



ASX Announcement

30 April 2025

Trading Update

Improved Group operating performance. Hydrix Ventures portfolio asset reached a positive milestone.

Hydrix Limited ('Hydrix' or 'the Company') (ASX: **HYD**) today released its Appendix 4C for the third quarter ended 31 March 2025 (3QFY25) and provides the following **Market Update**.

3QFY25 Financial Highlights

Hydrix Services ("Services")

- **\$2.1m** revenues down from **\$2.3m** in the pcp
- **\$40.0m** in potential future project revenue across 15 active client relationship
- Cash operating loss of **\$0.48m**, better than the \$0.6m loss in the prior corresponding period

Hydrix Ventures ("Ventures")

- **\$0.36m** ownership uplift in Gyder Surgical (Hip Navigation System) following FDA 510(k) clearance which triggered an equity milestone payment. The system was developed by Hydrix Services.

Hydrix Group ("Group") operating performance

- Group cash operating loss of **\$0.75m**, a material improvement on the \$1.35m loss in the prior corresponding period
- **\$0.3m** cash on hand on 31 March 2025 plus a **\$2.0m** Letter of Comfort from a major shareholder provided in August 2024

Hydrix Executive Chairman, Gavin Coote, commented:

"After a strong December half we continued to progress a number of large, well-advanced opportunities, many with longstanding clients, and which represent significant future sales and revenue potential.

"During the March quarter, we observed increased caution in global markets as a contributing factor in client decision-making, particularly projects reliant on significant venture capital or internal budget approval. While this may affect near-term project commencements, many sales opportunities remain active. Having reshaped the Group's cost base over the past year, we are better positioned to navigate the macro-economic climate.

"We were pleased to see FDA 510(k) clearance for Gyder Surgical's Hip Navigation System, an important commercial milestone for Gyder and Hydrix Ventures, and a strong validation of Hydrix's capability in delivering highly specialised, regulated medical technologies."



- Ends -

This announcement is authorised for release by the Board of Directors of Hydrix Limited.

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About Hydrix Limited

Hydrix Limited (ASX: HYD) is a powerful product innovation company. Hydrix's purpose is to enhance the health, safety, and well-being of a billion lives. The company leverages its powerful product innovation capability across three business segments: **Services:** design, engineer and deliver world first products and innovation; **Ventures:** invest in high potential MedTech clients; and **Medical:** distribute disruptive cardiovascular products.

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Appendix 4C

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

Name of entity

Hydrix Limited

ABN

84 060 369 048

Quarter ended ("current quarter")

31 March 2025

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	2,208	8,163
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	(103)	(442)
	(c) advertising and marketing	(42)	(155)
	(d) leased assets	(247)	(835)
	(e) staff costs	(1,853)	(5,791)
	(f) administration and corporate costs	(514)	(1,471)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	18
1.5	Interest and other costs of finance paid	(43)	(231)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	72
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(594)	(672)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(9)	(9)
	(d) investments	-	-

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Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(9)	(9)
3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5 Proceeds from borrowings	375	1,220
3.6 Repayment of borrowings	(601)	(1,164)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	(226)	56
4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	1,118	914
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(594)	(672)

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(9)	(9)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(226)	56
4.5	Effect of movement in exchange rates on cash held	-	
4.6	Cash and cash equivalents at end of period	289	289

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	289	1,118
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	289	1,118

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	58
6.2	Aggregate amount of payments to related parties and their associates included in item 2	0

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

The amount at 6.1 includes full-time salary payments to the Executive Chairman and cash payments of Director fees.

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7. Financing facilities

Note: the term "facility" includes all forms of financing arrangements available to the entity.

Add notes as necessary for an understanding of the sources of finance available to the entity.

	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	4,560	4,560
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	791	766
7.4 Total financing facilities	5,351	5,326

Other financing facilities include a TradePlus24 Credit line facility of 80% of Trade Debtors up to \$1.5m.

7.5 Unused financing facilities available at quarter end (\$A'000) \$ 25

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Lender	Loan Amount	Interest rate (p.a)	Maturity date	Security
E.L.G. Nominees Pty Ltd ¹	\$ 250,000	10.0%	30/06/2024	Unsecured
E.L.G. Nominees Pty Ltd ^{1,7}	\$ 500,000	10.0%	14/11/2025	Unsecured
John W King Nominees ^{2,7}	\$ 1,500,000	10.0%	14/11/2025	Unsecured
John W King Nominees	\$500,000	11.0%	31/12/2024	Unsecured
John W King Nominees	\$100,000	-	30/06/2025	Unsecured
Invia Custodian Pty Limited ^{3,7}	\$ 500,000	10.0%	14/11/2025	Unsecured
Invia Custodian Pty Limited ³	\$500,000	11.0%	31/12/2024	Unsecured
PAJ Lewis Pty Ltd ⁴	\$100,000	-	30/06/2025	Unsecured
P K W Superannuation Pty Ltd ^{5,7}	\$ 100,000	10.0%	14/11/2025	Unsecured
Paul Wright	\$25,000	-	30/06/2025	Unsecured
Beachridge Advisory ⁶	\$25,000	-	30/06/2025	Unsecured
Non-Related Parties Convertible Note ⁷	\$ 460,000	10.0%	11/10/2025	Unsecured
TradePlus24 ⁸	\$ 1,500,000	12.7%	30/04/2025	Secured

¹ E.L.G. Nominees Pty Ltd is a company associated with Joanne Bryant, a former Non-Executive Director of Hydrix.

² John W King Nominees is a company associated with Julie King, a Non-Executive Director of the Company.

³ Invia Custodian Pty Limited is a company associated with Paul Lewis, a Non-Executive Director of the Company.

⁴ PAJ Lewis Pty Ltd is a company associated with Paul Lewis, a Non-Executive Director of the Company.

⁵ P K W Superannuation Pty Ltd is a company associated with Paul Wright, a Non-Executive Director of the Company.

⁶ Beachridge Advisory is a company associated with Gavin Coote, an Executive Director of the Company.

⁷ These loans represent Convertible Notes held in Hydrix Limited.

⁸ Interest is charged at 8.6% + 30 day BBSW bid rate. Interest rate displayed shows rate as at 31 March 2025. Maximum facility available of \$1.5m. Balance is secured against Trade Debtors in the Hydrix Services business.

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(594)
8.2	Cash and cash equivalents at quarter end (item 4.6)	289
8.3	Unused finance facilities available at quarter end (item 7.5)	25
8.4	Total available funding (item 8.2 + item 8.3)	314
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	0.5

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: No, Hydrix does not expect to continue to have the current level of net operating cash flows, based on ongoing initiatives which are expected to improve operating performance and net operating cash flow. These include revenue generating opportunities through existing client projects and new sales activities, and optimisation initiatives to lower operating costs. Further, Hydrix has increased its focus on actively managing overdue outstanding cash receipts from customers, which are expected to be received in the June 2025 quarter, which will result in a positive impact on net operating cash flows.

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: Yes. A director and major shareholder has provided a Letter of Comfort to the business for \$2m, valid until 30 September 2025. Since the end of the quarter, funds have been made available to draw down under this Letter of Comfort to support working capital needs of the business, with terms to be formally documented. Further, Hydrix Ventures holds \$3.7m in investments which it can seek to liquidate in due course to support working capital needs. The directors also have a track record of supporting the business and will also continue to explore strategic initiatives to support working capital of the Group.

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Based on current trading assumptions and the funds available under the Letter of Comfort, yes, Hydrix expects to be able to continue its operations and meet its business objectives. The Board considers these assumptions to be reasonable based on current information available, and continues to monitor the Group's operating performance against budget and cash flow forecasts in this regard.

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 April 2025

Authorised by the Board of Hydrix Limited.

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.