

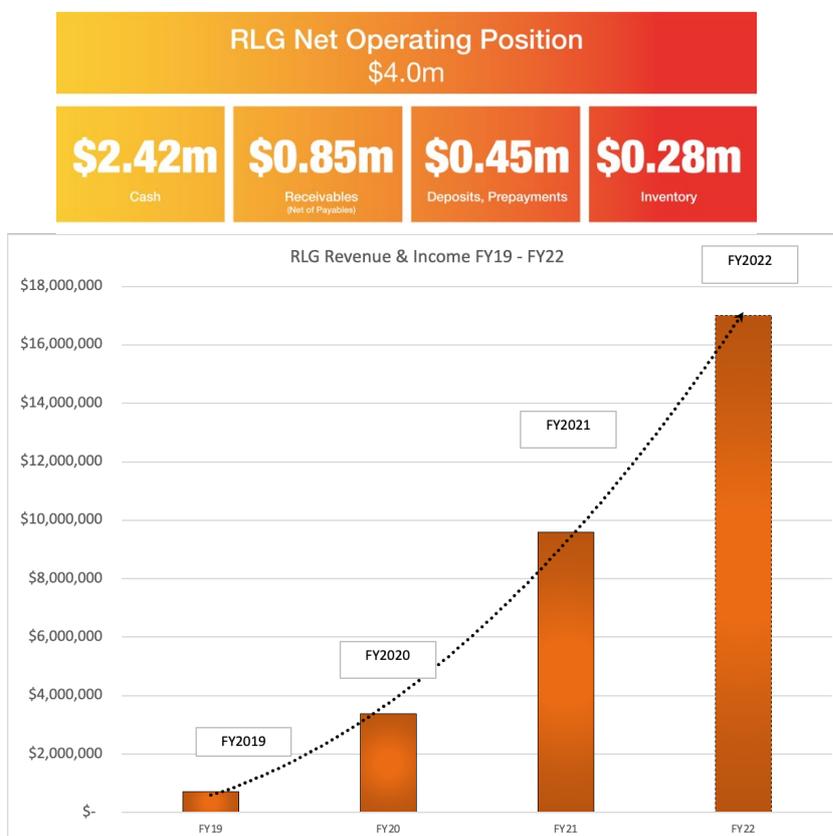


28 July 2022

## Quarterly Activities Report and Appendix 4C for the Period Ended 30 June 2022

### Quarter Highlights

- Revenue of \$4.2m for Q4FY22 delivers Full Year FY22 Revenue (Prelim & Unaudited) of \$17m representing **+85%** growth from Full Year FY21
- Cash receipts of \$3.6m for Q4FY22 delivers Full Year FY22 Cash Receipts of \$14m representing **+58%** growth from Full Year FY21
- RLG launched a TikTok Flagship Store selling well-known global Brands in Q4FY22
- RLG launched the first New Zealand OTC (Over The Counter, without prescription) online pharmacy store in China
- Remedy Drinks distribution channels and online promotion continued expansion including placement and marketing with ALDI stores in China
- Additional efficiency and cost savings initiatives implemented in June to deliver benefits in FY23
- Solid working capital position to drive future growth with net current assets of \$4.0m







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RLG is seeing strong traction with Remedy Drinks range of kombucha beverages online and on Tmall Global and during the Quarter continued to add new Remedy Drinks distribution channels and online promotions including placement and marketing with ALDI stores in China.

With the placement and marketing with ALDI stores in China this means that Chinese shoppers can not only buy Remedy Drinks kombucha in ALDI stores, but also can easily buy via ALDI's online mini program as well as top Chinese online grocery and delivery platforms of MeiTuan, Ele.me and JD Fresh. This is in addition to sales and distribution through over 100 other supermarket and hospitality outlets.



### **Remedy Drinks launched with ALDI in China**

With the continued development of its systems to connect health, food and lifestyle products and brands with the world's fastest growing consumer markets online, during the Quarter RLG launched a TikTok Store to market and sell cross-border international products using short video content, advertisements and live-streaming campaigns to promote products from brands including Dior, Lancôme, Givenchy, Kiehl's, Estee Lauder, YSL, Clinique, SK-II and Fresh in concert with RLG's cosmetics partner brands, Colabs, Nuria and others to Bytedance's 600 million shopper community in China<sup>1</sup>.

While the global supply chain impact of Shanghai's two-month-long lockdown impacted the delivery of products onto the Company's sales platforms and restricted delivery to consumers, nevertheless the Company achieved sales revenue totalling \$4.2m for the Quarter, which was up 10% from the corresponding Quarter in FY2021.

The Quarterly result brings the Full Year unaudited Revenue for the Group to \$17m which represents an increase of 85% over FY21 Revenue of \$9.1m. As the Company continued its rapid expansion operational efficiency remained a strong focus with changes implemented in June expected to deliver savings and commercial benefits in FY23.

### **Corporate, Financial Performance & Cash Items**

The Company recorded \$4.2m unaudited revenue for the Quarter delivering full year unaudited revenue of \$17m with cash receipts of \$3.59m for the Quarter with total cash receipts for FY22 of \$14.06m.

The Company had operating cashflow for the Quarter of (\$663k).

RLG closed the Quarter with cash of \$2.4m plus receivables (net of liabilities) and prepayments to deliver future revenue totalling \$1.3m plus inventory, providing RLG a working capital position of \$4m.



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Payments for staff costs in the quarter totalled \$600k (down 39% from the prior quarter) and administration and corporate costs were \$199k in the June quarter (up 6% from the prior quarter).

Advertising and marketing expenditure was \$259k for the Quarter, which was down 49% from the prior quarter primarily due to delays in delivery of product reducing product availability to market during the Covid associated lockdowns in China during the Quarter.

The Covid lockdowns limited product availability in market and did impact on growth in sales for the company as customs clearance and product delivery to consumers was restricted from April through to June. The lockdown restrictions were eased through July onwards.

During the Quarter no securities were issued by the Company. 1,200,000 unquoted options were cancelled and notified to the market during the Quarter and no Performance Rights were converted to fully paid shares during the period as vesting conditions have not yet been met.

Attached is the Appendix 4C for Q4 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 \$91,250.

Total payments for Staff Costs, including payments to Executive and Non-Executive Directors for the year to date are down 5% from the prior year (\$3,066k for FY2022 compared to \$3,235k for FY2021), while the Company has achieved strong sales growth during that period with preliminary unaudited revenue of \$17m (up from \$9.6m in FY2021) and increased cash receipts from customers to \$14.06 million (up from \$8.91 million in FY21).

Payments totalling \$1,000 were made to Murcia Pestell Hillard Pty Ltd, a company related to Mr. Grant Pestell, for the provision of legal services.

## ENDS

1. Source: <https://www.bytedance.com/en/>

**Issued by:** RooLife Group Ltd

**Authorised by:** The Board of RooLife Group Ltd

For further information, please visit the RLG website at [www.roolifegroup.com.au](http://www.roolifegroup.com.au) or contact:

Bryan Carr  
Managing Director  
Ph: +61 8 6444 1702  
Email: [ir@roolifegroup.com.au](mailto:ir@roolifegroup.com.au)

Peter Nesveda  
Corporate Affairs & International Investor Relations  
Ph: +61 3 9504 8420 or +61 412 357 375  
Email: [peter@intuitiveaustralia.com.au](mailto:peter@intuitiveaustralia.com.au)



## 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")**

30 June 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	3,589	14,064
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(3,164)	(12,286)
(c) advertising and marketing	(259)	(1,564)
(d) leased assets	-	-
(e) staff costs	(600)	(3,066)
(f) administration and corporate costs	(199)	(886)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	3
1.5 Interest and other costs of finance paid	-	(1)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	29	50
1.8 Other (provide details if material)	(60)	(302)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(663)</b>	<b>(3,988)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	(13)
(d) investments	-	-
(e) intellectual property	(9)	(146)
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 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)	35	(8)
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>26</b>	<b>(167)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	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	-	(25)
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)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>2,677</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	2974	3,815
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(663)	(3,988)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	26	(167)

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 (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	2,677
4.5	Effect of movement in exchange rates on cash held	79	79
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>2,416</b>	<b>2,416</b>

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	2,416	2,974
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>2,416</b>	<b>2,974</b>

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	122 <sup>1</sup>
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

*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.*

<sup>1</sup> Payments totalling \$121,000 were made to directors for fees and superannuation on fees.

Payments totalling \$1,000 were made to Murcia Pestell Hillard Pty Ltd, a company related to Mr. Grant Pestell, for the provision of legal services.

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<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>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	50	-
7.3 Other (please specify)	-	-
<b>7.4 Total financing facilities</b>	<b>50</b>	<b>-</b>
<b>7.5 Unused financing facilities available at quarter end</b>		<b>50</b>
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.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(663)
8.2 Cash and cash equivalents at quarter end (item 4.6)	2,416
8.3 Unused finance facilities available at quarter end (item 7.5)	50
8.4 Total available funding (item 8.2 + item 8.3)	2,466
<b>8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	<b>3.72</b>
<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 July 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.