



1 April 2019

ASX Announcement

Bioxyne – Market Update

Highlights

- **Indonesia increasing distributor numbers and sales**
 - **Malaysia improving consumer confidence**
 - **China and other parts of Asia, currently constrained by regulatory requirements but mitigated by wholesale distributions**
 - **Mediated settlement of litigation**
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Bioxyne Limited (ASX : BXN) (Bioxyne or the “Company”) is pleased to update the market on its operations.

Indonesia

Since acquiring the Indonesian direct sales company P T Gamata Utama (PTG), the Company has embarked on extensive product and sales training for its distributors. The Bioxyne range of products has been progressively introduced, pending completion of product registration, to the PTG network of distributors. The Bioxyne range of products has been well received and supported with the PTG network providing encouraging and enthusiastic product testimonials.

Q1 calendar 2019 will show sales of existing PTG products of ~\$50,000. The first sales of Bioxyne products are expected in Q2 calendar 2019.

Malaysia

Direct sales in Malaysia were impacted by the 2018 federal general election in Malaysia that saw a change of government. Consumers were cautious of the change of government and the softening of private consumption in non-essential expenditure. Its pleasing to note that product enquiries and testimonials are now increasing. Our Malaysian online product ordering system will be implemented in mid-April.



China and other parts of Asia

The regulatory requirements for direct sales of our range of products to China and other parts of Asia, especially China, Vietnam and Taiwan have constrained our selling efforts. Negotiations are in progress to distribute our products by local wholesale partners.

China continues to be our focus as the Company increases its marketing efforts with local wholesale partners in that country. The Company is also evaluating additional new milk-based products for this growing market.

Settlement of litigation

The claim brought against the Company and its Chief Executive Officer in December 2017, by New Image Group has been settled. The parties are bound by the confidential terms of the executed settlement agreement.

No party has admitted liability and Bioxyne has agreed to pay New Image NZ\$500,000 in full and final settlement of the proceeding and all matters in dispute.

This settlement will enable Bioxyne to focus their time and efforts in developing the Company's business.

N H Chua
Chief Executive Officer



About Bioxyne

Bioxyne Limited (ASX:BXN) is an Australian health and wellness products company (incorporated in 2000) with a focus on clinically effective health and wellness products particularly in the gut and immune health areas.

Bioxyne is in the consumer dietary supplements and functional foods markets through its proprietary probiotic, *Lactobacillus fermentum* VRI-003 (PCC®), and through its direct sales business trading as Bioxyne International, the Company has developed a range of functional food and beauty products containing ingredients sourced primarily from New Zealand.

Bioxyne's probiotic business is supported by a manufacturing and distribution agreement with Chr. Hansen (Denmark) a global leader in the manufacturing of natural food additives and supplements products for the food, health, pharmaceutical and agriculture industries.

Bioxyne has a distribution agreement for PCC® with Nu-Skin Enterprises (USA) a successful worldwide multilevel marketing company.

For more information on Bioxyne, please visit www.bioxyne.com