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QUARTERLY ACTIVITIES REPORT AND APPENDIX 4C  
FOR THE PERIOD ENDED 31 MARCH 2024

ASX:RLG

30 APRIL 2024

# Q3 FY2024 APPENDIX 4C & KEY FINANCIAL DATA YTD



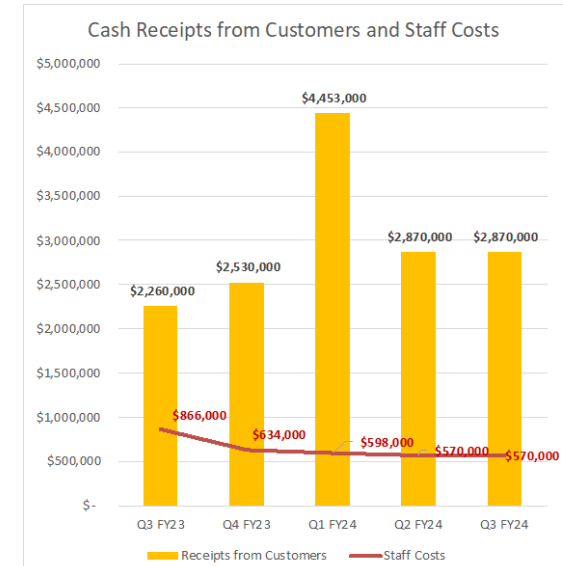
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RLG Revenue (unaudited) for Q1-Q3 FY24 was \$8.44m (Comparable Period Q1-Q3 FY23, Revenue was \$9.42m).

With recently announced investment and sales channel partnerships, the Company reviewed all sales channels transactions in the last Quarter, with the objective to invest in higher margin products, increasing focus on selling its own VORA range and removed low margin sales channels, aiming to drive improved profitability across the Group moving forward.

First sales order received from investor and sales channel, Fujian Jushi Supply Chain Management, to the value of \$225k with Gross Margins of circa 25% with further transactions being negotiated and expected in Q4. These transactions are expected to deliver meaningful net profit margin contributions to the Company as it focusses on increased profit margins.

Q3 FY2024	Q1-Q3 FY2024	VS	Q1-Q3 FY2023
\$ 2.87m CASH RECEIPTS Q3 FY2024	\$ 10.19m CASH RECEIPTS Q1-Q3 FY2024		\$ 9.55m CASH RECEIPTS Q1-Q3 FY2023
\$(3.25m) PRODUCT & OPERATING COSTS PAYMENTS Q3 FY2024	\$(9.22m) PRODUCT & OPERATING COSTS PAYMENTS Q1-Q3 FY2024		\$(7.04m) PRODUCT & OPERATING COSTS PAYMENTS Q1-Q3 FY2023
\$(1.41m) NET CASH USED IN OPERATING ACTIVITIES Q3 FY2024	\$(2.07m) NET CASH USED IN OPERATING ACTIVITIES Q1-Q3 FY2024		\$(1.45m) NET CASH USED IN OPERATING ACTIVITIES Q1-Q3 FY2023



Q3 FY2024
\$ 1.25m CASH AT BANK PLUS
\$ 1.10m PLACEMENT AT \$0.0085*
\$ 2.35m WORKING CAPITAL

\* \$0.35m of placement is subject to shareholder approval



# RLG STRATEGIC BUSINESS REVIEW OUTCOMES

- Cost minimisation programme successfully implemented, reducing key costs of operation, including:
  - ✓ Advertising & Marketing, Cash Outflow Q1-Q3 FY24      ↓42% vs Q1-Q3 FY23
  - ✓ Staff Costs, Cash Outflow Q1-Q3 FY24      ↓27% vs Q1-Q3 FY23
  - ✓ Administration & Corporate Costs, Cash Outflow Q1-Q3 FY24      ↓9% vs Q1-Q3 FY23
- High margin product channels implemented with appointment of Fujian Jushi Supply Chain Management Co., Ltd
- First high-margin sales order from Fujian Jushi Supply Chain Management Co., Ltd for RLG's health and wellness products received in April 2024, with additional sales orders to meet identified consumer demand underway
- New sales channel expected to drive sales profit margin growth, with RLG not required to contribute to marketing costs and to reward sales achievements with Performance Rights (5.88m shares vest for every \$100,000 in net profit provided to RLG)
- Lower margin product sales and sales channels ceased, including suspension of lower margin transactions with AULife
- Focus on development of own brand VORA health & wellness products with expanded range and sales platforms expansion
- Existing supply agreements in the B2B space were paused until the completion of this review to allow the Company to apply working capital to the most profitable transactions, anticipated to be delivered via the new investor relationships
- Strategic investment placements agreed to raise \$1.6m at \$0.0085 with China-based investors, aligning interest and incentivising higher profit delivery to RLG from sales channels and further reducing RLG's marketing expenses, with \$500,000 payment already received.





# RLG PLACEMENT AGREED AT A 21% PREMIUM

On 29 February 2024, RLG agreed a placement to raise \$1.5m at \$0.0085, a 21% premium to RLG's closing share price, with a strategic investment partner in China, Guizhou Yuanzhuang Jiangjiu Supply Chain., Ltd Co.

- Guizhou Yuanzhuang Jiangjiu Supply Chain manufactures and sells premium beverages in China and has strong distribution and commercial supply networks
- New investor to assist RLG identifying and selecting new sales channels and distribution partners in China for RLG's product portfolio with first appointment, Fujian Jushi Supply Chain Management, announced 4 April 2024.
- RLG appointed Indian Ocean Securities to manage the transaction and introduce the Company to its client base and new investors in Australia and China.
- Indian Ocean Securities will receive fees totalling 6% of the placement amount for managing the transaction and the introduction of Guizhou Yuanzhuang Jiangjiu to RLG.
- RLG proposed to issue 30,000,000 unlisted options to be exercisable at \$0.025 within 2 years of issue to Indian Ocean Securities as part of the fees associated with the Placement
- The Placement is to be completed in 3 Stages:
  - \$500,000 Payment Received and issue of 58,823,529 Placement Shares
  - \$750,000 Payment has been delayed pending the incorporation of a new investment entity by the investor, with RLG advised that the full payment is expected in May 2024 and issue of 117,647,059 Placement Shares
  - \$250,000 Payment expected in May 2024 and issue of 29,411,765 Placement Shares, subject to shareholder approval.



# RLG NEW CHINA SALES CHANNEL

Immediately following the conclusion of Q3 FY2024, RLG executed a binding term sheet with e-Commerce, digital marketing and supply chain company, Fujian Jushi Supply Chain Management, for it to sell RLG's products in China.

- Fujian Jushi Supply Chain Management markets and sells a range of high-end alcoholic beverages, health supplements and luxury goods and is to sell products supplied by RLG
- Fujian Jushi Supply Chain Management agreed to acquire \$100,000 of RLG shares at \$0.0085, via placement, subject to shareholder approval (part payment received)
- RLG proposed to issue 210 million performance rights to Fujian Jushi Supply Chain Management for provision of up to \$3.57m in net profit which will vest in the ratio of 5,000,000 performance rights for every \$85,000 in net profit, subject to shareholder and regulatory approval
- The commercial relationship is for RLG to provide products which Fujian Jushi Supply Chain Management will sell to its customers in China with aligned interest for maximising net profit to RLG
- First order of \$225,000 for RLG health, wellness and personal care product range received in April with first significant net profit margin to be recognised in April and attributed towards Fujian Jushi Supply Chain Management contribution
- Further orders are under negotiation.



# RLG OWN BRAND VORA – EXPANSION IN RANGE & SALES CHANNELS



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During Q3 FY2024, major initiatives included:

- VORA Health product range expansion
- Investment in product range driven by identified demand
- Expansion of sales channels in Australia and China
- International sales channels reviewed and assessed for further expansion
- Focus on expansion of gross margins through the sale of RLG-owned products to sales channel partners



# RLG OBJECTIVES FOR BALANCE OF CALENDAR YEAR 2024



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- Expansion of VORA health, wellness and food product range
- Growth in profit margins of product range sold by the Company
- Expansion of sales platforms in Australia, China and identification of new sales partnerships in South East Asia
- Expansion of sales channel model with Fujian Jushi Supply Chain Management to deliver up to \$3.57m in net profit to RLG
- Work with Guizhou Yuanzhuang Jiangjiu Supply Chain to identify and select new sales channels for RLG's products in China
- Continuation of low costs of operation
- Delivery of investor presentations through China, including Hong Kong with strategic investors and sales channel partners







## Corporate, Financial Performance & Other Cash Items

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- Product Manufacturing and Operating Costs in the quarter were \$3.25m, up from \$2.04m in the prior quarter, reflecting timing variations for product payments versus product sales collections.
- Payments for staff costs, including directors, in the quarter totalled \$572k, in line with the prior quarter.
- Administration and corporate costs in the quarter were \$207k, down from \$286k in the prior quarter.
- Fees paid to Directors were \$118k during the Quarter, down from \$149k in Q2 FY2024.



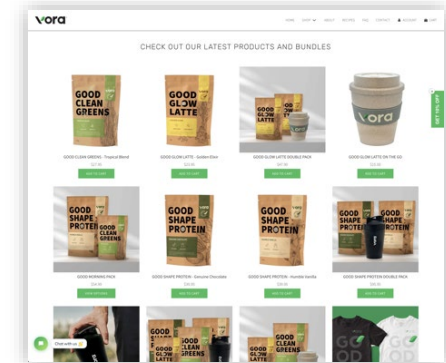
# ABOUT ASX:RLG



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## SELLING FOOD, HEALTH AND WELLBEING PRODUCTS ONLINE AND VIA SALES CHANNELS

- RLG matches consumer demand with brands via multiple channels
- RLG drives online and in-market sales of international brands
- RLG's focus on Health, Wellbeing and Food products including own VORA brand and product range
- Strong China focus - the largest e-commerce market globally, generating almost 50% of the world's transactions, valued at \$USD2.3 trillion and providing access to 940 million online shoppers\*
- The size of the addressable market and RLG's established and expanding platforms for accessing this market provides a solid foundation to drive toward future growth and profitability



\* [www.trade.gov/country-commercial-guides/china-ecommerce](http://www.trade.gov/country-commercial-guides/china-ecommerce), [www.statista.com/statistics/663464/alibaba-cumulative-active-mobile-users-taobao-tmall/](http://www.statista.com/statistics/663464/alibaba-cumulative-active-mobile-users-taobao-tmall/)

# ABOUT RLG'S MULTI-CHANNEL REVENUE MODEL



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REVENUE FROM RECURRING SERVICES FEES + PRODUCT SALES



Ecommerce:  
Prominent ecommerce and cross border channels



Social Commerce:  
Influencers livestreaming and selling direct to consumers



B2B Distributors:  
Network connecting with retailers across China



# RLG CONNECTS GLOBAL BRANDS WITH CUSTOMERS

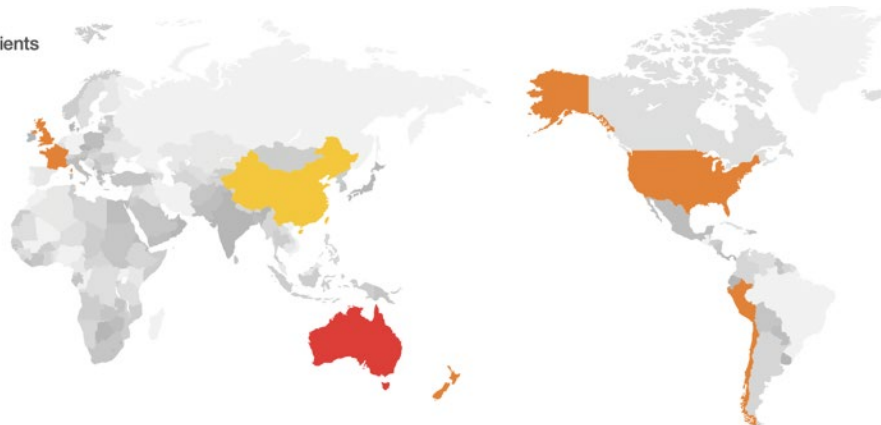


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- An established, leading e-commerce platform provider
- Selling food, health and well being products
- Global Client Base – 7 Countries
- Own Brand – VORA “Good for you” Food Products launched
- Market Focus – Australia, South East Asia & Emerging Markets
- Targeting growing margin on Product Sales

Global Footprint of Clients

-  Australia
-  New Zealand
-  USA
-  UK
-  France
-  Peru
-  Chile



## RLG China Channel Network



### Social/E-commerce



### E-commerce Platforms



### Online & Offline B2B



### High End Retail Grocery



### High End Retail Trade



### Specialty Retail (Gyms/Clubs/Hotels)



### Government Organizations/Events/Seminars/Training





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Compelling in-demand service:	E-commerce & sales platforms selling food, health and wellbeing products.
Proven platform ready for scale:	Strong international product range from NZ, UK, Europe, USA, South America, Australia.
Infrastructure investment creates turnkey solution:	China team, Australian team, logistics, warehousing, translation, marketing, distribution and e-commerce support for rapid market entry.
Company Owned Health Brand:	VORA – “Good for you” health food range, selling into high demand, high growth markets, delivering margin benefits & ability to rapidly respond to demand.
Multiple Revenue Lines & Channels:	Mix of stable recurring revenues and product sales with growing range of products and sales channels.

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Issued by: RooLife Group Ltd

Authorised by: The Board of RooLife Group Ltd

## 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 March 2024

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	2,869	10,192
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(3,250)	(9,216)
(c) advertising and marketing	(174)	(403)
(d) leased assets	-	-
(e) staff costs	(572)	(1,740)
(f) administration and corporate costs	(207)	(725)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	5	26
1.5 Interest and other costs of finance paid	(50)	(101)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	52
1.8 Other (provide details if material)	(30)	(156)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,409)</b>	<b>(2,071)</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	-	(1)
(d) investments	-	-
(e) intellectual property	1	(6)
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	2
	(d) investments	1	61
	(e) intellectual property	20	30
	(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)	5	63
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>27</b>	<b>149</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	500	500
3.2	Proceeds from issue of convertible debt securities	-	1,200
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	400
3.6	Repayment of borrowings	(400)	(400)
3.7	Transaction costs related to loans and borrowings	(8)	(8)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	31	31
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>123</b>	<b>1,723</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	2,489	1,420
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,409)	(2,071)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	27	149

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	123	1,723
4.5	Effect of movement in exchange rates on cash held	18	27
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>1,248</b>	<b>1,248</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	1,248	2,489
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>1,248</b>	<b>2,489</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	156 <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 \$118,000 were made to directors for fees and superannuation on fees.

Payments totalling \$38,000 were made to Murcia Pestell Hillard Pty Ltd, a company related to Mr. Grant Pestell, for the provision of legal services.



7.	<b>Financing facilities</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>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	2,600	1,800
7.2	Credit standby arrangements	50	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	2,650	1,800
7.5	<b>Unused financing facilities available at quarter end</b>		850
7.6	<p>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.</p> <p>Working Capital Loan Agreement for a line of credit of \$1,000,000, with Saxby Capital Investments Pty Ltd, to be drawn on a case-by-case basis for each sale of product into China. Interest is calculated at 10% per annum on loan amount drawn down, payable quarterly in arrears. Repayment of the drawn down amount of \$300,000 is due on 1 April 2024. The finance facility is secured by a fixed and floating charge over receivables and inventory to the equivalent value of amount outstanding of the Loan.</p> <p>Unsecured Loan Agreement for a line of credit of \$400,000, with Director Bryan Carr and Warren Barry, to be drawn down for sale of productions into China. Interest is calculated at 10% per annum on loan amount drawn down, payable in arrears. Repayment per transaction, typically 90 days terms for repayment to be agreed between lender and Borrower on a case by case basis.</p> <p>Convertible Note Agreement for \$200,000 with existing shareholder Xiaodan Wu (A Hong Kong Based substantial shareholder in RLG). Interest is calculated at 8% per annum on loan amount drawn down, payable quarterly in arrears. Repayment of the loan amount is due on 14 August 2024. The lender may elect to convert part or all of the Loan into RLG Shares at any time prior to the end of the Term. Any conversion of the Loan into RLG Shares will be at a conversion price of \$0.025 per RLG Share The loan is secured by a charge over receivables and inventory to the equivalent value of amount outstanding of the Loan.</p> <p>Convertible Note Agreement for \$1,000,000 with Westcap Pty Ltd. Interest is calculated at 8% per annum on loan amount drawn down, payable quarterly in arrears. Repayment of the loan amount is due on 28 October 2024. The lender may elect to convert part or all of the Loan into RLG Shares at any time prior to the end of the Term. Any conversion of the Loan into RLG Shares will be at a conversion price of \$0.025 per RLG Share The loan is secured by a charge over inventory directly purchased with funds lent to the equivalent value of amount outstanding of the Loan.</p> <p>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.</p>		

<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)	(1,409)
8.2 Cash and cash equivalents at quarter end (item 4.6)	1,248
8.3 Unused finance facilities available at quarter end (item 7.5)	850
8.4 Total available funding (item 8.2 + item 8.3)	2,098
<b>8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	<b>1.49</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?	
<p>Answer: No. The net operating cashflow for the quarter had a higher outflow for product, manufacturing and operating costs, reflecting timing variations for product payments versus product sales collections. As a result of trading terms provided, the Company has trade receivables of approximately \$1,240,000, of which all collections are expected in the June quarter.</p> <p>Additionally the Company has implemented new sales channel commercial terms with increased net profit margins and improved payment terms, meaning expected net operating cash outflows will decrease for the next Quarter.</p>	
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?	
<p>Answer: Yes. As announced to the market on 29 February 2024, RLG has agreed with a strategic investment partner in China a placement to raise \$1,500,000 in 3 Stages:  \$500,000 Payment received 25 March 2024.  \$750,000 Payment is expected in May 2024.  \$250,000 Payment expected in May 2024 and issue of 29,411,765 Placement Shares, subject to shareholder approval.</p> <p>In a further announcement to the market on 04 April 2024, RLG has agreed with a digital marketing and supply chain company in China a placement to raise \$100,000 as part of a performance rights arrangement and placement participation, which is subject to shareholder approval. Partial payment has been received with the balance payment expected in May 2024 and issue of 11,764,706 Placement Shares, subject to shareholder approval.</p>	
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?	
<p>Answer: Yes, on the basis explained above.</p>	
<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: 30 April 2024

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.