

COVID-19 BUSINESS UPDATE

20th March 2020. Melbourne, Australia: Rhinomed Limited (ASX:RNO OTCQB:RHNMF), a leader in nasal medical technology and the maker of Mute™ and Pronto™, which are sold through over 13,000 pharmacies globally, wishes to provide an update to investors in regards to the potential impact of COVID-19 on the business.

Operations: The company has introduced its COVID-19 action plan and introduced remote working. The Company has introduced a Capital conservation and cost reduction plan with scope for further action if necessary. The company is carefully managing its account receivables, of which the majority are held in USD and with blue chip US and UK based retail partners

Production: Our manufacturing facility in China has resumed production. We expect to be able to meet our revised production timelines and are well positioned to respond to both existing demand and any new stocking requirements.

Logistics: The COVID-19 pandemic has had an impact on the global logistics and supply chain. Investors will be aware that freight and global trade relies heavily on the airline industry. As a result of the slowdown in global air travel we can report that we are experiencing delays in delivery of stock to our major markets from our Hong Kong warehouse. While Rhinomed has sufficient stock in its Australian, UK and US warehouses over the short to medium term, we are carefully monitoring stock levels on a daily basis and working with our logistics partners to meet demand in a timely manner.

Retail: The company has been in close communication with retail partners in the US, UK and Australia. It is still too early to assess the impact of these unusual consumer demand patterns on the business. While many customer head offices have introduced remote working, the Rhinomed team is in communication with clients and working to ensure retailer and customer needs are being met and that category reviews proceed as planned.

Amazon: Over the last 48 hours Amazon has advised all suppliers that it is prioritising “household staples, medical supplies, or other high demand products”. It is unknown at this stage what impact this could have on the Company’s revenue.

Revenue guidance: To date the company had experienced a Q3 revenue run rate in line with previously communicated expectations. However, due to the uncertainty around the spread of COVID-19 globally and impacts on demand, the company is unable to provide guidance as to how Q3 will finish and cannot forecast the extent to which COVID 19 will impact the business in the second half of the fiscal year.

Rhinomed remains committed to its global network of over 13,000 pharmacies and continuing the growth of the business, whilst also protecting the wellbeing of employees and key stakeholders.

RHINOMED

MAKE EVERY BREATH COUNT

Michael Johnson
Chief Executive Officer

About Rhinomed Limited (ASX: RNO, OTCQB:RHNMF)

Rhinomed Limited is a Melbourne based ASX listed airway technology company that has developed a simple and innovative clip-on nasal device to improve oxygen flow to the lungs and deliver therapeutic agents.

With its initial product Turbine, Rhinomed has established a leading position in sports performance enhancement, as testified by athletes including two-time Tour de France winner Chris Froome.

With its variant called Mute, the company has also entered the sleep sector to tackle sleep apnoea (snoring) and insomnia. A third product, Pronto, tackles nasal congestion. The company is also developing medical cannabis products for conditions including anxiety, pain, allergies, nausea, anxiety and coughs and colds.

Rhinomed's devices are sold in nearly 13,000+ stores worldwide including Walgreens, CVS, Boots and online with Amazon; and are approved in major markets including the US, Europe and Australia. www.rhinomed.global