



UNLOCK A WORLD
OF POTENTIAL

29 February 2024

Release of RooLife Group Ltd's financial results for the half-year ended 31 December 2023

e-Commerce and digital marketing company RooLife Group Ltd (ASX: RLG) ("RooLife Group" or the "Company") provides the following for release:

1. Appendix 4D – half-year report; and
2. Half-year financial report for the half-year ended 31 December 2023 including the Directors' Report.

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 or contact:

Bryan Carr

Managing Director

Ph: +61 8 6444 1702

Email: ir@roolifegroup.com.au

1. Reporting periods

Current Reporting Period: Half-Year ended 31 December 2023
 Previous Corresponding Period: Half-Year ended 31 December 2022

2. Results for announcement to the market

	6 months ended 31 Dec 2023 \$	6 months ended 31 Dec 2022 \$	Increase / (Decrease) \$	% Change
Revenue from ordinary activities	7,084,996	6,408,612	676,384	11%
Loss before income tax benefit	(946,375)	(1,153,448)	207,073	18%
Income tax benefit	-	-	-	0%
Net loss for the half-year	(946,375)	(1,153,448)	207,073	18%

Commentary on results for the period

Commentary on the above figures is included in the attached Interim Financial Report for the half year ended 31 December 2023.

3. Dividends

There are no dividend or distribution reinvestment plans in operation and there have been no dividend or distribution payments declared or paid during the financial half-year ended 31 December 2023.

4. Net tangible asset backing

	31 Dec 2023 \$	31 Dec 2022 \$
Net assets (\$)	3,075,681	5,018,617
Less intangible assets and goodwill (\$)	(2,487,448)	(2,597,448)
Net tangible assets of the Company (\$)	<u>588,233</u>	<u>2,421,169</u>
Fully paid ordinary shares on issue at balance date (number)	<u>722,558,133</u>	<u>702,230,863</u>
Net tangible asset backing per issued ordinary share at balance date	<u>0.001</u>	<u>0.003</u>

5. Control gained over entities

RLG Marketplace Pty Ltd was incorporated on 13 July 2023 and Hydralyte Global was incorporated on 12 September 2023. There is no material contribution to profit or loss from the incorporation of the Companies in the current period.

6. Loss of control over entities

Not applicable.

7. Details of associates and joint venture entities

Not applicable.

8. Accounting Standards

The condensed interim consolidated financial statements (the interim financial statements) are general purpose interim financial statements and have been prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 Interim Financial Reporting, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

9. Auditors' review report

The interim financial report has been reviewed by HLB Mann Judd. A signed copy of the review report is included in the interim financial report.

10. Attachments

The interim financial report of RooLife Group Limited for the half year ended 31 December 2023 is attached and forms part of the Appendix 4D.

ROOLIFE GROUP LTD

ABN 14 613 410 398

Interim Report
31 December 2023

CONTENTS

DIRECTORS' REPORT.....	1
AUDITOR'S INDEPENDENCE DECLARATION.....	6
CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME	7
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION	8
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	9
CONDENSED CONSOLIDATED STATEMENT OF CASHFLOWS.....	10
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.....	11
DIRECTORS' DECLARATION	24
INDEPENDENT AUDITOR'S REVIEW REPORT.....	25

DIRECTORS' REPORT

Your directors submit their Interim Report on the consolidated entity (referred to hereafter as the “Group”), consisting of RooLife Group Ltd (“RLG” or the “Company”) and entities it controlled at the end of, or during, the half-year ended 31 December 2023. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

Directors

The names of Directors who held office during or since the end of the interim period and until the date of this report are noted below. Directors were in office for the entire period unless otherwise stated.

Bryan Carr	Chief Executive Officer and Managing Director
Warren Barry	Executive Sales Director (resigned 12 December 2023)
Grant Pestell	Non-Executive Chairman
Ye (Shenny) Ruan	Non-Executive Director
Terence Leung	Non-Executive Director (appointed 12 December 2023)

Review of Operations

RLG's technology and services platforms manage the sale of food, beverages and health and wellness products, matching consumer demand with businesses and producers seeking to enter and sell into growth markets, connecting global producers and brands directly to consumers.

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.

RLG'S key positioning:

- An established, leading e-commerce platform provider
- Digital marketing expertise based in Australia and China
- Driving online and in-market sales of international brands and products
- Focussed on Health, Wellness and Food products including own VORA brand and product range
- Global Client Base



DIRECTORS' REPORT (continued)

Review of Operations (continued)

Through H1 FY2024, RLG continued expansion of its marketing, distribution and sales of consumer health, wellness and food products with additional sales channels added with tactical product brand selection.

In support of this, the Company entered into agreements to source and supply health, wellness and food products to be sold both online and through physical pharmacies and the stores of Shanghai No.1 Pharmaceuticals Co., Ltd, a diversified pharmaceutical distribution enterprise which operates a range of wholesale and retail businesses in China.

Agreements were also executed with cross border e-Commerce company AULife International to jointly market and sell international products in China with sales and orders delivered in new lucrative product segments for RLG of Milk Powder and Dairy Food Products.

RLG further expanded its portfolio of health and wellness products during the first half of the financial year with the appointment by The Hydration Pharmaceuticals Company Limited (ASX:HPC) for RLG to exclusively market, sell and distribute the Hydralyte range of electrolyte-rich tablets, liquids and powders in China.

RLG has exclusive distribution rights for all online and physical store sales, including cross border e-commerce and general trade in China and it extended RLG's positioning and portfolio in the health & functional food and beverage sector in China adding Hydralyte to Remedy Drinks, New Zealand Honey Co and RLG's own VORA range of healthy food products.

RLG's portfolio of products is focussed on the functional food, general health and wellness sectors and was further extended with RLG appointed by Minijumbuk (www.minijumbuk.com.au) to market and sell its well-known Australian premium wool bedding products including quilts, mattress toppers and pillows in China, achieving sales and sales orders of approximately \$700,000 driven by a marketing activities implemented in 1HY FY2024.

RLG expanded supply agreements with Shanghai No.1 Pharmaceuticals Company at China International Import Expo (CIIE) and additional orders were received for Shanghai No.1 Pharmaceuticals for RLG's exclusive-in-China brands.



Media coverage in China showcasing RLG's achievements and range of products in market, including the Company's own VORA Health range of products and the successful launch and positioning of Remedy Drinks Kombucha, including coverage in the People's Daily (<http://world.people.com.cn/n1/2023/1108/c1002-40114059.html>) and online media.



DIRECTORS' REPORT (continued)

Review of Operations (continued)

The Company continued work on identification and selection of in-demand health products for sale under the Company's VORA health brand and business development activity to select and appoint sales channels for the VORA product range, with new channels and sales orders expected in the subsequent reporting periods.

Also during the half-year, new service contracts were signed with Australian beauty products company, About Time We Met, Australian Pharmaceutical company, Care Pharmaceuticals and a European entertainment group.

The Company has focussed on driving top line sales while optimising service and sales delivery costs, successfully driving up revenue, while reducing costs and improving profitability.

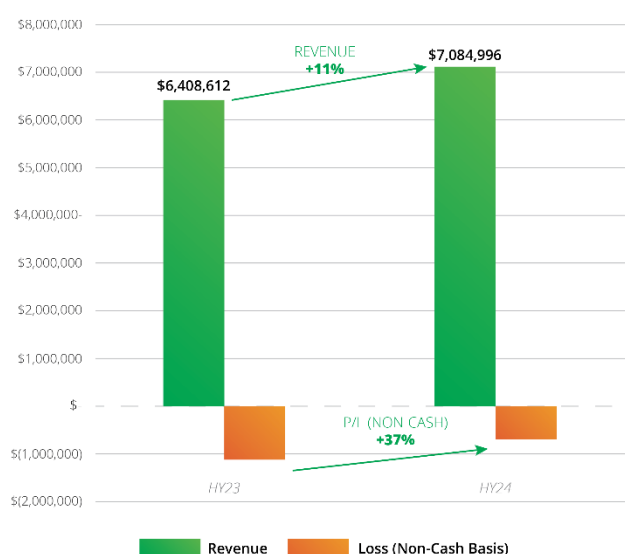
Strategic and structural changes to the business were implemented in the first half of FY2024 with key business financial improvements achieved in 1HY FY2024 as follows:



(* Excluding Investor Relations and Corporate Advisory Fees which also decreased 45% to \$173,881 in 1HY FY2024.)

A continued focus on expense reduction while growing sales revenue contributed to the improving P/L position with a reduced loss of (\$726,283), after adjustment for non-cash items, in the first half year of FY2024 as compared to the first half year of FY2023 (\$1,148,782).

RLG Revenue Increase & Loss (Non-Cash Basis) FY24 vs FY23



DIRECTORS' REPORT (continued)

Review of Operations (continued)

Securing distribution in an increasing number of physical stores in China and growing sales and distribution partnerships is a key expansion priority through the balance of this year, leveraging RLG's exclusive product sales agreements and strong online presence with dedicated digital marketing and e-commerce teams in China and Australia.

The Company continues to optimise its sales and marketing processes and systems, with focussed product selection based on identified demand, with the goal to deliver profitability from targeted sales and marketing and continued growth by e-commerce platform enhancement and offline sales channel development for general trade for China-side distribution.



In December 2023, RLG implemented strategic changes to its Board, with Mr Terence Leung joining the Board as an independent Non-Executive Director and Mr Warren Barry stepping down as a Director to focus exclusively on sales and business development in an executive role with the Company.

Mr Leung, based in Hong Kong and with extensive China-based business and financial markets expertise, is working closely with both the China-based and Australia teams to progress new sales opportunities.

Mr Leung has over 15 years of professional experience in the financial services, spanning investment banking and capital markets, principal investment and asset management. He has previously worked for international investment bank Credit Suisse; China's largest securities brokerage Huatai and an Asian hedge fund manager. More recently, he has been engaged in various business ventures involving China cross-border trade and further enhances the Company's expertise in this sector.

Operating results for the year

The Group has earned revenue and other income of \$7,214,897 for the half-year (31 December 2022: \$6,759,271) with cash receipts of \$7,323,178 (31 December 2022: \$7,303,879), and the total comprehensive loss for the period for the Group was \$946,375 (31 December 2022: \$1,153,448), which included non-cash items of Depreciation, Amortisation and Share Based Payments totalling (\$157,759).

At balance date, the Group held \$2,488,225 in cash (30 June 2023: \$1,419,586).

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the half-year, other than as set out in this report.

DIRECTORS' REPORT (continued)

Significant events after balance date

On 29 February 2024, the Group entered into a binding placement agreement with a strategic investment partner in China to undertake a placement of 176,470,588 ordinary shares at \$0.085 each to raise \$1,500,000 before costs.

Apart from the matter noted above, no other matters or circumstances have arisen since the end of the half-year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs in future financial periods.

Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the Directors of the Company with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page 6 and forms part of this Directors' report for the half-year ended 31 December 2023.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to s.306(3) of the Corporations Act 2001.



Bryan Carr
Managing Director and Chief Executive Officer
29 February 2024

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of RooLife Group Limited for the half-year ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) any applicable code of professional conduct in relation to the review.

Perth, Western Australia
29 February 2024



D I Buckley
Partner

hlb.com.au

HLB Mann Judd (WA Partnership) ABN 22 193 232 714

Level 4, 130 Stirling Street, Perth WA 6000 / PO Box 8124 Perth BC WA 6849

T: +61 (0)8 9227 7500 **E:** mailbox@hlbwa.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

For the half-year ended 31 December 2023

		6 months to 31 December 2023	6 months to 31 December 2022
	Notes	\$	\$
Continuing operations			
Revenue	2	7,084,996	6,408,612
Other income	2	129,901	350,659
		<u>7,214,897</u>	<u>6,759,271</u>
Direct product, logistics and marketing costs		(5,705,557)	(5,171,253)
Staff and contactor costs of providing goods and services		(455,363)	(647,625)
Other costs of providing goods and services		(220,630)	(160,330)
Depreciation expense		(3,564)	(5,726)
Amortisation expense	9	(44,967)	(21,373)
Share-based payments expense		(109,228)	(100,089)
Business development costs		(161,626)	(176,735)
Consulting and investor relation fees		(173,881)	(313,831)
Employee costs		(738,229)	(719,356)
Bad debt expense		-	(180,324)
Reversal of impairment		-	23,243
Other expenses		(524,653)	(460,910)
Loss before income tax		<u>(922,801)</u>	<u>(1,175,038)</u>
Income tax benefit		-	-
Net loss for the period		<u>(922,801)</u>	<u>(1,175,038)</u>
Other comprehensive loss, net of income tax			
<i>Items that may be reclassified to profit or loss</i>			
Exchange differences on translation of foreign operations		(23,574)	21,590
Other comprehensive loss for the period, net of income tax		<u>(23,574)</u>	<u>21,590</u>
Total comprehensive loss for the period		<u>(946,375)</u>	<u>(1,153,448)</u>
Loss for the year is attributable to:			
<i>Non-controlling interest</i>		(2,341)	-
<i>Owner of Roolife Group Limited</i>		<u>(920,460)</u>	<u>(1,175,038)</u>
		<u>(922,801)</u>	<u>(1,175,038)</u>
Basic loss per share (cents per share)	4	(0.13)	(0.17)
Diluted loss per share (cents per share)	4	(0.13)	(0.17)

The accompanying notes form part of these financial statements

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

	Notes	31 December 2023 \$	30 June 2023 \$
Assets			
Current assets			
Cash and cash equivalents		2,488,225	1,419,586
Trade and other receivables	5	3,475,798	3,768,615
Financial asset	8	237,414	297,414
Other current assets	6	590,426	235,230
Inventories	7	283,973	331,255
Total current assets		7,075,836	6,052,100
Non-current assets			
Property, plant and equipment		14,184	16,383
Deferred tax asset		21,839	21,839
Financial asset non-current	8	80,000	80,000
Other Intangible assets	9	98,363	189,491
Goodwill	10	2,389,085	2,389,085
Total non-current assets		2,603,471	2,696,798
Total assets		9,679,307	8,748,898
Liabilities			
Current liabilities			
Trade and other payables	11	4,245,980	3,690,788
Short-term borrowing	12	2,000,000	600,000
Deferred revenue		129,572	517,208
Total current liabilities		6,375,552	4,807,996
Non-current liabilities			
Deferred tax liabilities		21,839	21,839
Long-term borrowing	12	200,000	-
Employee provisions		6,235	6,235
Total non-current liabilities		228,074	28,074
Total liabilities		6,603,626	4,836,070
Net assets		3,075,681	3,912,828
Equity			
Issued capital	13	30,754,007	30,724,007
Reserves		1,644,163	1,588,509
Accumulated losses		(29,320,148)	(28,399,688)
Equity attributable to the owners of Roolife Group Limited		3,078,022	3,912,828
Non-controlling interest		(2,341)	-
Total equity		3,075,681	3,912,828

The accompanying notes form part of these financial statements

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half-year ended 31 December 2023

	Issued capital \$	Share- based payment reserve \$	Foreign currency translation reserve \$	Accumulated losses \$	Non- controlling interest \$	Total equity \$
Balance at 1 July 2023	30,724,007	1,592,643	(4,134)	(28,399,688)	-	3,912,828
Loss for the period	-	-	-	(920,460)	(2,341)	(922,801)
Other comprehensive loss for the period, net of income tax	-	-	(23,574)	-	-	(23,574)
Total comprehensive loss for the period	-	-	(23,574)	(920,460)	(2,341)	(946,375)
Share-based payments	30,000	79,228	-	-	-	109,228
Balance at 31 December 2023	30,754,007	1,671,871	(27,708)	(29,320,148)	(2,341)	3,075,681

For the half-year ended 31 December 2022

	Issued capital \$	Share- based payment reserve \$	Foreign currency translation reserve \$	Accumulated losses \$	Non- controlling interest \$	Total equity \$
Balance at 1 July 2022	30,411,425	1,777,251	(43,760)	(26,072,940)	-	6,071,976
Loss for the period	-	-	-	(1,175,038)	-	(1,175,038)
Other comprehensive loss for the period, net of income tax	-	-	21,590	-	-	21,590
Total comprehensive loss for the period	-	-	21,590	(1,175,038)	-	(1,153,448)
Share-based payments	-	100,089	-	-	-	100,089
Balance at 31 December 2022	30,411,425	1,877,340	(22,170)	(27,247,978)	-	5,018,617

The accompanying notes form part of these financial statements

CONDENSED CONSOLIDATED STATEMENT OF CASHFLOWS

For the half-year ended 31 December 2023

	6 months to 31 December 2023 \$	6 months to 31 December 2022 \$
Cash flows from operating activities		
Receipts from customers	7,323,178	7,303,879
Payments to suppliers and employees	(8,007,451)	(7,937,291)
Interest received	21,323	8,236
Interest paid	(50,106)	(9,609)
Government grants and tax incentives received/(returned)	51,889	78,979
Net cash outflow from operating activities	(661,167)	(555,806)
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	2,200	-
Proceeds from repayment of convertible note	60,000	50,000
Proceeds from sale of intellectual property	10,000	-
Payments for property, plant and equipment	(987)	(8,967)
Payments for intangible assets	(6,600)	(37,369)
Proceeds /(payments) from security deposits (net)	58,527	(20,587)
Net cash inflow/ (outflow) from investing activities	123,140	(16,923)
Cash flows from financing activities		
Proceeds from borrowings	400,000	450,000
Proceeds from the issue of convertible notes	1,200,000	-
Net cash inflow from financing activities	1,600,000	450,000
Net increase/ (decrease) in cash held	1,061,973	(122,729)
Cash and cash equivalents at the beginning of the period	1,419,586	2,414,299
Effects of exchange rate fluctuations on cash held	6,666	8,242
Cash and cash equivalents at the end of the period	2,488,225	2,299,812

The accompanying notes form part of these financial statements

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the half-year ended 31 December 2023

Note 1: Statement of significant accounting policies

(a) Basis of preparation

The condensed interim consolidated financial statements (the interim financial statements) are general purpose interim financial statements and have been prepared in accordance with the requirements of the *Corporations Act 2001*, applicable accounting standards including AASB 134 *Interim Financial Reporting*, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

The interim financial statements comprise the condensed interim financial statements for the Group. For the purposes of preparing the interim financial statements, the Group is a for-profit entity.

The interim financial statements do not include full disclosures of the type normally included in the full financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in the full financial report. It is recommended these interim financial statements be read in conjunction with the full financial report for the year ended 30 June 2023 and any public announcements made by the Company and its subsidiaries during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001* and the ASX Listing Rules.

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding half-year, except for the impact of the new Standards and Interpretations described in Note 1(b) below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The interim financial statements have been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets.

The Company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

For the purpose of preparing the interim financial statements, the half-year has been treated as a discrete reporting period.

(b) Adoption of new and revised standards

Standards and Interpretations applicable to 31 December 2023

In the period ended 31 December 2023, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the current reporting period beginning on or after 1 July 2023.

There is no material impact of the new and revised Standards and Interpretations on the Group.

Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all Standards and Interpretations in issue not yet adopted for the period ended 31 December 2023. As a result of this review the Directors have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Group and, therefore, no change is necessary to Group accounting policies.

(c) Statement of compliance

The interim financial statements were authorised for issue on 29 February 2024.

The interim financial statements comply with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the interim financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the half-year ended 31 December 2023

Note 1: Statement of significant accounting policies (continued)

(d) Significant accounting estimates and judgements

The preparation of the interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2023.

(e) Going concern

The financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

(f) Borrowings

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a non-current liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised and included in shareholders equity as a convertible note reserve, net of transaction costs. The carrying amount of the conversion option is not remeasured in the subsequent years. The corresponding interest on convertible notes is expensed to profit or loss.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the half-year ended 31 December 2023

Note 2: Revenue and other income

The Group derives its revenue from the sale of goods and the provision of services at a point in time and over time.

Revenue

	6-months to 31 December 2023	6-months to 31 December 2022
	\$	\$
Revenue from contracts with customers	7,084,996	6,408,612

Reconciliation of revenue from contracts with customers

At a point in time

Product and platform sales	5,556,425	4,661,160
	5,556,425	4,661,160

Over time

Digital marketing services	1,528,571	1,747,452
	1,528,571	1,747,452
Total revenue	7,084,996	6,408,612

Other income

	Note		
Interest income		21,624	12,065
Other income	(i)	-	260,642
Gain on disposal of fixed assets		2,000	-
Grants and subsidies		106,277	77,952
		129,901	350,659

(i) Gain on extinguishment of financial liability.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the half-year ended 31 December 2023

Note 3: Segment reporting

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Board of Directors in order to allocate resources to the segment and to assess its performance. Information regarding these segments is presented below. The accounting policies of the reportable segments are the same as the Group's accounting policies. The following tables are an analysis of the Group's revenue and results by reportable segment provided to the Board of Directors for the half-year ended 31 December 2023 and for the half-year ended 31 December 2022.

	Australia	Singapore	China	Consolidation eliminations	Total
31 December 2023	\$	\$	\$	\$	\$
Sales to external customers	984,839	-	6,133,060	(32,903)	7,084,996
Segment revenue	984,839	-	6,133,060	(32,903)	7,084,996
Segment result	(1,046,677)	(83)	123,959	-	(922,801)
Segment assets	18,460,310	(163)	7,929,249	(16,710,089)	9,679,307
Segment liabilities	(4,470,403)	(4,007,507)	(10,116,989)	11,991,273	(6,603,626)
31 December 2022	\$	\$	\$	\$	\$
Sales to external customers	1,247,016	-	5,235,996	(74,400)	6,408,612
Segment revenue	1,247,016	-	5,235,996	(74,400)	6,408,612
Segment result	(1,035,381)	(256)	(139,401)	-	(1,175,038)
Segment assets	18,754,021	260	5,962,187	(16,135,770)	8,580,698
Segment liabilities	(2,920,066)	(4,007,507)	(8,051,462)	11,416,954	(3,562,081)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the half-year ended 31 December 2023

Note 4: Loss per share

(a) Basic and diluted loss per share

	6-months to 31 December 2023	6-months to 31 December 2022
	\$	\$
Total basic and diluted loss per share attributable to the ordinary equity holders of the Company	(0.13)	(0.17)

(b) Reconciliation of loss used in calculating loss per share

	\$	\$
Loss attributable to the ordinary equity holders of the Company used in the calculation of basic and diluted loss per share	(920,460)	(1,175,038)

(c) Weighted average number of shares used as the denominator

	Number	Number
Weighted average number of ordinary shares used in the denominator in calculating loss per share	721,339,554	702,230,863

(d) Information concerning classification of securities

Options granted are considered to be potential ordinary shares and have been included in the determination of diluted loss per share to the extent to which they are dilutive (the options are not considered to be dilutive). The options have not been included in the determination of basic loss per share.

Note 5: Trade and other receivables

	31 December 2023	30 June 2023
	\$	\$
Trade and other receivables	3,368,637	3,751,014
Allowance for doubtful debts	-	-
	3,368,637	3,751,014
Accrued revenue	69,792	17,601
GST receivable	30,269	-
Other receivables	7,100	-
	3,475,798	3,768,615

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the half-year ended 31 December 2023

Note 6: Other current assets

	31 December 2023	30 June 2023
	\$	\$
Prepayments	447,022	75,672
Security deposits	140,393	156,547
Other	3,011	3,011
	<u>590,426</u>	<u>235,230</u>

Note 7: Inventories

	31 December 2023	30 June 2023
	\$	\$
Inventories at cost	325,503	372,785
Impairment allowance	(41,530)	(41,530)
Total	<u>283,973</u>	<u>331,255</u>

Note 8: Financial assets

	Note	31 December 2023	30 June 2023
		\$	\$
Financial asset - current	(i)	237,414	297,414
Financial asset – non- current	(ii)	80,000	80,000

- (i) Convertible note granted in settlement of services provided. The note is repayable in 6 months and accrues interest at 10% per annum. The note is convertible to equity at the discretion of the holder. The fair value of the conversion feature is not material. The financial asset is measured at amortised cost.
- (ii) Shares held in a private company which were granted in settlement for services provided in a web development project. The shares are valued using the price at the most recent capital raise of the entity.

The financial assets are Level 3 instruments in the fair value hierarchy.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the half-year ended 31 December 2023

Note 9: Other Intangible assets

Carrying Value

	Technology	Trademark	Customer contracts	Total
	\$	\$	\$	\$
31 December 2023				
Cost	165,005	40,036	-	205,041
Accumulated amortisation	(83,462)	(23,216)	-	(106,678)
Carrying value as at 31 December 2023	81,543	16,820	-	98,363

	Technology	Trademark	Customer contracts	Total
	\$	\$	\$	\$
30 June 2023				
Cost	163,195	40,036	50,000	253,231
Accumulated amortisation	(63,740)	-	-	(63,740)
Carrying value as at 30 June 2023	99,455	40,036	50,000	189,491

No impairment loss was recognised during the period (31 December 2022: \$nil).

Reconciliation

6 months to 31 December 2023

	Technology	Trademark	Customer contracts	Total
		\$	\$	\$
Carrying value as at 1 July 2023	99,455	40,036	50,000	189,491
Cost occurred	6,000	-	-	6,000
Disposal	-	-	(50,000)	(50,000)
Amortisation	(21,751)	(23,216)	-	(44,967)
Foreign currency difference	(2,161)	-	-	(2,161)
Carrying value as at 31 December 2023	81,543	16,820	-	98,363

Year to 30 June 2023

	Technology	Trademark	Customer contracts	Total
	\$	\$	\$	\$
Opening balance	129,538	-	50,000	179,538
Addition	8,000	40,036	-	48,036
Amortisation	(42,254)	-	-	(42,254)
Foreign currency difference	4,171	-	-	4,171
Carrying value as at 30 June 2023	99,455	40,036	50,000	189,491

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the half-year ended 31 December 2023

Note 10: Goodwill

Carrying Value

	31 December 2023	30 June 2023
	\$	\$
Cost	4,405,266	4,405,266
Impairment	(2,016,181)	(2,016,181)
Carrying value	2,389,085	2,389,085

Reconciliation

	6 months to 31 December 2023	Year to 30 June 2023
	\$	\$
Opening balance	2,389,085	2,389,085
Acquisitions through business combinations	-	-
Carrying value	2,389,085	2,389,085

No impairment loss was recognised during the period (31 December 2022: \$nil).

Note 11: Trade and other payables

	31 December 2023	30 June 2023
	\$	\$
Trade payables	3,456,289	3,273,879
Accruals	159,099	122,883
Deferred remuneration	25,094	36,525
Payroll liabilities	209,418	199,397
Security deposits payable	57,297	35,349
GST/VAT payable	-	833
Other payables	338,783	21,922
	4,245,980	3,690,788

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the half-year ended 31 December 2023

Note 12: Borrowing

	Note	31 December 2023 \$	30 June 2023 \$
Working capital loan	(i)	600,000	600,000
Convertible Note - Westcap Pty Ltd	(ii)	1,000,000	-
Convertible Note - Xiaodan Wu	(iii)	200,000	-
Loan from Director	(iv)	200,000	-
Short-term borrowing		<u>2,000,000</u>	<u>600,000</u>

	Note	31 December 2023 \$	30 June 2023 \$
Loan from Director (Long-term)	(v)	200,000	-

- (i) Working Capital Loan Agreement entered into with Saxby Capital Investments Pty Ltd to provide the Group with a line of credit facility to the value of \$1,000,000 which is available to be drawn down and applied by the Group to fund supply of products for sale. The key terms of the facility are:
- Repayment: Per transaction, typically 60-90 days terms for repayment to be agreed between the lender and borrower on a case-by case basis. Repayment of the drawn down amount of \$600,000 is due in two equal instalments on 5 January 2024 and 1 April 2024.
 - Interest rate: 10% p/a on loan amount drawn down, payable in arrears.
 - Security: Secured by a fixed and floating charge over receivables and inventory to the equivalent value of amount outstanding of the loan.
 - Other Terms: The net current assets of the Group need to be maintained at 200% or greater of the drawn down loan amount at all times, prior to the repayment of the loan amount, any accrued interest and any default interest if due.
- (ii) Convertible note Agreement entered into with Westcap Pty Ltd to provide the Group with convertible note of \$1,000,000. The key terms of the convertible note are:
- 8% per annum interest rate accrues on the Loan and it repayable at the end of each calendar quarter.
 - Provision of 2,000,000 Fully Paid Ordinary Shares in RLG (RLG Shares) to be issued to the lender upon execution.
 - Term is 13 months.
 - Lender may elect to convert part or all of the Loan into RLG Shares at any time prior to the end of the Term, or to repaid at the end of the Term.
 - RLG may elect to repay the Loan in part or in full 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 will be secured by a charge over RLG's inventory directly purchased with and capped at the value of the Loan amount.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the half-year ended 31 December 2023

Note 12: Borrowing (continued)

- (iii) Convertible note Agreement entered into with Xiaodan Wu to provide the Group with convertible note of \$200,000. The key terms of the convertible note are:
- 8% per annum interest rate accrues on the Loan and it repayable at the end of each calendar quarter.
 - 5 Fully Paid Ordinary shares in RLG will be issued to the lender for every A\$1.00 loaned.
 - Term is 12 months.
 - Lender may elect to convert part or all of the Loan into RLG Shares at any time prior to the end of the Term.
 - RLG may elect to repay the Loan in part or in full 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.
 - If at any time RLG repays the whole or any part of the Loan by way of an issue of RLG Shares then RLG may, for the purpose of calculating the number of RLG Shares to be issued, reduce directly from the value of the relevant loan amount any amounts paid by RLG to that point as interest in respect of the relevant loan amount.
 - The Loan will be secured by a charge over RLG's inventory, receivable amounts, prepayments, and deposits, capped at the value Of the Loan amount.
- (iv) Unsecured Loan Agreement entered into with Director Warren Barry to provide the Group with a line of credit facility to the value of \$200,000 which is available to be drawn down and applied by the Group to fund supply of products for sale. The key terms of the facility are:
- Repayment per transaction, typically 90 days terms for repayment to be agreed between lender and Borrower on a case-by-case basis
 - 10% per annum interest rate on loan amount drawn down, payable in arrears.
- (v) Unsecured Loan Agreement entered into with Director Bryan Carr to provide the Group with a line of credit facility to the value of \$200,000 which is available to be drawn down and applied by the Group to fund supply of products for sale. The key terms of the facility are:
- Repayment date is 15 March 2025.
 - 10% per annum interest rate on loan amount drawn down, payable in arrears.

Note 13: Issued capital

(a) Share capital

	31 December 2023	30 June 2023
	\$	\$
Ordinary shares issued and fully paid	30,754,007	30,724,007

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the half-year ended 31 December 2023

Note 13: Issued capital (continued)

(b) Movement in ordinary share capital

Six months to 31 December 2023

Date	Details		Number of shares	\$
1 July 2023	Opening balance		719,558,133	30,724,007
7 August 2023	Shares issued to Xiaodan Wu on receipt of funding under Convertible Note Agreement	(i)	1,000,000	8,000
2 October 2023	Shares issued to Westcap Pty Ltd on receipt of funding under Convertible Note Agreement	(i)	2,000,000	22,000
31 December 2023			<u>722,558,133</u>	<u>30,754,007</u>

(i) Shares issued to lenders according to convertible note.

Year to 30 June 2023

Date	Details	Note	Number of shares	\$
1 July 2022	Opening balance		702,230,863	30,411,425
10 February 2023	Conversion of employee performance rights	(i)	4,327,272	60,582
10 February 2023	Conversion of director performance rights	(i)	6,499,999	143,000
10 February 2023	Shares issued to consultant	(ii)	2,500,000	25,000
14 April 2023	Conversion of employee performance rights	(i)	499,999	7,000
3 May 2023	Conversion of director performance rights	(i)	3,500,000	77,000
30 June 2023	Closing balance		<u>719,558,133</u>	<u>30,724,007</u>

(i) Shares issued to directors and employee under share-based payment plans entered in FY2022.

(ii) Shares issued to consultant in consideration for services provided.

(c) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the half-year ended 31 December 2023

Note 14: Share-based payments

There were no share options exercised/ expired or cancelled during the half year.

Performance rights

The Company has entered into the agreement on 16th August 2023 with AULife International Pty Ltd (AULife) and Martin Place Equity Partners Pty Ltd (Martin Place) with following performance rights:

	Condition A	Condition B	Condition C	Condition D
AULife	32,000,000	8,000,000	4,000,000	4,000,000
Martin Place	8,000,000	2,000,000	-	-
	40,000,000	10,000,000	4,000,000	4,000,000

The performance rights granted were in three tranches with separate market and non-market conditions for each tranche as outlined below. The market conditions were incorporated into the measurement of fair value.

	Vesting conditions	Number	Expiry date
Condition A	800,000 Performance Rights will vest for every \$33,333 in gross profit achieved by the operating entity during the first 12 months after entry into the operating agreement which is derived from sales revenue directly attributable to AuLife I (with the effect being if the operating entity achieves \$1,333,320 or more of gross profit during the first 12 months after entry into the operating agreement which is derived from sales revenue directly attributable to AuLife then all 32,000,000 Performance Rights will vest).	40,000,000	16/08/2025
Condition B	Within 12 months after entry into the operating agreement: <ul style="list-style-type: none"> (a) the Operating Entity enters into a commercial agreement for a comprehensive project jointly created by the platform, local governments and the relevant parties with (in the Company's reasonable opinion) a tier 1 e-commerce platform provider in China and AuLife facilitates entry into that arrangement, for the operating entity to operate as the online store provider; and (b) at least \$50,000 in associated product sales is achieved on that e-commerce platform provider's platform. 	10,000,000	16/08/2025
Condition C	Within 12 months after the date of issue, the Company's market capitalisation is at any time \$12 million or more for 20 consecutive trading days.	4,000,000	16/02/2025
Condition D	Within 12 months after the date of issue, the Company's market capitalisation is at any time \$20 million or more for 20 consecutive trading days.	4,000,000	16/02/2025

The fair value of the rights on grant date was \$0.007 for a total fair value of \$358,400.

No vesting expense has been recognised for condition A and B as the Company has deemed that the performance conditions are not probable. Condition C and D have a vesting expense of \$2,507 during the half year. The remaining share based payment expense occurred during the half year is made up of vesting of instruments issued in prior periods.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the half-year ended 31 December 2023

Note 15: Financial instruments

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting period.

The carrying amounts of the current receivables, other current assets and current payables are considered to be a reasonable approximation of their fair value.

Note 16: Contingent liabilities

The Group has no contingent liabilities as at the reporting date.

Note 17: Interests in subsidiaries

The consolidated financial statements include the financial statements of RooLife Group Ltd and the subsidiaries listed in the following table.

Name of entity	Country of incorporation	% Equity interest		Investment	
		31 December 2023	30 June 2023	31 December 2023	30 June 2023
		%	%	\$	\$
OpenDNA (UK) Limited	United Kingdom	100	100	4,865,516	4,865,516
OpenDNA (Singapore) Pte Ltd	Singapore	100	100	98	98
CHOOSE Digital Pty Ltd	Australia	100	100	658,333	658,333
RooLife Pty Limited	Australia	100	100	558,334	558,334
RooLife (HK) Limited	Hong Kong	100	100	-	-
Blackglass Pty Ltd	Australia	100	100	300,000	300,000
QBID Pty Ltd	Australia	100	100	652,851	652,851
QBID Holdings Pty Ltd	Australia	100	100	-	-
Qualis Pty Ltd	Australia	100	100	-	-
Qualis Brands Pty Ltd	Australia	100	100	-	-
RooLife China	China	100	100	-	-
Remedy Drinks China Pty Ltd	Australia	100	100	-	-
Vora Health Group Pty Ltd	Australia	100	100	38,157	-
Fiji Kava Global Pty Ltd	Australia	100	100	-	-
RLG Marketplace Pty Ltd ⁽ⁱ⁾	Australia	80	-	-	-
Hydralyte Global Pty Ltd	Australia	100	-	-	-

(i) The non-controlling interests hold 49% of the voting right of RLG Marketplace Pty Ltd.

RLG Marketplace Pty Ltd was incorporated on 13 July 2023 and Hydralyte Global was incorporated on 12 September 2023.

RooLife Group Ltd is the ultimate Australia parent entity and the ultimate parent of the Group. Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation.

Note 18: Events subsequent to reporting date

On 29 February 2024, the Group entered into a binding placement agreement with a strategic investment partner in China to undertake a placement of 176,470,588 ordinary shares at \$0.085 each to raise \$1,500,000 before costs.

Apart from the matter noted above, no other matters or circumstances have arisen since the end of the half-year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs in future financial periods.

DIRECTORS' DECLARATION

1. In the opinion of the Directors of RooLife Group Ltd (the 'Company'):
 - a. the accompanying interim financial statements and notes are in accordance with the Corporations Act 2001 including:
 - i. giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the half- year then ended; and
 - ii. complying with Australian Accounting Standards, the Corporations Regulations 2001, professional reporting requirements and other mandatory requirements.
 - b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
 - c. the interim financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.
2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 303(5) of the Corporations Act 2001 for the half-year ended 31 December 2023.

This declaration is signed in accordance with a resolution of the board of Directors.



Bryan Carr
Chief Executive Officer and Managing Director

29 February 2024

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of RooLife Group Limited

Report on the Condensed Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of RooLife Group Limited ("the Company") and its controlled entities ("the Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2023, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, selected explanatory notes, and the directors' declaration, for the Group comprising the Company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of RooLife Group Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's responsibilities for the review of the financial report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibility of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

hlb.com.au

HLB Mann Judd (WA Partnership) ABN 22 193 232 714

Level 4, 130 Stirling Street, Perth WA 6000 / PO Box 8124 Perth BC WA 6849

T: +61 (0)8 9227 7500 **E:** mailbox@hlbwa.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.


Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.



HLB Mann Judd
Chartered Accountants

Perth, Western Australia
29 February 2024



D I Buckley
Partner