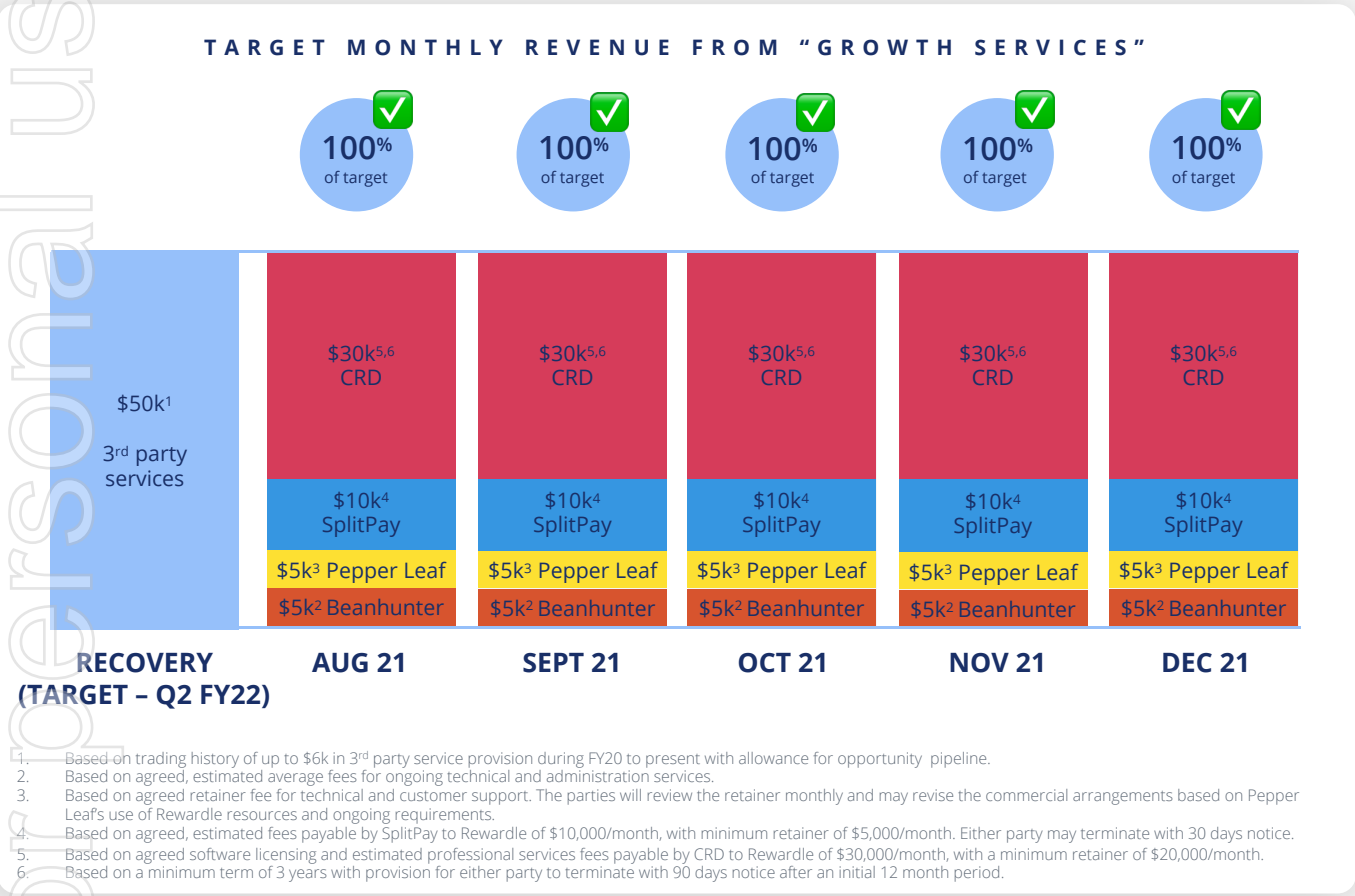
A key component of Rewardle’s strategy is to leverage its resources to generate Growth Services revenue from 3<sup>rd</sup> parties to support maintaining the Company’s team, intellectual property and operating capability.

The Growth Services partnership with CRD is expected to generate \$30,000/month for Rewardle through a combination of software licensing and professional services based on time and materials.

As outlined below, the Growth Services being provided to Cardiac Rhythm Diagnostics results in the Company achieving 100% of its \$50,000/month Growth Services revenue target when combined with the previously announced engagements with Beanhunter, Pepper Leaf, and SplitPay.

While this in time will achieve the Company’s initial Growth Services target, the Company intends to continue pursuing other additional opportunities that leverage the Company’s resources and expertise to generate professional services fees, establish recurring revenue streams based on partners operations and/or establish equity positions in partner businesses.

Further updates with respect to the progress of individual opportunities will be provided as appropriate, taking into consideration the nature and potential impact on the business.



In addition to the agreed software licensing and professional services fees, the parties have acknowledged their interest in exploring strategic partnership opportunities that can create additional value for both parties.

## Cardiac Rhythm Diagnostics partnership background

Established in 2020 and 100% owned by Professor Rukshen Weerasooriya, Cardiac Rhythm Diagnostics (CRD) is a fast growing MedTech business that uses Artificial Intelligence as part of a disruptive, technology enabled cardiac diagnostics service for local GP's.

Professor Weerasooriya is a Perth based cardiologist and subspecialist cardiac electrophysiologist specialising in the treatment of heart rhythm disorders. He is a Clinical Professor of Medicine at UWA and the WA Chairman of the Cardiac Society of Australia and New Zealand.

Having graduated from The University of Western Australia he completed cardiology training at Royal Perth Hospital and undertook 2 years of further training at Hôpital Cardiologique du Haut Leveque in Bordeaux, France, the world's leading centre for AF ablation.

Professor Weerasooriya is actively involved in international research studies to further improve understanding and knowledge about heart rhythm disorders and maintains a position as visiting scientist at the LIRYC Institute of advanced cardiac arrhythmia mapping in Bordeaux.

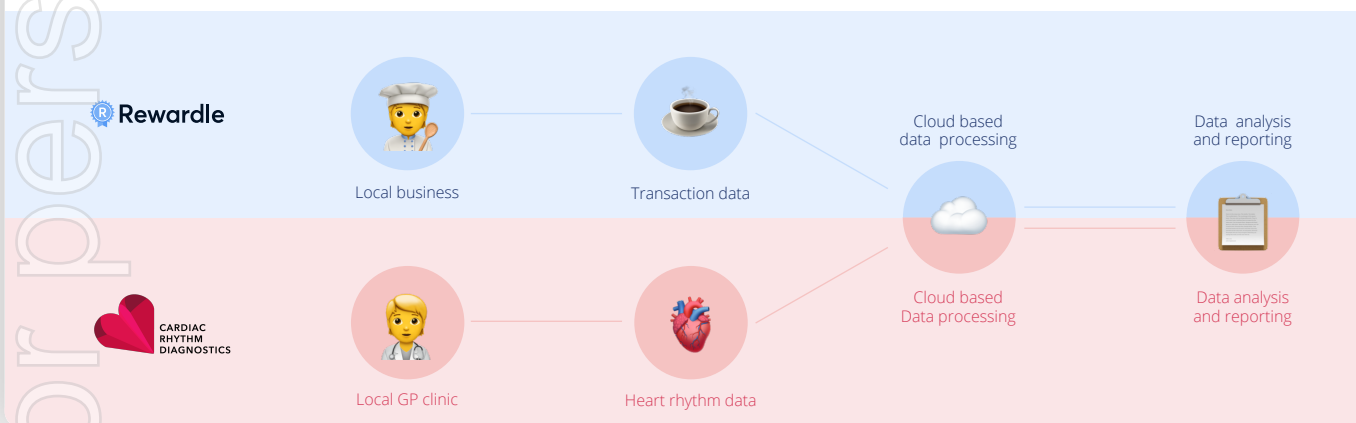
He is a pioneer of catheter ablation for patients suffering with atrial fibrillation in Western Australia and has a strong interest in applying technological advances to the diagnosis and treatment of heart rhythm disorders.

Through his clinical experience and observations, Professor Weerasooriya identified the opportunity to develop a technology enabled solution to help local GPs provide superior cardiac care to patients and established CRD.

CRD's service allows local GPs to electronically request and receive a specialist opinion from a cardiologist. By employing leading edge technology, local GPs and their patients are offered a high quality diagnostic service that is fast, convenient and cost effective.

Professor Weerasooriya is the brother of Rewardle's founder and Executive Chairman. Based on his relationship with the Company he recognised the operational similarities between the businesses. As outlined below, where Rewardle works with local businesses to record and analyse customer transaction data, CRD works with local GP clinics to record and analyse patient heart rhythm data.

### OVERVIEW OF OPERATIONAL SIMILARITY



Having initially focused on the clinical aspects of the service and establishing a viable working model, Professor Weerasooriya sought commercial input from Rewardle and the parties established that Rewardle's resources and experience could assist in accelerating the growth and development of CRD through the following services:

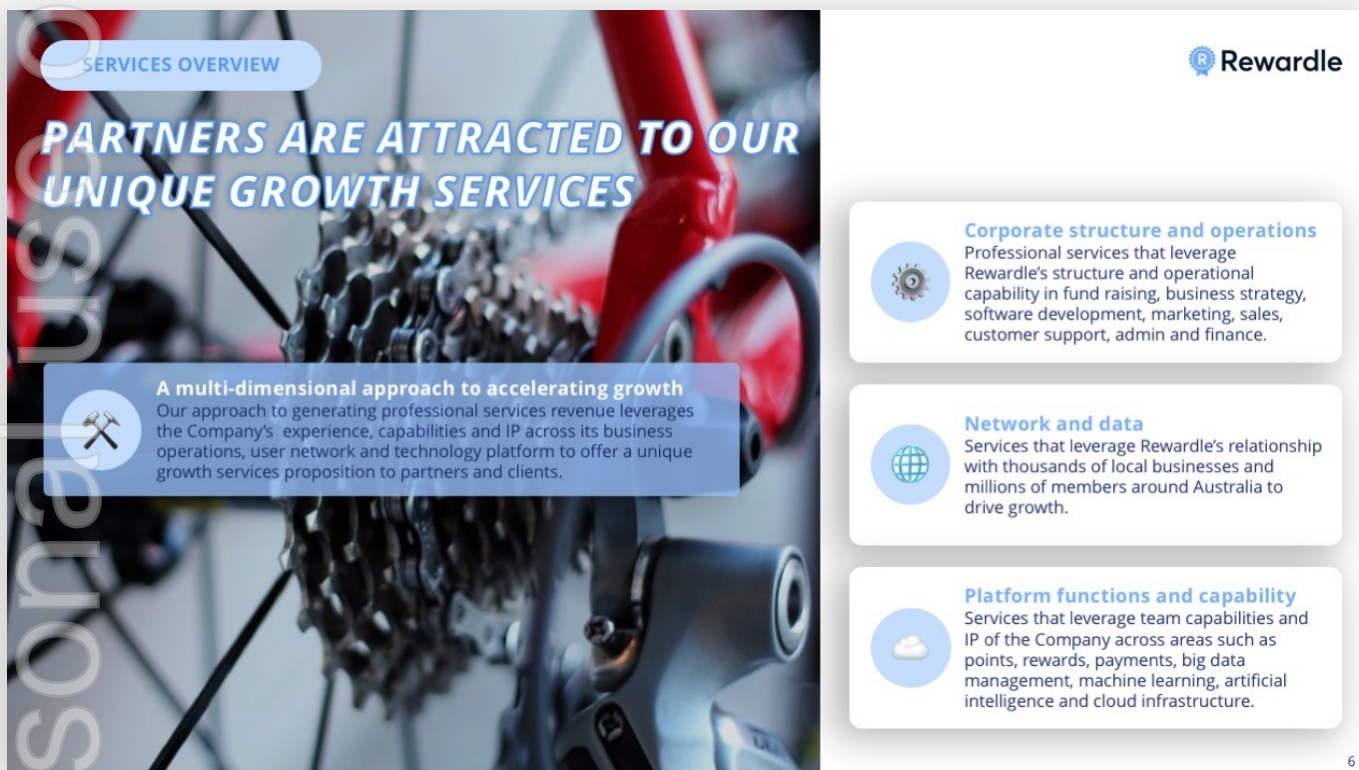
- Software licensing and/or development
- Design and marketing
- Business development
- 1st tier, non-clinical customer service/support
- Corporate/commercial strategy and fundraising

## Growth Services considerations for Cardiac Rhythm Diagnostics engagement

Rewardle is positioning itself to benefit from the rapid acceleration in digital adoption by local businesses and their customers due to the COVID-19 pandemic.

The Company is seeking to leverage its operational team, platform and network of merchants and members to generate professional service fees, develop recurring income streams and/or secure equity positions in partner businesses.

Rewardle's multi-dimensional Growth Services approach is outlined in the May 14<sup>th</sup> Strategy Update presentation and Slide 6 of the presentation has been included below for reference. The full presentation is available to view at [www.rewardle.com/ASX/MayStrategyUpdate](http://www.rewardle.com/ASX/MayStrategyUpdate).



**SERVICES OVERVIEW**

**PARTNERS ARE ATTRACTED TO OUR UNIQUE GROWTH SERVICES**

**A multi-dimensional approach to accelerating growth**  
Our approach to generating professional services revenue leverages the Company's experience, capabilities and IP across its business operations, user network and technology platform to offer a unique growth services proposition to partners and clients.

**Corporate structure and operations**  
Professional services that leverage Rewardle's structure and operational capability in fund raising, business strategy, software development, marketing, sales, customer support, admin and finance.

**Network and data**  
Services that leverage Rewardle's relationship with thousands of local businesses and millions of members around Australia to drive growth.

**Platform functions and capability**  
Services that leverage team capabilities and IP of the Company across areas such as points, rewards, payments, big data management, machine learning, artificial intelligence and cloud infrastructure.

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As outlined in a recent article posted online by Macquarie Group titled "The future of healthcare enabled by technology"<sup>1</sup>, adoption of digital health services in Australia is a macro trend that has been accelerated due to the COVID-19 pandemic.

As per the recent addition to the Rewardle Platform of a new "Health" feature that allows members to find and book appointments at local Medical Clinics via the Rewardle app, the Company believes there are opportunities for the Rewardle Platform to play a role in connecting members with digital health services.

While Rewardle's local business focus has not traditionally included local medical practices, its resources and experience are highly transferable to CRD's business model and the Company has established that CRD represents an attractive entry into the fast growing, digital health sector through which it can explore opportunities to leverage its IP, resources and experience into the digital health sector.

Under the Growth Services agreement with CRD, Rewardle will leverage its corporate infrastructure and operations along with aspects of its data management systems to assist in developing CRD into a leading digital health service.

1. <https://www.macquarie.com/au/en/perspectives/the-future-of-healthcare-enabled-by-technology.html>

## Cardiac Rhythm Diagnostics Growth Services summary

CRD is a digital health service that helps local GPs to provide better cardiac care to their patients. The business is poised to benefit from the accelerated digitisation of healthcare and Rewardle is well suited to support its growth and development.

The Company believes that CRD's disruptive, technology enabled model is well positioned to benefit from the accelerated digitisation of healthcare and that substantial value can be created through the combination of Professor Weerasooriya's clinical expertise and the Company's operational resources and experience.

Rewardle's experience in developing and promoting the adoption of technology solutions to local businesses is highly transferable and applicable to the digital transformation being experienced by local GP clinics and the digital service offered by CRD.

Key terms of the Growth Services Agreement are as follows:

- Minimum retainer for software licensing and professional services fees of \$20,000/month.
- 3 Year initial term
- Either party may terminate with 90 days notice after an initial 12 month period.

In addition to the key terms above, the parties have agreed to estimated average monthly licensing and professional service fees of \$30,000/month and to collaborate on exploring opportunities for Rewardle to leverage its IP, resources and experience into the digital health sector.

This ASX release has been authorised for release by the Board of Directors.

## About Rewardle Holdings Limited

Rewardle connects millions of Members with thousands of local businesses across Australia.

The Rewardle Platform 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.

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.

As part of its long term strategy, Rewardle seeks to leverage the Company's operational team, platform and network merchants and members to generate professional service fees, develop recurring income streams and/or secure equity positions in partner businesses.

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

For more information please contact:

Ruwan Weerasooriya (Founder and Managing Director)

Email: [ruwan@rewardle.com](mailto:ruwan@rewardle.com)

Mobile: 0412448769