

Media Release

Mediland progresses on growth strategy with acquisition of established E-commerce platforms and expands its retail shop network to China and New Zealand

In less than 6 weeks after listing on the ASX, **Mediland Pharm** (ASX:MPH) is delivering on the growth strategy as outlined in its Prospectus.

On **Tuesday 2nd April**, the **Directors** of one of the first ASX-listed companies in the Chinese inbound tourism industry announced its intention to acquire a ready-made online retail platform with a China focus. The acquisition target, **Ian's Health Lounge** was first established in Australia in 2012 and has now grown to incorporate one direct shop in Australia, six franchise shops in China, three WeChat accounts and four E-commerce platforms, with operating entities and employees in both Australia and China.

The transaction, which is subject to final due diligence and expected to complete in June 2019, will accelerate Mediland's retail network growth and E-commerce strategy, as well as expanding its product range.

As part of the agreement, the founders of the business will remain on board to keep managing and operating the business following completion and will assist with the introduction of the E-commerce concept to Mediland whilst maintaining and expanding the existing sales network in China.

Not content with this, in a follow up announcement, the Company announced that they had secured a lease on a retail premises in Auckland, New Zealand, to capitalise on the exciting growth in Chinese visitors to Australia's neighbour. According to Stats NZ, 3.82 million visitors stepped onto New Zealand shores in the financial year 2018, 11% of whom (approx. 420,000) were from China. Auckland was the city with the most arrivals (71%).

Chairman, Dr Peter French indicated that Mediland is well on the way to completing its three-pronged growth strategy— more retail stores, E-commerce platforms to maintain contact with our Chinese customers when they return, and an expanded product range in record time.

Managing Director, Mr Yesh Mudaliar said, *“One of our growth strategies is to promote our brand to our customers when they return home. We know that an online channel is a great way to keep in contact with our customers providing them a platform to continue purchasing products from Mediland Pharm. Thus, we are very pleased to have the opportunity to acquire an established business that has been operating in this field for several years.”*

“With New Zealand being close to heart, it is pleasing to establish our retail presence in this beautiful neighbouring country, which also has a very strong Chinese traveller base. We aim to replicate our successful Australian business model.”