

22 May 2023

Bioxyne Completes Acquisition of Breathe Life Sciences

Highlights

- Bioxyne has completed the acquisition of Breathe Life Sciences (BLS) following shareholder approval on 5 May 2023, due diligence and the satisfaction of all conditions precedent
- The combined group now has operations across Australia, United Kingdom, Japan, Europe and South East Asia with a health and wellness product portfolio including health supplements, skincare, probiotics, cannabis-derived raw materials, starting materials, active pharmaceutical ingredients, cannabinoid (CBD, THC) based therapies, telemedicine technology, controlled substances licenses in Australia.
- Pro-forma annualised aggregated group revenue for the year to 30 June 2023 forecast at ~A\$7.3 million, representing significant growth of ~ +40% on the combined group's (Bioxyne + BLS) pro forma FY2022 numbers.
- Sam Watson (Chief Executive Officer) and Jason Hine (Chief Operating Officer) appointed to the Board of Directors

Bioxyne Limited (ASX: BXN) (**Bioxyne** or **Company**) is pleased to announce that it has completed the acquisition of Breathe Life Sciences Pty Ltd and its subsidiaries (**BLS**).

Tony Ho, Chairman, commented, *"after an extensive search for an opportunity that would add significant value to BXN shareholders, a thorough review and due diligence, we are delighted to announce the completion of the acquisition of BLS. The management teams of both companies have developed a solid relationship in the period since announcing our intention to acquire BLS in December 2022."*

Sam Watson, incoming joint CEO commented, *"on behalf of the shareholders of BLS (now shareholders of BXN), we are excited about the potential synergies between the companies, and we have plans to grow rapidly with this broader range of accessible markets and products. With strengthened management and international operations, we look forward to tremendous growth in the years ahead."*

BLS manufactures and sells (business to business and direct to consumer /patient) plant and mushroom-based wellness products, health supplements and nootropics including CBD, cannabis extracts, vitamins, manuka honey, skin care products, mushroom complexes, and medicinal cannabis. Breathe Life Sciences operates in Australia, the UK, Japan, and Europe with 4 accredited manufacturing facilities across 4 countries (Japan, Australia, UK, and Czechia), and a team of 30+ people (see corporate structure below).

The aggregated pro forma revenue for year ended 30 June 2023 is forecast at ~ \$7.3 million, with the traditional Bioxyne business contributing approximately \$2.4 million and the BLS group making up the balance of ~\$4.9 million. This is a ~ +40% increase on the prior year combined group result (see Notice of Meeting lodged with ASX 6 April 2023). The Group will be in a better position to provide earnings guidance following completion of Q1 FY 2024.

The Board also welcomes the appointment of Sam Watson and Jason Hine to the Board.

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Sam Watson co-founded BLS and its predecessor company in 2018. Under Sam's leadership BLS has grown quickly to become a significant player in the health and wellness industry and CBD category in Europe, UK and Japan. Sam has a BSC Finance and Economics from the New York University Stern School of Business.

Jason Hine was previously the GM Commercial Operations for ECS Botanics, a leading Australian Medicinal Cannabis and Hemp Food Wellness business. Jason has over 15 years' experience in growing businesses globally. Jason has ASIC qualifications for the Financial Planning and Insurance Industry.

The Board takes this opportunity to thank the directors resigning, Peter Hughes-Hallett and Guy Robertson, for their service on the Board. Peter will remain as a director of Bioxyne International Pty Limited, the direct selling group holding company, and Guy will remain as Group CFO and company secretary.

This announcement has been approved for release by the Board.

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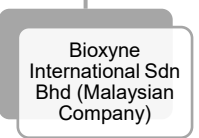
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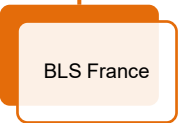
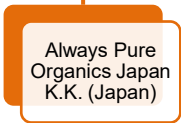
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Dr Watson brand manufacturer & distributor in Japan

Raw materials importer, reseller in Japan, Partnership with Greenzone Japan & Midore No Wa (CBD & epilepsy studies)

Raw materials and 'made in France' CBD cosmetics white label

Raw materials and wholesale for European customers

Raw materials suppliers.

Raw materials, manufacturing, 3rd party 'white label' manufacturing for UK and EU clients, UK and EU sales of consumer brands. Management of international sales team and operations

Food and vape approved manufacturer and distributor in Japan

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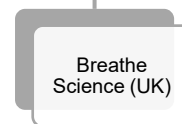
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Import, manufacture, and wholesale of cannabis medicines in Australia, direct to patients and business to business.

Telemedicine consultation business in Australia
blsclinics.com.au

100%



Operating subsidiary for various websites relating to products (online sales)

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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 direct selling company. For more information on Bioxyne, please visit <https://bioxyne.com>

About Breathe Life Sciences (BLS)

BLS is an Australian incorporated company that has wholly-owned subsidiaries in Japan, France, Czechia, Switzerland, United Kingdom and Australia (together, the **BLS Group**).

In Australia, the BLS Group (via the subsidiary BLS Wholesalers Pty Ltd) holds controlled substance licenses to import, export, wholesale and manufacture Schedule 3,4 and 8 poisons (Medicinal cannabis), and operates a wholesale distribution model as well as direct to patient supply of prescribed medications via blsclinics.com.au. BLS Wholesalers also holds a manufacturing licence issued by the Queensland government for schedule 3,4, and 8 poisons, ISO-7 audited clean rooms, and a pending pharmaceutical GMP (Good Manufacturing Practices) audit.

Outside of Australia the BLS Group operates a health and wellness products and brands business focussed on naturally derived active nutraceuticals, wellness and lifestyle supplements and cannabidiol (CBD) based therapeutic goods.

The BLS Group commercialises products containing active ingredients, such as cannabinoids, novel food supplements, mushroom extracts, vitamins, Manuka Honey and probiotic supplements. It primarily operates in the UK, Europe and Japan, and engages in the following activities:

- (a) owner of Dr Watson® brand in the UK, Japan, Australia and New Zealand – Dr Watson is an internationally recognized leading CBD, health and lifestyle brand. Dr Watson products consist of cannabis-based food supplements and lifestyle products, cosmetics, functional mushrooms and nootropics;
- (b) contract manufacture and wholesale of raw materials and cannabinoid extracts in Japan, UK and Europe;
- (c) white label manufacture of third-party wellness and supplements brands in Japan, UK and Europe in company-owned facilities;
- (d) research and development for third party customers; and
- (e) direct sales via online and wholesale sales of BLS-owned consumer brands, such as Dr Watson® (drwatsoncbd.com, via The Organic Pharmacy (theorganicpharmacy.com), VPZ (vpz.co.uk), NHS (National Hemp Service), Amazon.co.uk, Amazon.co.jp, Rakuten.co.jp), NOL (nolcbn.com), Apothecary CBD (via Amazon UK), Essentials CBD (via Amazon UK).