

ASX ANNOUNCEMENT

ANAGENICS LIMITED (ASX: AN1) – Q1 F24 BUSINESS ACTIVITY REPORT

- **Strong customer sales performance from BLC NZ business (up 43% on pcp)**
- **Total revenue and other income across the Group for Q1 F24 was \$2.2M (Q4 F23: \$2.2M)**
- **Completion of Face MediGroup acquisition**
- **Continued cost savings benefits - net cash from operating activities (up \$0.2M or 22% on pcp - Q1 F23)**

SYDNEY, Tuesday 31 October 2023

Commentary on Q1 F24 performance

Despite challenging economic conditions, the business has recorded consistent revenue on the prior corresponding period. Similarly, on a cash basis, receipts from customers and other income for the quarter were \$2.4M (Q4 F23: \$2.4M).

The B2B wholesale channel in New Zealand continues to grow and is up almost 80% on the prior quarter to \$0.1M. Net sales are up 43% on same time last year. Direct to consumer sales (D2C) equalled \$0.2M in the current quarter as we continue to invest in website technology designed to grow this channel.

Total cash payments made to suppliers and employees in Q1 F24 equalled \$3.1M (Q4 F23: \$2.9M). This increase was expected and is largely seasonal. In comparison to the prior corresponding quarter in F23, cash payments to staff and employees reduced by \$0.4M (down 11%) and represent the benefit of cost saving initiatives made over the year.

Net operating cash outflows for the Group in Q1 F24 totalled \$0.7M (Q1 F23: \$0.9M, cash outflow) and represents an improvement to the Group's overall cash position of 22% on the prior corresponding period.

Payments to related parties in Q1 F24 totalled \$134K and related to remuneration paid to AN1 Directors.

M&A Update

The acquisition of Face MediGroup (an ecommerce marketplace and small retail business) was completed in the quarter¹. From Q2 F24, the acquisition will provide additional scale and business synergies needed for further operational efficiencies, ultimately benefiting AN1's cashflow.

Management continues to prioritise the M&A growth strategy which aim is to identify more potential accretive business acquisitions needed achieve sustainable profitability through scale.

Approved for release by the Board of Directors.

¹ Refer ASX: "Acquisition of Face MediGroup" (22 August 2023) and "Business Update" (2 October 2023)

ANAGENICS

Scott Greasley
CEO
+61 412 308 263
info@anagenics.com

Anagenics Limited (ASX: AN1)

Anagenics is a health and beauty-tech business growing shareholder value through the global distribution and sales of its proprietary and licensed brands of differentiated, clinically validated anti-aging solutions. BLC Cosmetics Pty Ltd is Anagenics' wholly owned subsidiary focused on sales and distribution of leading Australian and international brands of cosmetic and wellness products. For further information, please see www.anagenics.com.

Forward looking statements

This announcement may have forward-looking statements that are subject to risks and uncertainties. Such statements involve known and unknown risks that may cause the actual results, performance or achievements of Anagenics to be materially different from the statements in this announcement. Actual results could differ materially depending on factors such as, amongst other, the availability of resources, regulatory environment, the results of marketing and sales activities and competition.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity
ANAGENICS LIMITED
ABN
69 111 304 119
Quarter ended ("current quarter")
30 September 2023

Consolidated statement of cash flows	Current quarter (3 months) \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	2,357	2,357
1.2 Payments for		
(a) research and development	(4)	(4)
(b) product manufacturing and operating costs	(1,226)	(1,226)
(c) advertising and marketing	(248)	(248)
(d) leased assets	-	-
(e) staff and director costs	(1,011)	(1,011)
(f) administration and corporate costs	(574)	(574)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	9	9
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	(3)	(3)
1.7 Government grants and tax incentives	-	-
1.8 Other	-	-
1.9 Net cash from / (used in) operating activities	(700)	(700)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities (net)	-	-
(b) businesses	-	-
(c) property, plant and equipment	(47)	(47)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter (3 months) \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities (net)	49	49
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	2	2

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings & leasing	(78)	(78)
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	(78)	(78)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,567	2,567
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(700)	(700)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	2	2

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter (3 months) \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(78)	(78)
4.5	Effect of movement in exchange rates on cash held	4	4
4.6	Cash and cash equivalents at end of period	1,795	1,795

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	1,657	2,430
5.2	Call deposits	138	137
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)	1,795	2,567

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	134
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Quarterly cash flow report for entities subject to Listing Rule 4.7B

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
N/A		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(700)
8.2 Cash and cash equivalents at quarter end (item 4.6)	1,795
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	1,795
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	2.6
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

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.

Date:31 October 2023.....

Authorised by: **Board of Directors – Anagenics Limited**.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.