



29 October 2018

QUARTERLY REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2018

Bioxyne Limited (ASX Code: BXN) (Bioxyne or the Company) is pleased to report on its activities for the quarter ended 30 September 2018.

Highlights

- Revenue for the quarter was \$975,080, 72% stronger than the quarterly average for FY2018.
- Successful completion of Indonesian direct sales acquisition
- Active ongoing business development

Revenue

Sales revenues for Q1 FY2019 were \$975,080 (Q1 FY2018 - \$190,000, +513%). While Q1 FY2018 was low due to timing of PCC® sales in that quarter, the result for the Q1 FY2019 quarter was 72% stronger than the quarterly average for FY2018.

The Company now holds direct selling licences in Malaysia and Indonesia, and is represented by a regional distributor (ASVA International Sdn Bhd) for Thailand, Philippines, Myanmar, Cambodia and Mauritius. The Company will continue to wholesale its products to China and Vietnam until it is able to obtain a direct selling license in these countries.

Based on improved sales results the Company is pleased to note that it is close to a break-even position for the quarter, notwithstanding legal fees of \$96,000, see below.

The complete product range of the Group will be available online at www.bioxyneinternational.com from 31 October 2018.

Indonesia acquisition

In September 2018 Bioxyne successfully acquired a 95% interest in P.T. Gamata Utama (PTG) an Indonesian Direct Selling Company.



PTG has held a direct sales license in Indonesia since May 2015 and has 2,500 members. The company distributes a range of health products and supplements.

Indonesia has huge sales potential with a population of 267 million and a growing middle class. The Indonesian direct selling market is valued at in excess of US\$1 billion and growing. This acquisition is a key geographical expansion for Bioxyne, opening a significant new market for the Group's products and providing additional economies of scale for our New Zealand production and distribution facilities.

Bioxyne has acquired the 95% interest for approximately A\$121,000. A further amount of A\$44,000 is payable if revenues from **existing** sales exceed A\$450,000 in the year following the date of acquisition.

Bioxyne will be required to capitalise the Indonesian company up to an equivalent amount of A\$900,000 to comply with Indonesian foreign investment PT PMA regulations.

Active ongoing business development

The Company is now focussed on distribution of its existing product range through established distribution channels.

The Company continues to focus its efforts upon securing direct selling licenses in China and Vietnam, an important strategic objective. However, the regulatory environment is demanding and time consuming. We will keep the market informed of progress.

Corporate

As outlined in previous quarterlies, the New Image Group litigation matter is continuing. Bioxyne's CEO, Mr N H Chua, and Bioxyne Limited have filed statements of defence and discovery documents have largely been finalised. We are pleased to note that a trial date has been set for early September 2019. As indicated previously the claims made are without foundation and will be vigorously defended.

Cash on hand as at 30 September 2018 amounted to \$2.98 million.

For more information, please contact:

N H Chua, Managing Director, Bioxyne Limited +61 2 9078 8180

Guy Robertson, Chief Financial Officer +61 2 9078 8180 or +61 407 983 270