

26 February 2026

ABN 97 084 464 193

The Company Announcements Office  
Australian Securities Exchange Limited  
Sydney NSW

## Appendix 4D – Half Year Report

1. <b>Name of Entity</b>	<b>Bioxyne Limited</b>	<b>ABN 97 084 464 193</b>
Half year ended	31 December 2025	
Reporting period	1 July 2025 to 31 December 2025	
Previous period	1 July 2024 to 31 December 2024	

### 2. Results for announcement to the market

	31 December 2025	31 December 2024	% Change Up (Down)
2.1 Revenues from continuing operations	31,309,739	12,563,277	149%
2.2 Profit/(loss) from operations after tax attributable to members	7,341,585	3,277,468	124%
2.3 Net profit attributable to members	7,341,585	3,277,468	124%
2.4 Proposed dividend	Nil	Nil	
2.5 Record date for determining dividend	N/A	N/A	
2.6 An explanation of the above figures is contained in the "Review of Operations" included within the attached directors' report.			
3.0 Net tangible asset per security	0.9 cent	0.34 cent	+165%

- Details of entities over which control has been gained or lost during the period. NIL
- There were no payments of dividends during the reporting period.
- There is no dividend reinvestment plan in operation.
- There are no associates or joint venture entities.
- The Company is not a foreign entity.
- The accounts are not subject to any audit dispute or qualification.

The Company's half year report follows.



Approved by the Board of Bioxyne Limited for release to the ASX.

For further information, please contact:

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Chief Executive Officer  
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### **About Bioxyne Ltd.**

Bioxyne Limited is an Australian pharmaceutical company focused on the development and commercialisation of innovative medicines and active pharmaceutical ingredients. Through its subsidiary, Breathe Life Sciences, Bioxyne is expanding into the production of psychedelic compounds for therapeutic use.

### **About Breathe Life Sciences (BLS)**

Breathe Life Sciences (“BLS”) is a wholly owned subsidiary of Bioxyne Ltd (BXN:ASX) and GMP-licensed manufacturer, wholesaler, importer and exporter of controlled substances (S3, S4, S8, S9), including medicinal cannabis, Psilocybin, and MDMA.

BLS was founded in 2018 and has quickly expanded into a multi-national business focused on alternative therapeutics and investigational medicines. The company’s corporate head office is in Sydney, with operations and licensed manufacturing, warehousing, import/export, sales and distribution centres in Queensland (Australia), Nagoya (Japan), Scotland (UK), and Prague (Czechia).

The BLS business model is focused on manufacturing final dose form medicines, sales and distribution. BLS sources raw materials and API from suppliers in 5 continents and is the Australian market leading manufacturer of therapeutic goods including cannabis, MDMA, and Psilocybin.

Outside of Australia the BLS Group operates in pharmaceuticals, medical cannabis, consumer health products, and novel foods (CBD). In the UK, Europe and Japan, the Company engages in the following activities:

- a) Owner of the Dr Watson® brand in the UK, Japan, Australia and New Zealand. Internationally recognised for its cannabis-based food supplements, lifestyle products, functional mushrooms and nootropics, and prescription-only medicines. .
- b) Contract medicine manufacture and white label manufacture of medicinal products for human use..
- c) Wholesale distribution, import and export of controlled drugs, finished medicinal products, and active pharmaceutical ingredients.
- d) Research and development of novel medicines.
- e) Direct sales via online and wholesale of BLS-owned consumer brands, such as Dr Watson®

**United Kingdom:** [drwatsoncbd.com](http://drwatsoncbd.com)

**UK / EU:** [breathelifesciences.com](http://breathelifesciences.com)

- f) Export and supply of medicinal cannabis products and manufacturing services to UK and European markets.

Corporate: [bioxyne.com](http://bioxyne.com)

Australia: [bls.com.au](http://bls.com.au)

International: [breathelifesciences.com](http://breathelifesciences.com)



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# INTERIM FINANCIAL REPORT

For the Half-year  
Ended 31 December 2025

**BIOXYNE LIMITED**  
ABN 97 084 464 193

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01

# CORPORATE INFORMATION

## CORPORATE INFORMATION

This half-year report covers Bioxyne Limited and its controlled entities (the “Group”). The Group’s functional and presentation currency is Australian dollars (AUD).

A description of the Group’s operation is included in the review of operations and activities in the Directors’ report on page 3. The Directors’ report has not been reviewed by the auditors and does not form part of the financial report.

### DIRECTORS

Anthony Ho	Independent Non-Executive Chairman
Samuel Watson	Managing Director, Chief Executive Officer
Jason Hine	Executive Director

### CHIEF FINANCIAL OFFICER | COMPANY SECRETARY

Guy Robertson

### AUDITORS

Pitcher Partners  
Level 38, 345 Queen Street  
Brisbane City QLD 4000

### BANKER

National Australia Bank Limited  
255 George Street  
Sydney NSW 2000

### SHARE REGISTRY

Automic Pty Ltd  
Level 5 126 Phillip Street  
Sydney NSW 200

### REGISTERED OFFICE

Level 5, 50 Clarence Street  
Sydney NSW 2000

### WEBSITE

[www.bioxyne.com](http://www.bioxyne.com)

Bioxyne Limited shares (ASX Code: BXN) are listed on the Australian Securities Exchange.

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# DIRECTORS' REPORT

# DIRECTORS' REPORT

Your directors present their report, together with the financial statements, of the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Bioxyne Limited (referred to as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2025.

## DIRECTORS

The following persons were directors who held office during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

**Anthony Ho** - Independent Non-Executive Chairman

**Samuel Watson** - Managing Director, Chief Executive Officer

**Jason Hine** - Executive Director, Chief Operating Officer

## CHIEF FINANCIAL OFFICER | COMPANY SECRETARY

**Guy Robertson**

## OVERVIEW

### Redefining medicine for a healthier tomorrow.

Bioxyne Limited is an Australian life sciences company operating in Australia, Europe, the United Kingdom, and Japan. Bioxyne is the 100% owner of the Breathe Life Sciences Group (together "The Group").

Breathe Life Sciences ("BLS") is the Australian market leader in the manufacture of medicinal cannabis, MDMA, and Psilocybin. The Group manufactures and supplies pharmaceutical and consumer health products in Australia, the UK and Europe. Its clients include pharmaceutical distributors, clinics, pharmacies, manufacturers, and prescription medicine brand owners.

Bioxyne operates in areas of significant

unmet clinical need, manufacturing and supplying medicines designed to support patients for whom traditional therapies and existing treatment options have not delivered adequate outcomes.

## PRINCIPAL ACTIVITIES

In the first half of the 2026 financial year ("H1 FY26"), Bioxyne's principal activities included: operating the Breathe Life Sciences pharmaceutical manufacturing business, manufacturing over 3 million medicinal products per year; contract/white label manufacturing over ~300 medicine brands for patients in Australia, Germany, and the United Kingdom; manufacturing psilocybin and MDMA products for Australian clinics and clinical trials; supplying pharmaceutical manufacturing and distribution services to Australia's largest medicinal cannabis companies; distributing its trademarked Dr Watson® products to patients via authorised prescribers and pharmacies in Australia, UK and Germany; wholesaling bulk raw materials including cannabis active pharmaceutical ingredients ("API") in Australia, the United Kingdom, Europe, and Japan; supply of its patented Lactobacillus Fermentum PCC® products to clients in the USA; and the importation of MDMA and Psilocybin API into Australia for manufacture and supply to authorised prescribers and clinical trials.

Breathe Life Sciences is licensed by the Therapeutic Goods Administration ("TGA") to manufacture medicinal cannabis, MDMA, and Psilocybin products, certified compliant with EU GMP (European Good Manufacturing Practices) standards. Breathe Life Sciences holds licenses to import, export, wholesale, and manufacture Schedule 3, 4, 8, and 9 controlled substances. Outside of Australia, the business has manufacturing and distribution centres in Japan, the United Kingdom, and Czechia (Europe), operating wholesale supply of API, starting materials, white label services and direct to consumer supply of its trademarked Dr Watson® brand.

Bioxyne 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, primarily supplying these products to consumers in the United States of America.

## REVIEW OF OPERATIONS

### Operations Report

The Bioxyne board are pleased to report record sales revenue for the half year ended 31 December 2025 of \$31,309,739, representing a 149% increase on the prior corresponding period (H1 FY25: \$12,563,277).

Revenue growth was underpinned by sustained and increasing demand for GMP-manufactured cannabis, MDMA and psilocybin medicinal products, together with the Company's demonstrated ability to scale manufacturing and distribution capacity efficiently.

Bioxyne's Australian manufacturing operations expanded output during the period to service new domestic contract wins and rising international demand, including exports to Germany and the United Kingdom. Export activity contributed meaningfully to revenue growth in the half and is expected to represent a larger proportion of revenue in the subsequent half year as international operations continue to scale and the Company enters new markets in Europe and Latin America.

Breathe Life Sciences (BLS) continued to experience strong demand across its core medicinal cannabis portfolio, including flower (flös), oils (liquids), vaporisers (liquids and medical devices), capsules, pastilles, and the recently introduced Que Medical Inhalation Device (QMID). The Australian market maintained consistent momentum throughout the reporting period.

Following GMP certification in February

2024, Bioxyne has continued to develop and scale manufacturing capabilities of final dose form products including cannabis flower, oral mucosal oils, inhalable delivery systems (vapes), medicated pastilles (gummies), psilocybin and MDMA capsules, to meet growing demand.

In the period, the Company invested in cannabis flower procurement (inventory) to increase its white label flower business, improving unit economics on flower product manufacturing. Several key customers transitioned in the period from contract manufacturing (client provides flower, BLS provides packing/manufacturing services), to white labelling (BLS supplies flower and packing/manufacturing).

BLS's facility in Meadowbrook, Queensland underwent further expansion during the period to accommodate increasing order volumes. BLS holds one of the world's only GMP licences authorising the manufacture of psilocybin and MDMA capsules for supply to authorised prescribers as well as clinical trials.

In H1 FY26 the Company achieved a significant operational milestone with the commercial release and supply of the first Australian-made GMP-certified MDMA capsules. Initial shipments fulfilled requirements for over 400 patient doses for clinical research programs in Victoria and authorised prescribers in Queensland. A subsequent delivery of MDMA capsules was dispatched to Victoria's Eastern Health to support public health clinical trial investigating treatment for individuals with treatment-resistant post-traumatic stress disorder (PTSD) co-occurring with borderline personality disorder.

The Company's international footprint expanded materially during the period. Entry into the German market commenced with initial shipments to local distribution partner Adrex Pharma GmbH, generating A\$2.7 million in revenue during H1 FY26, with



**\$31.3m  
Revenue**

+149% (on pcp)



**\$7.3m  
NPAT**

+126% (on pcp)



**\$7.6m  
Cash on hand**



**\$20m  
Net Assets**

+\$8m (on pcp)



**>898  
Medicine Product  
SKUs Manufactured**



**~8.2 million Finished  
Medicine Products per Year**  
Australian manufacturing output capacity  
across all product lines.



**~240,000 Units  
Delivered Monthly**  
(Q2 FY26 Average)

substantial growth anticipated in the second half of the financial year.

The Frankfurt Stock Exchange dual listing was completed on 13 October 2025 (ticker: PR8.F), broadening capital markets access and providing enhanced liquidity for European investors as the Company builds its presence in Europe. A distribution agreement was executed with Remidose for Costa Rica and Panama, positioning Bioxyne as an early entrant in Latin America with projected annual revenue potential exceeding A\$1 million, subject to regulatory clearance. Non-dilutive funding of £848,250 (approximately A\$1.6 million) was secured from South of Scotland Enterprise to establish a GMP manufacturing facility in the Scottish Borders, advancing European production capabilities. Exclusive Australian rights were obtained for the import, manufacture, and distribution of the Que Medical Inhalation Device ("QMID") through partnership with Curaleaf International.

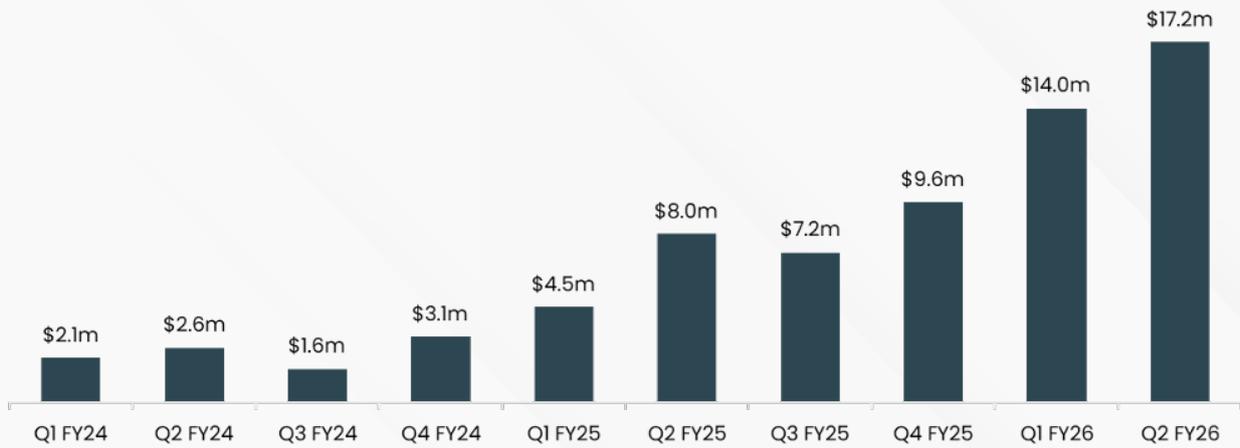
The Company continues to scale its Australian manufacturing operations and has significant capacity to continue growing over the coming years. In the period, controlled drug storage capacity increased by 200% and number of operational GMP clean rooms went from 6 to 12.

On 24 November 2025, the Company was ranked in the Deloitte Technology Fast 50 Australia 2025 program within the Healthcare Technology/Life Sciences category, recognising 452% revenue growth achieved from FY22 to FY24.

Bioxyne maintains its strategic focus on pharmaceutical manufacturing and wholesale distribution of the Company's product portfolio, which currently includes cannabis, MDMA, and psilocybin.

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### BXN REVENUE BY QUARTER



### BIOXYNE HALF YEAR RESULTS



	\$000's	H1 FY26	H1 FY25
Adjusted EBITDA		8,251	3,732
Finance costs		(97)	(55)
Interest income		70	3
Depreciation on fixed assets		(275)	(85)
Share based payment transactions		(608)	(211)
Impairment		-	(84)
<b>Profit before tax from continuing operations</b>		<b>7,341</b>	3,300

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The Company delivered a net profit before tax of \$7,341,585 for the half-year (H1 FY25: \$3,300,109).

Operating cash flow for the half-year was \$(1,294,402) compared to an inflow of \$2,957,363 in H1 FY25. The outflow reflects strategic inventory accumulation, which increased to \$11.7 million as at 31 December 2025 from \$3.6 million as at 30 June 2025, to support anticipated demand across markets. The

second quarter delivered positive operating cash flow of \$2.5 million. Capital expenditure of \$975,829 was deployed during the period for security vault infrastructure and cleanroom facilities to enable increased storage capacity and manufacturing throughput. Cash reserves stood at \$7.6 million as at 31 December 2025.

## Inventory



## CASH RECEIPTS & NET CASH USED IN OPERATING ACTIVITIES



## SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

The Company added additional capacity to its manufacturing operations in Australia during the half year ended 31 December 2025. There were no other significant changes in the state of affairs of the consolidated entity during the half-year.

On 26 August 2025, the Company provided Revenue and EBITDA guidance to the ASX for the FY30 June 2026 to be \$65 to \$75 million and \$11.5 to \$13.5 million, respectively.

The guidance was based on revenue achieved to date and from:

- Growing its manufacturing and pharmaceutical services business customer base;
- Growing market share for its Dr Watson® branded pharmaceutical products in Australia;
- Launching Dr Watson® and BLS branded medicinal cannabis products in the United Kingdom and European markets; and
- Signing long term contracts with market leading distributors of medicinal cannabis products.

## EVENTS SUBSEQUENT TO BALANCE DATE

No matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect:

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

## AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration is included on page 8 of the half-year report.

Signed in accordance with a resolution of directors made pursuant to s306 (3) of the Corporations Act 2001.

On behalf of the Directors,



Sam Watson  
Managing Director  
26 February 2026



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**AUDITOR'S  
INDEPENDENCE  
DECLARATION**

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Brisbane, QLD 4000

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+61 7 3222 8444

[pitcher.com.au](http://pitcher.com.au)

The Directors  
Bioxyne Limited  
Suite 506, Level 5, 50 Clarence Street  
Sydney, NSW, 2000

### Auditor's Independence Declaration

In relation to the independent auditor's review for the half-year ended 31 December 2025, to the best of my knowledge and belief there have been:

- (i) no contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

This declaration is in respect of Bioxyne Limited and the entities it controlled during the period.

*Pitcher Partners*  
PITCHER PARTNERS

*J. Evans*  
**JASON EVANS**  
Partner

Brisbane, Queensland  
26 February 2026

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME - FOR THE HALF YEAR ENDED 31 DECEMBER 2025

	Notes	31 December 2025 \$	31 December 2024 (Restated) \$ <sup>1</sup>
<b>Continuing operations</b>			
Revenue from customers	2	31,309,739	12,563,277
Other income		70,227	3,400
Other (losses)		(229,101)	(88,595)
Changes in inventories of finished goods and work in progress		583,442	625,509
Raw materials and consumables used		(13,565,022)	(3,708,989)
Employee benefits and labour hire expense		(4,923,121)	(1,883,771)
Commission		(835,519)	(747,065)
Freight and transportation		(735,453)	(388,276)
Marketing		(145,696)	(228,200)
Professional and consulting fees		(416,350)	(401,110)
Depreciation and amortisation		(623,382)	(377,184)
Share based payments		(607,500)	(210,750)
Provision for impairment of receivables		(256,404)	-
Finance costs		(96,952)	(55,294)
Other expenses		(2,187,323)	(1,719,157)
Impairment of inventory		-	(83,686)
<b>Profit before income tax</b>		<b>7,341,585</b>	<b>3,300,109</b>
Income tax benefit		-	-
<b>Profit from continuing operations</b>		<b>7,341,585</b>	<b>3,300,109</b>
Loss from discontinued operation		-	(44,393)
<b>Profit for the half year</b>		<b>7,341,585</b>	<b>3,255,716</b>
Profit attributable to:			
<b>Owners of Bioxyne Limited</b>		<b>7,341,585</b>	<b>3,277,468</b>
<b>Non-controlling interests</b>		<b>-</b>	<b>(21,752)</b>
<b>Exchange differences on translation of foreign operations</b>		<b>(35,582)</b>	<b>103,466</b>
<b>Other comprehensive profit for the period, net of tax</b>		<b>(35,582)</b>	<b>103,466</b>
<b>Total comprehensive profit for the period, net of tax</b>		<b>7,280,421</b>	<b>3,359,182</b>
<b>Total comprehensive profit for the period is attributable to</b>			
<b>Owners of Bioxyne Limited</b>		<b>7,280,421</b>	<b>3,380,934</b>
<b>Non-controlling interests</b>		<b>-</b>	<b>(21,752)</b>
		<b>7,280,421</b>	<b>3,359,182</b>
<b>Earnings per share, cents</b>		<b>0.34</b>	<b>0.16</b>
<b>Diluted earnings per share, cents</b>		<b>0.32</b>	<b>0.16</b>

<sup>1</sup> As described in note 1(d), comparative expenditure has been reclassified for consistency with current year presentation, which reflects the classification of expense items by nature.

The above Condensed 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 31 DECEMBER 2025

	Notes	As at 31 December 2025 \$	As at 30 June 2025 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents		7,601,878	7,667,522
Trade receivables	4	5,811,712	2,354,934
Current tax receivables		118,278	1,171,728
Other current assets	5	3,421,453	938,692
Inventories	6	11,734,127	3,605,525
<b>Total Current Assets</b>		<b>28,687,448</b>	15,738,401
<b>Non-Current Assets</b>			
Other non-current assets		80,000	80,000
Intangible assets		334,220	385,639
Plant and equipment	7	3,061,886	2,328,408
Right to use assets	8	2,461,871	1,044,237
<b>Total Non-Current Assets</b>		<b>5,937,977</b>	3,838,284
<b>Total Assets</b>		<b>34,625,425</b>	19,576,685
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	9	7,401,646	4,770,304
Contract liabilities		1,575,523	1,063,692
Lease liabilities	8	561,382	395,174
Borrowings	10	648,314	65,343
Provisions		111,351	107,210
<b>Total Current Liabilities</b>		<b>10,298,216</b>	6,401,723
<b>Non-current liabilities</b>			
Lease liabilities	8	2,062,200	792,091
Borrowings	10	2,093,883	280,848
<b>Total non-current liabilities</b>		<b>4,156,083</b>	1,072,939
<b>Total liabilities</b>		<b>14,454,299</b>	7,474,662
<b>Net Assets</b>		<b>20,171,126</b>	12,102,023
<b>EQUITY</b>			
Contributed equity	11	22,214,072	21,476,616
Reserves		1,624,704	1,634,642
Accumulated losses		<b>(3,667,650)</b>	(10,702,567)
Capital and reserves attributable to the owners of Bioxyne Limited		20,171,126	12,408,691
Non-controlling interests		-	(306,668)
<b>Total Equity</b>		<b>20,171,126</b>	12,102,023

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

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY - FOR THE HALF YEAR ENDED 31 DECEMBER 2025

	Contributed equity	Accumulated losses	Reserve	Non controlling Interests	Total
	\$	\$	\$	\$	\$
<b>Consolidated 31 December 2025</b>					
At 1 July 2025	21,476,616	(10,702,567)	1,634,642	(306,668)	12,102,023
Profit after income tax for the half-year	-	7,341,585	-	-	7,341,585
Foreign exchange differences on translation	-	-	(35,582)	-	(35,582)
Total comprehensive income for the half-year	-	7,341,585	(35,582)	-	7,306,003
Transactions with owners in their capacity as owners:					
Acquisition of non-controlling interest	-	(306,668)	-	306,668	-
Issue of shares	155,600	-	-	-	155,600
Shares issued on award of performance rights	581,856	-	(581,856)	-	-
Share based payment expense	-	-	607,500	-	607,500
<b>As at 31 December 2025</b>	<b>22,214,072</b>	<b>(3,667,650)</b>	<b>1,624,704</b>	<b>-</b>	<b>20,171,126</b>

	Contributed equity	Accumulated losses	Reserve	Non controlling Interests	Total
	\$	\$	\$	\$	\$
<b>Consolidated 31 December 2024</b>					
At 1 July 2024	18,997,751	(15,603,748)	212,221	(306,668)	3,299,556
Profit after income tax for the half-year	-	3,277,468	-	(21,752)	3,255,716
Foreign exchange differences on translation	-	-	103,466	-	103,466
Total comprehensive loss for the half-year	-	3,277,468	103,466	(21,752)	3,359,182
Transaction with owners in their capacity as owners:					
Shares issued on award of performance rights	25,833	-	(25,833)	-	-
Share based payment expense	-	-	210,750	-	210,750
<b>As at 31 December 2024</b>	<b>19,023,584</b>	<b>(12,326,280)</b>	<b>500,604</b>	<b>(328,420)</b>	<b>6,869,488</b>

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

## CONSOLIDATED STATEMENT OF CASH FLOWS - FOR THE HALF YEAR ENDED 31 DECEMBER 2025

	Half-year ended 31 December 2025	Half-year ended 31 December 2024
	\$	\$
<b>Cash flows from operating activities</b>		
Receipts of other income (incl. of goods and services tax)	31,307,771	13,211,208
Payments to suppliers and employees (incl. of goods and services tax)	(33,643,791)	(10,198,576)
	<b>(2,336,020)</b>	3,012,632
Research and development tax offset receipt	1,059,192	-
Interest paid	(96,952)	(55,294)
Interest receipts	79,378	25
<b>Net cash (used in)/from operating activities</b>	<b>(1,294,402)</b>	2,957,363
<b>Cash flows from investing activities</b>		
Purchase of property, plant, and equipment	(975,829)	(1,303,281)
<b>Net cash used in investing activities</b>	<b>(975,829)</b>	(1,303,281)
<b>Cash flows from financing activities</b>		
Issue of shares	110,000	-
Proceeds from borrowing	2,504,053	162,266
Repayment of borrowing	(120,873)	(32,107)
Principal element of lease payments	(277,817)	(162,152)
<b>Net cash from/(used in) financing activities</b>	<b>2,215,363</b>	(31,993)
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(54,868)</b>	1,622,089
Cash and cash equivalents at the beginning of the period	7,667,522	1,027,989
Foreign exchange adjustment to cash balance	(10,776)	28,555
<b>Cash and cash equivalents at the end of the period</b>	<b>7,601,878</b>	2,678,633

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

# NOTES ON THE FINANCIAL STATEMENT

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### (a) Basis of preparation

These general-purpose financial statements for the interim half-year reporting period ended 31 December 2025 have been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134 Interim Financial Reporting, as appropriate for for-profit entities. Compliance with AASB 134 ensures that the financial statements and notes comply with International Financial Reporting Standards IAS 34 'Interim Financial Reporting'.

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

The interim financial report is intended to provide users with an update on the latest annual financial statements of Bioxyne Limited. As such, it does not contain the information that represents relatively insignificant changes occurring during the half-year. It is recommended that this financial report be read in conjunction with the annual report for the year ended 30 June 2025 together with any public announcements made during the half-year.

The accounting policies and methods of computation have been consistently followed in this interim financial report as were applied in the previous annual financial statements.

### (b) Critical accounting estimates and judgements

There have been no significant changes to the critical accounting estimates and judgements applied and disclosed in the annual report for the year ended 30 June 2025.

### (c) New and revised accounting requirements applicable to the current half-year 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.

### (d) Restatement of comparative information in the condensed consolidated statement of profit or loss and other comprehensive income

During the half-year the Directors undertook a review of the presentation of items within the Group's condensed consolidated statement of profit or loss and other comprehensive income. This review highlighted inconsistencies in the presentation of expenditure within profit or loss; specifically, items were not consistently classified either by function or by nature as prescribed under AASB 101 Presentation of Financial Statements. Accordingly, all expenditure in the condensed consolidated statement of profit or loss and other comprehensive income have been reclassified by nature in both the current and comparative statements.

## 2. SEGMENT INFORMATION

The Group operates in several high growth markets, including psychedelics, medicinal cannabis, preventative medicine and novel foods with three core areas of business.

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 are Samuel Watson (CEO) and Jason Hine (COO). The operating segments are as follows:

1. Pharmaceutical manufacture and wholesale supply (business to business) of novel medicines, cannabis, Psilocybin, and MDMA under BLS, which is licensed by the Therapeutic Goods Administration (TGA), Office of Drug Control (ODC), and Queensland Health.

2. Manufacture and distribution (wholesale, online, and retail) of consumer health and novel food products (cannabidiol and functional mushrooms) under the company's Dr Watson® brand (regulated by FSA, EFSA) in the UK, Europe, and Japan.

3. Wholesale of patented Probiotics for gastrointestinal health and immunity, primarily to the USA.

Management have determined that it is appropriate to report by sales channel which corresponds with the business divisions

outlined above.

The following table presents revenue and profit information and certain asset and liability information regarding geographical segments for the periods ended 31 December 2025 and 31 December 2024.

### Operating Results - for the half year ended 31 December 2025

	Wholesale PCC/ USA	Plant based UK/ EU/JPN/AUS	Manufacture/ Sales Australia	Unallocated*	Total
<b>For the half-year ended 31 December 2025</b>					
Total segment revenue	290,989	1,578,999	30,156,017	-	32,026,005
Intersegment revenue	-	(243,958)	(472,308)	-	(716,266)
Revenue from external customers	290,989	1,335,041	29,683,709	-	31,309,739
Profit/(loss) before tax	141,866	(475,521)	9,497,443	(1,822,202)	7,341,585

### For the half-year ended 31 December 2024

Total segment revenue	551,108	1,435,653	10,696,512	-	12,683,273
Intersegment revenue	-	(119,996)	-	-	(119,996)
Revenue from external customers	551,108	1,315,657	10,696,512	-	12,563,277
Profit/(loss) before tax	285,706	(725,633)	4,699,962	(1,004,319)	3,255,716

### Assets and liabilities

	Wholesale PCC/ USA	Plant based UK/ EU/JPN/AUS	Manufacture/ Sales Australia	Unallocated*	Total
<b>Segment Assets</b>					
31 December 2025	158,711	2,805,033	29,691,117	1,970,564	34,625,425
30 June 2025	109,915	1,472,598	14,968,171	3,026,001	19,576,685
<b>Segment liabilities</b>					
31 December 2025	81,020	3,142,041	9,690,763	1,540,475	14,454,299
30 June 2025	71,658	2,103,854	4,511,098	788,052	7,474,662

\* Discontinued operations are included in the unallocated segment. Refer to Note 3 for the results on the discontinued operations.

Segment revenues and results

Segment revenue reported above represents revenue generated from external customers.

Segment profit represents the profit earned by each segment without allocation of central administration costs and directors' salaries, investment income, and income tax expense. This is the measure reported to the CODM for the purposes of resource allocation and assessment of segment performance.

### 3. DISCONTINUED OPERATIONS

The Group has discontinued all operations relating to the Asia Pacific direct selling business. This business incurred a loss of \$nil for H1 FY26 (H1 FY25: \$44,393).

As a precursor to winding up these companies in H2FY26, the Group acquired the 49% minority interest in the direct selling companies during the half year.

### 4. TRADE AND OTHER RECEIVABLES

	31 December 2025	30 June 2025
	\$	\$
Trade receivables	6,170,688	2,471,230
Less: Provision for impairment of receivables	(358,976)	(116,296)
	<b>5,811,712</b>	<b>2,354,934</b>

### 5. OTHER CURRENT ASSETS

	31 December 2025	30 June 2025
	\$	\$
Other debtors	83,397	69,399
Prepayments	3,338,056	869,293
	<b>3,421,453</b>	<b>938,692</b>

### 6. CURRENT ASSETS - INVENTORIES

	31 December 2025	30 June 2025
	\$	\$
Raw materials and work in progress	10,439,638	2,128,059
Finished goods	1,294,489	1,477,466
	<b>11,734,127</b>	<b>3,605,525</b>

During the half-year ended 31 December 2025, \$Nil (31 December 2024: \$83,676) was recognised as an expense for inventories written down to their net realisable value.

## 7. PLANT AND EQUIPMENT

	Plant and equipment \$	Leasehold Improvements	Office Equipment	Total \$
<b>Cost</b>				
Opening balance, 1 July 2025	2,079,915	608,123	110,465	2,798,503
Additions	727,598	241,601	36,521	1,005,720
Disposals	-	-	-	-
Closing balance, 31 December 2025	2,807,513	849,724	146,986	3,804,223
Opening balance, 1 July 2024	328,261	-	51,263	379,524
Additions	1,789,536	608,123	64,484	2,462,143
Disposals	(41,330)	-	(6,195)	(47,525)
Foreign exchange adjustment	3,448	-	913	4,361
Closing balance, 30 June 2025	2,079,915	608,123	110,465	2,798,503
<b>Depreciation</b>				
Opening balance, 1 July 2025	(374,892)	(52,644)	(42,559)	(470,095)
Depreciation expense	(177,572)	(76,640)	(18,030)	(272,242)
Disposals	-	-	-	-
Closing balance, 31 December 2025	(552,464)	(129,284)	(60,589)	(742,337)
Opening balance, 1 July 2024	(183,835)	-	(26,585)	(210,420)
Depreciation expense	(229,109)	(52,644)	(21,257)	(303,010)
Disposals	41,330	-	6,195	47,525
Foreign exchange adjustment	(3,278)	-	(912)	(4,190)
Closing balance, 30 June 2025	(374,892)	(52,644)	(42,559)	(470,095)
<b>Written down value 30 June 2025</b>	1,705,023	555,479	67,906	2,328,408
<b>Written down value 31 December 2025</b>	2,255,049	720,440	86,397	3,061,886

## 8. RIGHT TO USE ASSETS AND LEASE LIABILITIES

	31 December 2025	30 June 2025
	\$	\$
<b>Lease assets</b>		
Carrying amount of lease assets, by class of underlying assets		-
Buildings under lease arrangements		
At cost	3,174,767	1,659,947
Accumulated depreciation	(712,896)	(615,710)
	<b>2,461,871</b>	<b>1,044,237</b>
<b>Lease liabilities</b>		
Current	561,382	395,174
Non-current	2,062,200	792,091
	<b>2,623,582</b>	<b>1,187,265</b>
	<b>Buildings</b>	
	31 December 2025	30 June 2025
	\$	\$
Opening carrying value	1,044,237	654,969
Additions	1,818,367	744,119
Disposals <sup>1</sup>	(137,073)	-
Depreciation	(259,013)	(354,851)
Adjustment for foreign exchange movement	(4,647)	-
Closing carrying value	<b>2,461,871</b>	<b>1,044,237</b>

The Group entered into amendments of the lease agreement for the premises in Meadowbrook, Queensland on 2 October 2024 and on 1 July 2025. The annual rent was renegotiated to \$266,359 and \$547,559 respectively effective from each of those dates, for the remainder of the lease period. The expiry date of the lease remains unchanged.

On 1 September 2025 the Group entered into a ten year lease for a manufacturing facility in the United Kingdom. The annual rent is £65,000 (A\$131,000) per annum, however no rent is payable before 1 November 2026.

<sup>1</sup>The Group negotiated an early release from its United Kingdom lease with effect from 31 July 2025 and entered into a short term license agreement before occupying the new manufacturing facility.

## 9. TRADE AND OTHER PAYABLES

	31 December 2025	30 June 2025
	\$	\$
Trade creditors	4,702,557	2,734,057
Accrued Expenses	1,727,561	1,014,756
GST/VAT payable	146,261	385,893
Other payables	825,267	635,598
	<b>7,401,646</b>	<b>4,770,304</b>

## 10. BORROWINGS

	31 December 2025			30 June 2025		
	Current	Non-Current	Total	Current	Non-Current	Total
	\$	\$	\$	\$	\$	\$
Secured						
Bank Loans <sup>1</sup>	156,600	587,250	743,850	-	-	-
Equipment finance <sup>2</sup>	160,968	560,204	721,172	65,343	280,848	346,191
Project development loan <sup>3</sup>	59,000	946,429	1,005,429	-	-	-
Total secured borrowings	317,568	1,147,454	1,465,022	65,343	280,848	346,191
Unsecured						
Short-term working capital <sup>4</sup>	271,746	-	271,746	-	-	-
Total unsecured borrowings	330,746	946,429	1,277,175	-	-	-
Total borrowings	648,314	2,093,883	2,742,197	65,343	280,848	346,191

<sup>1</sup>Secured over fixed assets in Meadowbrook premises, interest rate of 9.5% and a term of 60 months.

<sup>2</sup>Equipment finance, secured over the equipment being financed with interest rates between 8%-9%.

<sup>3</sup> The Company executed an agreement on 9 October 2025, with South of Scotland Enterprise in support of the establishment of a Home Office and MHRA-licensed Scottish facility to import medical-cannabis APIs and manufacture GMP final-dose medicines for UK and EU healthcare markets. As part of this agreement the Group drew down a £500,000 (A\$1,005,429) loan on 8 December 2025. The loan is for a period of 60 months, has an interest rate of 9.5%, and has no capital repayments for 9 months. The loan is secured by a floating charge over the assets of Breathe Life Sciences UK.

The agreement provides for a further grant of £315,000 (A\$633,000) for project development.

<sup>4</sup>Unsecured loan, Interest 5%, repayable 31 March 2026.

## 11. CONTRIBUTED EQUITY

### (a) Share capital

	31 December 2025	31 December 2025	30 June 2025	30 June 2025
	Shares	\$	Shares	\$
Ordinary Shares - Fully Paid	2,225,428,732	22,214,072	2,164,828,732	21,476,616

### b) Movements in ordinary share capital

		No. Shares	\$
Balance as at 30 June 2024		2,046,645,398	18,997,751
Performance rights shares awarded <sup>3</sup>		2,583,334	25,833
Share placement		115,600,000	2,890,000
Costs of capital raise		-	(436,968)
Balance as at 30 June 2025		2,164,828,732	21,476,616
Performance rights shares awarded <sup>3</sup>	7 August 2025	7,000,000	70,000
Performance rights shares awarded <sup>3</sup>	27 October 2025	18,000,000	313,856
Performance rights shares awarded <sup>3</sup>	23 December 2025	30,000,000	198,000
Shares awarded for services rendered <sup>1</sup>	15 December 2025	1,200,000	45,600
Share placement <sup>2</sup>	15 December 2025	4,400,000	110,000
		<b>2,225,428,732</b>	<b>22,214,072</b>

<sup>1</sup> Shares issued at a deemed price of \$0.038 per share

<sup>2</sup> Shares issued at \$0.025 per share

<sup>3</sup> Shares issued for nil consideration. Refer to note 13 for terms of performance rights. The value attributed to these represents the grant date fair value of the rights transferred from the share-based payments reserve

### (c) Options

	Exercise price	Expiry Date	Number as at 30 June 2025	Issued	Number as at 31 December 2025
Series 1	\$0.02	19/12/2027	5,000,000	-	5,000,000
Series 2	\$0.01	26/03/2027	3,000,000	-	3,000,000
Series 3	\$0.0437	26/03/2027	24,000,000	-	24,000,000
Series 4 <sup>1</sup>	\$0.05	26/03/2027	57,800,000	2,200,000	60,000,000

<sup>1</sup>The Company issued 2,200,000 free attaching options to the share placement on 15 December 2025 on the basis of one option for every two new shares issued.

## 12. RESERVES

	31 December 2025	30 June 2025
	\$	\$
<b>(a) Reserves</b>		
Foreign currency translation reserve		
Opening balance	(5,655)	8,182
Movement in foreign currency translation reserve	(35,582)	(13,837)
Closing balance	(41,237)	(5,655)
Share based payment reserve		
Opening balance	1,640,297	204,039
Transfer from share based payment reserve	(581,856)	(25,833)
Transfer to share based payment reserve:		
Performance rights and option expense	607,500	480,823
Option expense included in cost of raising capital	-	255,268
Commission expense to be settled in equity securities	-	726,000
Closing balance	1,665,941	1,640,297
Total reserves	<b>1,624,704</b>	<b>1,634,642</b>

## 13. SHARE BASED PAYMENTS

Performance rights on issue are as follows:

Grant date	Expiry date	30 Jun 2025 (Restated) <sup>1</sup>	Issued	Lapsed	Awarded	31 Dec 2025	Vested and Exercisable
25/05/2023	24/05/2028	18,000,000	-	-	(18,000,000)	-	-
22/03/2024	22/03/2027	15,147,222	-	-	(7,000,000)	8,147,222	8,147,222
31/10/2024	31/10/2027	6,333,334	-	-	-	6,333,334	6,333,334
19/12/2024	18/12/2029	30,000,000	-	-	(30,000,000)	-	-
24/12/2025	31/12/2027	-	85,500,000	-	-	85,500,000	-
		<b>69,480,556</b>	<b>85,500,000</b>	<b>-</b>	<b>(55,000,000)</b>	<b>99,980,556</b>	<b>14,480,556</b>

<sup>1</sup> Restated for the reinstatement of 9,425,000 rights reported as lapsed in error in the 30 June 2025 financial statements.

The Group recorded an expense for the half year of \$607,500 (31 December 2024: \$210,750) in respect of these performance rights.

### <sup>1</sup> Performance rights issued during the half year

During the period ended 31 December 2025 the Company issued 85,500,000 performance rights to directors, employees and consultants, to vest over two years, based on achieving group and personal milestones for FY2026 and FY2027. The fair value at grant date was determined using a Monte Carlo Simulation Methodology and the Black-Scholes Option Pricing Methodology that takes into account the exercise price, the term of the right, 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 right. The inputs are outlined in the table below.

### 13. SHARE BASED PAYMENTS (CONTINUED)

	Tranche 1	Tranche 2	Tranches 3 - 6
i. Underlying share price	\$0.035	\$0.035	\$0.035
ii. Exercise price	\$nil	\$nil	\$nil
iii. Term	1.71 yrs	1.71 yrs	1.71 yrs
iv. Risk-free rate	3.528%	3.528%	3.528%
v. Dividend yield	Nil	Nil	Nil
vi. Volatility (rounded)	115.0%	115.0%	115.0%
vii. VWAP hurdle	30-day VWAP ≥\$0.060	30-day VWAP ≥\$0.080	n/a
viii. Grant date	24/12/2025	24/12/2025	24/12/2025
ix. Fair value per right	\$0.0287	\$0.0256	\$0.035
x. Number of rights	13,385,000	13,385,000	Tranches 3 & 4: 18,365,000 each Tranches 5 & 6: 11,000,000 each

The 2026/2027 Performance Rights are subject to certain performance milestones (Performance Conditions) which include:

- For tranches 1 and 2, share price hurdles as listed above
- For tranches 3-4, group level financial performance milestones linked to consolidated revenue and EBITDA targets for FY26 and FY27; and
- For tranches 5-6, individual financial and non-financial milestones for FY26 and FY27 specific to the individual's position within the organisation.

Note: The share price milestones are cumulative. If the Share price achieves a second hurdle before there is time for vesting of the Rights for a previous hurdle, then all the Rights due at that hurdle will be vested.

The performance rights have been allocated as follows:

	Number	Value \$
Executive directors	49,000,000	1,046,640
Employees and consultants	36,500,000	772,885
<b>Total</b>	<b>85,500,000</b>	<b>1,819,525</b>

#### **14. CONTINGENCIES**

At 31 December 2025, the Company did not have any contingent liabilities (31 December 2024: Nil).

#### **15. EVENTS SUBSEQUENT TO BALANCE DATE**

No matters or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect:

1. The Company's operations in future financial periods; or
2. The results of those operations in future financial periods; or
3. The Company's state of affairs in future financial periods.

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04

# DIRECTORS' DECLARATION

## DIRECTOR'S DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 16 to 29, are in accordance with the Corporations Act 2001 including:

(a) compliance with Accounting Standard AASB 134 Interim Financial Reporting, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

(b) giving a true and fair view of the company's financial position as at 31 December 2025 and of its performance for the half-year ended on that date.

2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:



Sam Watson  
Managing Director  
26 February 2026

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05

**INDEPENDENT  
AUDITOR'S REPORT  
TO THE MEMBERS**

## Independent Auditor's Review Report to the Members of Bioxyne Limited

### Conclusion

We have reviewed the half-year financial report of Bioxyne Limited (the "Company") and its controlled entities (the "Group"), which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss and comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, summary of material accounting policy information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Bioxyne Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

### Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company 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 (including Independence Standards)* (the Code) that are relevant to our audit of the annual 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 review report.

### Emphasis of Matter – Restatement of comparatives

We draw attention to Note 1(d) of the interim financial report which describes the restatement of comparative figures. Our conclusion is not modified in respect of this matter.

### Responsibility of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the half-year 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 half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

## **Auditor's Responsibility for the Review of the Financial Report**

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

*Pitcher Partners*

PITCHER PARTNERS

*J. Evans*

**JASON EVANS**

Partner

Brisbane, Queensland  
26 February 2026

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A photograph of two scientists in a laboratory setting, both wearing white lab coats, hairnets, and face masks. They are wearing blue gloves and appear to be working with a small object. The background shows laboratory equipment, including a metal shelving unit with a black storage bin labeled 'VR' and various bottles on a counter. The entire image has a blue tint.

**Bioxyme**

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