

Q4 Activities Report & Appendix 4C



Q4 FY24 Highlights



- **Record revenue and cash receipts:** Q4 receipts surged 71% year-on-year to **\$4.4M**, with quarterly revenue climbing 64% to \$4.3M.
- **Impressive growth amid transformation:** FY24 (unaudited) revenue reached **\$15M, \$6.5M above FY23**, with **proforma revenue** (full-year contributions from FY24 acquisitions) **of \$17.7M**. While slightly below our \$16M–\$20M target, this is a significant achievement in challenging conditions.
- **Strategic integration accelerates growth:** Healthy Chef added \$668K to Q4 revenue, unlocking substantial opportunities for scaling and brand development in Australia and the U.S in 2025.
- **Robust margin expansion:** Group gross margins rose to **40%** from **38% a year ago**. Australian margins improved from 34% in Q3 to 37% in Q4, underscoring sustained operational efficiency and profitability improvements.
- **Positive EBITDA contributions:** Healthy Chef and Elixinol USA delivered positive EBITDA in Q4 and across FY24.
- **Strengthened cash position:** \$1.3M in available cash and short-term funding. Excluding one-off acquisition costs, Elixinol's **cash runway now extends beyond five quarters**, providing financial stability and growth capacity.
- **EBITDA break-even near:** The Group approached EBITDA break-even in late Q4 FY24.



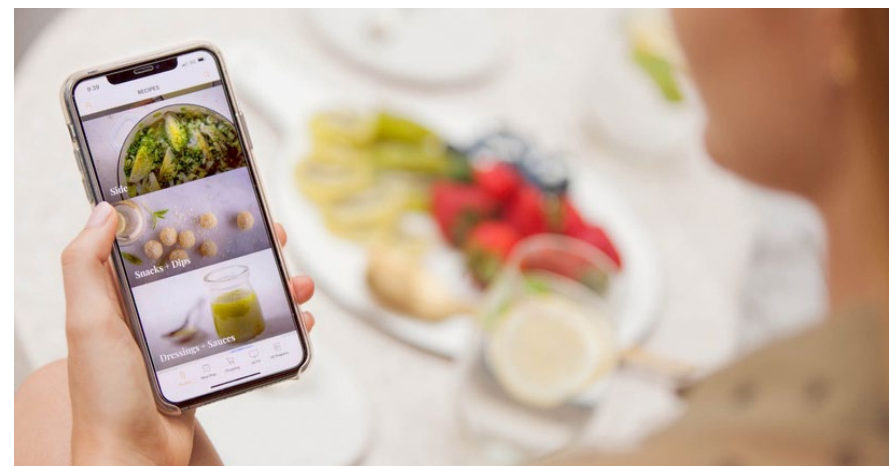
Elixinol Wellness: Q4 Revenue & Receipts

Elixinol Wellness Ltd (ASX:EXL) is pleased to provide its Activities Report and Appendix 4C for the quarter ending 31 December 2024

Exceptional growth throughout FY24

- **Best quarter in 4 years:** Group revenue **surged 65%** vs Q4 FY23 to **\$4.3M**, up 11% from Q3 FY24, driven by strategic acquisitions and exceptional execution.
- **Australian sales double:** Domestic sales soared to **\$3.8M** from \$2.0M a year ago, and \$3.3M in Q3 FY24. Growth was fuelled by **grocery success, impactful promotions**, and **robust e-commerce sales growth**.
- **Brand Portfolio Expansion:** **FY24 proforma* revenue reached \$17.7M**, demonstrating 17% growth in Elixinol's **core brand portfolio** and showcasing the **strength** of the Group's **strategic acquisitions** over the last 18 months.

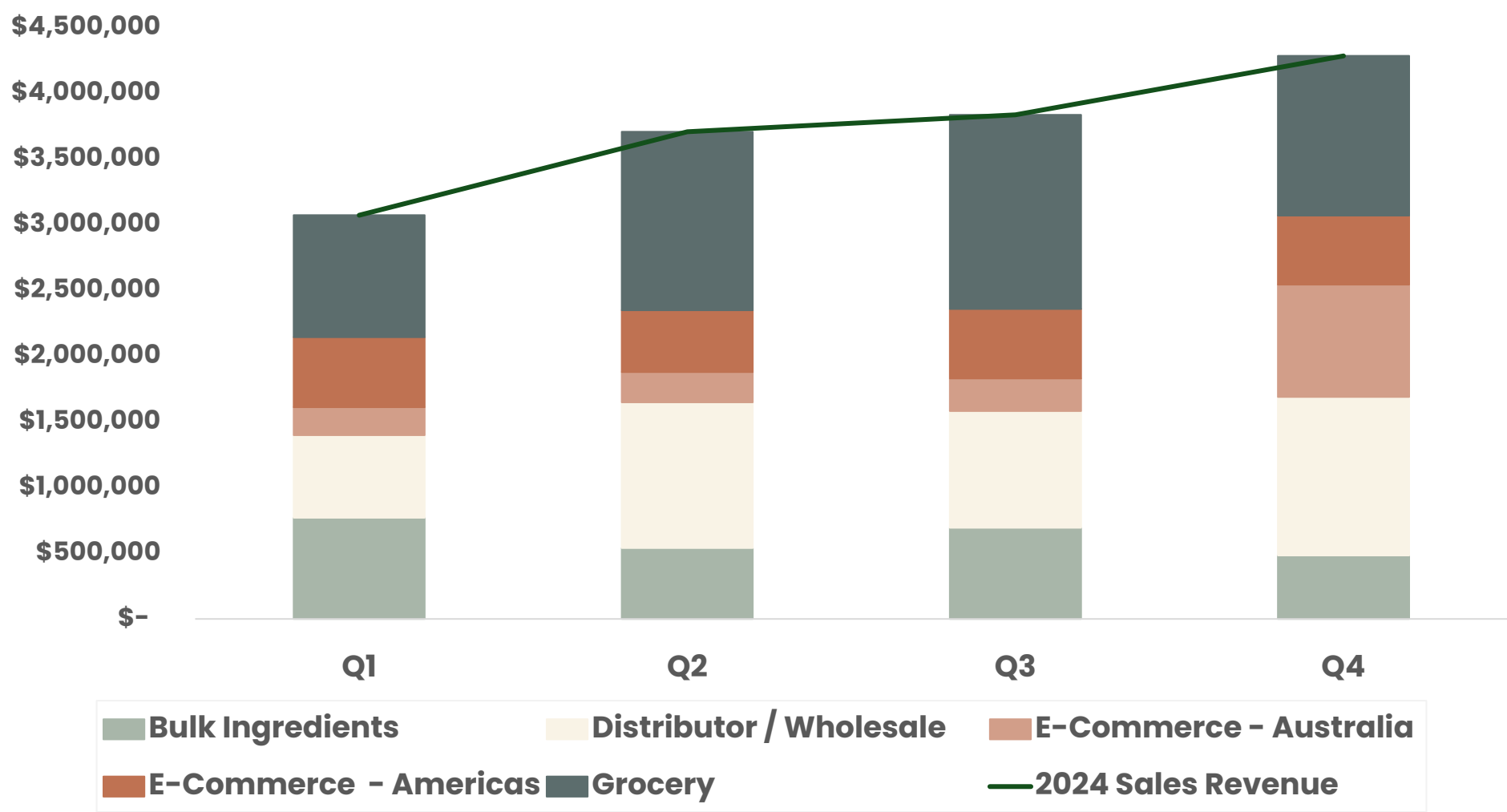
** Proforma revenue reflects full-year contributions from FY24 acquisitions*



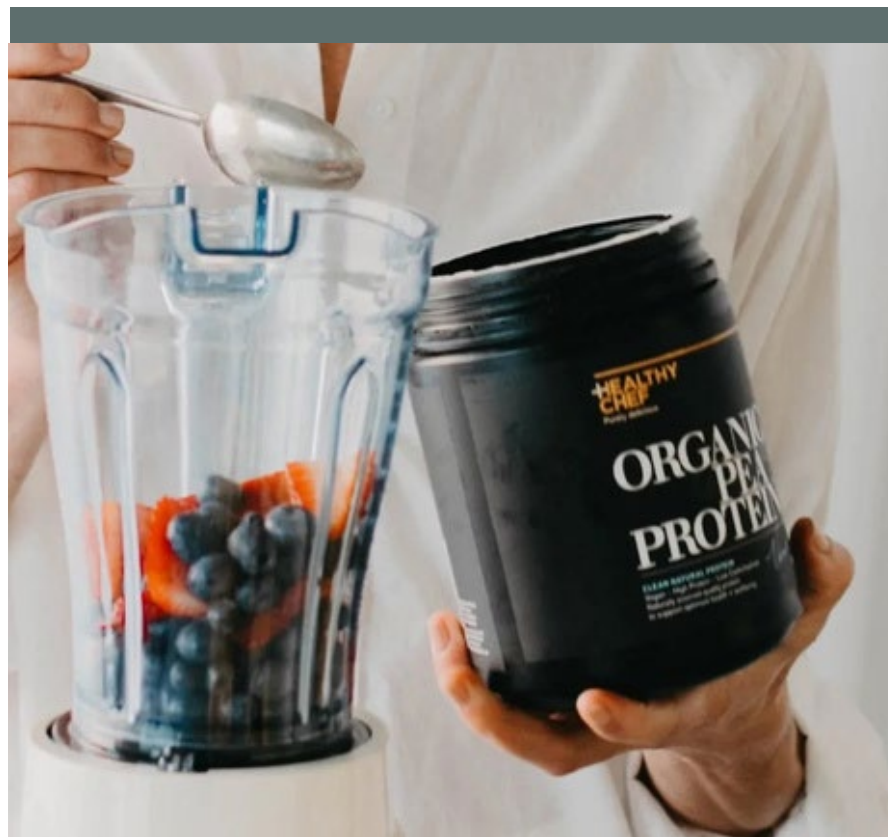
Revenue by Channel

- **E-commerce momentum accelerated by Healthy Chef:** E-commerce revenue surged 246% compared with Q3 FY24 and 333% from Q4 FY23, driven by The Healthy Chef and other consumer brands. This acquisition reduces EXL’s dependence on Grocery and reinforces Elixinol Wellness’ direct-to-consumer strategy.
- **Distributor channels deliver strong results:** Distributor revenue grew 59% over Q4 FY23 and 36% on Q3, led by Hemp Foods Australia. This highlights the success of the Company’s heritage brand and its effective diversification across retail channels.
- **Sustained growth in Grocery:** Grocery revenue grew 60% compared with Q4 FY23, with a slight dip of 14% compared to Q3 due to Woolworths transitioning Macro to a dual-supplier model. However, Coles expanded Hemp Foods Australia Seed Mix SKUs, showcasing strong demand for the Company’s branded products.
- **Record seed sales propel Costco growth:** Costco achieved its highest-ever hemp seed sales in Q4, driving a 14% increase over Q4 FY23. However, changes in Hemp Gold Protein ranging resulted in a 26% dip compared with Q3.

2024 Sales by Channel



Q4 FY24 Brand Highlights



Healthy Chef added \$668k to Q4 revenue, driving new opportunities in e-commerce and enhancing direct-to-consumer reach

Direct-to-consumer growth



Two new Seed Mix SKUs launched in Coles, further strengthening our flagship brand's footprint in Grocery

Expanded Grocery distribution



Our Recharge & Immune Chai was voted one of Australia's best by over 20,000 EatWell readers in the EatWell Yummies Awards

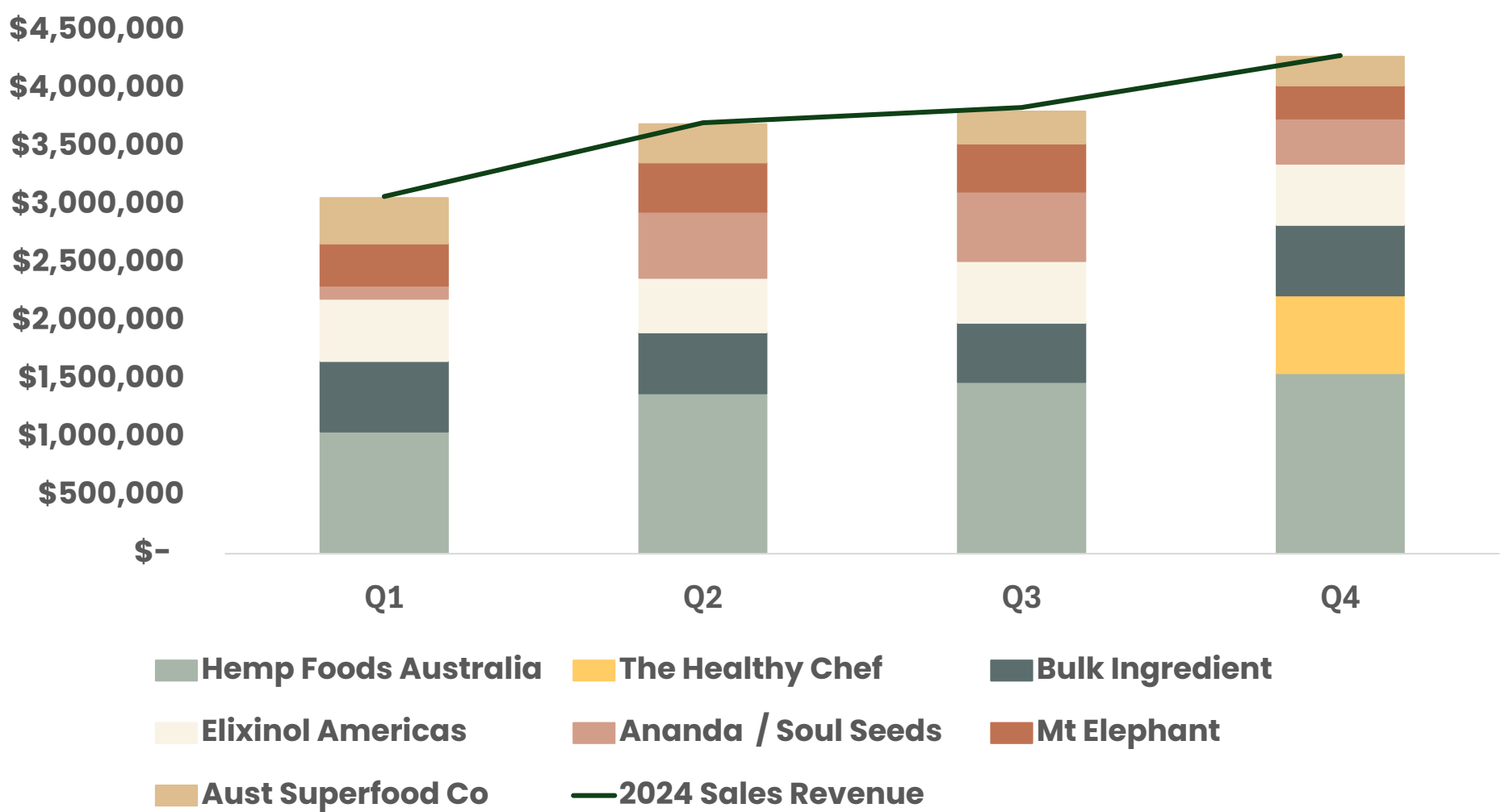
Award-winning products



Revenue by Brand

- **Hemp Foods Australia (HFA) drives Q4 growth:** Hemp Foods Australia delivered a strong Q4 performance, with revenue up 5% vs Q3 and 44% over Q4 FY23. Expanded Grocery and key distributor channels reinforced HFA’s position as the Company’s flagship brand.
- **Healthy Chef strengthens e-commerce:** Adding \$668K to Q4 revenue, Healthy Chef has significantly enhanced Elixinol Wellness' direct-to-consumer strategy as a primarily e-commerce brand.
- **Bulk Ingredients achieves triple digit growth:** Bulk Ingredients revenue surged 210% year-on-year and 19% vs Q3,, fueled by Ananda Food product transitions and new B2B partnerships.
- **Mt Elephant demonstrates resilience:** Despite a product recall earlier in FY24, Mt Elephant posted 5% growth year-on-year. While revenue declined 31% from Q3 due to Woolworths distribution adjustments, annual revenue soared 287% vs 2023, showcasing the brand’s long-term potential.
- **Elixinol USA delivers profitability:** Revenue was down slightly vs Q3 and 23% vs Q4 FY23 due to market challenges and advertising restrictions. However, the segment still maintained gross margins of 61-66%, ending FY24 with positive EBITDA of \$100K.

2024 Sales Revenue by Brand



Higher margins and enhanced efficiency

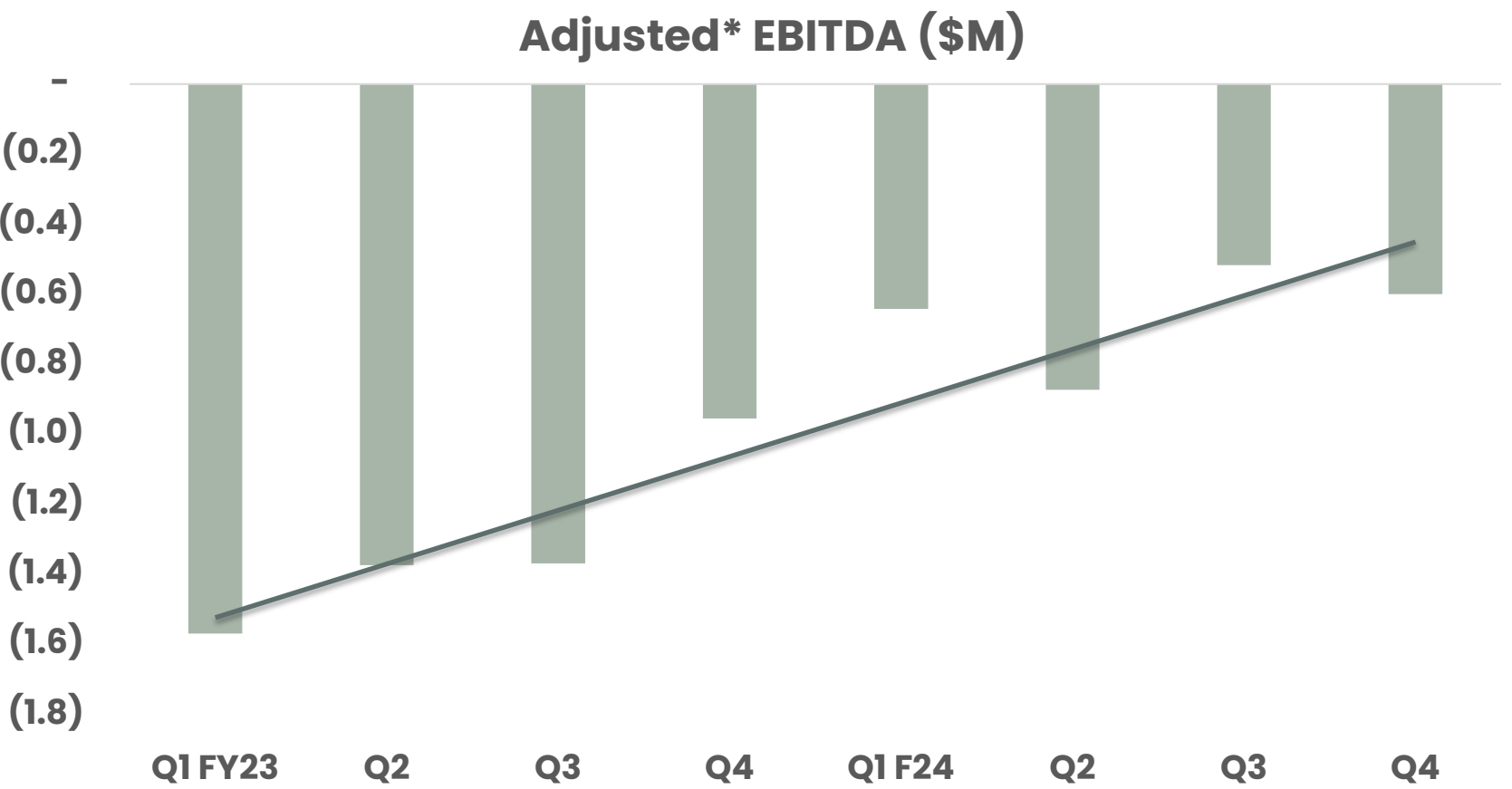
- **Margin expansion:** Q4 Australian portfolio margins rose from an average of **34% in Q3 to 37%**, supported by the higher-margin Healthy Chef brand. **Group margins improved 1% to 40%** driven by targeted operational efficiencies.
- **Cost discipline: Operating costs (excluding marketing) fell by 1% of revenue from 47% in Q3 to 46% and down by 24% of revenue year on year**, reflecting synergies from the integration of the Ananda Food and Healthy Chef brands. Investment remained focused on product development, brand building, and expansion in Australia to drive future growth.

Improved funding position

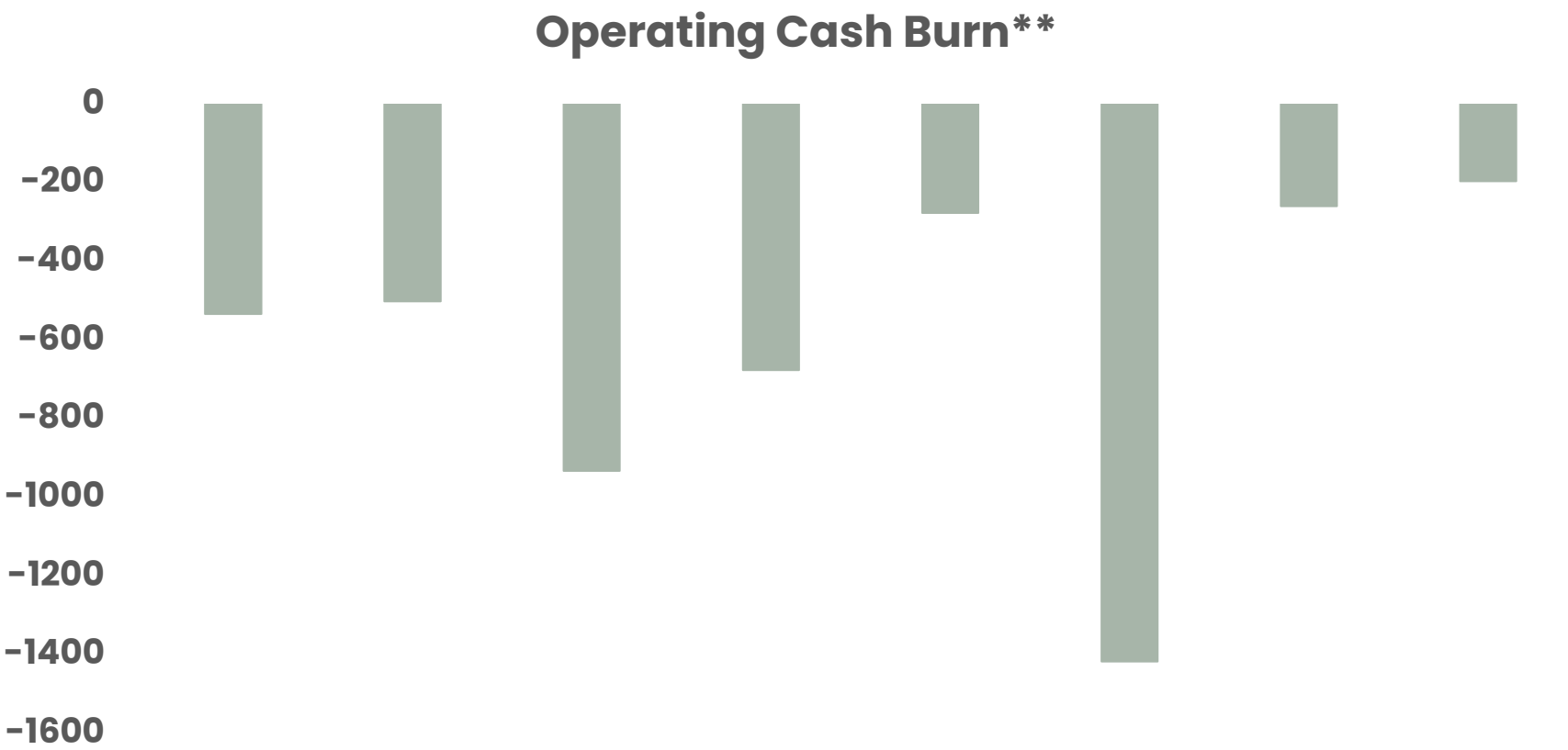
- **Available funding: \$1.3M at 31 December 2024, including \$1.1m cash in bank** post settlement of one-off and acquisition costs. **Non-recurring Q4 costs of \$444K** impacted the **cash burn rate**, but **(ex one-off expenses) operational cash burn reduced to \$196K, a 25% improvement** from Q3's \$260K. **This provides a cash runway exceeding five quarters.**
- **Access to finance:** EXL now has access to additional funding including **trade debtor financing** and **working capital loans via e-commerce platforms, supporting inventory growth and further scaling of operations.**

Related Party Statement

- Payments of \$134K were made to related parties during Q4, comprising fees and salary to Directors. EXL's Non-Executive Directors continue to take on additional responsibilities ahead of appointing a new CEO.



* Adjusted to exclude non-cash impairments, share-based payments and nonrecurring expenditure.



** Adjusted to exclude nonrecurring expenditure.



FY25 Strategic Imperatives

- **Driving growth through new product development :** Launches in ready-to-eat health segments and the expanding supplement market will be key drivers of future growth, leveraging consumer demand for innovative, healthy options.
- **Accelerating Healthy Chef growth:** The Healthy Chef will fuel revenue through the introduction of innovative products and enhanced marketing.
- **Margin Optimisation:** Continued focus on improving margins, with Mt Elephant entering 2025 optimised for profitability.
- **Efficiency and Integration gains:** Aggressive cost management and operational efficiencies will strengthen profitability, with synergies from recent acquisitions expected to drive significant gains in 2025.
- **Revitalising the USA Market:** Focused marketing for topical products will reignite growth in the U.S., focusing on effective top-of-funnel strategies to capture consumer attention and drive sales



For further information and insights, please click on the link below.

<https://investorhub.elixinolwellness.com/link/MrDOQe>

Authorised for release by the EXL Board of the Company.

David Fenlon, Non-executive Chair

dave.fenlon@elixinolwellness.com

Pauline Gately, Non-executive Director

pauline.gately@elixinolwellness.com

Note: None of the information included in this announcement should be considered individually material, unless specifically stated. All figures in this announcement are provided on an unaudited basis. This Report may include certain statements, estimates, or projections with respect to the anticipated future performance of the Group, and any ongoing or future projects. These statements, estimates or projections are based on assumptions about future events and management actions that may not necessarily take place and are subject to significant uncertainties. No representation is made as to the accuracy of those statements, estimates or projections.

About Elixinol Wellness

Elixinol Wellness Limited (ASX: EXL) is a leader in the global hemp industry, innovating, marketing, and selling hemp and other plant-derived food, skincare, and nutraceutical products:

In Australia, Elixinol Wellness operates a vertically integrated business which produces, manufactures, and distributes a range of highly complementary products delivered across four verticals – human nutrition, human wellness, pet wellness and superfood ingredients. These products are sold under brands including Hemp Foods Australia, Mt Elephant, The Healthy Chef, Ananda Food, Soul Foods and Field Day and are sold through grocery, wholesale, and e-commerce channels. The Australian Superfood Co also supplies Australian natives and superfood ingredients to white label customers as well as food, beverage, and beauty manufacturers.

Elixinol USA sells high quality Elixinol branded hemp and other plant-derived nutraceutical and skincare products.

See more at www.elixinolwellness.com



Appendix 4C

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

Name of entity

Elixinol Wellness Limited

ABN

34 621 479 794

Quarter ended ("current quarter")

31 December 2024

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	4,377	15,158
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(2,605)	(10,012)
(c) advertising and marketing	(464)	(1,193)
(d) leased assets	23	268
(e) staff costs	(960)	(3,740)
(f) administration and corporate costs	(493)	(2,531)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	3	30
1.5 Interest and other costs of finance paid	(88)	(204)
1.6 Income taxes paid/(received)	-	(3)
1.7 Government grants and tax incentives	12	73
1.8 Other – non recurring	(444)	(1,308)
1.9 Net cash from / (used in) operating activities	(639)	(3,462)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(g) entities	-	-
(h) businesses	(479)	(2,479)
(i) property, plant and equipment	(5)	(60)
(j) investments	-	-
(k) intellectual property	-	-
(l) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	2,265
	(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	Cash acquired on equity settled business combination	-	200
2.6	Net cash from / (used in) investing activities	(484)	(74)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,495	4,659
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	(169)	(564)
3.5	Proceeds from borrowings	182	861
3.6	Repayment of borrowings	(301)	(1,041)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other	-	-
3.10	Net cash from / (used in) financing activities	1,207	3,915

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,021	708
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(639)	(3,461)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(484)	(74)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1207	3,915
4.5	Effect of movement in exchange rates on cash held	(27)	(10)
4.6	Cash and cash equivalents at end of period	1,078	1,078

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	1,078	1,078
5.2	Call deposits	-	-
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)	1,078	1,078

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	134
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>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.</i>		

7.	Financing facilities <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>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	1,450	201
7.4	Total financing facilities		-
7.5	Unused financing facilities available at quarter end		201
7.6	<p>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.</p> <p>A Trade Debtor Finance facility of up to \$1,500,000 and \$300,000 for Trade finance was established with Scottish Pacific Business Finance Pty Ltd ("ScotPac"), the largest non-bank business lender in Australia on 20 December 2023. As of 31 December 2024, \$653,000 was drawdown against the Trade Debtor facility and \$129,000 against the Trade finance facility and the total amount available to drawdown was \$1,005,000. The interest rate of these facilities is 10.74% for any drawn-down facility and this is secured against the assets of the Group's subsidiary, Elixinol Wellness (Byron Bay) Pty Ltd. The term of this facility is for a minimum of two years from 20 December 2023.</p> <p>On 18 October 2024, a Paypal Commerce Finance facility was established providing \$120,000 of access to e-commerce revenue in advance. As at 31 December 2024 the balance of this loan was \$66,000 with a term of 12 months, or earlier with a repayment of 30% of daily Paypal receipts. The interest rate is a fixed fee of 12.5% of the initial loan balance. This loan is secured against future Paypal receipts.</p> <p>On 26 November 2024, a Shopify Commerce Finance facility was established providing \$410,000 of access to e-commerce revenue in advance. As at 31 December 2024 the balance of this loan was \$410,000 with a term of 18 months, or earlier with a repayment of 17% of daily Shopify sales. The interest rate is a fixed fee of 7.4% of the initial loan balance. This loan is secured against future Shopify receipts.</p>		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(639)
8.2	Cash and cash equivalents at quarter end (item 4.6)	1,078
8.3	Unused finance facilities available at quarter end (item 7.5)	201
8.4	Total available funding (item 8.2 + item 8.3)	1,279
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	2.0
	<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 - However, the Company expects net operating cash outflows to continue to decrease moving forward due to non-recurring cash outflows in the quarter of \$444k from acquisition costs of Healthy Chef and one-off restructuring costs in setting the cost base during the quarter. Excluding these items, normalised cash run way extends beyond five quarters.

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

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.

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:31 January 2025.....

Authorised by:By the Board of Directors.....
(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.