

30 April 2025

March 2025 Quarterly Update

- Executed a binding Share Purchase Deed to acquire 100% of Nextract, a biotech company focused on advanced oral delivery systems for regulated health markets
- Nextract's lead product targets the US\$5.3¹ billion global erectile dysfunction market, with a therapeutic onset targeted within 15 minutes²
- A second Nextract product addresses the US\$10.9 billion³ global dysmenorrhea (period pain) market with a natural, non-hormonal formulation
- Acquisition positions EVE to expand into regulated pharmaceutical and clinical health channels alongside existing wellness operations
- Peak Asset Management engaged as Lead Manager for a \$1 million placement
- Shareholder meeting scheduled for 29 May 2025 to approve the acquisition, associated capital raising, and a 40:1 share consolidation
- Integration and commercialisation planning underway, with initial regulatory submissions for Nextract's lead products targeted for late 2025

EVE Health Group (ASX:EVE, EVE or the Company), a health, nutrition, and wellness company, has released its Appendix 4C Report for the quarter ended 31 March 2025, providing an operational and financial update.

Nextract Acquisition Progress

In April 2025, EVE executed a binding Share Purchase Deed to acquire 100% of Nextract Pty Ltd ("Nextract"), an Australian biotech company specialising in alternative delivery systems for well-established active pharmaceutical ingredients (APIs) (See ASX Release 14 April 2025).

The acquisition of Nextract is valued at \$3 million in equity consideration and is supported by a capital raising of up to \$1.5 million, (a \$1 million placement and a \$0.5 million Share Purchase Plan) with a 40:1 share consolidation planned to simplify the capital structure. The acquisition also proposes that Damian Wood be appointed as Managing Director, bringing deep pharmaceutical and regulatory expertise.

Following execution, EVE has progressed transaction steps toward completion, with a shareholder meeting scheduled for 29 May 2025 to approve:

- the acquisition under ASX Listing Rule 11.1.2;
- a \$1 million placement; and
- a 40:1 share consolidation to streamline the Company's capital structure.

About Nextract

Nextract is an Australian biotech company focused on solubilisation and alternative delivery systems for approved APIs. Rather than discovering new actives, Nextract reformulates known molecules into new delivery formats with superior performance.

¹ Coherent Market Insights - <https://www.coherentmarketinsights.com/market-insight/erectile-dysfunction-market-200>

² Based on formulation design, known compound properties, and a 10-person observational study, where all participants responded within 15 minutes to a 10mg Tadalafil oral film. Comparator data from published averages. Clinical validation pending.

³ IMARC Group, Dysmenorrhea Market Outlook 2025–2035 – www.imarcgroup.com/dysmenorrhea-market-outlook



EVE HEALTH GROUP LIMITED



@EVEHEALTHGROUP



WWW.EVEHEALTHGROUP.COM.AU

SUITE 1, 245 CHURCHILL AVENUE
SUBIACO, WA 6008, AUSTRALIA
OFFICE: +61 8 6465 5500

Nextract's lead product, an alcohol-free, orally dissolvable film for erectile dysfunction (ED), targets a therapeutic onset within approximately 15 minutes⁴ and is designed to address the US\$5.3 billion global ED market. A second product candidate addresses dysmenorrhea (period pain), a US\$10.9 billion global market.

Nextract's manufacturing is planned to be outsourced to GMP-certified partners, minimising capital intensity while supporting scalable commercial production.

The Company has developed formulation IP, conducted lab and pilot-scale trials, and is progressing toward regulatory submissions. Regulatory approval is expected within 3-6 months of dossier submission.

Integration planning is underway, with commercial launch preparations advancing toward regulatory submission through Australia's Special Access Scheme (SAS-B) and Authorised Prescriber pathways. Initial commercialisation targeted for Q4 2025⁵.

The Middle East and North Africa (MENA) region represents a significant commercial opportunity due to its growing demand for high-quality, accessible health products and a strong cultural preference for alcohol-free formulations. As a region with a predominantly Muslim population, compliance with alcohol-free standards is ideal for market acceptance, positioning Nextract's products as highly suitable for this market. In addition, the MENA region has seen rising investment in pharmaceutical and wellness infrastructure.

Meluka Australia

Meluka Australia and Synergies with Nextract

Meluka Australia has established a strong presence in the natural health and wellness sector, with a focus on gut health solutions supported by innovative formulation and a direct-to-consumer platform. The acquisition of Nextract enhances EVE's technical capabilities across pharmaceutical formulation, solubility science, and regulatory pathways. These expanded capabilities are expected to support broader strategic initiatives across EVE.

In particular, EVE will explore opportunities to leverage Nextract's expertise to assess regulatory pathways for the Meluka product range, including potential positioning of selected products for Therapeutic Goods Administration (TGA) listing over time.

Corporate & Financial Update

Key financial highlights

- Cash at bank of \$0.3 million at 31 March 2025
- Post quarter end, EVE received firm commitments for a \$1 million placement and will offer existing shareholders the opportunity to participate in a Share Purchase Plan to raise up to a further \$0.5 million
- Inventory level and creditors consistent with prior quarter
- Remaining debt merchant facility being progressively repaid as a portion of Meluka sales

The key financial metrics for the quarter include:

- Receipts from customers totalled \$0.34 million, slightly lower than the prior quarter
- Product manufacturing and operating costs remained stable at approximately \$0.3 million
- Advertising and marketing expenses remained steady at approximately \$0.3 million
- Net cash used by operating activities decreased to \$0.4 million, down \$0.2 million from the previous quarter
- During the quarter, the Company paid \$49,000 in director fees.

⁴ Bioavailability and performance outcomes are subject to confirmation via clinical evaluation. Provisional Patent Application No. 2024902673 outlines nanoemulsion delivery for transmucosal absorption. Preliminary user outcomes suggest favourable onset profile; clinical validation is pending.

⁵ Timetable for SAS-B is typically 2 to 3 working days <https://www.tga.gov.au/sites/default/files/2024-03/special-access-scheme-sas-guidance.pdf>
Overall timelines are indicative and subject to regulatory approvals and may differ from the above.

Outlook

- Completion of the Nextract acquisition and associated capital raising.
- Consolidation of share capital structure to support enhanced market positioning.
- Progression of regulatory submissions for Nextract's lead products.
- Continued sales growth initiatives across the Meluka Australia product range.

Commenting on the update, Managing Director Bill Fry said: "The acquisition of Nextract will be fundamental to accelerate EVE's growth strategy. The transaction will provide tremendous opportunity for the company to make a strategic shift into regulated health markets and transition from functional foods to a diversified health platform with entry into global markets for ED and dysmenorrhea. The acquisition also strengthens the already proven success of the Meluka Australia brand, enhancing new opportunities and markets for the brand, which is exciting."

Authorised for release by Bill Fry, Managing Director.

For more information, please contact:

Company enquiries

Bill Fry, Managing Director & CEO
+61 8 6465 5500
billf@evehealthgroup.com.au

About EVE Health Group

EVE Health Group, (ASX: EVE) is a leading producer of branded nutrition, health and wellness products. The Company has global reach and application to fast-growing markets across Australia and New Zealand, Asia Pacific and North America. Our mission is to create high quality, innovative, natural and sustainable health and wellness products that help the wellbeing of consumers and in turn help our people, shareholders and community prosper.

For further information, please visit www.evehealthgroup.com.au and follow us on LinkedIn or Twitter.

Appendix 4C

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

Name of entity

EVE Health Group Limited

ABN

89 106 523 611

Quarter ended ("current quarter")

31 March 2025

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	343	1,345
1.2	Payments for		
a)	research and development	-	-
b)	product manufacturing and operating costs	(259)	(843)
c)	advertising and marketing	(228)	(792)
d)	leased assets	-	-
e)	staff costs	(194)	(690)
f)	administration and corporate costs	(51)	(371)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	1	2
1.5	Interest and other costs of finance paid	(2)	(23)
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	(390)	(1,371)
2.	Cash flows from investing activities		
2.1	Payments to or for acquire:		
a)	entities	-	-
b)	businesses	-	-
c)	property, plant and equipment	-	-
d)	investments	-	-
e)	intellectual property	-	-
f)	other non-current assets	-	-
2.2	Proceeds from disposal of:		
a)	entities	-	-
b)	businesses	-	-
c)	property, plant and equipment	300	2,129
d)	investments	-	-
e)	intellectual property	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
	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	300	2,129

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	-	427
3.6	Repayment of borrowings	(30)	(1,026)
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	(30)	(599)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	385	106
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(390)	(1,371)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	300	2,129
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(30)	(599)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	265	265

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	265	385
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)	265	385

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	49
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
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.		

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.	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	122	122
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	Total financing facilities		
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.		
	Unsecured merchant financing facility, with PayPal, with no fixed repayment date. Repayments calculated as a percentage of future sales. No on-going interest but a fixed fee capitalised upon entering into the agreement.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(390)
8.2	Cash and cash equivalents at quarter end (item 4.6)	265
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	265
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	0.68
	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.	
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?	
	Answer: Generally, yes, due to the requirement for marketing activities to support brand development and new product launches. This is expected to lead to revenue growth which will reduce net operating cash flows in future periods.	
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?	
	Answer: The Company announced the acquisition of Nextract Pty Ltd on 14 April 2025 and that it had received commitments to raise \$1m conditional on completion of the acquisition.	

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?

Answer: Yes. The Company believes it will be able to obtain sufficient funding to continue its operations as detailed in 8.6.2.

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: 30 April 2025

Authorised by: Bill Fry, Managing Director
(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.