

20 March 2023

## Bioxyne executes Sale and Purchase Agreement to acquire direct sales Health and Wellness company - Breathe Life Sciences Pty Ltd

### HIGHLIGHTS

- Bioxyne and the majority shareholders of Breathe Life Sciences (BLS) have executed the Sale and Purchase Agreement for the proposed acquisition of BLS by BXN
- A number of conditions precedent remain to be satisfied (or waived) by 31 May 2023.
- The proposed acquisition is subject to BXN's shareholder approval at a shareholders meeting expected to be held in early May 2023
- The Notice of Meeting, Explanatory Memorandum and Independent Expert's Report will be lodged shortly with the ASX and ASIC
- Long stop date extended to 31 May 2023
- BXN and BLS have commenced formulating business development strategy for post-acquisition

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**Bioxyne Limited (ASX:BXN)** (Bioxyne, BXN or Company) is pleased to announce that, as contemplated by the Binding Term Sheet referred to in BXN's ASX announcement of 19 December 2022, it has executed the long form Sale and Purchase Agreement (**SPA**) with BLS' majority shareholders (who hold approximately 83% of the shares in BLS) to acquire health and wellness company, Breathe Life Sciences Pty Ltd (**BLS**).

BLS and its subsidiaries (together **Breathe Life Sciences**) manufactures, commercializes and distributes plant-based wellness products and supplements, including CBD, cannabis extracts, vitamins, manuka honey, skin care products and mushroom complexes. Breathe Life Sciences operates in Australia, the UK, Japan, and Europe with 4 accredited manufacturing facilities across 4 countries (Japan, Australia, UK, and Czechia), and a team of 30+ people (see post-acquisition corporate structure below).

Completed due diligence confirms the synergies between the companies. The companies have commenced formulating a combined business development growth strategy for post-acquisition.

Completion is subject to BXN Shareholder approval and a shareholders' meeting is expected to be held in early May 2023. The Notice of Meeting and accompanying Explanatory Memorandum and an Independent Expert's Report is expected to be despatched to shareholders in early April 2023.

Other conditions precedent to completion include:

- The remaining minority BLS shareholders acceding as parties to the SPA
- Any necessary regulatory approvals
- New employment agreements for key BLS employees, including appropriate restraints
- No material adverse change occurring in relation to Breathe Life Sciences

Further details of the proposed transaction will be contained in the Notice of Meeting, Explanatory Memorandum and Independent Expert's Report.

BXN and BLS will work together, in good faith, to satisfy the remaining conditions precedent by 31 May 2023 (**Long Stop Date**) to implement the proposed transaction. If the conditions precedent are

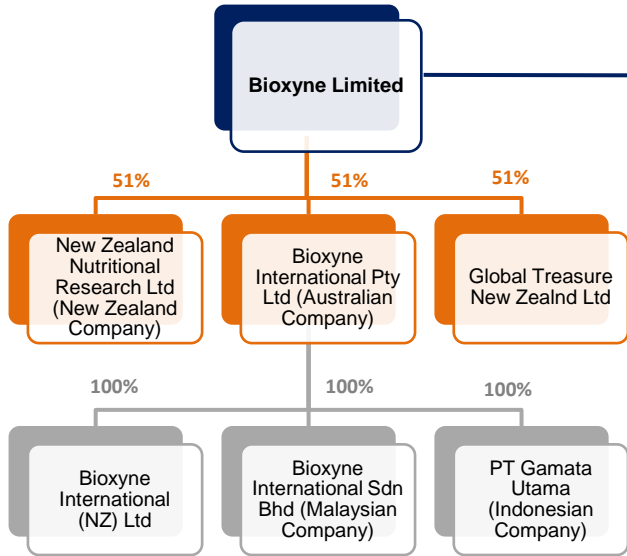
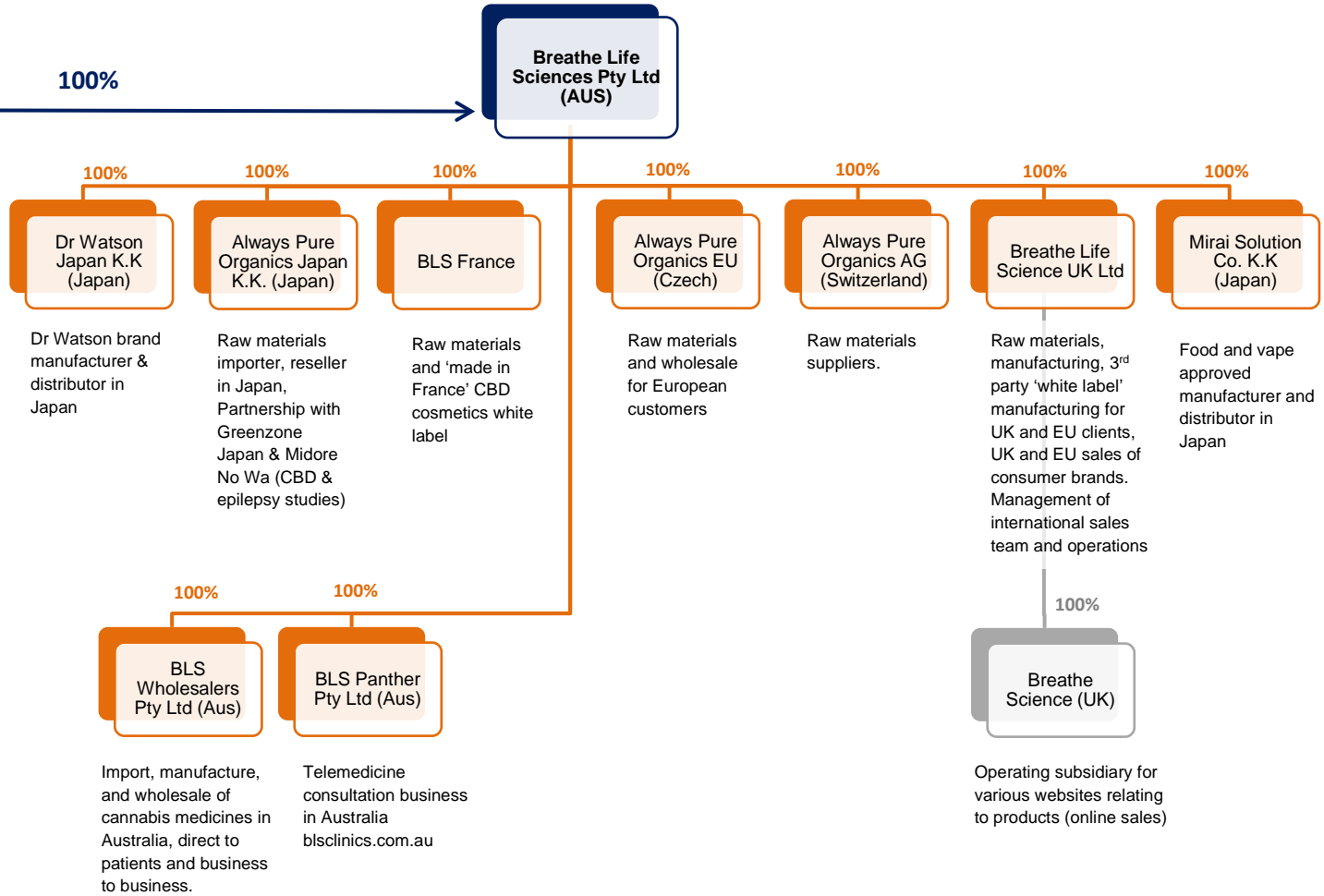
not satisfied (or waived) by this date, then unless the Long Stop Date is extended by agreement, either party may terminate the SPA and the proposed transaction.

This announcement has been approved for release by the Board.

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### **About Bioxyne**

Bioxyne Limited (ASX:BXN) is an Australian health and wellness products company (incorporated in 2000) with a focus on clinically effective health and wellness products particularly in the gut and immune health areas.

Bioxyne is in the consumer dietary supplements and functional foods markets through its proprietary probiotic, *Lactobacillus fermentum* VRI-003 (PCC®), and through its direct sales business trading as Bioxyne International, the Company has developed a range of functional food products containing ingredients sourced primarily from New Zealand.

Bioxyne's probiotic business is supported by a manufacturing and distribution agreement with Chr. Hansen (Denmark) a global leader in the manufacturing of natural food additives and supplements products for the food, health, pharmaceutical and agriculture industries.

Bioxyne has a distribution agreement for PCC® with Nu-Skin Enterprises (USA) a successful worldwide direct selling company.

For more information on Bioxyne, please visit [www.bioxyne.com](http://www.bioxyne.com)

### **About Breathe Life Sciences (BLS)**

BLS is an Australian incorporated company that has wholly-owned subsidiaries in Japan, France, Czechia, Switzerland, United Kingdom and Australia (together, the **BLS Group**).

The BLS Group operates a health and wellness products and brands business focussed on naturally derived active nutraceuticals, wellness and lifestyle supplements and cannabinoid (CBD) based therapeutic goods.

The BLS Group commercialises products containing active ingredients, such as cannabinoids, novel food supplements, mushroom extracts, vitamins, Manuka Honey and probiotic supplements. It primarily operates in the UK, Europe and Japan, and engages in the following activities:

- (a) owner of Dr Watson® brand in the UK, Japan, Australia and New Zealand.  
Dr Watson is an internationally recognized leading CBD (cannabidiol), health and lifestyle brand. Dr Watson products consist of cannabis-based food supplements and lifestyle products, cosmetics, functional mushrooms and nootropics.
- (b) contract manufacture and wholesale of raw materials and cannabinoid extracts in Japan, UK and Europe;
- (c) white label manufacture of third-party wellness and supplements brands in Japan, UK and Europe in company-owned facilities;
- (d) research and development for third party customers; and
- (e) direct sales via online and wholesale sales of BLS-owned consumer brands, such as Dr Watson® ([drwatsoncbd.com](http://drwatsoncbd.com), via The Organic Pharmacy ([theorganicpharmacy.com](http://theorganicpharmacy.com)), VPZ ([vpz.co.uk](http://vpz.co.uk)), NHS (National Hemp Service), [Amazon.co.uk](http://Amazon.co.uk), [Amazon.co.jp](http://Amazon.co.jp), [Rakuten.co.jp](http://Rakuten.co.jp)), NOL ([nolcbn.com](http://nolcbn.com)), Bao Botanicals ([baobotanicals.com](http://baobotanicals.com)), Apothecary CBD (via Amazon UK), Essentials CBD (via Amazon UK).

An entity in the BLS Group, BLS Wholesalers Pty Ltd (ACN 648 404 004), holds import and export licences for schedule 3,4, and 8 poisons issued by the Australian government, a wholesale and manufacturing licence issued by the Queensland government for schedule 3,4, and 8 poisons, ISO-7 audited clean rooms, and a pending pharmaceutical GMP (Good Manufacturing Practices) audit.