

25 February 2019

ASX Announcement

Mediland Pharm debuts on the ASX

- Mediland Pharm (MPH) commences trading on the ASX following a successful IPO raising \$12.5 million
- The Offer was supported by a large number of high net worth and sophisticated investors in Australia, New Zealand, China and Malaysia
- Trading commences with a strong pipeline of commercial opportunities and MPH is well positioned to execute its three-pillar growth strategy

Mediland Pharm Limited (ASX: MPH) (**Mediland Pharm** or the **Company**) a leading retailer of health, well-being and wool products, jewellery and cosmetics targeting the inbound Chinese tourist market has today commenced trading on the ASX, following a successful initial public offering (IPO).

The Company raised \$12.5 million before costs with strong support received from high net worth and sophisticated investors in Australia, New Zealand, China and Malaysia. A total of 62,500,000 fully paid ordinary shares at \$0.20 per share were issued under the IPO and the Company listed on the ASX with a market capitalisation of \$62.5 million. Bridge Street Capital acted as Lead Manager to the IPO.

Mediland Pharm is a leading retailer of cosmetics, jewellery and health, well-being and wool products servicing the inbound Chinese tourism market in Australia for over 15 years. The Company operates three retail stores located in Sydney, Melbourne and the Gold Coast, and partners with leading travel agents and wholesale tour operators to generate sales through exclusive customer shopping agreements.

MPH partners with tour operators to provide Chinese tourists a one-stop shopping and tourism experience allowing MPH to capitalise on the increasing numbers of Chinese tourists coming to Australia. Under the partnership agreements, the tour operators ensure that MPH's three stores are exclusively visited by each tour group and in return, MPH pays promotion fees to the tour operator.

This strategy has been successful, and the Company generated \$34 million in revenue for FY18 delivering net profit after tax of \$3.6 million.

Execution of growth strategy

With the proceeds from the IPO, the Company will execute its growth strategies as indicated in the Company's Prospectus, with an immediate priority on online distribution. MPH aims to launch an e-commerce online distribution channel as an extension to current sales initiatives. By launching an online store stocking the same products as those sold in store, the Company will be able to continue servicing customers following their departure from Australia. This business model is expected to drive additional sales and provide the Company invaluable data on browsing and purchasing habits. Other growth plans include developing Mediland Pharm's own range of products and expanding the Australian retail presence.

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Commenting on the listing, Chairman Dr Peter French said: “We are very pleased to have completed the IPO and are excited to now begin executing and delivering on our growth strategy.”

“Mediland Pharm has been in the market for a number of years and it has grown rapidly over time. There is an experienced and enthusiastic Board and senior leadership team behind the Company, and I am confident in our ability to execute our strategy, grow the revenue and deliver value for our shareholders.”

-ENDS-

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About Mediland Pharm

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

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