

Bod is a cannabis centric healthcare company. With a global focus and a mission to innovate and transform the way we live and enjoy life. Delivering premium, proven and trusted products for both the consumer markets and medical markets. Leading the way in research and development, through collaborations with research partners on clinical trial programs.

Committed to supporting the healthcare professional on Cannabinoid applications with education, research and knowledge.

CAPITAL STRUCTURE

ASX code BDA
Shares on issue 105.9m
Market Capitalisation ~\$51.9m

BOARD & MANAGEMENT

Mr Mark Masterson
Non-Executive Chairman

Ms Jo Patterson
Chief Executive Officer

Mr Akash Bedi
Non-Executive Director

Mr George Livery
Non-Executive Director

Mr Patrice Malard
Non-Executive Director

Mr Simon O'Loughlin
Non-Executive Director

Mr Stephen Kelly
Company Secretary

CONTACT

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Double Bay, NSW 2028

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Quarterly activities report: Strong revenue growth underpinned by CBD and hemp product orders and medicinal cannabis sales

- Total invoiced sales for the period of \$2.74m – an 188% increase on the previous quarter (Q2 FY2021 total invoice sales: \$0.95m)
- Invoiced sales considerably higher due to delivery of Bod's CBD and hemp products into key markets including France, Italy, the Netherlands and the UK
- MediCabilis™ prescription volumes up 61% on previous quarter (Q2 FY2021: 2,360) to 3,789
- Total of 7,730 MediCabilis™ units now sold during FY2021 representing a 93% increase on total FY2020 volumes (total FY2020 prescriptions: ~4,000)
- Collaboration agreement secured with Drug Science to undertake clinical study into the efficacy of MediCabilis™ on long-COVID
- Strong cash balance of \$9.24m provides considerable financial flexibility for growth

Sydney, Australia – 22 April 2021: Medicinal cannabis, CBD and hemp healthcare products company, Bod Australia Limited ("Bod", or "the Company") (ASX: BDA) is pleased to provide this update to shareholders for the quarter ended 31 March 2021 (Q3 FY2021).

Bod made significant progress during the quarter, with growth underpinned by strong MediCabilis™ prescription sales, ongoing R&D initiatives to build real world data supporting the efficacy of the Company's medicinal cannabis products on a range of debilitating conditions and the appointment of a new executive.

Corporate overview:

Bod's total invoiced sales for the period were \$2,744,000 a 188% increase on the previous quarter (Q2 FY2021 invoiced sales: \$0.95m). Growth in total invoiced sales is due to the delivery of Bod's CBD and hemp products to key markets including France, the Netherlands, Italy in the UK following binding purchase orders from exclusive global partner Health and Happiness Group Limited ("H&H"). Sales of Bod's MediCabilis™ product also added to revenue. At the end of the quarter, Bod also had unfulfilled binding purchase orders on hand valued at \$0.35m.

Administration and corporate costs were \$381,000, slightly higher than the previous quarter (Q2 FY2021: 181,000) due to seasonal timing differences in the settlement of creditors and the settlement of ASX and share registry costs related to the December 2020 capital raising.

Product and manufacturing costs also increased from \$1.2m during the previous quarter to ~\$1.8m. The increase relates to payments made for raw materials for existing and anticipated purchase orders.

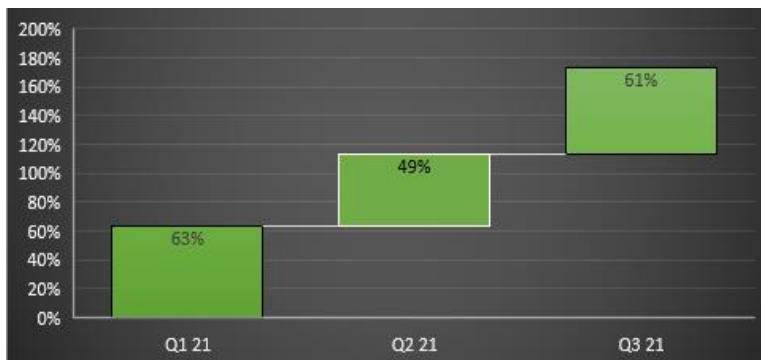
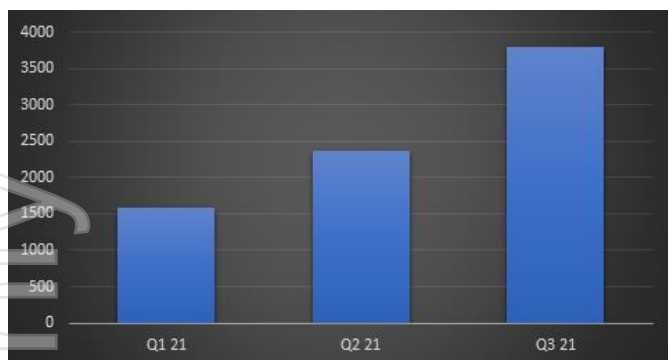
During the quarter Bod received an Australian Research and Development Tax Incentive of \$0.76m relating to the Company's research and development activities in the year ended 30 June 2020.

Bod retained a strong cash balance of over \$9.2m at the end of the quarter. This provides the Company with considerable financial flexibility to pursue a number of near term opportunities.

During the period, Bod made payments totalling \$0.15m to related parties representing remuneration paid to directors.

Growth in medicinal cannabis sales:

Bod filled a total of 3,789 MediCabilis™ prescriptions during Q3 FY2021, highlighting a 61% increase on the previous quarter (Q2 FY2021: 2,360). Q3 FY2021 volumes take the total number of MediCabilis™ units sold during FY2021 to 7,730, representing a 93% increase on total FY2020 volumes (total FY2020 prescriptions: ~4,000).



Images: Total MediCabilis™ units sold on a quarterly basis (left) and quarter-on-quarter MediCabilis™ sales growth (right)

Growth in prescription volumes has been underpinned by Bod's established relationships with approved prescribers, educational initiatives with physicians and the Company's ongoing nationwide trial to test the efficacy of MediCabilis™ on conditions including anxiety, insomnia and Post Traumatic Stress Disorder (PTSD) (refer ASX announcement: 16 July 2020).

62% of MediCabilis™ prescriptions filled during Q3 FY2021 were repeat prescriptions. This is an ongoing and pleasing trend, which highlights the high level of patient and physician satisfaction for Bod's cannabis products in the Australian market.

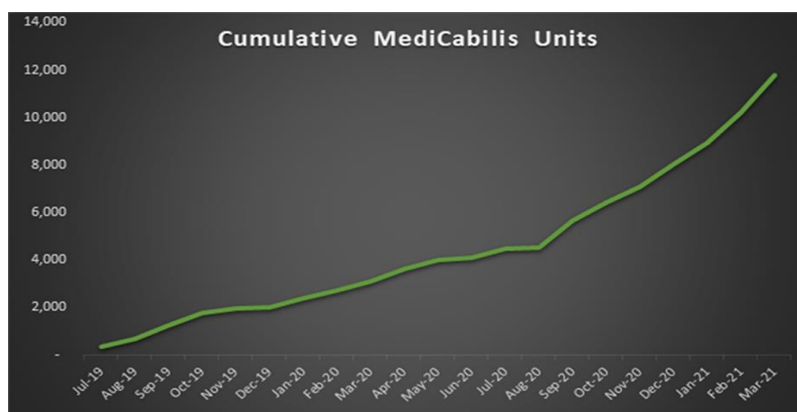


Image three: Cumulative MediCabilis™ units sold on a month-by-month basis

The upward trajectory in MediCabilis™ prescriptions has added to the Company's growing revenue profile and Bod expects uptake to continue over the coming quarters in both Australia and the UK.



Image four: Bod's MediCabilis™ product with 5% CBD extract in MCT oil

Collaboration agreement with Drug Science to explore medicinal cannabis efficacy on long-COVID:

Bod entered into a collaboration agreement with the UK's leading independent scientific body on drugs, Drug Science UK ("Drug Science"), to assess the efficacy of the Company's MediCabilis™ product in managing symptoms associated with the long term impact of SARS-CoV-2 ("COVID-19"), which is commonly referred to as long-COVID.

Long-COVID refers to when people experience symptoms of COVID-19 and do not fully recover for several weeks or months after the start of symptoms. The more common symptoms of the condition include sleep disturbance, chronic pain, anxiety and fatigue, all of which may be amenable to treatment with cannabis-based medicinal products.

There are currently no treatments for symptoms associated with long-COVID and a growing need to identify potential ways to manage the clinical condition. Bod's MediCabilis™ product is currently used to treat a range of conditions, including pain and anxiety, which gives the Company confidence that it may assist with long-COVID sufferers.

As part of the agreement, Bod and Drug Science will progress a UK-based clinical study to explore the effectiveness of prescribing MediCabilis™ to long-COVID sufferers. Clinical trial protocol is currently being finalised and expected to commence in the coming months.

Bod anticipates that the trial will build on the growing body of evidence for the use of MediCabilis™, broaden visibility in the UK market and strengthen the Company's relationship with Drug Science. .

Appointment and resignation of Chief Financial Officer:

During the period, Bod's Chief Financial Officer ("CFO") Charles Altshuler resigned. Charles was appointed in February 2019 and assisted Bod in achieving a number of critical milestones. Subsequent to the end of the quarter, Bod appointed Mr Alan Dworkin as his replacement effective 3 May 2021.

Mr Dworkin is a highly accomplished senior accounting and financial management executive. He has over 20 years' experience in finance and operations management and through a number of roles has demonstrated his ability to streamline business operations, drive growth, and increase efficiency and bottom-line profit.

Following previous positions with ASX-listed resources companies, Mr Dworkin was appointed CFO and Company Secretary of FIT Bioceuticals ("FIT") in 2008. FIT was a public unlisted nutraceuticals company focused on the development and distribution of practitioner only nutritional products. Following extensive due diligence, FIT was acquired by Blackmores Limited in 2012. Mr Dworkin was instrumental in a number of aspects of the transaction, as well as the integration with Blackmores following the completion of the deal.

In February 2015, Mr Dworkin was appointed as CFO and Company Secretary of Medlab Clinical Limited (ASX: MDC). During this time, Mr Dworkin assisted in the company's Initial Public offer and a number of capital raisings. Although he was originally employed as CFO and Company Secretary, Mr Dworkin was responsible for a large number of operational aspects and subsequently appointed to Chief Operating Officer.

Bod will leverage Mr Dworkin's established skillset to drive financial growth, as well as his background in medicinal cannabis, nutraceutical product development and supply chain management to further optimise its operations.

Outlook:

Bod is focused on a number of revenue generating objectives and growth initiatives during this quarter and beyond, including:

- Progress US market entry with H&H following receipt of initial binding purchase order;
- International market and product expansion with H&H under new and existing brands;
- Continued growth of MediCabilis™ prescription sales in Australia, as well as scale up of UK operations;
- R&D initiatives to further build on the growing body of evidence for the use of MediCabilis™; and
- Finalise product registration strategy for new schedule 3 CBD products in the Australian market.

Management commentary:

CEO Jo Patterson said: *"The increase in total invoiced sales for the period is very pleasing and growth can be attributed to the completion of a number of binding purchase orders from H&H, which will result in Bod's products being sold in key markets across Europe and the UK. The continued upward trajectory in medicinal cannabis sales throughout Australia has also been a major factor in building our revenue profile."*

"We expect additional purchase orders to support our US market entry to be secured during the quarter, as well as the launch of our products to European consumers. We also anticipate that medicinal cannabis sales will continue to track upward in line with the growing number of users in Australia. Growth in MediCabilis™ sales will also be underpinned by uptake in the UK and the Company's ability to execute on strategic R&D initiatives.

"The Company remains in a strong financial position with over \$9.2m in cash at bank and this leaves us very well placed to pursue a number of growth objectives."

- ENDS -

ABOUT BOD AUSTRALIA

Bod Australia Limited (ASX:BDA) Bod is a cannabis centric healthcare company.

With a global focus and a mission to innovate and transform the way we live and enjoy life.

Delivering premium, proven and trusted products for both the consumer markets and medical markets.

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This announcement was authorised for release by the Board of Directors of Bod Australia Limited.

For more information please contact:

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Appendix 4C

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

Name of entity

Bod Australia Limited

ABN

89 601 225 441

Quarter ended ("current quarter")

31 March 2021

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		
Sales for the quarter: 2,744(9 months: 5,092)		
Less increase in debtors: (870) (9months: increase of 712)		
Cash received from customers	1,874	4,380
1.2 Payments for		
(a) research and development	(887)	(1,304)
(b) product manufacturing and operating costs (relating to the sales recorded above and purchase orders)	(1,828)	(5,125)
(c) advertising and marketing	(86)	(262)
(d) leased assets	-	-
(e) staff costs	(802)	(2,463)
(f) administration and corporate costs	(381)	(719)
1.3 Dividends received (see note 3)		
1.4 Interest received	1	29
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	764	802
1.8 Other (royalty/development fee revenue)	21	50
1.9 Net cash from / (used in) operating activities	(1,324)	(4,612)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(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	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	8,000
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	-	(528)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	7,472

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	10,570	6,386
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,324)	(4,612)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	7,472
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	9,246	9,246

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	3,246	3,070
5.2	Call deposits*	6,000	7,500
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)	9,246	10,570

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

155

-

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

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.

7.1 Loan facilities

7.2 Credit standby arrangements

7.3 Other (please specify)

7.4 **Total financing facilities**

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
-	-
-	-
-	-
-	-

7.5 **Unused financing facilities available at quarter end**

-

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

Not applicable

8. Estimated cash available for future operating activities

\$A'000

8.1 Net cash from / (used in) operating activities (Item 1.9)

(1,324)

8.2 Cash and cash equivalents at quarter end (Item 4.6)

9,246

8.3 Unused finance facilities available at quarter end (Item 7.5)

-

8.4 Total available funding (Item 8.2 + Item 8.3)

9,246

8.5 **Estimated quarters of funding available (Item 8.4 divided by Item 8.1)**

7

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

- 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:

Not applicable

- 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:

Not applicable

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

Answer:

Not applicable

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: 22 April 2021

Authorised by: The Board of Directors of Bod Australia Limited
(Name of body or officer authorising release – see note 4)

Notes

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