

28 April 2025

Q3 ACTIVITIES REPORT 31 MARCH 2025

Highlights

- **\$7.2 million Q3 Revenue - 352% increase on Q3 FY2024**
- **\$8.5 million Q3 Cash Receipts - 14% increase on prior quarter and 238% increase on Q3 FY2024**
- **Year to date Revenue of \$19.7 million - up 213% on YTD Q3 FY2024.**
- **On track to exceed FY2025 revenue forecast of \$25 million**
- **Positive Q3 cash flow of \$1.9 million with increased investment in working capital to fund growing sales**
- **Capital raise in Q3 of \$3.0 million (before costs)**
- **Cash on hand \$6.5 million**
- **Increased manufacturing capacity from investment in plant and equipment of \$0.9 million during Q3**
- **New \$7 million manufacturing and supply contract executed for FY2026**

Australian life sciences, pharmaceutical and consumer health products Company, **Bioxyne Limited (ASX:BXN)** (“Bioxyne” “Group” or the “Company”) continues with a strong Q3 FY2025 trading performance up 352% on the prior corresponding period.

The Company achieved generated positive cash flow of \$1.9m whilst investing further in working capital, plant and machinery to support the significant growth of the business.

The major contributor to the Group’s results is Breathe Life Sciences (**BLS**) Australia, Australia’s leading manufacturer and wholesaler of novel medicines, including cannabis, MDMA, and Psilocybin. The group continues to plan for further investment in the rapidly growing markets of UK and Europe.

Commenting on the strong Quarter, Bioxyne’s CEO, Sam Watson, stated: “We maintain our course of sustainable, profitable growth with another solid quarter. Q3 is typically the slowest period of the year with the New Year and Summer holiday. As a business we always expect a dip in January. Nonetheless, customer cash receipts were up 14% from Q2, and revenues have increased 352% from Q3 FY24. The commissioning of our new state of the art \$50m-a-year pastille manufacturing facility and installation of our new vault will allow us to continue delivering even stronger results going forward.

The BLS customer base is growing and we are well positioned to build on our Australian performance in the year ahead and rapidly expand our business in the UK and Europe”.

Revenue

Group revenue (Figure 1) attributable to significant outperformance from BLS Australia and will be enhanced by increased manufacturing capacity.

A small expected decline in revenue from the previous quarter came as the result of multiple factors. Most pertinently, downtime in production following the commissioning of the new pastille manufacturing equipment and completion of building new facilities, including installation of an expanded vault.

The month of January typically sees a seasonal slow down in order volumes due to the holiday period which also marginally impacted revenue in the quarter. The Company also experienced minor impacts from slow down in production following Tropical Cyclone Alfred in March.

The Company anticipates revenue growth to resume in Q4 FY25 and reaffirms guidance of \$25m in revenue for FY25.

The Board will continue to assess an increase to guidance as it gains visibility on order volumes throughout Q4 FY25.

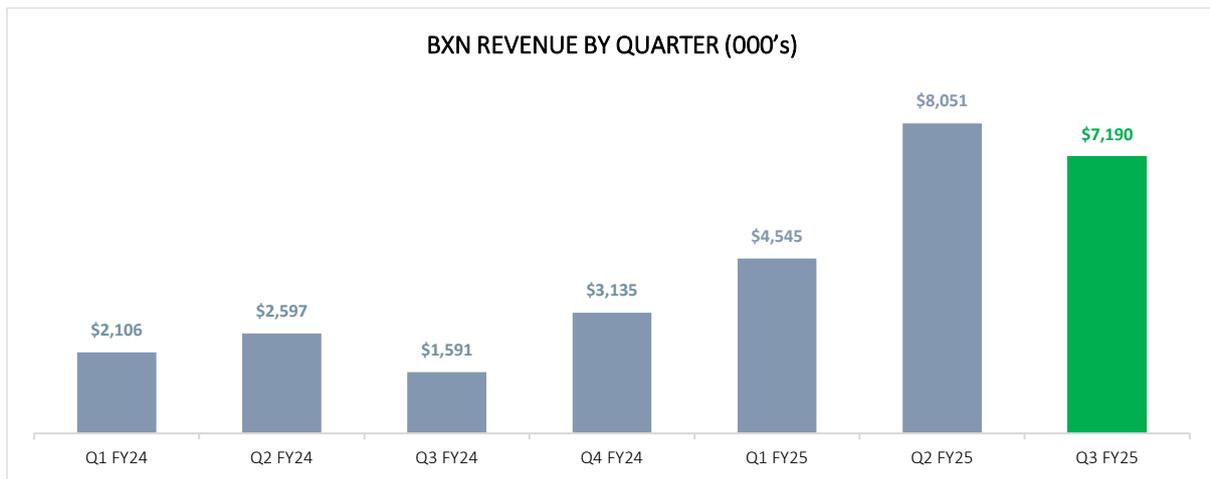


Figure 1 – BXN Group Revenue by Quarter (\$)

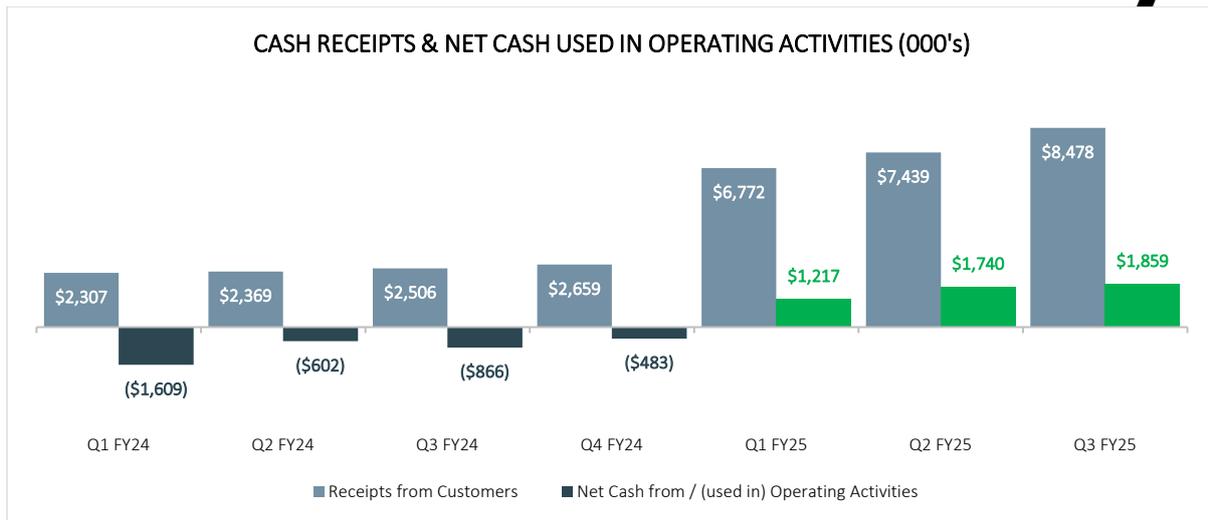


Figure 2 – BXN Revenue and cash receipts by month (\$)

Cash Receipts

Cash from operations was \$1.9 million in Q3 2025 an increase over the prior quarter. This is after further investment in working capital to meet the growing trajectory of the business. This represents the third consecutive positive cash flow generating quarter for the business.

Operations

Capex of ~\$0.9 million was invested in operating plant & equipment, security vaults and leasehold improvements to increase manufacturing capacity. This brings YTD capex to \$2.2 million. This expansion caused some downtime in Q3 2025 but has increased the capacity of medicated cannabis pastilles to ~\$57 million revenue potential and total Australian manufacturing capacity to +\$100 million revenue potential.

Working capital increased during the quarter to support business growth trajectory. The Company maintains a rigorous control of costs and working capital as the business expands. The Company was pleased to achieve its 3rd quarter of positive cash flow and profitability in Q3 FY 2025.

During the quarter the Company formalised an exclusive manufacturing and supply agreement with existing customer, Nectartek Australia Pty Ltd (Nectartek) for the supply of \$7 million of product in FY2026. This is a 200% increase over historical orders from Nectartek.

The Company made several key appointments to the operations team during the quarter. Highlight was the appointment of Professor Michael Barnes MD, FRCP to its advisory board in early April 2025. As honorary President of the UK Cannabis Industry Council and the Medical Cannabis Clinicians Society, Prof Barnes is associated with many medical cannabis prescribers and clinics in the UK.

He also advises government on legislation relating to the medical cannabis industry.

Prof Barnes's experience will assist the Company in registering medicines and pursuing marketing authorisation, which will allow it to distribute its products through traditional prescriber channels, without the need for special access or authorized prescriber pathways.

During the quarter the Company raised \$3 million with the placement of 120 million shares at \$0.025 each, including director participation of \$110,000, subject to shareholder approval. This capital is now being utilised to accelerate growth initiatives across the entire business.

The Group had a net operating cash positive inflow of \$1.9 million for the Quarter.

The Company paid directors fees and salaries in the amount of \$151,000 for the Quarter.

Cash balance at the end of the Quarter was \$6.5 million.

Outlook

The Company is focussed on

- ✓ growing its manufacturing customer base in Australia, the UK, and Europe,
- ✓ exceeding its revenue forecast of \$25 million for FY2025,
- ✓ gaining EU GMP certification in Czechia for distribution to European markets
- ✓ launching its medicinal cannabis products in the UK and European markets with local partners.

These quarterly activities report has been approved for release by the Board.

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Figure 4 – Bioxyne Activity Worldwide



About Bioxyne Ltd.

Bioxyne Limited (ASX:BXN) is an Australian-headquartered international consumer health and pharmaceutical company (incorporated in 2000) with a focus on clinically effective health and wellness products, psychotropic and investigational medicines.

About Breathe Life Sciences (BLS)

Breathe Life Sciences (“BLS”) is a wholly owned subsidiary of Bioxyne Ltd (BXN:ASX) and licensed manufacturer, sponsor, importer and exporter of controlled substances (S3, S4, S8) in Australia.

BLS was founded in 2018 and has quickly expanded into a multi-national business focused on alternative therapeutics and investigational medicines. Our corporate head office is in Sydney, and our operations extend to licensed manufacturing, warehousing, import/export, sales and distribution centers in the Gold Coast (Australia), Nagoya (Japan), Manchester (UK), and Prague (Czechia).

Our business model is focused on manufacture of final dose form / finished products, sales and distribution in each of the territories we serve. We work with raw materials and API suppliers in 5 continents and are a market leader in manufacturing scope and quality.

The BLS logo is derived from a Japanese Maple Leaf, symbolising health, happiness and a long life well lived. While the Japanese Maple is not a medicinal plant, our company purpose is to redefine medicine by taking a holistic approach to healthcare for a healthier and happier tomorrow. Outside of Australia the BLS Group operates a health and wellness products and brands business focussed on naturally derived active nutraceuticals, wellness and lifestyle supplements and cannabidiol (CBD) based novel foods. 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 health, lifestyle, and prescription products brand. Dr Watson products consist of cannabis-based food supplements, lifestyle products, cosmetics, functional mushrooms and nootropics, and prescription medicines in Australia;
- 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®

Corporate: <https://bioxyne.com>

Australia: <https://bls.com.au>;

International: <https://breathelifesciences.com>

Appendix 4C

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

Name of entity

Bioxyne Limited

ABN

97 084 464 193

Quarter ended ("current quarter")

31 March 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	8,478	21,689
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs	(4,848)	(11,804)
(c) advertising and marketing	(106)	(354)
(d) leased assets		
(e) staff costs (including directors fees)	(662)	(1,969)
(f) administration and corporate costs	(1,003)	(2,942)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	1,859	4,620
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities		
(b) businesses		
(c) property, plant and equipment	(854)	(2,157)
(d) investments		
(e) intellectual property		
(f) other non-current assets		

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
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) cash on acquisition of subsidiary		
2.6 Net cash from / (used in) investing activities	(854)	(2,157)

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	2,972	2,972
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	(182)	(182)
3.5 Proceeds from borrowings (lease)		312
3.6 Loan to third party		(150)
3.7 Transaction costs related to loans and borrowings		
3.8 Dividends paid		
3.9 Other		
3.10 Net cash from / (used in) financing activities	2,790	2,952

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	2,679	1,028
4.2 Net cash from / (used in) operating activities (item 1.9 above)	1,859	4,620
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(854)	(2,157)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,790	2,952
4.5	Effect of movement in exchange rates on cash held	4	35
4.6	Cash and cash equivalents at end of period	6,478	6,478

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	4,478	2,679
5.2	Call deposits	2,000	
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)	6,478	2,679

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A'000
158

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

The amount in item 6.1 represents directors fees and salaries.

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

7. Financing facilities

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.

- 7.1 Loan facilities
- 7.2 Credit standby arrangements
- 7.3 Other (please specify)
- 7.4 **Total financing facilities**

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000

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.

The Company raised \$1.45 million in April 2024

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	1,859
8.2 Cash and cash equivalents at quarter end (Item 4.6)	6,478
8.3 Unused finance facilities available at quarter end (Item 7.5)	-
8.4 Total available funding (Item 8.2 + Item 8.3)	6,478
8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	Greater than 2 quarters as operating cash flow is positive

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.

- 8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

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?

N/A

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?

N/A

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

N/A

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: 28 April 2025.....

Authorised by: ..The Board.....
(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.