For personal use only

14 April 2025

EVE to Acquire Nextract, Expanding into $5.3B Erectile Dysfunction Market

Nextract's alcohol-free, orally dissolvable strips offer near-term path to revenue, targeting Australian and MENA markets — $1,000,000 placement secured to expedite clinical development and regulatory approval process

- EVE Health Group (ASX:EVE) has executed a binding Share Purchase Deed to acquire 100% of Nextract Pty Ltd
- Nextract lead product targets the US$5.3[1] billion erectile dysfunction market with a therapeutic onset expected within 15 minutes
- Nextract is developing proprietary oral strip and chewable dosage formats for well-established active pharmaceutical ingredients (APIs), including Tadalafil, which has been safely used for over 20 years
- Allows for regulatory approval without the need for new clinical trials, enabling faster market entry into multi-billion-dollar categories such as erectile dysfunction and dysmenorrhea[2] (period pain)
- The transaction will be completed via the issue of $3 million in equity, subject to shareholder approval under Listing Rule 11.1.2
- Peak Asset Management engaged as Lead Manager for a $1 million placement to support Nextract integration and product launch
- Share Purchase Plan to raise up to $0.5 million from existing shareholders on same terms as the placement
- Shareholder meeting in May 2025 to approve the acquisition, placement and a 40:1 share consolidation

EVE Health Group (ASX:EVE, EVE or the **Company**), today announces the acquisition of Nextract Pty Ltd (**Nextract**), an Australian biotech company developing novel pharmaceutical and nutraceutical delivery systems. The acquisition marks a significant strategic step, transitioning EVE from a natural wellness company into a broader health platform targeting regulated markets.

Nextract's lead products include an oral soluble film treatment for erectile dysfunction (**ED**), and a natural, non-hormonal solution for dysmenorrhea (period pain). Both products leverage proprietary solubility technology designed to improve absorption, efficacy, and speed to effect.

[1] Coherent Market Insights - https://www.coherentmarketinsights.com/market-insight/erectile-dysfunction-market-200
[2] IMARC Group, Dysmenorrhea Market Outlook 2025–2035 – www.imarcgroup.com/dysmenorrhea-market-outlook

For personal use only

The Middle East and North Africa (MENA) region represents a significant commercial opportunity due to its growing demand for high-quality, accessible health products and a strong cultural preference for alcohol-free formulations. As a region with a predominantly Muslim population, compliance with alcohol-free standards is ideal for market acceptance, positioning Nextract's products as highly suitable for this market. In addition, the MENA region has seen rising investment in pharmaceutical and wellness infrastructure.

The global addressable markets for ED and dysmenorrhea are valued at approximately US$5.3 billion and US$10.9 billion respectively. Nextract aims to disrupt these markets with faster-acting, easier-to-use formats compared to traditional oral tablets. Regulatory approvals are expected to be streamlined via Australia's SAS-B and Authorised Prescriber pathways, with commercialisation targeted for Q4 2025.

The acquisition is valued at $3 million in equity consideration and is supported by a capital raising of up to $1.5 million, with a 40:1 share consolidation planned to simplify the capital structure. The acquisition will also see Damian Wood appointed as Managing Director, bringing deep pharmaceutical and regulatory expertise.

STRATEGIC RATIONALE

The acquisition of Nextract supports EVE's strategic evolution from a natural wellness company into a diversified health platform targeting regulated pharmaceutical, nutraceutical and clinical segments.

Nextract complements the Meluka probiotics brand and enhances EVE's technical capabilities across formulation, bioavailability, and IP development. The transaction positions EVE at the intersection of natural medicine, regulatory science and innovative delivery technology. The acquisition is expected to open new revenue streams via pharmacy and clinical channels, with early products potentially offering attractive unit economics and high-margin potential through proprietary IP.

Transaction Benefits:

- **Accelerated Entry into Regulated Channels:** Leverages known actives in new dosage formats, enabling faster time to market with simplified regulatory pathways.
- **Proprietary Technology Platform:** IP protected oral delivery formats targeting fast onset, ease of use and enhanced bioavailability.
- **Commercial Readiness:** Late-stage product development, including final formulation and packaging underway. Commercial launch targeted in Q4 2025, subject to regulatory approval.
- **Expanded Market Access:** Enables EVE to pursue pharmacy, practitioner and regulatory pathways alongside its direct-to-consumer platform for balanced education on management options.
- **Margin Expansion:** In-house IP and formulation allow EVE to move up the value chain.

For personal use only

ABOUT NEXTRACT PTY LTD

Nextract is an Australian biotech company focused on solubilisation and alternative delivery systems for approved APIs. Rather than discovering new actives, Nextract reformulates known molecules into new delivery formats with superior performance.

Lead Products:

- **Erectile dysfunction (ED):** Products may include an oral soluble film targeting the PDE5 class of compounds. Regulatory access pathways are targeted for Q4 2025.
- **Dysmenorrhea:** Products include natural non-hormonal formulation for female pain support, targeting prescription and OTC pharmacy distribution — a common and often debilitating condition characterised by painful menstrual cramps.

Nextract's manufacturing is planned to be outsourced to GMP-certified partners, minimising capital intensity while supporting scalable commercial production.

The Company has developed formulation IP, conducted lab and pilot-scale trials, and is progressing toward regulatory submissions. Regulatory approval is expected within 3-6 months of dossier submission.

TRANSACTION OVERVIEW

- **Structure:** Acquisition of 100% of the issued capital of Nextract Pty Ltd.
- **Consideration:** $3 million in EVE shares, to be satisfied by the issue of 83,333,333 shares at $0.036 per share on a post-consolidation basis.
- **Escrow:** 12 months voluntary escrow from issue.
- **Conditions Precedent:**
    - Shareholder approval under LR 11.1.2 and LR 7.1.
    - No material adverse change or breach of warranties.
    - Completion of due diligence to EVE's satisfaction.
- **Completion Deadline:** Expected early June 2025, but no later than 18 June 2025.

Shareholder Approval Requirements:

The ASX has determined that the proposed acquisition of Nextract represents a change in the nature of EVE's activities for the purposes of ASX Listing Rule 11.1.2 and is therefore subject to shareholder approval. However, the ASX has confirmed that EVE is not required to re-comply with Chapters 1 and 2 of the Listing Rules in connection with the transaction.

Historically, EVE has operated in the natural health and wellness sector, primarily through its wholly owned subsidiary Meluka Australia, which focuses on functional foods and probiotic-based health products. The acquisition of Nextract marks a material strategic shift, positioning EVE to expand into regulated pharmaceutical and nutraceutical markets through proprietary oral delivery systems and solubility-enhancing technologies.

Shareholders will vote on a number of interdependent resolutions at a meeting scheduled for 21 May 2025, including approval of:

For personal use only

- the acquisition of Nextract under Listing Rule 11.1.2;
- the issue of EVE shares to the Nextract vendors;
- the issue of Placement Shares to raise $1.0 million; and
- a 40:1 share consolidation to simplify the capital structure.

All vendor shareholders are unrelated parties, other than Damian Wood, who will become Managing Director upon completion. The issue of shares to Mr Wood is being made in accordance with Listing Rule 7.1 and exception 12 to Listing Rule 10.12.

CAPITAL RAISING AND CONSOLIDATION

EVE has received firm commitments to raise $1 million (before costs) via a placement of fully paid ordinary shares ("**Placement Shares**") to sophisticated and professional investors ("**Placement**"). The Company is also proposing a 40:1 share consolidation (subject to shareholder approval) to reduce the number of shares on issue and better position the Company for institutional investment. The consolidation is intended to enhance the Company's trading profile and capital structure by aligning the share price with peer companies and improving accessibility and appeal for a broader range of investors.

The Placement will be conducted at an issue price of $0.036 per share (post-consolidation), which is equivalent to $0.0009 per share (pre-consolidation). The Placement Shares will be issued subject to shareholder approval and completion of the consolidation.

In conjunction with the Placement, the Company will undertake a Share Purchase Plan ("**SPP**") to raise up to $0.5 million (before costs) on the same pricing terms as the Placement. Under the SPP, eligible shareholders on the register as at the Record Date of 11 April 2025 will have the opportunity to subscribe for up to $30,000 of new fully paid ordinary shares, free of brokerage and transaction costs. The issue price under the SPP will be $0.036 per share (post-consolidation), in line with the Placement.

The Placement and SPP are together intended to raise total gross proceeds of up to approximately $1.5 million. The funds will be applied to regulatory submissions, and scale-up of initial manufacturing for Nextract's product portfolio and, general working capital.

Pro Forma Capital Structure (Pre and Post-Consolidation):

	Pre-Consolidation	Post-Consolidation[1]
Existing Shares	5,274,482,664	131,862,067
Vendor Shares	3,333,333,333	83,333,333
Placement Shares	1,111,111,120	27,777,778
Share Purchase Plan Shares[2]	555,555,547	13,888,889
Facilitation Shares[3]	140,000,000	3,500,000
Total Shares	**10,414,482,664**	**260,362,067**

[1] Subject to rounding up of fractional entitlements

[2] Maximum number of shares to be issued under the Share Purchase Plan

[3] To be issued pro-rata subject to the Lead Manager raising up to $1.5 million within 12 months. Facilitation Shares will be issued with shareholder approval at the General Meeting (valid for three months), or under Listing Rule 7.1 if issued thereafter and capacity permits.

For personal use only

PROPOSED BOARD AND MANAGEMENT CHANGES

Upon completion, Damian Wood will be appointed Managing Director and CEO of EVE. Mr Wood brings deep experience in pharmaceutical formulation, regulatory affairs and growth-stage company leadership.

Stuart Gunzburg, co-founder of Nextract, will become Chief Scientific Officer. Bill Fry will transition to Non-Executive Director and Mr Carlos Jin will retire from the Company's board.

TIMETABLE

Event	Date
Execution of Share Purchase Deed and Voluntary Suspension	4 April 2025
Record Date for Share Purchase Plan	11 April 2025
Announcement of Nextract Transaction, Placement, Share Purchase Plan and Share Consolidation	14 April 2025
Meeting of Shareholders	21 May 2025
Effective Date of Consolidation	21 May 2025
Last Date for Trading in Pre-Consolidation Securities	22 May 2025
Trading in Post-Consolidation Securities commences on a deferred settlement basis	23 May 2025
Record Date for Consolidation *Last day for Company to register transfers on a pre-consolidation basis.*	26 May 2025
First day for the Company to update its register and to send a notice to each security holder reflecting the change to the number of securities they hold	27 May 2025
Last day for the Company to update its register and to send a notice to each security holder reflecting the change to the number of securities they hold and to notify ASX this has occurred	2 June 2025
Estimated Completion of Nextract Transaction, including Issue of Vendor Shares, Placement Shares and Facilitation Shares	2 June 2025
First day for normal trading on post-Consolidation basis	3 June 2025
Dispatch of Share Purchase Plan Booklet and Offer Open	3 June 2025
Closing Date for Share Purchase Plan	13 June 2025
Announcement of Results of Share Purchase Plan and Issue of Share Purchase Plan Shares	18 June 2025

Commenting on the transaction, outgoing Managing Director **Bill Fry** said:

"This transaction marks a significant step forward for EVE. Nextract brings deep innovation in delivery formats and regulatory strategy, broadening the way we can deliver clinically validated wellness solutions. With strong foundations built under the Meluka brand, this acquisition represents a natural and compelling next phase in EVE's evolution."

Incoming Managing Director **Damian Wood** added:

"EVE's expansion into regulated pharmacy and clinical health channels comes at an ideal time. Nextract's platform, combined with Meluka's proven distribution and probiotic expertise, opens the door to new formulations, new markets and scalable growth. I'm excited to lead the next phase alongside a committed and forward-thinking team."

Authorised for release by Bill Fry, Managing Director.

— ENDS —

For more information, please contact:

Company enquiries
Bill Fry, Managing Director & CEO
EVE Health Group Ltd
+61 8 6465 5500
billf@evehealthgroup.com.au

About EVE Health Group
EVE Health Group (ASX: EVE) is an Australian-based health and wellness company combining natural health products with advanced pharmaceutical and nutraceutical delivery technologies. Through its brands including Meluka Australia and Nextract, EVE develops and commercialises innovative products supported by regulatory expertise, scientific formulation, and a commitment to consumer wellbeing.

EVE's product portfolio spans functional foods, probiotic concentrates, and reformulated pharmaceutical actives, targeting both retail and pharmacy channels in high-growth markets across Australia, Asia Pacific, and North America. The Group is focused on delivering effective, sustainable health solutions that create value for consumers, shareholders, and the broader community.

For further information, please visit www.evehealthgroup.com.au and follow us on LinkedIn.

Forward-looking statements
This announcement contains forward-looking statements regarding the Company's intentions and future business, including the future business of its subsidiaries. These statements reflect current information, expectations, intentions and strategies regarding the future, and are subject to certain risks and uncertainties. Should one or more of these risks or uncertainties materialise, or should any of the underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this presentation.

Investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date they are made. Other than where required by law, the Company is under no obligation to revise any forward-looking statement to reflect events or circumstances after the date of this presentation or to reflect the occurrence of unanticipated events.

All product-related statements in this presentation reflect formulation design intent, or anecdotal user-reported outcomes from early-stage evaluations. These statements are not intended to imply proven clinical efficacy or therapeutic equivalence to existing products. Clinical trials and regulatory assessments are ongoing or pending, and outcomes are subject to change. Investors should not rely on forward-looking statements as guarantees of future performance.

For personal use only