

HEXIMA LIMITED

ASX ANNOUNCEMENT

31 January 2025

QUARTERLY ACTIVITIES REPORT

Quarter ended 31 December 2024

MELBOURNE, AUSTRALIA (31 January 2025): Hexima Limited (ASX:HXL) (**Hexima** or **Company**) today releases its Appendix 4C and sets out below its quarterly activities report for the quarter ended 31 December 2024.

During October and November 2024 Hexima continued to work on the proposed acquisition of 100% of the issued capital of Real Thing Entertainment Pty Ltd (**Real Thing**), the developer of an internationally marketed artificial intelligence platform. The proposed acquisition was subject to conditions precedent, including shareholder approvals and raising capital as part of re-compliance with ASX Listing Rule Chapter 1 and 2 admission requirements. However, the board ultimately concluded that it lacked sufficient confidence that these conditions could be met and, on 3 December 2024, announced that the acquisition would not proceed.

Hexima remains committed to exploring opportunities related to its biotech intellectual property portfolio, in which it retains royalty rights, and may consider additional strategic opportunities moving forward.

Financial update

Hexima closed the quarter with a total cash balance of \$1.64m.

During the quarter \$258k net cash was used in operating activities, comprising interest received of \$21k, and net operating expenditures of \$279k, which largely comprised ongoing compliance costs and professional fees and other costs associated with the proposed acquisition outlined above.

In accordance with Listing Rule 4.7C disclosure requirements, payments made to related parties and their associates included in item 6.1 of the Appendix 4C represented payments for directors' fees and remuneration in the normal course of business at commercial rates, excluding reimbursements for out-of-pocket expenses. A further payment of \$100k in item 6.2 represented a refund to a director related entity of monies received in advance for a subscription of shares, due to the cancellation of the Real Thing acquisition.

This announcement is authorised for release to ASX by Geoffrey Kempler, Chairman.

Enquiries:

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Company Secretary

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Appendix 4C

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

Name of entity

Hexima Limited

ABN

64 079 319 314

Quarter ended ("current quarter")

31 December 2024

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	-	
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs		
(c) advertising and marketing		
(d) leased assets		
(e) staff costs	(14)	(29)
(f) administration and corporate costs	(290)	(538)
1.3 Dividends received (see note 3)		
1.4 Interest received	21	29
1.5 Interest and other costs of finance paid		
1.6 Income taxes refunded		
1.7 Government grants and tax incentives		
1.8 Other – GST payment to ATO		
GST received from ATO	25	53
1.9 Net cash from / (used in) operating activities	(258)	(485)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment		
	(d) investments		
	(e) intellectual property		
	(f) other non-current assets		
2.2	Proceeds from disposal of:		
	(a) entities		
	(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		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Refund of monies received in advance for subscription of shares		
		(100)	(100)
3.10	Net cash from / (used in) financing activities	(100)	(100)

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
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4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,999	2,226
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(258)	(485)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(100)	(100)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,641	1,641

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	26	43
5.2	Short term deposits	1,615	2,183
5.3	Bank overdrafts	-	-
5.4	Other – Petty cash	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,641	2,226

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	14
6.2	Aggregate amount of payments to related parties and their associates included in item 3	100

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.

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities		
7.2	Credit standby arrangements	-	-
7.3	Other – NAB Credit card facility.	40	-
7.4	Total financing facilities	40	-
7.5	Unused financing facilities available at quarter end		40
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.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(258)
8.2	Cash and cash equivalents at quarter end (item 4.6)	1,641
8.3	Unused finance facilities available at quarter end (item 7.5)	40
8.4	Total available funding (item 8.2 + item 8.3)	1,681
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	7
<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 January 2025

Authorised by: Geoffrey Kempler
(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.