

# R H I N O M E D

## RHINOMED OPERATIONAL REVIEW

- Due to Rhinoswab revenues delays a strategic review of operating activities has been completed.
- The review has resulted in cost reduction activities taking effect immediately.
- Expected unaudited FY24 Q1 revenues of \$2.23m.

### 24th October 2023: Melbourne, Australia.

Rhinomed Limited (ASX:RNO OTCQB:RHNMF), a leader in wearable nasal and respiratory technology, is today announcing it has completed a strategic review of its operations and is immediately implementing a range of measures to reduce its operating expenses and cash burn.

The extensive operational review has identified a number of areas which enable Rhinomed to scale its operating capacity and personnel to better meet its immediate requirements. These actions include, but are not limited to:

- a reduction in headcount,
- a reduction in marketing expenditure for FY24,
- a change to its marketing resource providers,
- a reduction in board and management remuneration

The company expects the cost reduction process to reduce normalised operational expenditure by 30% (\$4.8m) of FY23's operational expenditure over the course of the next 12 months and 'right-size' the business in line with its expected near term revenues and ensure that future expenditure is closely aligned with company growth.

The consumer health business continues to perform strongly with the company expecting to record unaudited revenues for FY24 Q1 of \$2.23m. Rhinomed will seek to achieve cash flow breakeven in the second half of FY24. The review has further identified a range of broader strategic options for the company to consider.

"We acknowledge that the regulatory approval process our Rapid Antigen Test kit partners are undertaking is taking significantly longer than expected. Both Rhinomed and its test kit partners expect progress in the regulatory process over the course of FY24. While this process continues Rhinomed remains conscious of ensuring that our operating expenditure is closely aligned with our current commercial opportunities and pipeline. The steps we are taking will ensure we deliver on that commitment." said Michael Johnson, CEO of Rhinomed.

This report has been authorised for release to the market by the Board.

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

Rhinomed Limited is a Melbourne, Australia based ASX listed nasal and airway technology company that has developed an innovative nasal technology platform that can improve air flow and provide both drug delivery and diagnostic capabilities.