



# Q3 Activities Report & Appendix 4C

Period Ended 30 September 2025



# Elixinol Wellness

A Sustainable Nutrition Company



# Margin Momentum and Operational Discipline

## Revenue and Receipts

- **Q3 revenue of \$3.8M** was broadly in line with the prior year, reflecting deliberate portfolio rationalisation. Year-to-date **receipts rose to \$11.75M, up \$1M on FY24**, as customer payment cycles improved and working-capital discipline strengthened.

## Margin Expansion

- **Group gross margin increased by 300bps** compared with Q2, driven by a growing contribution from **e-commerce and core brands**. The Company remains focused on derisking the business model and improving profitability through a higher-quality revenue mix.

## Operational Efficiency

- **Rightsizing and structural cost initiatives are progressing** as planned, targeting a material reduction in operating costs from Q4 2025 onwards. Measures include overhead optimisation, tighter procurement, and SKU rationalisation.

## Funding and Liquidity

- The Company **closed Q3 with \$0.4M cash** and completed a **two-tranche capital raise of \$2.5M** with \$0.6M received during Q3 and the balance expected in mid-November.
- Proceeds are supporting **growth, working-capital flexibility, and continued margin and efficiency initiatives**.

## Brand Performance

- Hemp Foods Australia: strongest quarter of the year, led by core product categories.
- The Healthy Chef: softer Q3 following record Q2; rebound expected in Q4 through seasonal demand and targeted digital campaigns.



# Sharper Margins and Stronger Mix

## Strategic Focus on Profitability

- The Group continues to **prioritise margin expansion through a deliberate shift towards higher-value, higher-margin offerings**. This focus delivered a **300-bps increase in gross margin during Q3**, reflecting disciplined portfolio management and **reduced exposure to less profitable contracts and marginal SKUs**.

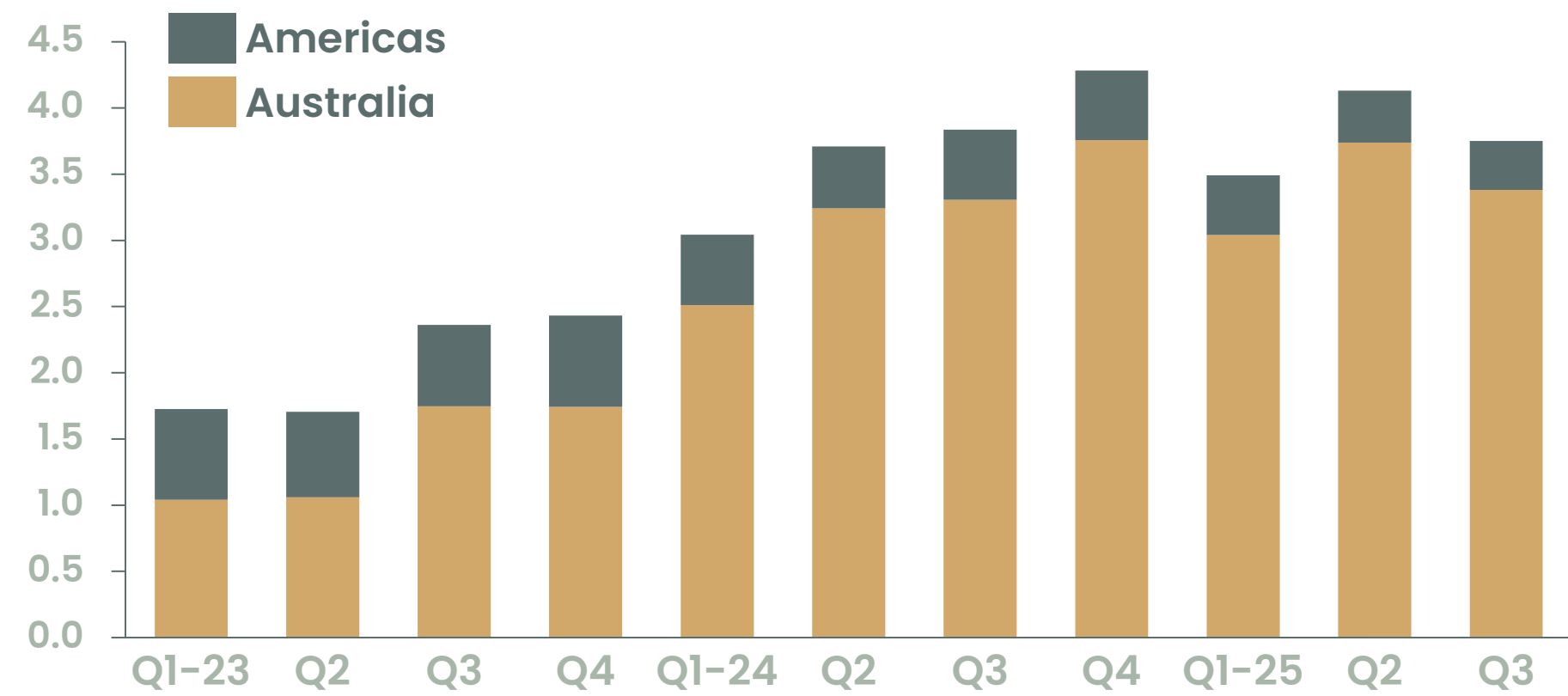
## Q3 2025 Receipts and Revenue

- Customer receipts were **\$3.8M**, down **\$0.5 M** from Q2, bringing **year-to-date receipts to \$11.75M — up 9% on the prior year**. The softer quarter aligns with broader trends in Australian Grocery, as major retailers continue to narrow their ranges.
- Year-to-date revenue of **\$11.4 million** is 7% above 2024, with gross profit up **12%**, highlighting the Group’s progress toward a more profitable and resilient business model.

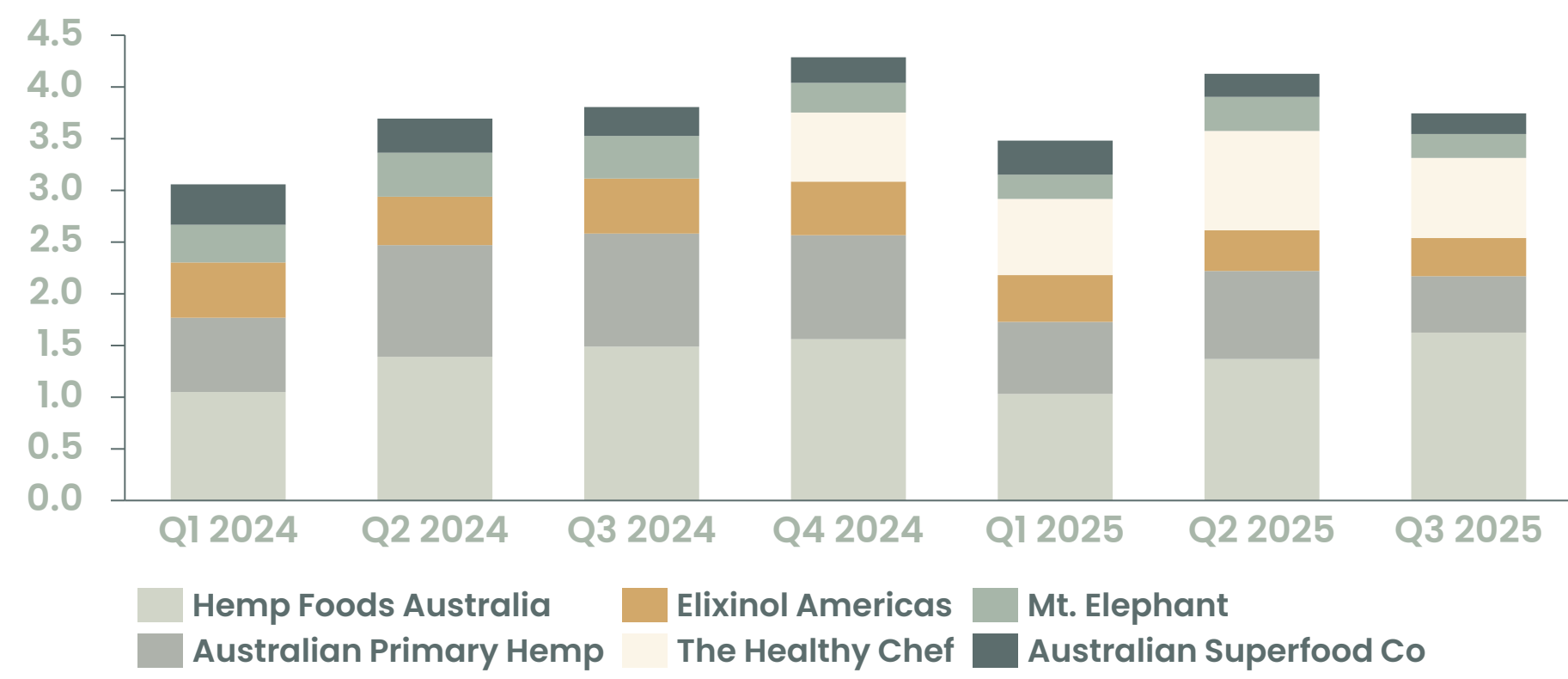
## Brand and Channel Mix

- Hemp Foods Australia** delivered its strongest quarter to date, offsetting a softer period for **The Healthy Chef** following an exceptional Q2. E-commerce and core brand performance continued to drive higher margins and reduced reliance on traditional retail.

Revenue by Quarter (\$M)



Revenue by Brand (\$M)



# Derisking and Building a Profitable Base

## Margins Strengthen Through Mix and Execution

- Group gross margin improved by 300 basis points in Q3 compared with Q2, reflecting the ongoing shift toward higher-margin e-commerce and core brands. This improving revenue mix and operational focus continue to underpin the Company’s transition to a more profitable and resilient business model.

## Operating Efficiency and Cost Control

- Q3 operating cash outflows were \$1.3 million, consistent with planned seasonal investment in inventory ahead of harvest. Structural cost reductions were implemented across staffing (redundancies), marketing and other overheads, with further savings expected in Q4 following the consolidation of marketing activities in-house.

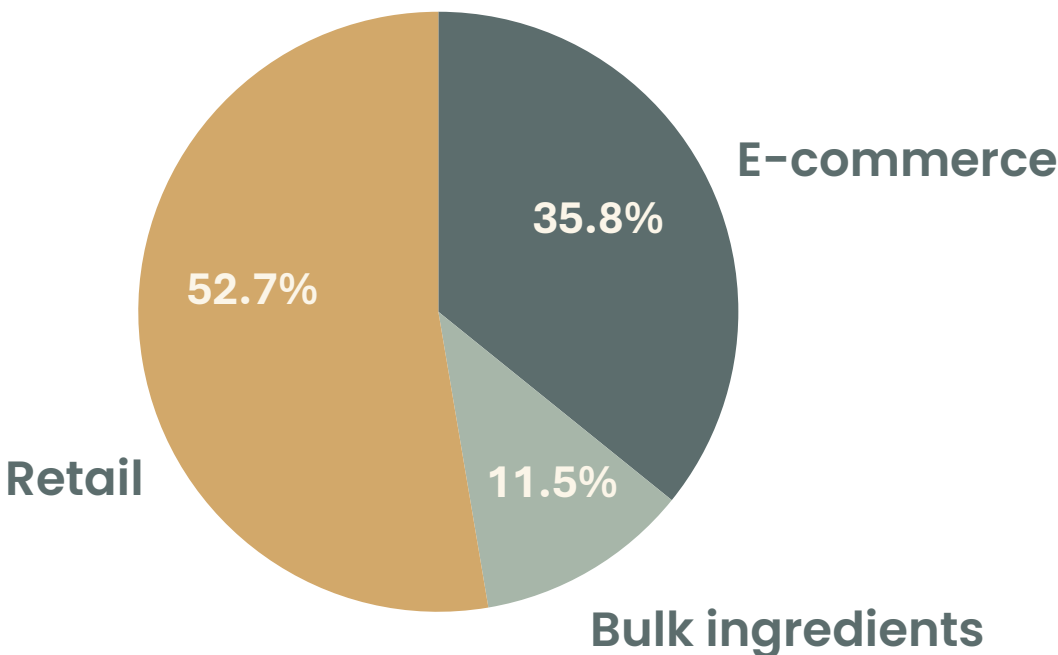
## Funding Position

- The Group closed Q3 with a cash balance of \$0.4 M and a strengthened capital base following a successful two-tranche capital raise of \$2.5 M. Tranche 1 (\$0.6 M) was received in Q3, with Tranche 2 due in Q4. This funding supports working capital flexibility and the continued execution of cost and margin initiatives.

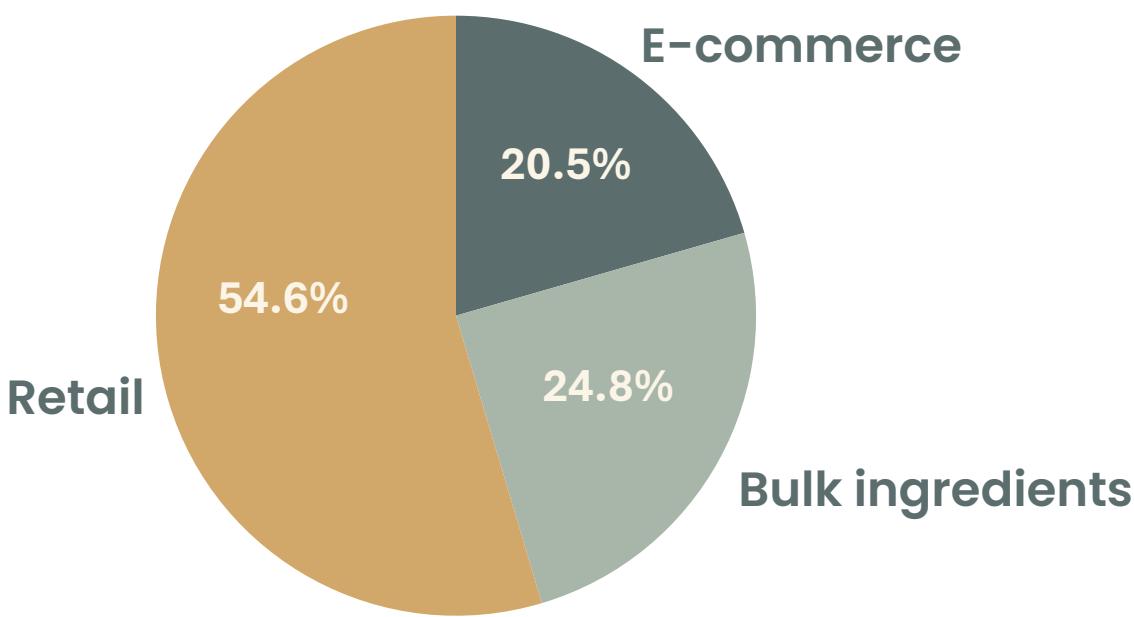
## Related Party Payments

- Payments of \$100,000 were made to related parties during Q3, comprising director fees and salary to the CEO/Executive Director and Non-Executive Directors.

Revenue Mix Q3’25



Revenue Mix Q3’24





# Expanding in High-Growth, High-Margin Wellness

The Healthy Chef continues to strengthen its position in the fast-growing functional nutrition market, launching and developing premium products aligned with global wellness trends and Australia’s \$2 billion supplements sector.

## Protein Water – launched Q3

- Entered the \$499 million Australian protein supplements market (8.3% CAGR to 2034).
- Three clean-label blends – Body Fit, Pure Biome and Glow Up – each deliver 20g of grass-fed collagen protein with added functional nutrients.
- Positions the brand in the high-growth, lighter protein and collagen segment while supporting the Company’s focus on higher-margin innovation.

## Metabolic Burn – launching Q4

- GA-listed premium supplement designed to support the body’s natural GLP-1 response.
- Targets the fast-growing metabolic wellness category, extending The Healthy Chef portfolio into an adjacent, high-margin growth space.
- Reinforces Elixinol’s strategy to broaden participation in the wellness and performance nutrition market.

Sources Australia Protein Supplements Market Size, Share and Growth Analysis Report: Forecast Trends and Outlook (2025-2034), Mordor Intelligence (2025). Australia Dietary Supplements Market Report. Global Industry Overview & Forecast (2025–2030).



Authorised for release by the EXL Board.

For further information please contact

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*Note: None of the information included in this announcement should be considered individually material, unless specifically stated. All figures in this announcement are provided on an unaudited basis. This Report may include certain statements, estimates, or projections with respect to the anticipated future performance of the Group, and any ongoing or future projects. These statements, estimates or projections are based on assumptions about future events and management actions that may not necessarily take place and are subject to significant uncertainties. No representation is made as to the accuracy of those statements, estimates or projections.*

## About Elixinol Wellness

Elixinol Wellness Limited (ASX: EXL) is a leader in the global hemp industry, innovating, marketing, and selling hemp and other plant-derived food, skincare, and nutraceutical products:

In Australia, Elixinol Wellness operates a vertically integrated business which produces, manufactures, and distributes a range of highly complementary products delivered across four verticals – human nutrition, human wellness, pet wellness and superfood ingredients. These products are sold under brands including Hemp Foods Australia, Mt Elephant, The Healthy Chef, Ananda Food, Soul Foods and Field Day and are sold through grocery, wholesale, and e-commerce channels. The Australian Superfood Co also supplies Australian natives and superfood ingredients to white label customers as well as food, beverage, and beauty manufacturers.

Elixinol USA sells high quality Elixinol branded hemp and other plant-derived nutraceutical and skincare products.  
See more at [www.elixinolwellness.com](http://www.elixinolwellness.com)



## Appendix 4C

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

**Name of entity**

Elixinol Wellness Limited

**ABN**

34 621 479 794

**Quarter ended ("current quarter")**

30 September 2025

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	3,803	11,750
1.2 Payments for		
(a) research and development	(52)	(52)
(b) product manufacturing and operating costs	(2,800)	(7,753)
(c) advertising and marketing	(331)	(1,216)
(d) leased assets	(16)	(59)
(e) staff costs	(1,077)	(3,215)
(f) administration and corporate costs	(577)	(1,778)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	6
1.5 Interest and other costs of finance paid	(63)	(270)
1.6 Income taxes paid/(received)	-	-
1.7 Government grants and tax incentives	-	23
1.8 Other – non recurring	(161)	(190)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,271)</b>	<b>(2,654)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(g) entities	-	-
(h) businesses	-	-
(i) property, plant and equipment	-	(13)
(j) investments	-	-
(k) intellectual property	(18)	(35)
(l) 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	Cash acquired on equity settled business combination	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(18)</b>	<b>(48)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	632	782
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	(51)	(63)
3.5	Proceeds from borrowings	30	1,427
3.6	Repayment of borrowings (leases)	(49)	(144)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>562</b>	<b>2,002</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	<b>1,098</b>	<b>1,078</b>
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,271)	(2,654)



Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(18)	(48)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	562	2,002
4.5	Effect of movement in exchange rates on cash held	2	(7)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>372</b>	<b>372</b>

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	372	1,098
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>372</b>	<b>1,098</b>

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	100
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>		

<b>7.</b>	<b>Financing facilities</b> <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>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	2,717	2,703
7.4	<b>Total financing facilities</b>	<b>2,717</b>	<b>2,703</b>
7.5	<b>Unused financing facilities available at quarter end</b>		<b>14</b>
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.		

A Trade Debtor Finance facility of up to \$1,500,000 and \$300,000 for Trade finance was established with Scottish Pacific Business Finance Pty Ltd ("ScotPac"), -on 20 December 2023. As of 30 September 2025, \$554,000 was drawdown against the Trade Debtor facility and \$298,000 against the Trade finance facility. The total amount available to drawdown was \$866,000. The interest rate on these facilities is 10.66% on drawn-down amounts and is secured against the assets of the Group's subsidiary, Elixinol Wellness (Byron Bay) Pty Ltd. The term of this facility is a minimum of two years from 20 December 2023.

On 19 February 2025, an APH Shopify Commerce Finance facility was established providing \$20,000 of access to e-commerce revenue in advance. As at 30 September 2025, the balance of this facility was \$4,000 with a term of 18 months with a repayment of 21% of daily Shopify sales. The interest rate is a fixed fee of 10% of the initial facility balance. This facility is secured against future Shopify receipts.

On 24 April 2025, an HCF Shopify Commerce Finance facility was established providing \$200,000 of access to e-commerce revenue in advance. As at 30 September 2025, the balance of this facility was \$193,000 with a term of 18 months with repayment of 17% of daily Shopify sales. The interest rate is a fixed fee of 10% of the initial facility. The facility is secured against future Shopify receipts.

During Q2 2025, the Company received \$1.35M via a 12-month secured debt facility with a maturity date of 31 May 2026 and at an interest rate of 12% payable on maturity. The security interest was granted by the Company's wholly owned US subsidiary (Elixinol LLC) over Elixinol LLC's (present and future) inventory, property, equipment and bank accounts in the United States.

On 25 June 2025, an HFA Shopify Commerce Finance facility was established providing \$60,000 of access to e-commerce revenue in advance. As at 30 September 2025, the balance of this facility was \$63,000 with a term of 18 months with a repayment of 14.5% of daily Shopify sales. The interest rate is a fixed fee of 9.5% of the initial facility balance. This facility is secured against future Shopify receipts.

On 17 July 2025, a TASCO Shopify Commerce Finance facility was established providing \$22,000 of access to e-commerce revenue in advance. As at 30 September 2025, the balance of this facility was \$21,000 with a term of 18 months with a repayment of 17% of daily Shopify sales. The interest rate is a fixed fee of 15.3% of the initial facility balance. This facility is secured against future Shopify receipts.

On 17 July 2025, a second APH Shopify Commerce Finance facility was established providing \$14,000 of access to e-commerce revenue in advance. As at 30 September 2025, the balance of this facility was \$15,000 with a term of 18 months with a repayment of 25% of daily Shopify sales. The interest rate is a fixed fee of 10.1% of the initial facility balance. This facility is secured against future Shopify receipts.

On 28 August 2025, a PayPal Commerce Finance facility was established providing \$220,000 of access to e-commerce revenue in advance. As at 30 September 2025, the balance of this facility was \$205,000 with repayment of 30% of daily PayPal receipts. The interest rate is a fixed fee of 11.7% of the initial facility balance. The facility is secured against future PayPal receipts.



<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,271)
8.2	Cash and cash equivalents at quarter end (item 4.6)	372
8.3	Unused finance facilities available at quarter end (item 7.5)	14
8.4	Total available funding (item 8.2 + item 8.3)	386
8.5	<b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	<b>0.3</b>
<p><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></p>		
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?	
<div style="border: 1px solid black; padding: 5px; min-height: 40px;"> <p>The Company expects underlying net operating cash outflows to improve during Q4 2025. Margins and EBITDA are also anticipated to improve through organisational restructuring, overhead reduction, SKU rationalisation and supply chain/procurement optimisation.</p> </div>		
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?	
<div style="border: 1px solid black; padding: 5px; min-height: 100px;"> <p>The Company has successfully conducted a two-tranche capital raise which was well supported. The first tranche of \$632,000 was drawn down during the Quarter with the second tranche of \$1,868,000 to be received and drawn down in Q4 following an Extraordinary General Meeting on 10 November 2025. The Group also has access to additional financing via e-commerce working capital funding and other existing facilities which are able to be re-drawn as required. The ScotPac trade debtor and inventory facilities will continue to support operations. The Group remains focused on achieving sustained profitability through margin-accretive revenue growth, disciplined cost control and enhanced capital management.</p> </div>		
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?	
<div style="border: 1px solid black; padding: 5px; min-height: 60px;"> <p>The Company anticipates continuing operations and achieving its business objectives. It plans to continue to utilise funding through existing working capital facilities and the two-tranche equity raise to support these goals. Importantly, the Group expects to reduce net cash outflows to achieve breakeven and profitability through strict cost containment and reduction.</p> </div>		
<p><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></p>		

## 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 2025.....

Authorised by: .....By the Board of Directors.....  
(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.