

BPH GLOBAL LIMITED

ACN 009 104 330

Office 324, Level 3, 96 Elizabeth St, Melbourne, VIC, 3000, Australia

30 April 2024

Company Announcements Platform
Australian Securities Exchange

Quarterly activities report

BPH Global Limited (ASX: BP8) ("**BP8**" or the "**Company**" or the "**Group**"), a plant-based biotechnology company, today released its Appendix 4C and Quarterly Activities Report for the period ended 31 March 2024.

Corporate activities

BP8 ended the quarter with cash of approximately **\$0.257** million (**\$0.367** million at 31 December 2023).

On 23 April 2024, the Company issued a notice of general meeting to be convened on 24 April 2024 (**Notice of Meeting**) at which the Company will seek shareholder approval pursuant to ASX Listing Rule 7.1 to undertake a share placement to sophisticated and professional investors. The share placement authority is for the Company to raise up to \$1,000,000. Further details regarding the proposed share placement can be found in the [Notice of Meeting](#).

Total aggregate cash payments of **\$56,000** were made during the quarter to related parties and their associates as remuneration. Details of these payments are included in items **6** of the Appendix 4C.

Renewal of China Tobacco Sales and Distribution Agreements

Following the Company's acquisition of Foshan Gedishi Biotechnology Co Ltd (**Foshan**) in the December quarter, the Company announced on [6 February 2024](#) the renewal of the two (2) sales and distribution agreements from 2023 between the Company's now wholly owned subsidiary Foshan and two (2) wholly owned subsidiaries of China Tobacco based in Guangzhou City in the Province of Guangdong (**2023 Agreements**). The two wholly owned subsidiaries are Guangzhou Gold Leaves Franchise Co Ltd (**Golden Leaves**) and Guangzhou City Twenty Sticks Commercial Franchise Co Ltd (**Twenty Sticks**).

The principal terms of the 2024 Agreements include:

- commencement date 1 January 2024;
- term 12 months;
- products to be supplied:
 - pure bird's nest 50g box;
 - pure bird's nest 100g box; and
 - bird's nest drink - each box contains 3 bottles with 1.5g bird nest content; and
- products to be sold in China Tobacco outlets in the Guangzhou Province of China.

Initial sales results

Foshan commenced its sales of bird's nest products as the Company's wholly owned subsidiary in early January 2024 in the lead up to Chinese (Lunar) New Year (which commenced in early February 2024).

During this trading period, the Company achieved sales of **CNY203,000** (approximately **\$43,000**). By way of comparison, in the two financial years prior to the outbreak of the Covid-19 outbreak, the Company achieved sales of bird's nest products of **\$91,303** and **\$290,680** in FY June 2019 and FY June 2018 respectively.

Due to the short time period between the Company completing its acquisition of Foshan and Chinese (Lunar) New Year, the Company was unable to conduct sales of bird's nest products on Douyin (the mainland Chinese counterpart of TikTok). A longer lead time than was available following the Company's acquisition of Foshan and prior to the Chinese (Lunar) New Year was required to purchase and provide inventory to the KOLs (key opinion leaders) who sell Foshan's products on Douyin.

120-day business development plan

On **20 March 2024** the Company announced that it is undertaking a new 120-day business from March through June 2024. The announcement coincided with an extensive visit by the Company's CEO Matthew Leonard and CFO Chow Yee Koh to Malaysia and China for a series of meetings over a 2–3-week period commencing last week. The CEO and CFO were joined by China-based Company Director Michael Huang for strategic meetings in Malaysia and China.

Activities currently being pursued by the Company arising from this latest visit to China and Malaysia include:

- **Bird's nest supply arrangements:** The Board recognises that the Company's ability to secure the supply of quality bird's products at competitive prices underpins its goal of growing its sales numbers. Arising out of this recent business visit to Malaysia and China, the Company's principal focus is to enter into a supply agreement with one or more major suppliers of bird's nest products. The Company is currently negotiating the terms of a supply agreement with the Chinese agent of a major Malaysian based bird's nest products supplier.
- **Chinese Autumn Festival:** The next major seasonal bird's nest retail opportunity for the Company is the Mid-Autumn Festival which this year will be celebrated in China from 15 to 17 September. The work that the Company is now undertaking to expand both its bird's nest supply arrangements and its bird's nest retail footprint will be crucial to maximising its sales performance in the period leading up to this festival. The Company will also work to ensure that it has in place arrangements with key opinion leaders (KOLs) to maximise its sales opportunities on Douyin (the Chinese equivalent of TikTok).
- **Chinese banks – Bird's nest corporate gifts program:** The Company is seeking to enter bird's nest products supply agreements with major Chinese banks. Corporate gift giving is an important feature of Chinese corporate culture. High-end bird's nest products are commonly gifted by major banks to their corporate and high net worth clients. Company Director Michael Huang and the Foshan management team have already commenced discussions with major banks regarding potential bird's nest supply arrangements with Foshan. These discussions will be further progressed during the CEO's visit in China.
- **Additional sales opportunities:** The Company is actively pursuing new retail opportunities for sales of bird's nest products in both China and Australia. Current opportunities that the Company is pursuing include:
 - a potential supply agreement with a major China-based dim sum supplier for the sale of bird's nest infused dim sum products into the Chinese and Australian markets; and
 - the sale of bird's nest products to a major Chinese-based retailer of traditional Chinese medicine-based products.

Expansion of seaweed R&D activities into essential mineral extraction utilising AI search technology; carbon credits

On **14 March 2024**, the Company announced that it is expanding the nature of its business to include the following projects:

- **Essential mineral extraction:** The Company's extraction of individual macro minerals and micro minerals from seaweed and sea plant biomass, to enable the sale of those macro and micro minerals to the commodities markets, and to industry specific markets such as the battery industry, and thereby create an additional revenue stream for the Company; and
- **Seaweed and Blue Carbon Credits:** The Company's sale of seaweed cellulose fibre as a filler in biopolymer, bioplastic and battery electrolyte solution separator materials as revenue streams for the Company and to serve as a means of evidencing carbon sequestration and storage for the purposes of qualifying for blue carbon credits. On receipt of the blue carbon credits, the Company would seek to sell those blue carbon credits as an additional revenue stream.

(Together, the **New Projects**)

The research and development (**R&D**) that the Company intends to undertake on the New Projects is in addition to the Company's existing R&D activity which is focusses on:

- Edible bird's nest product enhancement by the infusion of seaweed-derived nutrients; and
- Creation of a range of prototypes for food products, dietary supplements, healthcare products, and cosmetic applications that incorporate seaweed-sourced and/or bird's nest-sourced nutraceuticals.

The Company has allocated a budget of \$250,000 to conduct the proposed R&D on the new projects.

- END -

Authorised for lodgement by the Board of the Company

For further information, please visit our website at www.bp8global.com or contact:

Mr Paul Stephenson
BPH Global Limited
Chairman
E: pauls@bp8global.com

Appendix 4C

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

Name of entity

BPH GLOBAL LIMITED

ABN

57 009 104 330

Quarter ended ("current quarter")

31 March 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (..09..months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	48	48
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(47)	(47)
(c) advertising and marketing	-	-
(d) leased assets	(18)	(36)
(e) staff costs	(135)	(373)
(f) administration and corporate costs	(225)	(710)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
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	(377)	(1,118)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (..09..months) \$A'000
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(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 (Net)	-	-
	(c) property, plant and equipment	93	186
	(d) investments	-	-
	(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	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	93	186
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		371
3.2	Proceeds from issue of convertible debt securities	200	369
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(29)	(54)
3.5	Proceeds from borrowings	-	11
3.6	Repayment of borrowings	-	-
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	171	697

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (..09..months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	367	510
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(377)	(1,118)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	93	186
4.4	Net cash from / (used in) financing activities (item 3.10 above)	171	697
4.5	Effect of movement in exchange rates on cash held	3	(18)
4.6	Cash and cash equivalents at end of period	257	257

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	257	367
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)	257	367

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	56
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)	-	-
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.		
	-		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(377)
8.2	Cash and cash equivalents at quarter end (item 4.6)	257
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	257
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	(0.68)
	<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?	
	Answer: Yes	
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: Yes. The Company is planning further placement to raise cash to fund the operations.	
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. Placement is being planned to raise cash to fund the operations.	
	<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:30 April 2024.....

Authorised 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.