



# ANNUAL REPORT

for the Year Ended 30 June 2022

**BIOXYNE LIMITED**  
ABN 97 084 464 193



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## Chairman's Letter

Dear fellow shareholders,

I am pleased to report to you on the progress of your Company in the year ended 30 June 2022.

Importantly revenue grew by 14.5% over the prior year to \$2.4 million and our operating loss declined to \$236,508, a better result in what remained a difficult year in direct selling with a pleasingly declining impact of COVID, and logistics challenges.

The Group's core revenue continued to be from the sale of the Group's patented probiotic *Lactobacillus fermentum* VRI-003 (PCC®) in the international market, up 6.6% in FY 2022. The Group also achieved a significant milestone in the first shipment of ColosNZ Pro™ to Asia, with a further order received to be shipped in Q2 FY2023. We expect that this product will make a significant contribution to the business going forward.

On the product development front the Group formulated, market tested, and registered its Colostrum Coffee product - Col-Coffee™, during the year. The first commercial production was then shipped for sale in Malaysia and Indonesia in Q1 FY2023.

With our new products we are rejuvenating sales activities in Malaysia and Indonesia, and have continued to work on opening further distribution channels in Taiwan, Philippines and China.

As outlined in previous announcements we have continued to look for opportunities (products or businesses) that have synergies with or are complementary to the existing business. We believe that growing our revenue base through acquisition and broadening our business base geographically will create shareholder value and build on the solid base we have.

On 30 June 2022, Patrick Ford, a long standing non-executive director retired from the board, and I will take this opportunity to thank Patrick for many years of service. Guy Robertson, our Company Secretary was appointed to the Board as at this date.

On behalf of the Board, I thank our small team for their ongoing commitment to the Company, and thank our shareholders for their support. With the groundwork that we have put in place we are looking forward to a positive year ahead.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Anthony Ho".

**Anthony Ho**  
**Non-executive Chairman**  
**30 September 2022**

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## Corporate Governance Statement

Bioxyne, through its Board and executives, recognises the need to establish and maintain corporate governance policies and practices that reflect the requirements of the market regulators and participants, and the expectations of members and others who deal with Bioxyne. These policies and practices remain under constant review as the corporate governance environment and good practices evolve.

### **ASX Corporate Governance Principles and Recommendations**

The fourth edition of ASX Corporate Governance Council Principles and Recommendations (the "Principles") sets out recommended corporate governance practices for entities listed on the ASX.

The Company has issued a Corporate Governance Statement which discloses the Company's corporate governance practices and the extent to which the Company has followed the recommendations set out in the Principles. The Corporate Governance Statement was approved by the Board on 30 September 2022 and is available on the Company's website: <http://www.bioxyne.com/site/investor-centre/corporate-governance>.

## Directors' Report

Your directors present their report together with the financial statements on Bioxyne Limited (ASX: BXN) for the year ended 30 June 2022.

### Directors

The following persons were directors of Bioxyne Limited during the financial year and up to the date of this report:

|                      |  |
|----------------------|--|
| Anthony Ho           | Non-Executive Chairman                         |
| N H Chua             | Managing Director, Chief Executive Officer     |
| Peter Hughes-Hallett | Non-executive Director                         |
| Patrick Douglas Ford | Non-executive Director (resigned 30 June 2022) |
| Guy Robertson        | Executive Director (appointed 30 June 2022)    |

### Information on Directors as at Report Date

#### **Anthony Ho, B. Com., CA, FAICD, FCG(CS), FGIA (Non-Executive Chairman)**

Mr Ho was appointed on 30 October 2012.

Mr Ho is an experienced company director and has extensive corporate and financial management experience, having held Executive Director/CFO roles with several ASX listed companies in the wholesale & distribution and retail sectors. Mr. Ho also previously chaired audit committees in several ASX listed companies.

Mr Ho holds a Bachelor of Commerce degree from the University of New South Wales, is a Fellow of the Australian Institute of Company Directors and a member of Chartered Accountants Australia and New Zealand and holds a post graduate diploma in Marketing studies from the University of Technology, Sydney.

Mr Ho is currently the non-executive chairman TruScreen Group Limited (NZX/ASX: TRU) and Cannasouth Limited (NZX: CBD). And a non-executive director of Greenland Minerals Limited (ASX: GGG).

Previous directorships in the last three years:

Non-executive chairman of Credit Intelligence Limited (ASX: CI1) from June 2018 to April 2020.

#### **N H Chua (Managing Director, Chief Executive Officer) BA Economics and Commerce**

Mr Chua was appointed on 13 June 2017.

Mr Chua was Vice President of Asia Pacific for New Image Limited (previously listed on NZX), a position he held successfully for over 10 years. Mr Chua commenced his direct sales career in 1985 when he successfully launched First Image Sdn Bhd in Malaysia which later became a successful retailing company selling the Total Image brand of Health Care Products. In 1989, he set up a new network marketing company, Abric Image Sdn Bhd. This company was subsequently acquired by New Image Limited prior to it being listed on the NZX.

Mr Chua holds a Bachelor of Arts degree (majoring in economics and commerce) from the University of Toronto, Canada.

Mr Chua is fluent in Malay, Indonesian, Mandarin and several other Chinese dialects.

## Directors' Report

### Directors' Report (Continued)

#### **Peter Hughes-Hallett, B Bus Marketing and Marketing Management (Non-Executive Director)**

Mr Hughes-Hallett was appointed on 1 May 2018.

Mr Hughes-Hallett has extensive experience in the direct selling markets in Asia. He was Vice President Sales for Amway Japan from July 2007 to January 2013.

Mr Hughes-Hallett also held roles with Amway globally, with responsibilities in Australia and New Zealand. He commenced his direct selling career with Amway Australia in 1979 and was the National Sales Manager of Amway Australia between 1994 to 1997. He assumed the role of Country Manager of Amway New Zealand in 1997 before relocating to Tokyo to take on senior sales and marketing roles in Amway Japan in 2000. He was appointed Vice President Sales for Amway Japan in 2007.

#### **Mr Guy Robertson B.Com (Hons) CA (Executive Director)**

Mr Guy Robertson was appointed on 30 June 2022.

Mr Robertson has over 30 years' experience as a Director, CFO and Company Secretary of both public and private companies in Australia and Hong Kong.

Mr Robertson has held a number of senior roles within the Jardine Matheson group of companies in Australia and Hong Kong including General Manager of Finance for Franklins Supermarkets in Australia, Chief Operating Officer and Chief Financial Officer for Colliers Jardine Asia Pacific based in Hong Kong and Chief Financial Officer and Managing Director (NSW) for Jardine Lloyd Thompson.

Mr Robertson is currently a director of Hastings Technology Metals Ltd (ASX:HAS), Metal Bank Limited (ASX:MBK), Artemis Resources Limited (ASX:ARV) and Greentech Metals Limited (ASX:GRE).

#### **Patrick Ford, B. Com (Non-Executive Director)**

Mr Ford was appointed on 17 May 2005 and resigned on 30 June 2022.

Mr Ford was the chairman of the Audit Committee.

Mr Ford was a Sydney based stockbroker. He has extensive experience in capital raising and advisory services to the Australian Biotechnology sector. He holds a Bachelor of Commerce degree from University of Canberra.

### Company Secretary

#### **Guy Robertson, B. Com (Hons), CA**

Mr Robertson was appointed as Company Secretary and Chief Financial Officer on 1 September 2016.

### Principal Activities and Strategy

The Group's core activity is the research & development, manufacture and distribution of probiotic API (Active Pharmaceutical Ingredient), wellbeing and nutritional supplements and beauty products through wholesale and direct sales channels. The Group has a global distribution agreement with Denmark's Chr Hansen to manufacture, market, supply and distribute its proprietary probiotic strain of *Lactobacillus Fermentum* PCC® for over-the-counter gut health immune supplement products.

## Directors' Report

### Directors' Report (Continued)

#### Dividends

No dividends were paid to members during the financial year (2021: \$Nil).

#### Review of Operations

##### *Ongoing Activities*

The Group's core revenue continued to be from the sale of the Group's patented probiotic *Lactobacillus fermentum* VRI-003 (PCC®) in the international market in FY 2022.

Revenue from direct sales in the markets where the Company holds direct selling licences, Indonesia and Malaysia continues to be affected by COVID-19 and lockdowns on people movement in these countries in a business which hitherto has been driven by face to face meetings. Marketing efforts in both countries has shifted to online, and attendance at our promotional online meetings is growing slowly.

The Group continues to work with distributors in those markets where we do not have a direct sales presence.

#### Operating Results

The net loss after tax for the year was \$236,508 (2021: loss \$495,725).

Increased revenues in 2022 of \$ 2,416,351 (2021: \$2,110,377) were attributable to timing of wholesale PCC® sales to the USA and the first shipment of ColosNZ Pro™ to Asia. The Group has not yet been able to achieve sales traction in those markets where it holds direct selling licences given the impact of COVID-19.

Overhead expenses were largely in line with the prior year at \$1,629,519 (2021: \$1,689,516).

Shareholder equity increased marginally to \$1,941,351 (2021: \$1,933,822) reflecting the result for the year and foreign exchange translation gain.

#### Significant Changes in the State of Affairs

There were no significant changes in the state of affairs of the Group other than as outlined in this report.

#### Matters Subsequent to Balance Date

COVID-19 continues to have a negative impact in Malaysia and Indonesia where the Group has direct sales operations. The Ukraine conflict has disrupted supply chain logistics.

Other than the foregoing, there are no matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect:

- a) The Group's operations in future financial years; or
- b) The results of those operations in future financial years; or
- c) The Group's state of affairs in future financial years.

## Directors' Report

### Directors' Report (Continued)

#### Likely Developments and Expected Results of Operations

Information on likely developments in the operations of the Group and the expected results on operations have not been included in the financial statements because the directors believe it could potentially result in unreasonable prejudice to the Group.

#### Environmental regulation

The Group's operations are not subject to any significant environmental regulation under either Commonwealth or State legislation. The Board considers that adequate systems are in place to manage the Company's obligations and is not aware of any breach of environmental requirements as they relate to the Company.

#### Indemnification and Insurance of Officers

During the financial year the Company paid premiums in respect of a contract insuring Directors, Chief Financial Officer and Company Secretary of Bioxyne and Executive Officers against a liability incurred to the extent permitted by the Corporations Act, 2001. Further disclosure required under section 300(9) of the Corporations Act 2001 is prohibited under the terms of the insurance contract.

#### Indemnification and Insurance of Auditor

The Group has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Group or any related entity against a liability incurred by the auditor.

During the financial year, the Group has not paid a premium in respect of a contract to insure the auditor of the Group or any related entity.

#### Shares Issued on the Exercise of Options

No shares were issued during the year on the exercise of options, and there are no options on issue.

#### Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the Corporations Act 2001.

#### Audit and non-audit services

During the year the following fees were paid or payable for services provided by the auditor of the Company, its related practices and non-related audit firms:

|   | 2022   | 2021   |
|---|--------|--------|
|   | \$     | \$     |
| RSM Australia Partners                          |        |        |
| Audit of financial reports                      | 67,000 | 63,000 |
| Other services                                  | -      | -      |
| Total remuneration for audit and other services | 67,000 | 63,000 |

## Directors' Report

### Directors' Report (Continued)

#### Meetings of directors

The numbers of meetings of the Company's board of directors held during the year ended 30 June 2021, and the numbers of meetings attended by each director were:

|                                   | <b>A</b> | <b>B</b> |
|-----------------------------------|----------|----------|
| <b>Full Meetings of Directors</b> |          |          |
| Mr Anthony Ho                     | 11       | 11       |
| Mr N H Chua                       | 11       | 11       |
| Mr G Robertson                    | 0        | 0        |
| Mr Peter Hughes-Hallett           | 11       | 11       |
| Mr Patrick Ford                   | 11       | 11       |

**A** = Number of meetings attended

**B** = Number of meetings held during the time the director held office during the year

In addition there were three circular resolutions of the Board.

#### Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 12.

#### Auditor

RSM Australia Partners continues in office in accordance with section 327 of the Corporations Act 2001.

#### Remuneration report

This report outlines the remuneration arrangements in place for directors and executives of the Group.

##### *Remuneration philosophy*

The performance of the Group depends upon the quality of its directors and executives, and the ability of the Group to attract, motivate and retain highly skilled directors and executives.

##### *Remuneration committee*

The Remuneration Committee of Directors is responsible for determining and reviewing compensation arrangements for the directors, the managing director and the executive team. The Remuneration Committee assesses the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and executive team.

Salaries are reviewed periodically by the Committee but there is no specific link to Company performance as the Group has, until recently, been engaged mainly in research and development and linking remuneration to R&D outcomes would be inappropriate. In future, remuneration will be linked to the success in widening distribution of probiotic.

## Directors' Report

### Directors' Report (Continued)

#### *Remuneration structure*

In accordance with best practice corporate governance, the structure of non-executive director and executive remuneration is separate and distinct.

#### *Performance evaluation of Board Members and Senior Executives*

A formal evaluation for those executives, who have been with the Group for the year under review was undertaken.

The Chairman reviews the performance of the directors on an annual basis and in turn asks for feedback on his performance.

#### *Non-executive director remuneration*

##### Objective

The Board of Directors recognises that the success of the Group will depend on the quality of its directors and its senior management. For this reason, the Remuneration Committee reviews the remuneration arrangements for all senior employees to ensure that it attracts and keeps motivated, highly skilled and appropriately qualified directors and executives.

##### Structure

Bioxyne's Constitution and the ASX listing rules specify that the aggregate remuneration of non-executive

Directors shall be determined from time to time by a general meeting of shareholders. An amount not exceeding the amount determined by shareholders in general meeting is then available to be split between the Directors as agreed between them. The latest determination was at the Annual General Meeting held on 28th November 2003 when shareholders approved an aggregate remuneration amount of up to \$250,000 per year.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned between directors is reviewed annually. The Board takes into account the fees paid to non-executive directors of comparable companies when undertaking the annual review process.

The remuneration of non-executive directors for the period ending 30 June 2022 is detailed in Table 3 of this report.

#### *Senior manager and executive director remuneration*

##### Objective

The Group aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Group so as to ensure total remuneration is competitive by market standards.

##### Structure

In determining the level and make-up of executive remuneration, the Remuneration Committee reviews market conditions and the circumstances of the Group to ensure that the remuneration offered is sufficient to attract executives of the highest calibre.

The Group has not tabled figures for earnings and shareholders' funds for the last five years as, being a company in the development phase, these historical figures have little relevance in determining current remuneration structure. Board Directors are remunerated in accordance with comparative small ASX listed companies.

## Directors' Report

### Directors' Report (Continued)

#### Service Agreements

The Chief Executive Officer, Mr NH Chua, has a service agreement with a remuneration package of \$240,000 per annum, which can be terminated by either party with six months' notice.

#### Share Based Payments

Share based payments for key management personnel are set out in note 27.

#### Table 1 - Option holdings of key management personnel

No options are held by key management personnel as at 30 June 2022.

#### Table 2 - Performance rights holdings of key management personnel

##### 30 June 2022

| Directors    | Opening balance   | Remuneration | Lapsed              | Balance 30/06/2022 |
|--------------|-------------------|--------------|---------------------|--------------------|
| NH Chua      | 16,000,000        | -            | (16,000,000)        | -                  |
| <b>Total</b> | <b>16,000,000</b> | <b>-</b>     | <b>(16,000,000)</b> | <b>-</b>           |

##### June 2021

| Directors    | Opening balance   | Remuneration | Lapsed              | Balance 30/06/2021 |
|--------------|-------------------|--------------|---------------------|--------------------|
| NH Chua      | 36,000,000        | -            | (20,000,000)        | 16,000,000         |
| <b>Total</b> | <b>36,000,000</b> | <b>-</b>     | <b>(20,000,000)</b> | <b>16,000,000</b>  |

#### Table 3 - Shareholdings of key management personnel

##### 30 June 2022

| Directors        | Opening balance    | Purchased      | Net other change | Balance 30/06/2022      |
|------------------|--------------------|----------------|------------------|-------------------------|
| A Ho             | 27,803,567         | 287,183        | -                | 28,090,750              |
| NH Chua          | 57,574,013         | -              | -                | 57,574,013              |
| P Ford           | 23,275,000         | -              | -                | 23,275,000 <sup>1</sup> |
| P Hughes-Hallett | -                  | -              | -                | -                       |
| G Robertson      | 10,355,000         | 250,000        | -                | 10,605,000              |
| <b>Total</b>     | <b>119,007,580</b> | <b>537,183</b> | <b>-</b>         | <b>119,544,763</b>      |

<sup>1</sup>Director resigned 30 June 2022

##### 30 June 2021

| Directors        | Opening balance    | Purchased      | Net other change | Balance 30/06/2021 |
|------------------|--------------------|----------------|------------------|--------------------|
| A Ho             | 27,803,567         | -              | -                | 27,803,567         |
| NH Chua          | 57,574,013         | -              | -                | 57,574,013         |
| P Ford           | 23,275,000         | -              | -                | 23,275,000         |
| P Hughes-Hallett | -                  | -              | -                | -                  |
| G Robertson      | 9,874,404          | 480,596        | -                | 10,355,000         |
| <b>Total</b>     | <b>118,526,984</b> | <b>480,596</b> | <b>-</b>         | <b>119,007,580</b> |

## Directors' Report

### Directors' Report (Continued)

**Table 4 - Directors and key management personnel remuneration**

|                     | Cash<br>salary and<br>fees | Post-<br>employment<br>benefits | Share<br>based<br>payment<br>s | Total          |
|---------------------|----------------------------|---------------------------------|--------------------------------|----------------|
| <b>30 June 2022</b> |                            |                                 |                                |                |
| <b>Name</b>         | <b>\$</b>                  | <b>\$</b>                       | <b>\$</b>                      | <b>\$</b>      |
| <b>Directors</b>    |                            |                                 |                                |                |
| A Ho                | 65,700                     | -                               | -                              | 65,700         |
| NH Chua             | 190,316                    | -                               | -                              | 190,316        |
| P Ford              | 40,000                     | 4,000                           | -                              | 44,000         |
| P Hughes-Hallett    | 73,868                     | -                               | -                              | 73,868         |
| G Robertson         | 80,000                     | -                               | -                              | 80,000         |
| <b>Total</b>        | <b>449,884</b>             | <b>4,000</b>                    | <b>-</b>                       | <b>453,884</b> |

|                     | Cash<br>salary and<br>fees | Post-<br>employment<br>benefits | Share<br>based<br>payment<br>s | Total          |
|---------------------|----------------------------|---------------------------------|--------------------------------|----------------|
| <b>30 June 2021</b> |                            |                                 |                                |                |
| <b>Name</b>         | <b>\$</b>                  | <b>\$</b>                       | <b>\$</b>                      | <b>\$</b>      |
| <b>Directors</b>    |                            |                                 |                                |                |
| A Ho                | 65,700                     | -                               | -                              | 65,700         |
| NH Chua             | 180,430                    | -                               | -                              | 180,430        |
| P Ford              | 38,333                     | 3,642                           | -                              | 41,975         |
| P Hughes-Hallett    | 70,022                     | -                               | -                              | 70,022         |
| G Robertson         | 80,000                     | -                               | -                              | 80,000         |
| <b>Total</b>        | <b>434,485</b>             | <b>3,642</b>                    | <b>-</b>                       | <b>438,127</b> |

For share based payments relating to key management personnel see Note 26.

This report is approved in accordance with a resolution of directors.



**N H Chua**  
**Managing Director**  
**30 September 2022**

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**RSM Australia Partners**

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**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the audit of the financial report of Bioxyne Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

**RSM AUSTRALIA PARTNERS**

**Peter Kanellis**  
Partner

Sydney NSW  
Dated 30 September 2022

**THE POWER OF BEING UNDERSTOOD**  
AUDIT | TAX | CONSULTING

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation



## Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2022

|   | Notes | 2022<br>\$       | 2021<br>\$       |
|---|-------|------------------|------------------|
| <b>Revenue from continuing operations</b> |       |                  |                  |
| Sale of goods                             | 3     | 2,416,351        | 2,110,377        |
| Other income                              | 4     | 104,300          | 112,457          |
| <b>Cost of goods sold</b>                 |       |                  |                  |
|   |       | (1,127,640)      | (1,029,043)      |
| <b>Expenses</b>                           |       |                  |                  |
| Research and development                  |       | -                | (89,726)         |
| Personnel costs                           |       | (351,865)        | (391,728)        |
| Business development                      |       | (295,328)        | (171,618)        |
| Marketing                                 |       | (21,296)         | (42,199)         |
| Professional fees                         |       | (176,954)        | (143,374)        |
| Compliance costs                          |       | (119,276)        | (104,514)        |
| Non-executive director fees               |       | (285,297)        | (236,127)        |
| General and administration                |       | (246,261)        | (200,152)        |
| Depreciation-right-of-use assets          |       | -                | (49,899)         |
| Impairment of inventory                   |       | (132,660)        | (224,423)        |
| Foreign exchange loss                     |       | -                | (34,072)         |
| Borrowing costs                           |       | (582)            | (1,684)          |
| Loss before income tax                    |       | <b>(236,508)</b> | <b>(495,725)</b> |
| Income tax                                | 5     | -                | -                |
| Other comprehensive income for the year   |       | -                | -                |
| Total comprehensive loss for the year     |       | <b>(236,508)</b> | <b>(495,725)</b> |
| Loss is attributable to:                  |       |                  |                  |
| <b>Members of Bioxyne Limited</b>         |       | <b>(236,508)</b> | <b>(495,725)</b> |
| <b>Earnings per share</b>                 |       |                  |                  |
| <i>From continuing operations</i>         |       | <b>Cents</b>     | <b>Cents</b>     |
| - Basic loss per share                    | 25    | (0.04)           | (0.08)           |
| - Diluted loss per share                  | 25    | (0.04)           | (0.08)           |

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

## Consolidated Statement of Financial Position

As at 30 June 2022

|  | Notes | 2022<br>\$       | 2021<br>\$       |
|--|-------|------------------|------------------|
| <b>ASSETS</b>  |       |                  |                  |
| <b>Current Assets</b>  |       |                  |                  |
| Cash and cash equivalents                                      | 6     | 2,168,009        | 1,602,210        |
| Trade receivables  | 7     | 17,848           | 335,334          |
| Current tax receivables  | 8     | 9,412            | 28,813           |
| Other current assets   | 9     | 312,444          | 174,539          |
| Inventories  | 10    | 310,230          | 369,517          |
| <b>Total Current Assets</b>                                    |       | <b>2,817,943</b> | <b>2,510,413</b> |
| <b>Non-Current Assets</b>                                      |       |                  |                  |
| Intangible assets  | 11    | 30,269           | 30,269           |
| Plant and equipment  | 12    | 74,649           | 130,358          |
| Right-of-use assets  |       | -                | 7,530            |
| Other financial assets   | 13    | -                | -                |
| <b>Total Non-Current Assets</b>                                |       | <b>104,918</b>   | <b>168,157</b>   |
| <b>Total Assets</b>  |       | <b>2,922,861</b> | <b>2,678,570</b> |
| <b>LIABILITIES</b>   |       |                  |                  |
| <b>Current Liabilities</b>                                     |       |                  |                  |
| Trade and other payables                                       | 14    | 961,684          | 731,728          |
| Provisions   | 15    | 19,826           | 13,019           |
| <b>Total Current Liabilities</b>                               |       | <b>981,510</b>   | <b>744,748</b>   |
| <b>Total Non-Current Liabilities</b>                           |       | <b>-</b>         | <b>-</b>         |
| <b>Total Liabilities</b>                                       |       | <b>981,510</b>   | <b>744,748</b>   |
| <b>Net Assets</b>  |       | <b>1,941,351</b> | <b>1,933,822</b> |
| <b>EQUITY</b>  |       |                  |                  |
| Contributed equity   | 16    | 62,177,536       | 62,177,536       |
| Reserves   | 17    | 188,288          | (55,749)         |
| Accumulated losses   | 17    | (60,477,334)     | (60,240,826)     |
| Capital and reserves attributable to owners of Bioxyne Limited |       | 1,888,490        | 1,880,961        |
| Non-controlling interests                                      | 18    | 52,861           | 52,861           |
| <b>Equity</b>  |       | <b>1,941,351</b> | <b>1,933,822</b> |

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

## Consolidated Statement of Changes in Equity

For the year ended 30 June 2022

|  | Contributed<br>equity<br>\$ | Accumulated<br>losses<br>\$ | Foreign<br>currency<br>translation<br>reserve<br>\$ | Non-<br>controlling<br>Interests<br>\$ | Total<br>\$      |
|--|-----------------------------|-----------------------------|---|--|------------------|
| <b>2022</b>  |                             |                             |   |  |                  |
| At 30 June 2021  | <b>62,177,536</b>           | <b>(60,240,826)</b>         | <b>(55,749)</b>                                     | <b>52,861</b>                          | <b>1,933,822</b> |
| Total comprehensive<br>loss for the year               | -                           | <b>(236,508)</b>            | -   | -                                      | <b>(236,508)</b> |
| Movement in foreign<br>translation currency<br>reserve | -                           | -                           | <b>244,037</b>                                      | -                                      | <b>244,037</b>   |
| <b>At 30 June 2022</b>                                 | <b>62,177,536</b>           | <b>(60,477,334)</b>         | <b>188,288</b>                                      | <b>52,861</b>                          | <b>1,941,351</b> |
| <b>2021</b>  |                             |                             |   |  |                  |
| At 30 June 2020  | <b>62,177,536</b>           | <b>(59,745,101)</b>         | <b>123,924</b>                                      | <b>52,861</b>                          | <b>2,609,220</b> |
| Total comprehensive<br>loss for the year               | -                           | <b>(495,725)</b>            | -   | -                                      | <b>(495,725)</b> |
| Movement in foreign<br>translation currency<br>reserve | -                           | -                           | <b>(179,673)</b>                                    | -                                      | <b>(179,673)</b> |
| <b>At 30 June 2021</b>                                 | <b>62,177,536</b>           | <b>(60,240,826)</b>         | <b>(55,749)</b>                                     | <b>52,861</b>                          | <b>1,933,822</b> |

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

## Consolidated Statement of Cash Flow

For the year ended 30 June 2022

|   | Notes | 2022<br>\$       | 2021<br>\$       |
|---|-------|------------------|------------------|
| <b>Cash flows from operating activities</b>                               |       |                  |                  |
| Receipts of other income (inclusive of goods and services tax)            |       | 2,889,689        | 2,095,015        |
| Payments to suppliers and employees (inclusive of goods and services tax) |       | (2,493,099)      | (2,060,547)      |
|   |       | <b>396,590</b>   | <b>34,468</b>    |
| Research and development tax rebate                                       |       | 23,035           | -                |
| Interest received   |       | 15,391           | 18,665           |
| <b>Net cash inflow/(outflow) from operating activities</b>                | 23    | <b>435,016</b>   | <b>53,134</b>    |
| <b>Cash flow from investing activities</b>                                |       |                  |                  |
| Payment for plant and equipment   |       | (5,787)          | -                |
| <b>Net cash outflow from investing activities</b>                         |       | <b>(5,787)</b>   | <b>-</b>         |
| <b>Cash flows from financing activities</b>                               |       |                  |                  |
| Repayment of lease liabilities  |       | -                | (46,783)         |
| <b>Net cash outflow from financing activities</b>                         |       | <b>-</b>         | <b>(46,783)</b>  |
| <b>Net increase in cash and cash equivalents</b>                          |       | 429,229          | 6,351            |
| Cash and cash equivalents at the beginning of the financial year          |       | 1,602,210        | 1,747,886        |
| Foreign exchange adjustment to cash balance                               |       | 136,570          | (152,027)        |
| <b>Cash and cash equivalents at end of the year</b>                       | 6     | <b>2,168,009</b> | <b>1,602,210</b> |

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

## Notes to the Financial Statements

### For the year ended 30 June 2022

#### 1. BIOXYNE LIMITED AND CONTROLLED ENTITIES - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements and notes represent those of Bioxyne Limited (the "Group") and its subsidiaries. The financial statements were authorised for issue, in accordance with a resolution of directors, on 30 September 2022. The directors have the power to amend and reissue the financial statements.

##### (a) Basis of preparation

###### *Reporting Entity*

Bioxyne Limited is a company limited by shares, incorporated and domiciled in Australia.

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standard Board and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, except for selected financial assets for which the fair value basis of accounting has been applied.

###### *Critical accounting estimates*

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

##### (b) Parent entity information

In accordance with the *Corporations Act 2001*, these financial statements present the results of the consolidated only. Supplementary information about the parent entity is disclosed in Note 27.

##### (c) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Bioxyne Limited ('company' or 'parent entity') as at 30 June 2022 and the results of all subsidiaries for the year then ended. Bioxyne Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

## Notes to the Financial Statements

### For the year ended 30 June 2022

#### 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

#### **(d) Operating segments**

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

#### **(e) Foreign currency translation**

##### *(i) Functional and presentation currency*

The functional and presentation currency of the Group is Australian dollars.

Foreign currency transactions are translated into the functional currency using the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the end of the reporting period. Foreign exchange gains and losses resulting from settling foreign currency transactions, as well as from restating foreign currency denominated monetary assets and liabilities, are recognised in profit or loss, except when they are deferred in other comprehensive income as qualifying cash flow hedges or where they relate to differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value was determined.

## Notes to the Financial Statements

### For the year ended 30 June 2022

#### 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Items included in the financial statements of the Group's operations are measured using the currency of the primary economic environment in which it operates ('the functional currency'). The financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

##### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates ruling at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

##### (f) Revenue recognition

###### *Revenue from contracts with customers*

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods to a customer. The consolidated entity recognises revenue when the goods are shipped.

###### *Sale of goods*

Revenue from sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

###### *Interest income*

Interest income is recognised as interest accrues using the effective interest method. The effective interest method uses the effective interest rates which is the rate that exactly discounts the estimated future cash receipts over the expected future life of the financial asset.

When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

###### *Research and Development Tax Incentive*

Research and Development Tax Incentive claims are recognised as other income in the period to which the incentive claims relate.

##### (g) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the profit and loss over the period necessary to match them with the costs that they are intended to compensate.

## Notes to the Financial Statements

### For the year ended 30 June 2022

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### (h) Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for all temporary differences, between carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases, at the tax rates expected to apply when the assets are recovered or liabilities settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. Exceptions are made for certain temporary differences arising on initial recognition of an asset or a liability if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit.

Deferred tax assets are only recognised for deductible temporary differences and unused tax losses if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associated and interests in joint ventures where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

##### (i) Fair value of assets and liabilities

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

## Notes to the Financial Statements

### For the year ended 30 June 2022

#### 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this

information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

##### (j) Leases

###### *Right-of-use assets*

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

###### *Lease liabilities*

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

##### (k) Impairment of assets

At the end of each reporting period the Group assesses whether there is any indication that individual assets are impaired. Where impairment indicators exist, recoverable amount is determined and impairment losses are recognised in profit or loss where the asset's carrying value exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

## Notes to the Financial Statements

### For the year ended 30 June 2022

#### 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Where it is not possible to estimate the recoverable amount for an individual asset, the recoverable amount is determined for the cash generating unit to which the asset belongs.

##### (l) Cash and cash equivalent

For the purposes of the Statement of Cash Flows, cash and cash equivalents includes cash on hand and at bank, deposits held at call with financial institutions, other short-term, highly liquid investments with maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

##### (m) Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for credit losses.

##### (n) Inventories

Raw materials, work in progress and finished goods are stated at the lower of cost and net realisable value on a 'first in first out' basis. Cost comprises of direct materials and delivery costs, direct labour, import duties and other taxes, an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity, and, where applicable, transfers from cash flow hedging reserves in equity. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable.

Stock in transit is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

##### (o) Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the year end and which are unpaid. These amounts are unsecured and are usually paid within 30 days of recognition.

##### (p) Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

## Notes to the Financial Statements

### For the year ended 30 June 2022

#### 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### (q) Employee benefits

###### (i) Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the end of the reporting period are recognised in other payables in respect of employees' services rendered up to the end of the reporting period and are measured at amounts expected to be paid when the liabilities are settled.

###### (ii) Retirement benefit obligations

The Group does not maintain a company superannuation plan. The Group makes fixed percentage contributions for all Australian resident employees to complying third party superannuation funds. The Group's legal or constructive obligation is limited to these contributions.

Contributions to complying third party superannuation funds are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

###### (iii) Share - based payments

The fair value of options granted under the Employee Share Option Plan "ESOP" is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options.

The fair value at grant date is independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The fair value of the options granted is adjusted to reflect market vesting conditions, but excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each reporting date, the entity revises its estimate of the number of options that are expected to become exercisable.

The employee benefit expense recognised each period takes into account the most recent estimate. The impact of the revision to original estimates, if any, is recognised in the Statement of Profit or Loss and Other Comprehensive Income with a corresponding adjustment to equity.

Where the terms of options are modified, the expense continues to be recognised from grant date to vesting date as if the terms had never been changed. In addition, at the date of the modification, a further expense is recognised for any increase in fair value of the transaction as a result of the change.

Upon the exercise of options, the balance of the share based payments reserve relating to those options is transferred to share capital and the proceeds received, net of any directly attributable transaction costs, are credited to share capital.

## Notes to the Financial Statements

### For the year ended 30 June 2022

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### (r) Contributed equity

Costs directly attributable to the issue of new shares are shown as a deduction from the equity as a deduction proceeds net of any income tax benefit. Costs directly attributable to the issue of new shares or options associated with the acquisition of a business are included as part of the purchase consideration.

##### (s) Goods and services tax (GST)

Revenues, expenses and assets are recognised net GST, except where the GST incurred on the purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

##### (t) Plant and equipment

Each class of plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses. Plant and equipment are measured on the cost basis.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

##### *Depreciation*

The depreciable amount of all fixed assets is depreciated on a diminishing value basis over the asset's useful life to the company commencing from the time the asset is held ready for use.

Depreciation is calculated on a diminishing-value basis over the estimated useful life of the assets as follows:

- Plant and equipment - ranging from 3 to 7 years
- Software - 3 years
- Leasehold improvements - 5 years

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

##### (u) Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses

## Notes to the Financial Statements

### For the year ended 30 June 2022

#### 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

##### *Goodwill*

Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

##### *Research and development*

Research costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the consolidated entity is able to use or sell the asset; the consolidated entity has sufficient resources; and intent to complete the development and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 3 years.

#### (v) Earnings per share

##### *Basic earnings per share*

Basic earnings per share is calculated by dividing the profit attributable to the owners of Bioxyne Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

##### *Diluted earnings per share*

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of ordinary shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

#### (w) New and revised accounting requirements applicable to the current reporting period.

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

## Notes to the Financial Statements

### For the year ended 30 June 2022

#### 2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

*(i) Impairment of non-financial assets other than goodwill and other indefinite life intangible assets*

The consolidated entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the consolidated entity and to the

particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

*(ii) Goodwill and other indefinite life intangible assets*

The consolidated entity tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 1(u). The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

*(iii) Research and development expenditure*

The Group has expensed research and development expenditure incurred during the year, where applicable, as the costs relate to the initial expenditure for research and development of biopharmaceutical products where generation of future economic benefits are not considered certain. It was considered appropriate to expense these research and development costs as they did not meet the criteria to be capitalised under AASB 138 Intangible assets.

*(iv) Consideration received for divestment and subsequent measurement of Mariposa investment*

On the 17<sup>th</sup> June 2015, the shares held in Mariposa Health Limited ('MHL') were exchanged for 213,138 shares in Mariposa Health Inc ('MHI'), a USA Delaware Corporation so that MHL became a subsidiary of MHI. This investment was carried at a cost of \$325,000 and was impaired at 30 June 2017.

In addition to the above, part of the total consideration paid to BXN for the disposal of HIPL included a deferred consideration of \$1million, payable on achievement of agreed milestones over the next 5 years from 24 February 2014. This has not been recognised in the financial statements. The deferred consideration will be recognised as and when it is received.

The deferred consideration also includes an obligation to pay royalties, which is agreed to be 6.5% of the gross revenue received by the company, MHL or related entities in respect to the sale of the sublicensing or Intellectual property rights, including any sale proceeds or Sub-Royalties. To the extent that products are manufactured based on the intellectual property, royalties are calculated as 2% of Gross revenue.

## Notes to the Financial Statements

### For the year ended 30 June 2022

#### 2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(v) *Estimation of useful lives of assets*

The consolidated entity determines the estimated useful lives and related depreciation and amortization charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortization charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

(vi) *Income tax*

The consolidated entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The consolidated entity recognises liabilities for anticipated tax audit issues based on the consolidated entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made. Management have elected not to raise any deferred tax assets on estimated tax losses until there is more certainty around the company's ability to generate sustainable taxable profits to as to enable to company to utilise the tax losses.

#### 3 REVENUE FROM CONTINUING OPERATIONS

|   | 2022<br>\$ | 2021<br>\$ |
|---|------------|------------|
| Revenue from continuing operations                              | 2,416,351  | 2,110,377  |
| <i>Revenue from contracts with customers and disaggregation</i> |            |            |
| Sales of PCC® to USA  | 1,934,866  | 1,815,462  |
| Wholesale sales nutritional supplements to Asia                 | 311,274    | 226,561    |
|   | 2,246,140  | 2,042,024  |
| <i>Sale of goods</i>  |            |            |
| Direct sales nutritional supplements to Asia                    | 170,211    | 68,353     |

*Timing of revenue recognition*

All goods are transferred at a point in time, with revenue being recognised on PCC® sales and wholesale sales when goods are shipped.

*Geographic regions*

See note 24.

#### 4 OTHER INCOME

|  | 2022<br>\$     | 2021<br>\$     |
|--|----------------|----------------|
| Research and development tax Incentive | 4,365          | 19,147         |
| Interest received                      | 15,395         | 18,665         |
| Income from royalties                  | 56,336         | 63,138         |
| Foreign exchange gain                  | 20,428         | -              |
| Other                                  | 7,776          | 11,507         |
|  | <b>104,300</b> | <b>112,457</b> |

## Notes to the Financial Statements

For the year ended 30 June 2022

### 5 INCOME TAX

|  | 2022<br>\$       | 2021<br>\$       |
|--|------------------|------------------|
| <b>(a) Income tax</b>  |                  |                  |
| Deferred tax   | -                | -                |
|  | -                | -                |
| <b>(b) Numerical reconciliation of income tax benefit to prima facie tax payable</b> |                  |                  |
| Loss from continuing operations before income tax expense                            | (236,508)        | (495,725)        |
| Tax benefit at the Australian tax rate of 25% (2021 - 26%)                           | <b>(59,127)</b>  | <b>(128,889)</b> |
| Difference in overseas tax rates   | (350)            | (6,139)          |
| Tax effect of amounts which are deductible/not taxable in calculating taxable income | 60,783           | 46,351           |
| Utilisation of tax losses  | (133,552)        | (99,038)         |
| Tax effect of adjustments in the prior year  |                  |                  |
| Carried forward tax benefit not recognised   | 132,246          | 187,715          |
| Total income tax expense   | -                | -                |
| <b>(c) Tax losses</b>  |                  |                  |
| Unused tax losses for which no deferred tax asset has been recognised                | 30,199,485       | 30,109,072       |
| Potential tax benefit @ 25% (2021:26%)   | <b>7,549,871</b> | <b>7,828,359</b> |

|                                   | 2022<br>\$       | 2021<br>\$       |
|-----------------------------------|------------------|------------------|
| <b>6 CASH AT BANK AND IN HAND</b> | 2,168,009        | 1,602,210        |
|                                   | <b>2,168,009</b> | <b>1,602,210</b> |

### 7 TRADE RECEIVABLES

|  | 2022<br>\$ | 2021<br>\$ |
|--|------------|------------|
| Trade receivables                          | 17,848     | 335,334    |
| Less: Allowance for expected credit losses | -          | -          |
|  | 17,848     | 335,334    |

|                      | Expected credit loss rate |   | Carrying Amount |         |
|----------------------|---------------------------|---|-----------------|---------|
|                      | 2022                      | % | 2022            | 2021    |
| Not overdue          |                           |   | 17,848          | 335,334 |
| 0 - 3 months overdue |                           |   | -               | -       |
|                      |                           |   | 17,848          | 335,334 |

The trade receivables are largely receivable from the Groups major customer, with which it has been dealing with for many years with no credit losses.

## Notes to the Financial Statements

For the year ended 30 June 2022

### 8 CURRENT ASSETS - CURRENT TAX RECEIVABLES

|  | 2022<br>\$   | 2021<br>\$    |
|--|--------------|---------------|
| Research and development tax offset receivable | -            | 18,668        |
| GST receivable                                 | 9,412        | 10,145        |
|  | <b>9,412</b> | <b>28,813</b> |

### 9 CURRENT ASSETS - OTHER CURRENT ASSETS

|                                  | 2022<br>\$     | 2021<br>\$     |
|----------------------------------|----------------|----------------|
| Accrued Income and other debtors | 36,040         | 35,827         |
| Royalty receivable               | 30,000         | 17,500         |
| Prepayments                      | 246,404        | 121,212        |
|                                  | <b>312,444</b> | <b>174,539</b> |

### 10 CURRENT ASSETS - INVENTORIES

|                          | 2022<br>\$     | 2021<br>\$     |
|--------------------------|----------------|----------------|
| Work in progress         | 130,301        | 141,068        |
| Finished goods           | 212,034        | 298,449        |
| Provision for write down | (32,105)       | (70,000)       |
|                          | <b>310,230</b> | <b>369,517</b> |

### 11 NON-CURRENT ASSETS - INTANGIBLE ASSETS

|                        | 2022<br>\$ | 2021<br>\$ |
|------------------------|------------|------------|
| Direct selling licence | 30,269     | 30,269     |

The direct selling licences are current in Indonesia and Malaysia.

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## Notes to the Financial Statements

### For the year ended 30 June 2022

#### 12 PLANT AND EQUIPMENT

|                                   | Plant and equipment | Software | Leasehold improvements | Total     |
|-----------------------------------|---------------------|----------|------------------------|-----------|
| <b>Cost</b>                       |                     |          |                        |           |
| Opening balance, 1 July 2021      | 104,028             | 99,652   | 52,749                 | 256,429   |
| Additions                         | -                   | 5,787    | -                      | 5,787     |
| Disposals                         | (10,913)            | (76,333) | -                      | (87,246)  |
| Foreign exchange adjustment       | (5,616)             | -        | 1,503                  | (4,113)   |
| Closing balance, 30 June 2022     | 87,499              | 29,106   | 54,252                 | 170,857   |
| Opening balance, 1 July 2020      | 102,629             | 101,116  | 56,060                 | 259,805   |
| Additions                         | -                   | -        | -                      | -         |
| Disposals                         | -                   | -        | -                      | -         |
| Foreign exchange adjustment       | 1,399               | (1,464)  | (3,311)                | (3,376)   |
| Closing balance, 30 June 2021     | 104,028             | 99,652   | 52,749                 | 256,429   |
| <b>Depreciation</b>               |                     |          |                        |           |
| Opening balance, 1 July 2021      | (50,610)            | (55,677) | (19,784)               | (126,071) |
| Depreciation                      | (5,513)             | (39,173) | (5,368)                | (50,054)  |
| Disposals                         | 7,296               | 76,333   | -                      | 83,629    |
| Foreign exchange adjustment       | (3,089)             | -        | (623)                  | (3,712)   |
| Closing balance, 30 June 2022     | (51,916)            | (18,517) | (25,775)               | (96,208)  |
| Opening balance, 1 July 2020      | (38,739)            | (36,391) | (15,420)               | (90,550)  |
| Depreciation                      | (12,426)            | (19,664) | (5,275)                | (37,365)  |
| Disposals                         | -                   | -        | -                      | -         |
| Foreign exchange adjustment       | 555                 | 378      | 911                    | 1,844     |
| Closing balance, 30 June 2021     | (50,610)            | (55,677) | (19,784)               | (126,071) |
| Written down value 30 June 2021   | 53,418              | 43,975   | 32,965                 | 130,358   |
| <b>Written down value 30 June</b> | 35,583              | 10,589   | 28,477                 | 74,649    |

#### 13 Other financial assets

##### Non-current

|                                     | 2022<br>\$ | 2021<br>\$ |
|-------------------------------------|------------|------------|
| Available-for-sale financial assets | 325,000    | 325,000    |
| Less impairment                     | (325,000)  | (325,000)  |
|                                     | -          | -          |

## Notes to the Financial Statements

### For the year ended 30 June 2022

#### 14 CURRENT LIABILITIES - TRADE AND OTHER PAYABLES

|                  | 2022           | 2021           |
|------------------|----------------|----------------|
|                  | \$             | \$             |
| Trade creditors  | 95,102         | 175,658        |
| Accrued Expenses | 742,710        | 548,266        |
| Customer deposit | 100,618        | -              |
| Other payables   | 23,255         | 7,804          |
|                  | <b>961,685</b> | <b>731,728</b> |

#### 15 CURRENT LIABILITIES - PROVISIONS

|   | 2022          | 2021          |
|---|---------------|---------------|
|   | \$            | \$            |
| Provision for annual leave, opening balance | 13,019        | 20,000        |
| Provided during the year                    | 7,521         | 13,019        |
| Annual leave used                           | (714)         | (20,000)      |
| Provision for annual leave, closing balance | <b>19,826</b> | <b>13,019</b> |

#### 16 CONTRIBUTED EQUITY

##### (a) Share capital

|                            | 2022        | 2022       | 2021        | 2021       |
|----------------------------|-------------|------------|-------------|------------|
|                            | Shares      | \$         | Shares      | \$         |
| Ordinary Shares Fully Paid | 640,145,398 | 62,177,536 | 640,145,398 | 62,177,536 |

##### (b) Movements in ordinary share capital

|                                     | Number of<br>Shares | \$                |
|-------------------------------------|---------------------|-------------------|
| Opening balance 1 July 2020         | <b>640,145,398</b>  | <b>62,177,536</b> |
| Closing balance 30 June 2021 & 2022 | 640,145,398         | 62,177,536        |

##### (c) Ordinary shares

Each ordinary shareholder maintains, when present in person or by proxy or by attorney at any general meeting of the Company, the right to cast one vote for each ordinary share held.

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

##### (d) Options

As at the date of the financial statements, there were no options over unissued ordinary shares on issue:

## Notes to the Financial Statements

### For the year ended 30 June 2022

#### 16 CONTRIBUTED EQUITY (CONTINUED)

##### (e) Performance rights

Shareholders at the Annual General Meeting on 25 November 2019 resolved to cancel 40,000,000 performance rights granted to the Managing Director, Mr NH Chua, on 3 August 2017, and issue 36,000,000 performance rights to Mr NH Chua.

The performance hurdles for the period to 2022 have not been met, and as a consequence all performance rights have lapsed. There was no share based payment expense recorded for the year ended 30 June 2022.

##### (e) Capital risk management

The consolidated entity's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current Company's share price at the time of the investment.

The capital management policy remains unchanged from the 30 June 2021 Annual Report.

#### 17 RESERVES AND ACCUMULATED LOSSES

|   | 2022<br>\$          | 2021<br>\$          |
|---|---------------------|---------------------|
| <b>(a) Reserves</b>                               |                     |                     |
| Total reserves                                    | <b>188,288</b>      | <b>(55,749)</b>     |
| Movements in foreign currency translation reserve |                     |                     |
| Balance 1 July                                    | <b>(55,749)</b>     | <b>123,924</b>      |
| Movement in foreign currency translation reserve  | <b>244,037</b>      | <b>(179,673)</b>    |
| Balance 30 June                                   | <b>188,288</b>      | <b>(55,749)</b>     |
| Total reserves                                    | <b>188,288</b>      | <b>(55,749)</b>     |
| <b>(b) Accumulated losses</b>                     |                     |                     |
| Movements in accumulated losses were as follows:  |                     |                     |
| Opening accumulated losses                        | (60,240,826)        | (59,745,101)        |
| Loss for the year                                 | (236,508)           | (495,725)           |
| Balance 30 June                                   | <b>(60,477,334)</b> | <b>(60,240,826)</b> |

#### 18. NON-CONTROLLING INTEREST

|                  | 2022<br>\$    | 2021<br>\$    |
|------------------|---------------|---------------|
| Issued capital   | 52,861        | 52,861        |
| Retained profits | -             | -             |
|                  | <b>52,861</b> | <b>52,861</b> |

The non-controlling interest has a 5% interest in the Indonesian company P.T. Gamata Utama.

## Notes to the Financial Statements

For the year ended 30 June 2022

### 19 INTERESTS IN OTHER ENTITIES

| Name of Entity                                     | Country of Incorporation | Ownership Interest 2022 % | Ownership Interest 2021 % | Principal Activities             |
|--|--------------------------|---------------------------|---------------------------|----------------------------------|
| Global Treasure New Zealand Limited                | New Zealand              | 100                       | 100                       | Product development              |
| New Zealand Nutritional Research Institute Limited | New Zealand              | 100                       | 100                       | Product research and development |
| Bioxyne International Malaysia Sdn Bhd             | Malaysia                 | 100                       | 100                       | Sales                            |
| Bioxyne International Pty Ltd                      | Australia                | 100                       | 100                       | Intermediate holding company     |
| P.T. Gamata Utama                                  | Indonesia                | 95                        | 95                        | Sales                            |
| Bioxyne International (NZ) Limited                 | New Zealand              | 100                       | 100                       | Sales                            |

### 20 REMUNERATION OF AUDITORS

#### Audit services

|   | 2022<br>\$    | 2021<br>\$    |
|---|---------------|---------------|
| Audit of financial reports – RSM Australia Partners | 67,000        | 63,000        |
| Total remuneration for audit services               | <b>67,000</b> | <b>63,000</b> |

### 21 COMMITMENTS

#### Capital commitments

As at 30 June 2022, the Company has no capital commitments (2021: \$nil).

### 22 RECONCILIATION OF PROFIT AFTER INCOME TAX TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

|   | 2022<br>\$     | 2021<br>\$    |
|---|----------------|---------------|
| <b>Loss for the year</b>                          | (236,508)      | (495,725)     |
| Depreciation                                      | 50,054         | 37,365        |
| Amortisation right-of-use assets                  | -              | 49,899        |
| Provision for inventory write down                | 132,660        | 154,423       |
| Other non cash items                              | (80,967)       | (132,164)     |
| Unrealised foreign exchange loss                  | 74,745         | 6,599         |
| <i>Change in operating assets and liabilities</i> |                |               |
| Decrease in trade and other receivables           | 198,981        | 15,683        |
| Decrease in inventory                             | 59,288         | 398,425       |
| Increase in trade and other payables              | 236,763        | 18,629        |
| <b>Net cash outflow from operating activities</b> | <b>435,016</b> | <b>53,134</b> |

## Notes to the Financial Statements

### For the year ended 30 June 2022

#### 23 SEGMENT INFORMATION

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 an acquisition in New Zealand, now trading as Bioxyne International, the Company is further developing a range of functional food and beauty products containing ingredients sourced exclusively from New Zealand, for our direct sales channel.

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 multilevel marketing company.

The Company's principal operations are to research, develop, market and distribute over the counter dietary supplement products and beauty products.

The Group is organized into two operating segments based on differences in products provided: wholesale sales and direct sales. The operating segments are based on the internal reports that are reviewed and used by Management (who are identified as the Chief Operating Decision Makers ('CODM') in assessing performance and in determining the allocation of resources. The CODM is NH Chua the Chief Executive Officer.

Management have determined that it is appropriate to report by sales channel - i.e. either wholesale or direct sales, and by geographical area i.e. USA, Australia and New Zealand, and Asia.

The following table presents revenue and profit information and certain asset and liability information regarding geographical segments for the years ended 30 June 2022 and 30 June 2021.

| 2022                     | Wholesale sales |           | Direct sales |             | Unallocated | Total       |
|--------------------------|-----------------|-----------|--------------|-------------|-------------|-------------|
|                          | USA             | Asia      | Australia/NZ | Asia        |             |             |
| Sales                    | 1,934,866       | 311,274   | -            | 170,211     | -           | 2,416,351   |
| Cost of sales            | (833,086)       | (230,908) | -            | (63,646)    | -           | (1,127,640) |
| Gross margin             | 1,101,780       | 80,366    | -            | 106,565     | -           | 1,288,711   |
| Other income             | -               | -         | -            | -           | 104,300     | 104,300     |
| Overhead expenses        | -               | -         | -            | -           | (1,629,519) | (1,629,519) |
| Research and development | -               | -         | -            | -           | -           | -           |
| Profit/(loss) before tax | 1,101,780       | 80,366    | -            | 106,565     | (1,525,219) | (236,508)   |
| Taxation                 | -               | -         | -            | -           | -           | -           |
| Profit/(loss) after tax  | 1,101,780       | 80,366    | -            | 106,565     | (1,525,219) | (236,508)   |
|                          | Malaysia        | Indonesia | Australia    | New Zealand | Unallocated | Total       |
| Total assets             | 286,614         | 846,552   | 1,404,075    | 477,824     | (92,203)    | 2,922,862   |
| Total liabilities        | 14,825          | 21,721    | 905,715      | 147,464     | (108,215)   | 981,510     |
| Cash Balance             | 144,204         | 588,049   | 1,297,850    | 137,906     | -           | 2,168,009   |
| Trade receivables        | -               | 2,642     | 15,206       | -           | -           | 17,848      |
| Trade and other payables | 6,918           | 21,721    | 805,407      | 127,639     | -           | 961,685     |
| Inventories              | 36,423          | 80,264    | -            | 193,542     | -           | 310,229     |

## Notes to the Financial Statements

### For the year ended 30 June 2022

#### 23 SEGMENT INFORMATION (CONTINUED)

| 2021                     | Wholesale sales |           | Direct sales |             | Unallocated | Total       |
|--------------------------|-----------------|-----------|--------------|-------------|-------------|-------------|
|                          | USA             | Asia      | Australia/NZ | Asia        |             |             |
| Sales                    | 1,815,462       | 65,962    | 2,391        | 226,561     | -           | 2,110,377   |
| Cost of sales            | (778,897)       | (19,489)  | (15,885)     | (214,772)   | -           | (1,029,043) |
| Gross margin             | 1,036,565       | 46,473    | (13,494)     | 11,789      | -           | 1,081,333   |
| Other income             | -               | -         | -            | -           | 112,457     | 112,457     |
| Overhead expenses        | -               | -         | -            | -           | (1,599,789) | (1,599,789) |
| Research and development | -               | -         | -            | -           | (89,726)    | (89,726)    |
| Profit/(loss) before tax | 1,036,565       | 46,473    | (13,494)     | 11,789      | (1,577,058) | (495,725)   |
| Taxation                 | -               | -         | -            | -           | -           | -           |
| Profit/(loss) after tax  | 1,036,565       | 46,473    | (13,494)     | 11,789      | (1,577,058) | (495,725)   |
|                          | Malaysia        | Indonesia | Australia    | New Zealand | Unallocated | Total       |
| Total assets             | 458,260         | 672,115   | 1,172,860    | 440,170     | (64,835)    | 2,678,570   |
| Total liabilities        | 11,782          | 14,332    | 798,756      | 38,024      | (118,147)   | 744,747     |
| Cash Balance             | 229,955         | 573,336   | 770,813      | 28,106      | -           | 1,602,210   |
| Trade receivables        | 44              | 4,016     | 261,864      | 69,410      | -           | 335,334     |
| Trade and other payables | 11,782          | 14,332    | 680,607      | 25,006      | -           | 731,728     |
| Inventories              | 35,436          | 34,595    | -            | 299,486     | -           | 369,517     |

#### Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the board of directors in assessing performance and in determining the allocation of resources.

#### Segment revenues and results

Segment revenue reported above represents revenue generated from external customers.

The accounting policies of the reportable segments are consistent with the Group's accounting policies described in Note 1. Segment profit represents the profit earned by each segment without allocation of central administration costs and directors' salaries, share of profits of associates, gain recognised on disposal of interest in former associate, investment income, gains and losses, finance costs and income tax expense. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

## Notes to the Financial Statements

### For the year ended 30 June 2022

#### 24 FINANCIAL RISK MANAGEMENT

##### (a) Financial risk management

The Company's financial instruments consist mainly of deposits with banks, accounts receivable and payables.

The directors' overall risk management strategy seeks to assist the Company in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

The Group does not speculate in financial assets.

##### *Credit risk*

The Company trades only with recognised, creditworthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. The receivable balances are monitored on an ongoing basis. The Group's exposure to bad debts is not significant. There is considerable concentration of credit risk within the Company as it only has one major customer at this stage of its development.

With respect to credit risk arising from other financial assets of the Company, which comprise cash and cash equivalents, the Company's exposure to credit risk arises from default of the counter party, with a maximum exposure equal to the carrying amount of these instruments.

Since the Group trades only with recognised third parties, there is no requirement for collateral security.

The maximum exposure to credit risk at balance date is as follows:

|  | <b>2022</b>      | <b>2021</b>      |
|--|------------------|------------------|
|  | <b>\$</b>        | <b>\$</b>        |
| Cash and cash equivalents (Note 6)                         | 2,416,351        | 1,602,210        |
| Trade receivables (Note 7)                                 | 17,848           | 335,334          |
| Research and development tax incentive receivable (Note 8) | -                | 18,668           |
|  | <u>2,434,199</u> | <u>1,956,212</u> |

##### *Liquidity risk*

The Company's policy is to maintain a comfortable level of liquidity through the continual monitoring of cash reserves and the raising of additional capital as required.

## Notes to the Financial Statements

### For the year ended 30 June 2022

#### 24 FINANCIAL RISK MANAGEMENT (CONTINUED)

##### (b) Financial instrument composition and maturity analysis

The table below reflects the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity as well as management's expectations of the settlement period of all other financial instruments. As such, the amounts may not reconcile to the Statement of Financial Position.

| Consolidated Group                                   | Within 1 year    |                  | 1 to 5 years |          | Over 5 years |          | Total            |                  |
|--|------------------|------------------|--------------|----------|--------------|----------|------------------|------------------|
|  | 2022             | 2021             | 2022         | 2021     | 2022         | 2021     | 2022             | 2021             |
|  | \$               | \$               | \$           | \$       | \$           | \$       | \$               | \$               |
| <i>Financial liabilities - due for payment:</i>      |                  |                  |              |          |              |          |                  |                  |
| Trade and other payables                             | 961,985          | 731,728          | -            | -        | -            | -        | 961,985          | 731,728          |
| <b>Total contractual outflows</b>                    | <b>961,985</b>   | <b>731,728</b>   | <b>-</b>     | <b>-</b> | <b>-</b>     | <b>-</b> | <b>961,985</b>   | <b>731,728</b>   |
| Cash and cash equivalents                            | 2,168,009        | 1,602,210        | -            | -        | -            | -        | 2,168,009        | 1,602,210        |
| Trade receivables                                    | 17,848           | 335,334          | -            | -        | -            | -        | 17,848           | 335,334          |
| <b>Total anticipated inflows</b>                     | <b>2,185,857</b> | <b>1,937,544</b> | <b>-</b>     | <b>-</b> | <b>-</b>     | <b>-</b> | <b>2,185,857</b> | <b>1,937,544</b> |
| <b>Net inflow/(outflow) on financial instruments</b> | <b>1,223,872</b> | <b>1,205,816</b> | <b>-</b>     | <b>-</b> | <b>-</b>     | <b>-</b> | <b>1,223,872</b> | <b>1,205,816</b> |

##### (c) Net fair values

The net fair value of assets and liabilities approximates their carrying value. No financial assets and liabilities are readily traded on organised markets in standardised form.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the Statement of Financial Position and notes to the financial statements.

##### (d) Market risk

###### *Foreign currency risk*

The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

## Notes to the Financial Statements

### For the year ended 30 June 2022

#### 24 FINANCIAL RISK MANAGEMENT (CONTINUED)

##### (e) Sensitivity analysis

The Company has performed a sensitivity analysis relating to its exposure to foreign currency risk at balance date. The effect on profit and equity as a result changes in the value of the Australian Dollar to the US Dollar, and Euro receivables and payables, with all other variables remaining constant, is expected to be minimal.

The effect on profit and equity as a result changes in the value of the Australian Dollar to the US Dollar, Malaysian Ringgit and Indonesian Rupeah and the effect on movement in interest rates is as follows:

##### Consolidated

##### 2022

##### Financial Assets

Cash and cash equivalents

| Carrying Amount<br>\$ | Interest Rate Risk |                 | Interest Rate Risk |               |
|-----------------------|--------------------|-----------------|--------------------|---------------|
|                       | -1%                |                 | +1%                |               |
|                       | Profit<br>\$       | Equity<br>\$    | Profit<br>\$       | Equity<br>\$  |
| <b>2,168,009</b>      | <b>(21,680)</b>    | <b>(21,680)</b> | <b>21,680</b>      | <b>21,680</b> |
| <b>1,602,210</b>      | <b>(16,022)</b>    | <b>(16,022)</b> | <b>16,022</b>      | <b>16,022</b> |

##### 2021

##### Financial Assets

Cash and cash equivalents

##### Consolidated A\$ 5% stronger / (weaker)

##### 2022

##### Financial Assets

Cash in US \$  
Cash in Euro  
Cash in IDR  
Cash in MYR  
Cash in NZ\$

| Carrying amount in original currency<br>\$ | Currency Risk |               | Currency Risk |               |
|--|---------------|---------------|---------------|---------------|
|  | +5%           |               | -5%           |               |
|  | Profit<br>A\$ | Equity<br>A\$ | Profit<br>A\$ | Equity<br>A\$ |
| <b>869,073</b>                             | (66,397)      | (66,397)      | 66,397        | 66,397        |
| <b>775</b>                                 | (62)          | (62)          | 62            | 62            |
| <b>6,029,267,917</b>                       | (30,950)      | (30,950)      | 30,950        | 30,950        |
| <b>437,701</b>                             | (7,590)       | (7,590)       | 7,590         | 7,590         |
| <b>152,910</b>                             | (7,258)       | (7,258)       | 7,258         | 7,258         |
|  | (112,257)     | (112,257)     | 112,257       | 112,257       |

##### 2021

##### Financial Assets

Cash in US \$  
Cash in Euro  
Cash in IDR  
Cash in MYR  
Cash in NZ\$

|                      |          |          |        |        |
|----------------------|----------|----------|--------|--------|
| <b>543,146</b>       | (38,024) | (38,024) | 38,024 | 38,024 |
| <b>15,334</b>        | (1,277)  | (1,277)  | 1,277  | 1,277  |
| <b>6,264,838,341</b> | (30,176) | (30,176) | 30,176 | 30,176 |
| <b>717,874</b>       | (12,102) | (12,102) | 12,102 | 12,102 |
| <b>30,199</b>        | (1,479)  | (1,479)  | 1,479  | 1,479  |
|                      | (83,058) | (83,058) | 83,058 | 83,058 |

## Notes to the Financial Statements

### For the year ended 30 June 2022

#### 25 EARNINGS PER SHARE

|   | <b>2022</b>  | <b>2021</b>  |
|---|--------------|--------------|
|   | <b>Cents</b> | <b>Cents</b> |
| Basic Loss/(Earnings) per share (cents per share)     | (0.04)       | (0.08)       |
| Diluted Loss/(Earnings) per share (cents per share)   | (0.04)       | (0.08)       |
| <b>Weighted average number of shares</b>              |              |              |
| Basic earnings per share calculation                  | 640,145,398  | 640,145,398  |
| Diluted earnings per share calculation                | 640,145,398  | 640,145,398  |
| <b>Loss for the period used in earnings per share</b> |              |              |
| From continuing operations                            | (236,508)    | (495,725)    |

#### 26 SHARE BASED PAYMENTS

##### Options

No share options were issued during the year and no options were outstanding at year end.

##### (d) Performance rights

Shareholders at the Annual General Meeting on 25 November 2019 resolved to cancel 40,000,000 performance rights granted to the Managing Director, Mr NH Chua, on 3 August 2017, and issue 36,000,000 performance rights to Mr NH Chua on the terms outlined in note 17.

The hurdles for the years ended 30 June 2022 and 30 June 2021 were not achieved and no expense has been recorded for this financial year. These performance rights have now lapsed.

#### 27 PARENT ENTITY DISCLOSURES

##### (a) Financial position

|                             | <b>2022</b>      | <b>2021</b>      |
|-----------------------------|------------------|------------------|
|                             | <b>\$</b>        | <b>\$</b>        |
| <b>Total Current Assets</b> | <b>1,395,718</b> | <b>2,701,246</b> |
| <b>Total Assets</b>         | <b>2,847,067</b> | <b>2,732,579</b> |
| <b>Total Liabilities</b>    | <b>905,715</b>   | <b>798,756</b>   |
| <b>EQUITY</b>               |                  |                  |
| Contributed equity          | 62,177,536       | 62,177,536       |
| Reserves                    | (3,550)          | (3,537)          |
| Accumulated losses          | (60,232,634)     | (60,240,176)     |
| <b>Equity</b>               | <b>1,941,352</b> | <b>1,933,823</b> |
| <b>(b) Reserves</b>         |                  |                  |
| Option reserve              | -                | -                |

## Notes to the Financial Statements

For the year ended 30 June 2022

### 27 PARENT ENTITY DISCLOSURES (CONTINUED)

#### (c) Financial performance

|                            | 2022<br>\$ | 2021<br>\$ |
|----------------------------|------------|------------|
| Loss for the year          | (236,508)  | (495,725)  |
| Other comprehensive income | -          | -          |
|                            | (236,508)  | (495,725)  |
| <b>(d) Commitments</b>     | -          | -          |

### 28 RELATED PARTY TRANSACTIONS

#### (a) Key management personnel

Refer to the Remuneration Report contained in the Directors Report contained in the Directors Report for details of the remuneration paid or payable to each member of the Group's key management personnel for the year ended 30 June 2022.

The total remuneration paid to key management personnel of the company and the group during the year is as follows:

|                              | 2022<br>\$ | 2021<br>\$ |
|------------------------------|------------|------------|
| Short-term employee benefits | 449,884    | 434,485    |
| Post-employment benefits     | 4,000      | 3,642      |
|                              | 453,884    | 438,127    |

#### (b) Transactions with other related parties

During the year the following transactions were undertaken with related parties on an arms' length basis:

- i. \$17,083 (2021: \$15,581) was paid to NH Chua a director of the Company as rental for the Malaysian office;
- ii. \$60,000 (2021: \$60,000) was paid to Jin Chua (a consultant to the Group and daughter of NH Chua a director of the Company) for consulting services.
- iii. \$40,000 (2021: \$40,000) was paid to Integrated CFO Solutions Pty Ltd, a company controlled by the Company Secretary, for accounting services.
- iv. Included in accrued expenses, Note 15, is an amount of \$240,000 (2021: \$122,000) being salary payable to NH Chua a director of the Company.

## Notes to the Financial Statements

### For the year ended 30 June 2022

#### 29 EVENTS SUBSEQUENT TO BALANCE DATE

No matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect:

- a) The Company's operations in future financial years; or
- b) The results of those operations in future financial years; or
- c) The Company's state of affairs in future financial years.

#### 30 ECONOMIC DEPENDENCY

The Group has a major customer in the USA, which currently accounts for the majority of the Group's external sales.

#### 31 COMPANY DETAILS

*Corporate Head Office and Principal Place of Business*

Suite 506, Level 5  
50 Clarence Street  
Sydney NSW 2000

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## Directors' Declaration

1. In the opinion of the directors of Bioxyne Limited ("the Company" or "the Group"):
  - a. The consolidated financial statements and notes thereto, as set out on pages 13 to 41, are in accordance with the Corporations Act 2001 including:
    - i. giving a true and fair view of the Group's financial position as at 30 June 2022 and of the performance of the Group for the year then ended; and
    - ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations), the Corporations Regulations 2001, professional reporting requirements and other mandatory requirements.
2. There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.
3. The consolidated financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.
4. This declaration has been made after receiving the declarations required to be made to the directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2022.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s.303(5) of the Corporations Act 2001.



**NH Chua**  
**30 September 2022**

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**RSM Australia Partners**

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**INDEPENDENT AUDITOR'S REPORT**  
To the Members of Bioxyne Limited

**Opinion**

We have audited the financial report of Bioxyne Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of the Group is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key Audit Matter  | How our audit addressed this matter  |
|---|--|
| <b>Recognition of Revenue</b><br>Refer to Note 1(f) and 3 in the financial statements   |  |
| <p>Revenue for the year ended 30 June 2022 was \$2,416,351. The primary revenue stream is sale of goods.</p> <p>Revenue is considered to be a Key Audit Matter because the Group derives a significant amount of its revenue from one major customer located in the United States. Shipments of inventories are made direct to the customer from the Group's contracted supplier. This increases the risk that revenue may be incorrectly recognised and whether the cost of sales is recognised for all inventories shipped.</p> | <p>Our audit procedures in relation to the recognition of revenue included:</p> <ul style="list-style-type: none"> <li>• Obtaining a detailed understanding of each of the revenue streams and the process for calculating and recording revenue under <i>AASB 15 Revenue from Contracts with Customers</i>.</li> <li>• Assessing whether the Group's revenue recognition policies were in compliance with Australian Accounting Standards.</li> <li>• Performing substantive analytical procedures on Sales of PCC® to the United States. The substantive analytical review involved setting expectations of revenue by using quantity of products from supplier invoices and average product selling price from the sales register.</li> <li>• Performing tests of detail on other revenue streams on a sample basis to test the occurrence and valuation of revenue.</li> <li>• Performing specific targeted cut-off testing over transactions recorded either side of the period end, to ensure that revenues were recorded in the appropriate period.</li> <li>• Assessing the appropriateness of the disclosures in the financial report.</li> </ul> |

### Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2022, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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## **Responsibilities of the Directors for the Financial Report**

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

## **Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar1.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf).

This description forms part of our auditor's report.

## **Report on the Remuneration Report**

### *Opinion on the Remuneration Report*

We have audited the Remuneration Report included in pages 8 to 11 of the directors' report for the year to ended 30 June 2022.

In our opinion, the Remuneration Report of Bioxyne Limited, for the year ended 30 June 2022, complies with section 300A of the Corporations Act 2001.

### *Responsibilities*

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



**RSM Australia Partners**



**Peter Kanellis**

Partner

Sydney, NSW, dated 30 September 2022

## Shareholder Information

For the year ended 30 June 2022

### ASX additional information

Additional information required by the Australian Securities Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 16 September 2022.

#### (a) Distribution of equity securities

The number of shareholders, by size of holding, in each class of security are:

#### Holdings Range Report Bioxyne Limited

**Security Class:** BXN - ORDINARY FULLY PAID SHARES  
**As at Date:** 16-Sep-2022

| Holding Ranges                           | Holders    | Total Units        | % Issued Share Capital |
|--|------------|--------------------|------------------------|
| above 0 up to and including 1,000        | 87         | 26,798             | 0.00%                  |
| above 1,000 up to and including 5,000    | 63         | 184,494            | 0.03%                  |
| above 5,000 up to and including 10,000   | 89         | 729,110            | 0.11%                  |
| above 10,000 up to and including 100,000 | 341        | 15,602,564         | 2.44%                  |
| above 100,000                            | 244        | 623,602,432        | 97.42%                 |
| <b>Totals</b>                            | <b>824</b> | <b>640,145,398</b> | <b>100.00%</b>         |

#### (b) Substantial shareholders

The company has the following substantial shareholders, as defined by the Corporations Act 2001, as at the date of this report:

| Shareholder            | Shares Held | % Held |
|------------------------|-------------|--------|
| VIG Limited            | 80,562,003  | 12.59% |
| Nam Hoat Chua          | 109,074,013 | 17.04% |
| Custody Nominee Co Ltd | 34,836,169  | 5.44%  |

#### (c) Voting rights

All ordinary shares (whether fully paid or not) carry one vote per share without restriction.

## Shareholder Information

For the year ended 30 June 2022

### (d) Top twenty shareholders

**Security class:** BXN - ORDINARY FULLY PAID SHARES

**As at date:** 16-Sep-2022

**Display top:** 20

| Position | Holder Name   | Holding            | % IC           |
|----------|---|--------------------|----------------|
| 1        | VIG LIMITED   | 80,562,003         | 12.59%         |
| 2        | NAM HOAT CHUA   | 57,574,013         | 8.99%          |
| 3        | PENG-HYANG NG   | 51,500,000         | 8.05%          |
| 4        | CUSTODIAN NOMINEE CO LTD  | 34,836,169         | 5.44%          |
| 5        | GLOBAL CR HOLDINGS LIMITED<br><BUFFALO A/C>                       | 29,739,466         | 4.65%          |
| 6        | WAITARA TRUSTEES LIMITED  | 25,000,000         | 3.91%          |
| 7        | MR ANTHONY PENG HO &<br>MRS CHUI HOONG HO                         | 24,390,750         | 3.81%          |
| 8        | KEE-SIONG CHIA  | 23,050,000         | 3.60%          |
| 9        | MR MAKRAM HANNA &<br>MRS RITA HANNA<br><HANNA & CO P/L SUPER A/C> | 22,588,594         | 3.53%          |
| 10       | CHUN-CHIEH HSU  | 20,000,000         | 3.12%          |
| 11       | SOUTHAM INVESTMENTS 2003 PTY LTD<br><WARWICKSHIRE INVESTMENT A/C> | 17,021,550         | 2.66%          |
| 12       | P FORD SUPERANNUATION PTY LTD<br><PATRICK FORD SUPER FUND A/C>    | 16,500,000         | 2.58%          |
| 13       | PARAMOUNT STAR INVESTMENTS LIMITED                                | 11,000,000         | 1.72%          |
| 14       | PT SOHO INDUSTRI PHARMASI   | 9,678,085          | 1.51%          |
| 15       | SONG MAO CHUA   | 9,000,000          | 1.41%          |
| 15       | JIN FONG CHUA   | 9,000,000          | 1.41%          |
| 16       | MR GUY ADRIAN ROBERTSON   | 6,730,000          | 1.05%          |
| 17       | HAROLD CRIPPS HOLDINGS PTY LTD                                    | 6,000,000          | 0.94%          |
| 18       | LOO FOONG LUAN  | 5,500,000          | 0.86%          |
| 19       | DISKDEW PTY LTD   | 5,375,000          | 0.84%          |
| 20       | MR ADAM JOSEPH SORENSEN   | 5,335,000          | 0.83%          |
|          | <b>Total</b>  | <b>470,380,630</b> | <b>73.48%</b>  |
|          | <b>Total issued capital - selected security class(es)</b>         | <b>640,145,398</b> | <b>100.00%</b> |

(e) The Company has 320 unmarketable parcels as at 16 September 2022.