



30 January 2019

QUARTERLY REPORT FOR THE QUARTER ENDED 31 DECEMBER 2018

Bioxyne Limited (ASX Code: BXN) (Bioxyne or the Company) is pleased to report on its activities for the quarter ended 31 December 2018.

Highlights

- **Revenue for the quarter was \$568,108.**
- **Product registrations underway – Indonesia**
- **Commenced Mymana production for Malaysia**
- **Active ongoing business development**

Results

Sales revenues for Q2 FY2019 were \$568,108, which were in line with the prior year.

The expected loss for the half year is approximately \$250,000 including \$126,733 in legal fees (2017 loss \$722,653). Gross margin for the December six months was approximately 58% compared with 47% for the year to 30 June 2018, an 11% improvement with improved inventory management.

PCC® sales remain consistent. However, the changing regulatory environment in a number of Asian countries has delayed product registration and direct sales in Asia.

Business development

The acquisition of direct selling company, P.T Gamata Utama, was completed during the quarter and considerable effort has gone into obtaining the necessary product registrations in this country and in training distributors.

The Company continues to undertake product testing in some Asian countries, and will sell on a wholesale basis while waiting to establish direct selling operations.



The Company continues to look at increasing its product range and business acquisitions to further expand its reach in the direct selling industry.

Corporate

The New Image Group litigation matter is continuing, and the parties have agreed to mediate the matters before it is scheduled to go to trial in October 2019.

Post the quarter end, Mr Maxwell Parkin resigned as a Director of the Company on 17 January 2019 given the demands of his international consultancy business. Mr Parkin's expertise will continue to be available to the Company in product development, especially in colostrum-based products.

Cash on hand as at 31 December 2018 amounted to \$2.65 million.

For more information, please contact:

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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

Bioxyne Limited

ABN

97 084 464 193

Quarter ended ("current quarter")

31 December 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	343	986
1.2 Payments for		
(a) research and development		(34)
(b) product manufacturing and operating costs	(28)	(338)
(c) advertising and marketing	(14)	(45)
(d) leased assets		
(e) staff costs	(106)	(275)
(f) administration and corporate costs	(499)	(801)
1.3 Dividends received (see note 3)		
1.4 Interest received	8	17
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives R&D Tax offset		
1.8 Other (legal fees)	(38)	(132)
1.9 Net cash from / (used in) operating activities	(334)	(622)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(21)	(21)
(b) businesses (see item 10)	(36)	(93)
(c) investments		

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
(d) intellectual property		
(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		
2.6 Net cash from / (used in) investing activities	(57)	(114)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares		
3.2 Proceeds from issue of convertible notes		
3.3 Proceeds from exercise of share options	-	
3.4 Transaction costs related to issues of shares, convertible notes or options		
3.5 Proceeds from borrowings		
3.6 Repayment of borrowings		
3.7 Transaction costs related to loans and borrowings		
3.8 Dividends paid		
3.9 Other (provide details if material)		
3.10 Net cash from / (used in) financing activities		

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of quarter/year to date	2,980	3,310
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(334)	(622)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(57)	(114)
4.4 Net cash from / (used in) financing activities (item 3.10 above)		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	61	76
4.6	Cash and cash equivalents at end of quarter	2,650	2,650

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	921	1,234
5.2	Call deposits	1,729	1,746
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,650	2,980

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 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

**Current quarter
\$A'000**

119

Directors salaries and fees.

7. Payments to related entities of the entity and their associates

- 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

**Current quarter
\$A'000**

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

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	-
9.2 Product manufacturing and operating costs	150
9.3 Advertising and marketing	50
9.4 Leased assets	
9.5 Staff costs	
9.6 Administration and corporate costs	500
9.7 Other (provide details if material)	
9.8 Total estimated cash outflows	700

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity		
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of businesses		

