

## Quarterly Activities Report for the Period Ended 30 June 2024

### Operational Updates

- Creditors of Bod resolved to accept a Deed of Company Arrangement (“DOCA”) proposed by Biortica
- DOCA was executed on 24 April 2024

### Financial Updates

- Net cash from operating activities of \$269k
- Quarterly receipts from customers were \$54k
- Receipt of FY23 overseas R&D tax incentive of \$364k

**Sydney, Australia – 22 July 2024:** Cannabis focused drug development and product innovation company, Bod Science Limited (Subject to a Deed of Company Arrangement) (“Bod” or “the Company”) (ASX: BOD), provides the following update on activities for the three-month period ended 30 June 2024 (Q4 FY2024).

### Operational Overview:

The second meeting of creditors under the Voluntary Administration process was held on 8 April 2024, at which creditors of Bod resolved to approve the DOCA proposal from Biortica Agrimed Limited (“Biortica”).

Bod has now entered into a DOCA with Biortica in accordance with that DOCA proposal. Pursuant to the DOCA, Andrew Barnden has been appointed Deed Administrator and continues to trade under the DOCA. Bod will remain in suspension throughout the deed administration process.

As described in the Company’s announcement on 27 March 2024, pursuant to the terms of the DOCA, Biortica has agreed to contribute \$380,000 to a deed fund and a proposal by which ultimately Bod will acquire the issued capital in Biortica in consideration for the issue of shares in Bod to the shareholders and noteholders of Biortica (a backdoor listing).

The backdoor listing is subject to:

- Bod entering into a share purchase agreement with ordinary shareholders of Biortica as a condition precedent under the DOCA;
- The ASX confirming that Biortica has a structure and operations suitable of a company to be admitted to the official list of the ASX following the application for in-principle advice lodged with the ASX as a condition to effectuation of the DOCA; and
- Bod, following effectuation of the DOCA, satisfying the re-compliance requirements with Chapter 1 and 2 of the ASX Listing Rules, including obtaining all necessary shareholder approvals.

### Financial Overview:

Net cash from operating activities of \$269k increased by \$266k on Q3 FY2024 (\$3k) due to the receipt of the Company’s overseas R&D tax incentive of \$364k relating to FY2023 overseas R&D spend, partially offset by reduced customer receipts and the receipt of a supplier refund of \$47k in Q3 FY2024. The Q4 FY2024 net cash inflow was \$1,899k better than the PCP (Q4 FY2023: \$1,630k outflow) due to the receipt of the Company’s overseas R&D tax incentive of \$364k relating to FY2023 overseas R&D spend, substantial reductions in all payment categories following the Company entering voluntary administration in November 2023 and the funding of the company’s ongoing trading costs by Biortica.

Quarterly receipts from customers were \$54k, a decrease of \$77k (59%) on the last quarter (Q3 FY2024: \$131k) and a decrease of \$352k (87%) on the previous corresponding period (“PCP”) (Q4 FY2023: \$406k). The decrease on the prior quarter is due to the company exiting its legacy Bioeffect business.

Other receipts from operating activities of \$506k represents funding received from Biortica to pay for the Company's operating expenses.

The Company made payments totalling \$35k to related parties during the quarter, representing remuneration paid to a director.

**Outlook:**

The second meeting of the Company's creditors was held on 8 April 2024. The outcome of the meeting was, inter alia, that the Company's creditors accepted the DOCA proposal and the DOCA was subsequently executed on 24 April 2024.

The Company is currently finalising a binding share purchase agreement with the ordinary shareholders of Biortica. The share purchase agreement will be subject to conditions subsequent being met, together with the effectuation of the DOCA and the Company satisfying the re-compliance requirements with Chapter 1 and 2 of the ASX Listing Rules, including all necessary shareholder approvals.

It is expected that a notice of meeting will be sent to Company's shareholders in August or September 2024, informing them that a shareholders meeting has been scheduled at which the shareholders will vote upon whether to approve the various resolutions as detailed in Biortica's DOCA proposal.

**This announcement has been approved by the administrator of Bod Science Limited (Subject to a Deed of Company Arrangement).**

**-ENDS-**

**About Bod Science:**

Bod Science Limited (Subject to a Deed of Company Arrangement) (ASX:BOD) is a cannabis focused drug development and product innovation company.

Bod is focused on progressing research and development with a defined clinical trial pathway to commercialise and deliver premium, scientifically proven and trusted products for patients and consumers.

The Company has a number of existing partnerships with large corporate companies and collaborations with leading research organisations to advance the use of Cannabis related medicines with therapeutic indications.

**For more information please contact:**

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## Appendix 4C

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

**Name of entity**

Bod Science Limited (Subject to a Deed of Company Arrangement)

**ABN**

89 601 225 441

**Quarter ended ("current quarter")**

30 June 2024

<b>Consolidated statement of cash flows</b>		<b>Current quarter</b>	<b>Year to date (12 months)</b>
		<b>\$A'000</b>	<b>\$A'000</b>
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	54	969
1.2	Payments for		
	(a) research and development	(8)	(1,080)
	(b) product manufacturing and operating costs	(11)	(359)
	(c) advertising and marketing	(4)	(227)
	(d) leased assets	-	-
	(e) staff costs	(490)	(2,123)
	(f) administration and corporate costs	(146)	(986)
1.3	Dividends received	-	-
1.4	Interest received	11	15
1.5	Interest and other costs of finance paid	(7)	(166)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives <sup>1</sup>	364	1,973
1.8	Other <sup>2</sup>	506	953
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>269</b>	<b>(1,031)</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	(121)
	(d) investments	-	-
	(e) intellectual property	-	(39)

**Appendix 4C**  
**Quarterly cash flow report for entities subject to Listing Rule 4.7B**

<b>Consolidated statement of cash flows</b>		<b>Current quarter</b>	<b>Year to date</b>
		<b>\$A'000</b>	<b>(12 months)</b>
			<b>\$A'000</b>
	(f) other non-current assets <sup>3</sup>	-	(1,917)
2.2	Proceeds from disposal of:		
	(a) entities <sup>4</sup>	-	100
	(b) businesses	-	-
	(c) property, plant and equipment	-	20
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received	-	-
2.5	Other <sup>5</sup>	-	130
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>(1,827)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	1,930
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	-	(143)
3.5	Proceeds from borrowings	-	184
3.6	Repayment of borrowings	-	(1,200)
3.7	Transaction costs related to loans and borrowings	-	(1)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>770</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	(295)	2,031
4.2	Net cash from / (used in) operating activities (item 1.9 above)	269	(1,031)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(1,827)

<b>Consolidated statement of cash flows</b>		<b>Current quarter</b>	<b>Year to date (12 months)</b>
		<b>\$A'000</b>	<b>\$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	770
4.5	Effect of movement in exchange rates on cash held	-	31
4.6	<b>Cash and cash equivalents at end of period</b>	<b>(26)</b>	<b>(26)</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	434	162
5.2	Call deposits	-	-
5.3	Bank overdrafts	(460)	(457)
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>(26)</b>	<b>(295)</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1: <ul style="list-style-type: none"> <li>Salaries/fees paid to directors</li> </ul>	35
6.2	Aggregate amount of payments to related parties and their associates included in item 1	35

*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.*

<b>7.</b>	<b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	-	-
7.5	<b>Unused financing facilities available at quarter end</b>		-
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.		

<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	269
8.2	Cash and cash equivalents at quarter end (item 4.6)	(26)
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	(26)
8.5	<b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	N/A
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>		
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	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?	
	N/A	
8.6.2	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?	
	N/A	
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	N/A	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>		

## **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: 22 July 2024

Authorised by: **Deed Administrator of Bod Science Limited (Subject to a Deed of Company Arrangement)**

## **Notes**

1. During the quarter, the company received the overseas portion of the FY23 R&D tax incentive.
2. During the March 2024 and June 2024 quarters, and in accordance with the conditions of the Heads of Agreement between Bod and Biortica signed on 9 February 2024, Biortica has funded the ongoing trading costs of the company. The funding from Biortica has been disclosed as other inflows from operating activities, while the costs have been disclosed as outflows on the relevant lines within operating activities.
3. The YTD payment of £985k (\$1,917k) for other non-current assets in section 2.1(f) relates to the completion of the acquisition of an invention known as "Aqua Phase" and related assets (Invention). Total consideration for the acquisition of Aqua Phase was £1,000k but the amount paid in cash was reduced by a loan of £15k previously provided to one of the inventors.
4. Proceeds on disposal of an entity of \$100k represents a payment made by Biortica Agrimed Limited to Bod Science following the signing of a Heads of Agreement on 9<sup>th</sup> February 2024 in relation to a Deed of Company Arrangement proposed by Biortica Agrimed Limited.
5. YTD net cash inflow of \$130k in section 2.6 Other cash from investing activities relates to the reimbursement by the landlord of the company's previous office premises for fixtures, fittings and office equipment purchased by the company during the June 2023 and September 2023 quarters, under the terms of the lease agreement.