



27 April 2018

QUARTERLY REPORT FOR THE PERIOD ENDED 31 MARCH 2018

Bioxyne Limited (ASX Code: BXN) (Bioxyne or the Company) is pleased to report on its activities for the quarter ended 31 March 2018.

Highlights

- **MYMANA, a unique New Zealand colostrum, honey and dairy formula product, added to product range**
- **MUSTANG a weight management and vitality nutritional drink for men, successfully launched in late January 2018**
- **Strong wholesale sales of PCC® during the quarter**
- **Development work continuing to expand distribution of products in Asian countries**

MYMANA launch

MYMANA, a colostrum, honey and dairy formula product was added to the product range during the quarter. The product has received Malaysian registration approval and work is ongoing to introduce this product to the China market.

This New Zealand manufactured product is a unique formulation of colostrum, New Zealand honey and dairy milk formula which provides added nutrition supporting a healthy immune system.

It is expected that the first shipment will be made before 30 June 2018.

MUSTANG launch

Mustang, a revolutionary nutritional shake designed to support men's healthy weight management was launched in late January 2018 in Malaysia. The product contains vegetable protein, inulin (a prebiotic fibre) to support a healthy gut and a wide range of vitamins and minerals.

The product was well received by distributors and early direct sales were encouraging.



Revenue

Revenue during the quarter was \$833,000 (2017: \$413,000), reflecting an improvement in PCC® wholesale sales and growing distributor direct sales in Malaysia.

PCC® sales for the year ended 30 June 2018 are expected to be approximately 96% of the prior year.

The company has approximately 150 active direct sales distributors in Malaysia as at 31 March 2018. Recruitment of direct sales distributors and ongoing sales training are the focus of management during the June 2018 quarter.

Malaysia presently have Allura, Mustang, and BEssence for direct sale through distributors (see www.bioxyne.my.com).

Sales of Progastrim® and proTract are only available online at www.bioxyne.com.

Business Development

The Company is working closely with contract manufacturers in New Zealand to ensure that its processes for formulation, registration, production and shipment of products will support a growing sales demand from Asia. Ensuring a seamless supply chain to Malaysia and other Asian markets is a key driver of our direct sales model.

In addition, the Company is continuing discussions with potential partners in key Asian countries to establish distribution networks for its products.

Corporate

As outlined in the previous quarterly, the New Image Group litigation matter is continuing. Bioxyne's CEO, Mr N H Chua, and Bioxyne Limited have filed statements of defence and discovery documents are due to be delivered in May 2018. As indicated previously the claims made are without foundation and will be vigorously defended.

Cash at the end of the quarter was approximately \$3.8 million. Cash outflow for the quarter was approximately \$371,000 and again included costs associated with product development and a build-up in inventories. An amount of A\$372,000 was received from our US customer in early April 2018.

Dr Peter French resigned as a Director on 15 February 2018.



For more information, please contact:

N H Chua, Managing Director, Bioxyne Limited +61 2 9078 8180

Guy Robertson, Chief Financial Officer +61 2 9078 8180 or +61 407 983 270

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

Bioxyne Limited

ABN

97 084 464 193

Quarter ended ("current quarter")

31 March 2018

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	333	1,128
1.2 Payments for		
(a) research and development	(63)	(199)
(b) product manufacturing and operating costs	(372)	(732)
(c) advertising and marketing	(102)	(209)
(d) leased assets		
(e) staff costs		
(f) administration and corporate costs	(399)	(1,515)
1.3 Dividends received (see note 3)		
1.4 Interest received	22	31
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives R&D Tax offset	221	221
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(360)	(1,275)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(11)	(144)
(b) businesses (see item 10)		
(c) investments		

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
(d) intellectual property		
(e) other non-current assets		
2.2 Proceeds from disposal of:		
(a) property, plant and equipment		
(b) businesses (see item 10)		
(c) investments		
(d) intellectual property		
(e) other non-current assets		
2.3 Cash flows from loans to other entities		
2.4 Dividends received (see note 3)		
2.5 Other		
2.6 Net cash from / (used in) investing activities	(11)	(144)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares		
3.2 Proceeds from issue of convertible notes		
3.3 Proceeds from exercise of share options	-	1,349
3.4 Transaction costs related to issues of shares, convertible notes or options		
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 Other (provide details if material)		
3.10 Net cash from / (used in) financing activities		1,349

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of quarter/year to date	4,177	3,876
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(360)	(1,275)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(11)	(144)
4.4 Net cash from / (used in) financing activities (item 3.10 above)		1,349

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of quarter	3,806	3,806

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	1,889	2,225
5.2	Call deposits	1,917	1,952
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)	3,806	4,177

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$A'000**

121

Directors salaries and fees.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter
\$A'000**

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities		
8.2 Credit standby arrangements		
8.3 Other (please specify)		
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	70
9.2 Product manufacturing and operating costs	400
9.3 Advertising and marketing	50
9.4 Leased assets	
9.5 Staff costs	
9.6 Administration and corporate costs	450
9.7 Other (provide details if material)	
9.8 Total estimated cash outflows	970

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity		
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of businesses		

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.



Sign here: Date:27 April 2018.....
(Company secretary)

Print name:Guy Robertson.....

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.