



31 July 2019

QUARTERLY REPORT FOR THE QUARTER ENDED 30 JUNE 2019

Bioxyne Limited (ASX Code: BXN) (Bioxyne or the Company) is pleased to report on its activities for the quarter ended 30 June 2019.

Results

Sales revenues for Q4 FY2019 were ~\$638,000 that included a catch up of PCC[®] wholesale sales to NuSkin over the previous quarter. It is pleasing to note that this brought the annual product revenue result to approximately \$2.2m, an 8% increase on the prior year.

Registration of the Group's dairy formula based products in Indonesia is still pending. Every effort is being made to expedite the product registrations.

Malaysia continues to be subdued and the Group is using the opportunity to continue building sustainable distribution channels.

Business development

Australia

The Company has been reviewing acquisition opportunities with direct selling and product synergy that will allow further expansion into Asia. The focus is on sourcing quality Australian and New Zealand products that meet the needs of the Asian markets that we operate in.

China

The Company intends to provide its dairy formula based products through wholesale channels, and discussions are ongoing with potential partners during the quarter. We remain focused on breaking through in this vast market.

Vietnam

The wholesale distributor in this market recently accepted the Company's dairy formula based honey and colostrum daily health supplement product, **Mymana**. An initial order was received during the quarter. Sales for our dairy formula based multi-vitamins health supplement, **BK18**, continues to be gaining acceptance from the market.



Indonesia

The Group opened an office in July 2019 in Makassar, located in the Sulawesi province, which is showing good potential for the Group's dairy formula nutritional product range. A soft launch of the opening was attended by approximately 150 current and prospective distributors.



Makassar Office Opening 21 July 2019

Corporate

Cash on hand as at 30 June 2019 amounted to \$1.77 million.

On a without admission of liability basis, the New Image legal matter was settled for approximately A\$0.48 in early April 2019. The settlement would allow the Company to progress on its growth strategy in Asia, unhindered.

The loss for the year is anticipated to be in the order of ~\$1.5m of which \$713,000 is attributable to the non-recurring legal fees and the settlement sum.



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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

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")

30 June 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	188	1,751
1.2 Payments for		
(a) research and development	(52)	(86)
(b) product manufacturing and operating costs	(164)	(852)
(c) advertising and marketing	(9)	(77)
(d) leased assets		
(e) staff costs	(122)	(702)
(f) administration and corporate costs	(130)	(897)
1.3 Dividends received (see note 3)		
1.4 Interest received	7	49
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	180	180
1.8 Other (legal fees and settlement)	(481)	(713)
1.9 Net cash from / (used in) operating activities	(583)	(1,347)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(67)	(88)
(b) businesses (see item 10)	-	(132)
(c) investments		

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 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	(67)	(220)

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	-	
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		

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	2,468	3,310
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(583)	(1,347)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(67)	(220)
4.4 Net cash from / (used in) financing activities (item 3.10 above)		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(49)	26
4.6	Cash and cash equivalents at end of quarter	1,769	1,769

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	709	1,846
5.2	Call deposits	1,060	622
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)	1,769	2,468

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**

37

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	-
9.2 Product manufacturing and operating costs	150
9.3 Advertising and marketing	30
9.4 Leased assets	
9.5 Staff costs	180
9.6 Administration and corporate costs	180
9.7 Other (provide details if material)	
9.8 Total estimated cash outflows	540

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		

