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14 December 2021

## **Confirmation of Strategic Placement Funds Receipt**

- RLG confirms receipt of \$1,000,000 placement funds from China Cross Border Trading Group (CCTG) into trust account pending shareholder approval to issue shares
- The proposed placement to CCTG at \$0.026 per share represents an 18% premium to the closing share price on 10 November 2021 and a 30% premium to the closing share price on 10 December 2021
- All conditions precedent to the proposed placement have been completed with shareholder approval on 30 December 2021 outstanding
- Deal structure expected to deliver expanded access to general trade sales in China

Further to its release of 25 November 2021, e-Commerce and digital marketing company RooLife Group Ltd (**ASX:RLG**) ("**RLG**" or "Company") is pleased to confirm receipt of \$1,000,000 into RLG's solicitor's trust account to take up a placement of 38,461,538 new fully paid ordinary shares at an issue price of \$0.026 with 4,807,692 unlisted options exercisable at \$0.05 on or before 30 November 2024 ("**Proposed Placement**").

The Proposed Placement shares are to be voluntarily held in escrow for a minimum period of 6 months following issue and subject to shareholder approval on 30 December 2021.

The strategic placement to China-focussed sales channel, China Cross Border Trading Group ("**CCTG**"), is 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.

In addition to the Proposed Placement, RLG has agreed an incentive-based distribution agreement whereby for every \$1,000,000 in sales revenue with a minimum of \$100,000 gross margin (or equivalent gross profit amount) which CCTG provides directly to RLG between 1 January 2022 to 31 December 2022, CCTG or its nominees will be entitled to earn 1,000,000 unlisted options exercisable at \$0.05 on or before 30 November 2024 ("Incentive Options"), capped at 30,000,000 options. The issue of these options remains subject to shareholder approval on 30 December 2021.

As such, if CCTG provides RLG with up to \$30,000,000 in revenue with an associated gross margin of 10% or \$3,000,000 (or equivalent) directly to RLG in the first 12 months, it may earn up to 30,000,000 Incentive Options.

Completion of this transaction will provide RLG with expanded access and expertise across the comparatively much larger general trade and retail market sector (in addition to its well-established cross border e-commerce trade) in China.

This sales and distribution agreement and investment from CCTG closely aligns the interests of the parties with potential sales and profit margin contribution from new sales channels expected to contribute towards growing the Company's revenue and profitability.

## **ENDS**

**Issued by:** RooLife Group Ltd

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

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

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