

2Q25 Qtrly Activity Report

31 January 2025

Anagenics Limited (ASX:AN1, "Anagenics" or the "Company") today provides an update on activities for the quarter ended 31 December 2024 ("2Q25").

The quarter highlights the impact of restructuring activities and resetting of the monthly cost base. Net Operating Cash Flow achieved an outflow of \$0.3m relative to an outflow of \$0.9m in the previous quarter (1Q25) and significant reduction in the monthly and annual cost base, whilst operating within the reduced revenue base resulting from divestment of Face Medi. Sales of the core BLC Cosmetics business have continued largely unaffected by the restructuring activities.

This improvement was driven by a large reduction in cash payments to suppliers & employees as a result of the previously-disclosed business restructuring, which took effect from late October 2024.

Key cost reductions included:

- Advertising and marketing expenses down 45% to \$124k (1Q25: \$224k);
- Staff & Director Costs down 42% to \$409k (1Q25: \$705k); and
- Admin and Corporate costs down 66% to \$156k (1Q25: \$455k).

The full benefits of the restructure will be realised in 3Q25.

Voluntary Suspension

Per the Company's market announcement on 10 January 2025, efforts to enable the reinstatement of its securities to quotation continue and this process is expected to be completed by the end of February 2025.

This announcement was authorised by the Board of Anagenics Limited.

For further information, please contact:

Sandy Beard
Chair, Anagenics Limited
P: 0412 308 263
E: sandy@xvgroup.com.au

Anagenics Limited (ASX:AN1)

Anagenics is a health, beauty, and wellness 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

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")
31 December 2024

Consolidated statement of cash flows	Current quarter (3 months) \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1,488	3,555
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(1,136)	(2,746)
(c) advertising and marketing	(124)	(348)
(d) leased assets	-	-
(e) staff and director costs	(409)	(1,114)
(f) administration and corporate costs	(156)	(611)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(11)	(12)
1.6 Income taxes (paid) / refunded	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other	-	-
1.9 Net cash from / (used in) operating activities	(348)	(1,276)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities (net)	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter (3 months) \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities (net)	-	-
	(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	-	-

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	340	340
3.6	Repayment of borrowings & leasing	(117)	(222)
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	223	118

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	589	1,624
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(348)	(1,276)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-

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 (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	223	118
4.5	Effect of movement in exchange rates on cash held	7	5
4.6	Cash and cash equivalents at end of period	471	471

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	305	447
5.2	Call deposits	142	142
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)	471	589

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	65
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>		

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 - Shopify	340	262
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		78
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.		
<p>7.1 - Loan facilities from Shopify a multinational e-commerce company.</p> <ul style="list-style-type: none"> • Unsecured loan facility of \$340,000 • Sales proceeds to repay the loan and drawdown of loan within the approved facility limit post repayment of loan by the Company • Loan facility will expire and due for repayment in full of any outstanding balance on 17 April 2026 • Interest at 10% per annum is payable on loan balance 		
8. Estimated cash available for future operating activities	\$A'000	
8.1 Net cash from / (used in) operating activities (item 1.9)	(348)	
8.2 Cash and cash equivalents at quarter end (item 4.6)	471	
8.3 Unused finance facilities available at quarter end (item 7.5)	78	
8.4 Total available funding (item 8.2 + item 8.3)	549	
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	1.58	
<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:

The Company doesn't expect the same level of net operating outflows. The company has undergone an extensive restructuring in order to bring the business back to profitability.

- Head count has reduced from 20 to 9
- Directors fees payment is suspended
- Replacement of IT & ERP systems & services to more cost effective providers
- Reduction in general overhead costs including insurances and administration expenses
- In the process of exiting third party logistics provider and bringing in house
- In the process of exiting offices at 55 Clarence St Sydney
- Total cost reductions exceed \$2.5 million on annualised basis
- As a result of these measures the business is expected to become profitable and the full benefits of the business restructure are expected to commence realising in the 2nd half of FY2025.
- If required, the Company has access to an unsecured funding facility of \$250k from Hancock and Gore Ltd. (HNG), subject to completing the required loan documentation within a few days.
- On securing the HNG funding facility the estimated quarters of funding available will increase to 2.30.

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:

Over and above the comments in 8.6.1 the company intends to raise capital in the near term. Discussions are ongoing with multiple parties and the company is confident this will lead to a successful outcome.

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:

Yes is does based on the comments in 8.6.1 and 8.6.2

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.

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 January 2025.....

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.