



**ASX ANNOUNCEMENT**  
**QUARTERLY UPDATE & APPENDIX 4C**  
**TOTAL FACE GROUP LIMITED (ASX: TFG)**

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31 July 2017

Company Announcements Office  
Australian Securities Exchange  
10th Floor, 20 Bond Street  
SYDNEY NSW 2000

Dear Sir/Madam,

**Re: Appendix 4C – Quarterly Report**

Please refer to the 'Appendix 4C' attached for cash flows for the quarter ended 30 June 2017 for Total Face Group Limited (TFG, the Company).

**Highlights**

- Successfully raised \$2.0m by way of Secured Redeemable Convertible Notes
- Cash receipts from customers were \$5.3m for the quarter taking YTD receipts from customers to \$20.7m
- Ended the quarter with a cash balance of \$2.6m

**Operational Update**

The Company announced to the market on 4 July, 2017 that revenue across Q4 had been softer than anticipated across our three modalities. Receipts from customers of \$5.3m across Q4 saw the Company deliver close to breakeven cash flow from operations (\$17k) with operating outflows totaling \$5.3m.

Despite Q4 being soft, receipts from customers were 13% higher than the \$4.7m achieved in the previous quarter.

The \$1.5m of positive cash flow from operations achieved across FY17 compares favorably against the negative operating cash flow from operations of \$950k in FY16 and reflects the strength of what the Company has achieved over the past 12 months.

TFG is well placed to capitalise on the foundations that have been set, we have established a clinic network across the eastern seaboard of Australia with the largest cohort of industry Key Opinion Leaders and a set of services across our three modalities that have substantial room for growth.

Our immediate focus is on lowering client acquisition costs and increasing the life time value of our existing client base. We have started several programs focused on our digital assets across all platforms and our social media presence. We are also reviewing our customer loyalty programs now that our Proprietary TESSA systems has been rolled out across all but our Canberra operations.

Any questions relating to this announcement should be directed to Mrs Joanne Hannah, (CEO) or Mrs Liza Juegan (CFO) on +61 8547 3600.

**TOTAL FACE GROUP LIMITED**

**TOTAL FACE GROUP**

**ABN 43 169 177 833**

PO Box 317, Collins Street West, Melbourne VIC 8007

**WWW.TOTALFACEGROUP.COM.AU**

## 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**

TOTAL FACE GROUP LTD

**ABN**

43 169 177 833

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

30 JUNE 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	5,300	20,709
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs	(2,368)	(9,089)
(c) advertising and marketing	(217)	(1,032)
(d) leased assets	(10)	(41)
(e) staff costs	(2,422)	(7,923)
(f) administration and corporate costs	(275)	(1,389)
1.3 Dividends received (see note 3)		
1.4 Interest received	2	11
1.5 Interest and other costs of finance paid	(24)	(140)
1.6 Income taxes paid		(48)
1.7 Government grants and tax incentives		48
1.8 Other (provide details if material)	(3)	372
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(17)</b>	<b>1,478</b>

<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(42)	(3,341)
	(b) businesses (see item 10)	(401)	(7,635)
	(c) investments	-	-
	(d) intellectual property	(171)	(601)
	(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	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (acquisition costs & lease deposits)	(11)	(624)
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(625)</b>	<b>(12,201)</b>
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	10,000
3.2	Proceeds from issue of convertible notes	2,000	2,000
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(757)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(147)	(539)
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>1,853</b>	<b>10,704</b>

**Appendix 4C**  
**Quarterly report for entities subject to Listing Rule 4.7B**

<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	1,371	2,601
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(17)	1,478
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(625)	(12,201)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,853	10,704
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>2,582</b>	<b>2,582</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	2,582	1,371
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>2,582</b>	<b>1,371</b>

<b>6.</b>	<b>Payments to directors of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to these parties included in item 1.2	59
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	
CEO remuneration and rent of corporate head office to related entity.		

**Appendix 4C**  
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<b>7.</b>	<b>Payments to related entities of the entity and their associates</b>	<b>Current quarter \$A'000</b>
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	

<b>8.</b>	<b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
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.		

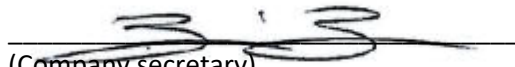
<b>9.</b>	<b>Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1	Research and development	-
9.2	Product manufacturing and operating costs	(2,370)
9.3	Advertising and marketing	(150)
9.4	Leased assets	(10)
9.5	Staff costs	(2,672)
9.6	Administration and corporate costs	(486)
9.7	Other (provide details if material)	-
<b>9.8</b>	<b>Total estimated cash outflows</b>	<b>(5,688)</b>

<b>10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b>	<b>Acquisitions</b>
10.1 Name of entity	a) Rejuven8 Penrith b) Face Today Chatswood c) Sunshine Vein Clinic d) Canberra Cosmedic Medicine Clinic
10.2 Place of incorporation or registration	a) NSW b) NSW c) QLD d) ACT
10.3 Consideration for acquisition or disposal	a) \$46,810 post completion payment b) \$19,332 post completion payment c) \$75,000 d) \$259,452
10.4 Total net assets	a) & b) per TFG 2016 Annual Report c) Nil d) Nil
10.5 Nature of business	Non-surgical Cosmetic Clinics

**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:

  
(Company secretary)

Date: 31 July, 2017

Print name: Liza Juegan

**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.