



14 April 2020

## ASX Announcement

### Bioxyne – Market Update

#### Highlights

- Product revenues up 7% on prior year – 9 months to 31 March 2020
  - COVID-19 to slow development in Malaysia, Indonesia
  - Product registrations completed for all products in target markets
  - Cost saving initiatives implemented
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Bioxyne Limited (ASX : BXN) (Bioxyne or the “Company”) is pleased to update the market on its operations.

#### Revenue for 9 months to March 2020

Product revenues for the 9 months to 31 March 2020 were ~\$1.6m, a 7% increase over the prior year of ~\$1.5m. As the majority of Bioxyne’s revenue is earned in US\$ a portion of this improvement is attributable to the recent weakening of the A\$. The continuation of a low A\$ will have a positive exchange translation effect on revenue going forward.

Sales are driven by the Company’s wholesale sales of its patented proprietary probiotic, *Lactobacillus fermentum* VRI-003 (PCC®). PCC® has demonstrated to have positive effects on general health and the immune system as reported in several clinical trials (see Wellbeing Hub on the Company’s website). We expect that demand for PCC® will continue in the current COVID-19 environment and sales to be firm.

The Company’s Mymana product (see ASX announcement 26 February 2018), a unique New Zealand colostrum and dairy milk formula product, also supports a healthy immune system, has now been approved for sale in a number of South East Asian countries and has also achieved compliance regulations in China.

#### COVID-19 to slow development in Malaysia and Indonesia

The Company holds direct selling licences in both Malaysia and Indonesia. While progress has been slow, primarily caused by delays in product registration, sales have been encouragingly building up month on month over the last six months.

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Direct selling business in these markets are heavily reliant on face to face meetings, the current lockdown restrictions in both countries will temporarily disrupt our progress. However, the Company is using the opportunity to review and enhance our social media reach, strengthen our registration and logistics procedures, and tighten our business model.

With China lifting travel restrictions and Austria and Denmark to lift some of its restrictions, there are indications that the COVID-19 pandemic will be contained by Q3 CY 2020.

### **Product registrations being completed for all products in all target markets**

The product registration process in Asian countries is complex and demanding. The Company has made substantial progress in registering our product suite in those countries where we have direct selling licences and in those where there is a ready demand for our products, including Vietnam and China.

The Bioxyne retail product suite comprises:

**Progastrim™** (PCC®) - clinically tested probiotic, for general health and immune support

**Mymana** – colostrum and fortified milk formula for nutrition and immune support

**BK18** – NZ dairy based formula with probiotics and vitamins for general health and immune support

**Allura** – weight management and beauty drink for women

**Mustang** – weight management and vitality shake for men

**BEssence** – beauty range

### **Cost saving initiatives implemented**

The Company has taken steps to reduce costs, including executive and non-executive directors taking an immediate 50% pay reduction from April to 30 June 2020, and other operational personnel and rental reducing their costs as appropriate. Travel expenses have also fallen in the current enforced travel restrictions in most countries.

The Company will also seek Government support where available in the countries within which it operates, given this forced hiatus.

N H Chua  
Chief Executive Officer

This announcement was approved for release by the Board.



## 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](http://www.bioxyne.com)