

## ASX Announcement

30 January 2020

### Quarterly Update for the period ended 31 December 2019

The directors of **Mediland Pharm Limited** (“**Mediland**” or the “**Company**”) are pleased to provide the Appendix 4C for Q2. The second quarter closed on a positive note with the Company having completed all of its strategies that were outlined in its prospectus issued at the listing, including the online operations of Ian’s Health Lounge, and the opening of its flagship Sydney store.

The overall total revenue of Mediland Pharm for this reporting period was A\$11.7 million. Total cash on hand has stabilised at A\$7.96 million. This was an increase on the previous quarter’s performance.

The Company recognises the challenges of maintaining its Australian and New Zealand retail sales in the upcoming quarter due to the recent and tragic bushfires and the coronavirus outbreak in China. These events are likely to adversely impact the Company’s revenues until the situation stabilises, with lower than normal tour groups coming to Australia during this Chinese New Year.

The Board and Management team have put in place several strategies to address this challenge. In particular, the Company intends to significantly expand its recently established e-commerce operation with sales to China-based consumers. This will assist in offsetting the anticipated temporary reduction of travellers visiting the Company’s retail stores in Australia and New Zealand.

The Chairman of Mediland, Dr Peter French, commented, “The Company intends to promote (via our e-commerce channel) our current products that can assist in boosting the immune system, and is fast-tracking the development of a new immune health product. The immune system is the body’s defence against infections from microbes, including viruses, and these products are likely to attract the interest of our China-based e-commerce consumers.”

The Company will update the market as appropriate.

**\_ENDS\_**

**IR Enquiries**

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**Company enquiries**

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**About Mediland Pharm**

Mediland Pharm is a leading retailer of cosmetics, jewellery, health, well-being and wool products, serving the inbound Chinese tourism market in Australia and New Zealand. The Company operates three retail stores located in Australia (Sydney, Melbourne and the Gold Coast) and one in Auckland, New Zealand. Mediland partners with leading travel agents and wholesale tour operators to generate sales through exclusive customer shopping agreements.

## Appendix 4C

### Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

**Name of entity**

Mediland Pharm Limited

**ABN**

83 628 420 824

**Quarter ended ("current quarter")**

31 December 2019

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	11,757	19,237
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(2,367)	(4,114)
(c) advertising and marketing	(6,745)	(12,231)
(d) leased assets	(327)	(629)
(e) staff costs	(812)	(1,418)
(f) administration and corporate costs	(816)	(2,206)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	26	70
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	(202)	(763)
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>514</b>	<b>(2,054)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(218)	(1,262)
(b) businesses (see item 10)	(80)	(800)
(c) investments	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	(8)	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(306)</b>	<b>(2,062)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
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>-</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 quarter/year to date	7,722	12,047
4.2	Net cash from / (used in) operating activities (item 1.9 above)	514	(2,054)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(306)	(2,062)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	30	28
4.6	<b>Cash and cash equivalents at end of quarter</b>	<b>7,960</b>	<b>7,960</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	7,960	7,724
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>7,960</b>	<b>7,724</b>

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter  
\$A'000

-  
-

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**7. Payments to related entities of the entity and their associates**

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter  
\$A'000

-  
-

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8. <b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9. <b>Estimated cash outflows for next quarter</b>	\$A'000
9.1 Research and development	-
9.2 Product manufacturing and operating costs	(2,368)
9.3 Advertising and marketing	(5,433)
9.4 Leased assets	(294)
9.5 Staff costs	(770)
9.6 Administration and corporate costs	(951)
9.7 Other (provide details if material)	-
<b>9.8 Total estimated cash outflows</b>	<b>(9,816)</b>

10. <b>Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b>	Acquisitions	Disposals
10.1 Name of entity	Enti Financial Pty Ltd	-
10.2 Place of incorporation or registration	Australia	-
10.3 Consideration for acquisition or disposal	\$AUD80,000	-
10.4 Total net assets	\$AUD324,227	-
10.5 Nature of business	Retail	-

### **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.



Sign here: .....Date: **30 January 2020**  
**Company secretary**

Print name: **Indira Naidu**

### **Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.