



28 October 2021

REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2021

Bioxyne Limited (ASX Code: BXN) (Bioxyne or the Company) is pleased to report on its activities for the quarter ended 30 September 2021.

Highlights

- **Positive operating cash flow for the quarter**
- **Cash increased to \$1.7 million at quarter end**
- **Revenues 4.5% under same quarter previous year at \$0.8m**
- **Forward orders for PCC probiotics and direct sales H1 2022 will exceed H1 2021**
- **Successful trial of Colostrum Coffee product, first order Q2 FY2022**

Results

The Company's core wholesale sales of *Lactobacillus fermentum* PCC® is the major revenue. On-going COVID-19 restrictions continue to weigh on those markets where the Company is Direct Selling. However, with easing of restrictions in both Malaysia and Indonesia and international borders cautiously re-opening, there are early signs of economic activities rebounding.

Sales revenue (unaudited) for Q1 FY 2022 was \$804k (Q1 FY 2021: \$843k), 4.5% down on the same quarter in the prior year attributed to exchange rate movements.

The unaudited result for the quarter was a profit of \$136k (Q1 FY21: Profit of \$207k), the decrease attributable to the lower sales revenue.

The Company achieved \$45k Operating cashflow positive for the quarter. Cash at the end of the quarter \$1.7m.



Operations

Wholesale sales of *Lactobacillus fermentum* PCC® were the major contributor to revenue, however pleasingly Indonesia continued with its modest recovery with revenue of \$45k for the quarter.

The order of ColosNZ to South East Asia with value ~\$312k has been delayed to Q2 FY2022.

The Company has successfully trialled a colostrum coffee product during the quarter. We have identified significant interest in Asia for this product, and expect to receive a first material order in Q2 FY 2022.

The Bioxyne product suite comprises:

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

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

ColosNZ – enhanced colostrum and fortified milk formula for nutrition and immune support

Col-Coffee - Colostrum three in one powder coffee mix

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/new business opportunities focus

Early indications of resumption of economic activities from easing of restrictions in Malaysia and Indonesia are evident from forward orders received in our direct sales business.

Notwithstanding, the Company remains focused on managing its costs and is actively seeking acquisitions of businesses or products to broaden its operating base which would build shareholder value.

Corporate

Cash on hand as at 30 September 2021 amounted to \$1.7 million.

Payments to related parties and their associates during the quarter of \$45,000 comprise director and non-executive director salaries, fees and superannuation.

This quarterly activity report has been approved by the Board.



For more information, please contact:

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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 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 cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Bioxyne Limited

ABN

97 084 464 193

Quarter ended ("current quarter")

30 September 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	608	608
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs	(224)	(224)
(c) advertising and marketing		
(d) leased assets		
(e) staff costs	(141)	(141)
(f) administration and corporate costs	(202)	(202)
1.3 Dividends received (see note 3)		
1.4 Interest received	4	4
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	45	45
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities		
(b) businesses		
(c) property, plant and equipment		
(d) investments		
(e) intellectual property		
(f) other non-current assets		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 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	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities		
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
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		
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 period	1,602	1,602
4.2	Net cash from / (used in) operating activities (item 1.9 above)	45	45
4.3	Net cash from / (used in) investing activities (item 2.6 above)		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)		
4.5	Effect of movement in exchange rates on cash held	77	77
4.6	Cash and cash equivalents at end of period	1,724	1,724

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	1,036	919
5.2	Call deposits	688	683
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)	1,724	1,602

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

45

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

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

7. Financing facilities

Note: the term "facility" includes all forms of financing arrangements available to the entity.

Add notes as necessary for an understanding of the sources of finance available to the entity.

- 7.1 Loan facilities
- 7.2 Credit standby arrangements
- 7.3 Other (please specify)
- 7.4 **Total financing facilities**

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000

7.5 Unused financing facilities available at quarter end

- 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.

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8. Estimated cash available for future operating activities**\$A'000**

8.1	Net cash from / (used in) operating activities (Item 1.9)	45
8.2	Cash and cash equivalents at quarter end (Item 4.6)	1,724
8.3	Unused finance facilities available at quarter end (Item 7.5)	-
8.4	Total available funding (Item 8.2 + Item 8.3)	1,725
8.5	Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	4 quarters +

- 8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

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?

Answer: N/A

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?

Answer: N/A

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

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: 28 October 2021.....

Authorised by: ..The Board.....
(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.