



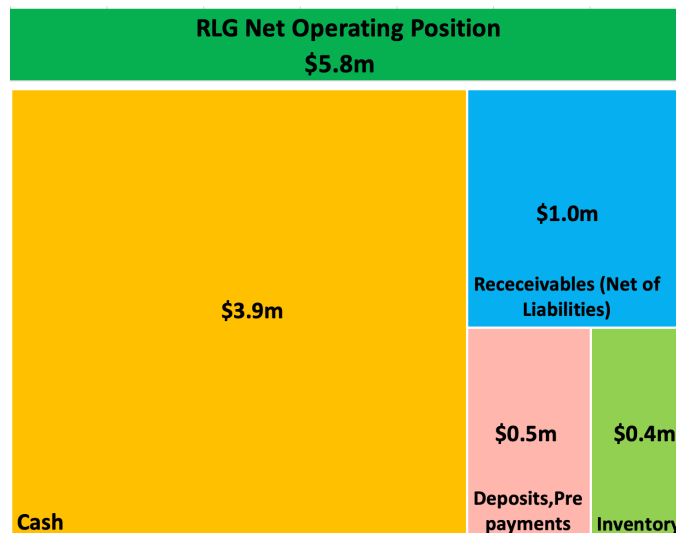
28 January 2022

Quarterly Activities Report and Appendix 4C for the Period Ended 31 December 2021

Quarter Highlights

<u>Revenue</u>	<u>Cash Receipts</u>	<u>EBIT</u>	<u>Cash Holdings</u>
\$3.85M	\$3.75M	(\$537k)	\$3.9M
+ \$2.47M v Q2 FY21	+ \$2.68M v Q2 FY21	+ \$405k v Q2 FY21	Working Capital
+ 179% v Q2 FY21	+ 251% v Q2 FY21	+ 43% v Q2 FY21	\$5.8M
			+77%
			+26%

- Net positive operating cashflow of +\$765k for Q2 FY2022
- Revenue of \$3.85m. Product delivery delays move additional revenue into Q3 FY22
- EBIT performance of (\$537k) for Q2 FY2021 includes non-operational expenses associated with performance shares and options plus technical development and launch expenses for new e-commerce stores in China and SE Asia
- 1HY FY22 Revenue (Prelim Unaudited) of \$8.1m represents a 300% increase over 1HY FY21 and 89% of full year FY22, achieved in the first 6 months of the year
- RLG's Pinduoduo¹ fresh produce store achieves Top 10 status for sales in its category in China
- \$1m placement to strategic investor and sales channel, CCTG, completed 30 December at \$0.026, a substantial premium to closing share price that day
- First sales orders received from new investment and sales channel CCTG
- Strong working capital position to drive future growth with net current assets of \$5.8m (Up 26% from prior Quarter)





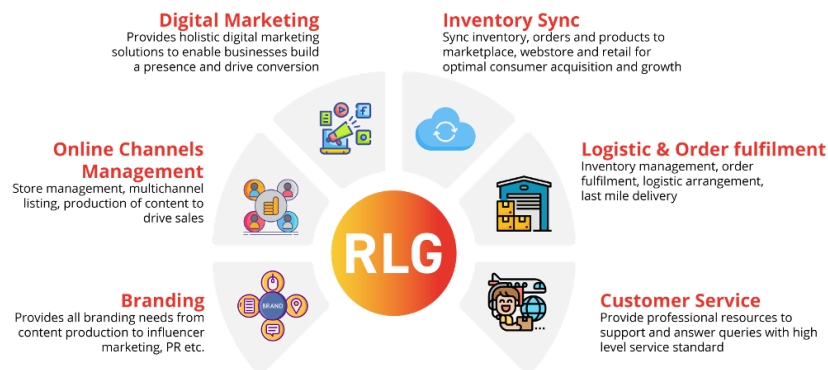
UNLOCK A WORLD
OF POTENTIAL

e-Commerce and digital marketing company RooLife Group Ltd (**ASX: RLG**) (“**RLG**” or the “**Company**”) is pleased to provide shareholders with the Company’s Quarterly Activities Report and Appendix 4C for the Quarter ended 31 December 2021 (the “**Quarter**”).

RLG’s technology platform manages the sale of food, beverages and health and wellbeing products, matching consumer demand with businesses and producers seeking to enter and sell into growth markets connecting global producers and brands directly to consumers.

RLG’s marketplace platform links consumers with brands and facilitates transaction control via its cloud-based operational dashboard with real-time visibility of inventory, consumer purchases and preferences with sales data and other business intelligence, managing sales from order to buyer through direct-to-consumer online store integration.

The Company represents and sells a growing number of quality products and international brands from Australia, New Zealand, USA, Europe, UK and South America, selling online and directly to consumers with the technology and sales infrastructure necessary for products and brands to sell at scale.



In addition to ongoing business operations, RLG expanded the development and roll out of its technology platform marketplace and launched its new direct-to-consumer food store in October 2021 for which it experienced strong customer demand and growth in sales through the Quarter, however operations were impacted by supply chain delays, which have been resolved. Additional product sales have now been pushed into the March Quarter (Q3 FY2022) as demand remains strong and product availability limitations have been overcome.

RLG’s new Pinduoduo¹ fresh produce store, achieved good sales growth and customer acquisition, reaching Top 10 Store status by the end of the Quarter with strong sales performance expected to contribute to revenue growth in Q3 FY2022 and beyond.

Pinduoduo¹ is China’s largest online shopping platform in terms of the number of active users, totalling over 850 million¹, with RLG’s store and marketplace platform connecting farmers and distributors with consumers directly through an interactive shopping experience in a combination of group buying and social shopping where users can share their purchases on social media and can form a team to achieve a lower purchase price for shoppers and drive sales volume for RLG.

Revenue for the Quarter was \$3.75m, which was slightly lower than the previous Quarter primarily due to supply chain delays in product being delivered which has been resolved and as such, the Company is expecting to achieve an increase in revenue in the coming quarter.

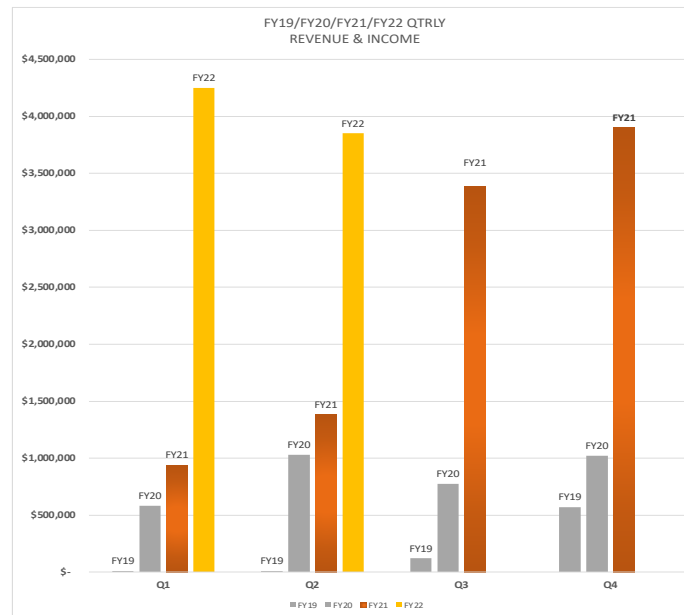
The Company received its first sales order for products from new investor and sales channel, CCTG, in December 2021, which is expected to convert to revenue and cash receipts in Q3 FY2022.

On 30 December 2021, shareholder approval was provided for the placement of shares in the Company to new China-based sales channel, the China Cross Border Trading Group consortium (collectively



“CCTG”) at \$0.026, representing a 24% premium to the closing share price that day, raising \$1,000,000 before costs.

The strategic placement to China-focussed sales channel, China Cross Border Trading Group (“CCTG”), was done in conjunction with the appointment of CCTG to market, sell and introduce RLG’s portfolio of products to new sales and retail channels in China. CCTG’s role is also to identify and advise of products requested by channels and in high demand, which RLG will seek to supply.



Quarter on Quarter FY21 to FY22. Q2 FY22 saw a slight decline from prior Quarter due to supply chain delays, with this revenue moving into Q3 FY22

Growing Revenue, Increasing Efficiency, Ongoing Cost Management to Drive towards Profitability

The Company recorded \$3.85m unaudited revenue for the Quarter with cash receipts of \$3.75m.

RLG received net proceeds from the issue of securities to newly established sales channel, CCTG, of \$989k.

The Company had a net positive operating cashflow for the Quarter of \$765k.

RLG closed the Quarter with cash of \$3.9m plus receivables (net of liabilities), prepayments to deliver future revenue totalling \$1.5m plus inventory, providing RLG a strong working capital position totalling \$5.8m, which is up 26% from the prior Quarter.

Additional sales channels added in co-operation with CCTG places the Company well for sales growth in the coming Quarter.

Cash	\$ 3,900,000
Receivables (Net of Liabilities)	\$ 1,000,000
Inventory	\$ 400,000
Deposits, Prepayments	\$ 500,000
Total	\$ 5,800,000



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Payments for staff costs in the quarter totalled \$747k, in line with the prior quarter and administration and corporate costs were \$200k in the December quarter which is \$99k lower than the previous quarter as the Company maintains a focus on cost management while continuing investment in its technology platforms designed to broaden sales reach.

Advertising and marketing expenditure was \$445k for the Quarter, in support of product sales and new e-commerce store launches.

Attached is the Appendix 4C for Q2 FY2022 including reporting of payments to related parties as disclosed at Item 6 showing payments to Directors for agreed services/fee and salary arrangements split as follows:

Fees paid to Non-Executive Directors were \$30,169 and fees paid to Executive Directors during the Quarter totalled \$199,100 which included deferred payments related to a prior period.

Payments totalling \$26,525 were made to Murcia Pestell Hillard Pty Ltd, a company related to Mr. Grant Pestell, for the provision of legal services.

ENDS

1. Source: www.forbes.com/sites/palashghosh/2021/03/17/pinduoduo-is-now-chinas-biggest-e-commerce-platform-as-billionaire-chairman-colin-huang-steps-down/?sh=2b853b6d62b1, www.chinainternetwatch.com/31102/pinduoduo-quarterly

Issued by: RooLife Group Ltd

Authorised by: The Board of RooLife Group Ltd

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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

RooLife Group Limited

ABN

14 613 410 398

Quarter ended ("current quarter")

31 Dec 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	3,748	5,651
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(1,545)	(5,340)
(c) advertising and marketing	(445)	(801)
(d) leased assets	-	-
(e) staff costs	(747)	(1,487)
(f) administration and corporate costs	(200)	(499)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	1
1.5 Interest and other costs of finance paid	-	(1)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	(9)
1.8 Other (provide details if material)	(46)	(174)
1.9 Net cash from / (used in) operating activities	765	(2,659)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(2)	(4)
(d) investments	-	-
(e) intellectual property	(63)	(118)
(f) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
2.2 Proceeds from disposal of:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	(30)	76
2.6 Net cash from / (used in) investing activities	(95)	(46)

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	1,000	2,702
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	(11)	(15)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	989	2,687

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	2,202	3,815
4.2 Net cash from / (used in) operating activities (item 1.9 above)	765	(2,659)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(95)	(46)

Appendix 4C
Quarterly cash flow report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	989	2,687
4.5	Effect of movement in exchange rates on cash held	28	92
4.6	Cash and cash equivalents at end of period	3,889	3,889

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	3,889	2,202
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,889	2,202

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	256 ¹
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

¹ Payments totalling \$229,000 were made to directors for fees and superannuation on fees.

Payments totalling \$27,000 were made to Murcia Pestell Hillard Pty Ltd, a company related to Mr. Grant Pestell, for the provision of legal services.

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	50	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	50	-
7.5 Unused financing facilities available at quarter end		50
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
Business Overdraft Facility of \$49,999 with Australia and New Zealand Banking Group Limited (ANZ) at an interest rate of 10.45%. The facility is unsecured and has no fixed maturity date.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	781
8.2 Cash and cash equivalents at quarter end (item 4.6)	3,889
8.3 Unused finance facilities available at quarter end (item 7.5)	50
8.4 Total available funding (item 8.2 + item 8.3)	3,959
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 28 January 2022

Authorised by: The Board of RooLife Group Ltd

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.