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NZX Limited
Wellington

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Half-Year (HY25) Financial Results: Global Growth

E nga mana, e nga reo, e nga karangatanga maha, tena tatou katoa. Anei nga hua o nga marama e ono.

Rua Bioscience (NZX:RUA) is pleased to share our financial results and strategic achievements for the 6-month period ended 31 December 2024. This period has been marked by significant increases in revenue and global expansion.

August	Launch of dried flower product in Germany in conjunction with Nimbus Health. Launch of Rua's first dried flower product in our home market of New Zealand Launch in Australia of the first product using Rua's genetics sourced from New Zealand's legacy market.
November	Rua undertakes a capital raise successfully raising \$1.2million to fund working capital and grow sales.
December	Expanded product portfolio in New Zealand with the launch of an additional dried flower product. Expanded product portfolio in Germany .

Financial Results

The Group reported a net loss before tax of \$1,802,255 for the period ended 31 December 2024 (HY25) which included a one-off cost related to capital raise of \$158,617. This result compares to a loss of \$10,851,830 in the prior corresponding period, which included a goodwill impairment of \$8,253,135, and other one-off impairments of \$356,800. When normalising for these one-off costs, the underlying result represents an improvement of \$464,209 over the prior corresponding period.

The net cash outflow from operating activities was \$1,942,997 down 9% from \$2,131,828 in the prior corresponding period. This improvement is attributed to continued focus on improvement of our capital-light operating model, particularly outsourcing commercial manufacturing.

During the period the company raised further capital to fund the growth in sales. The company undertook a placement of shares to participating shareholders of \$150,000 and a pro-rata rights offer to all shareholders which raise \$1,280,526. In conjunction with a loan of \$250,000, and after associated costs, the company received cash of \$1,591,088 during the period. In addition, we have received a total of \$320,250 as part of the short fall applications to the capital raise.

During the period, the company undertook to sell the Rua manufacturing assets in line with the strategy to outsource manufacturing. Whilst a binding offer was received, the purchasers did not complete on the sale and the Board subsequently sought legal advice. The company is actively pursuing another purchaser.

The Board are aware though, that more funding will be required in the coming months to fund the growth in revenue into the key markets. We are working with key shareholders to facilitate capital raising efforts.

Strategic Overview

Rua remains committed to its capital-light, highly scalable business model, positioning the company for competitive advantage and significant industry growth. Rua sets itself apart from other companies in the sector by operating at both ends of the value chain, leveraging our expertise in breeding and selection of unique genetics and the supply of products to a global market with unique marketing strategies.

Rua continues to operate as one of few companies in the sector with a unique foundational story and an inherent focus on delivering intergenerational impact to our people in our community.

Rua Genetics: The Legacy

Rua continues to operate our R&D facility in Ruatorea, focusing on genetic discovery within the medicinal cannabis sector. New Zealand's unique regulatory framework allows for the inclusion of legacy genetics, enabling Rua to source these valuable strains from community growers and breeders who have safeguarded them for generations. This initiative reflects Rua's deep connection to whanau and whenua, whilst honouring those who took personal risk to preserve this rich heritage.

Product Supply on a Global Scale

Rua has made substantial progress in supplying product to the world's largest global medicinal cannabis markets, namely Germany, Australia, New Zealand and the United Kingdom;

Germany: The German market remains the largest medicinal market globally. Since April 2024 the down-regulation of cannabis in Germany has seen a significant increase in patient access in this key market. Rua has taken advantage of this growth, launching two flower products in the 6-month period. Rua has developed a strong base of demand in this key market and expect that base to continue to grow with the launch of additional flower products in the next 6-month period.

Australia: The Australian market is now considered one of the largest medicinal cannabis markets in the world. Rua has continued to focus on this key market with record sales recorded for the month of November 2024. We have continued to focus on a diverse portfolio, strategic market positioning and solid relationships with key stakeholders in the market.

New Zealand: The New Zealand market is witnessing significant growth, with increasing awareness from doctors and patients alike. In the 6-month period, Rua launched two flower products in our home market, a milestone that we are immensely proud of. The products have been well received with month-on-month sales growth, culminating in a record month for Rua with unit sales in November 2024 greater than all previous months.

UK: Rua is well positioned to capitalise on the rapid growth in the UK medicinal cannabis market, with the launch of three new products in December 2024. These products are available to UK patients through our partners Target Healthcare, who specialise in the supply of special medicines. Rua continues to develop relationships with clinics and strategic partners in this key market and expect to see greater market penetration in the coming months.

Achieving revenue in three key markets in the period is a huge success for Rua and creates robust and resilient revenue. With the addition of the UK in the upcoming period, it is further evidence of Rua's ability to execute on its strategic plan to be a global leader in medicinal cannabis.

Fostering Intergenerational Social Impact

Rua remains deeply committed to creating meaningful social impact that spans generations. A cornerstone of our identity and strategic vision is our Impact Programme; encompassing our Compassionate Access Programme and our Scholarship Programme.

Compassionate Access: Rua has continued to grow the Compassionate Access Programme from 30 patients to 52 patients in Te Tairāwhiti. This programme is focused on ensuring equitable access to medicines and creating intergenerational wellbeing in our community.

Scholarships: Rua has continued to grow its scholarship programme since its inception in 2020, empowering 53 local rangatahi into further education totalling \$80,150.

Outlook

As we move forward, Rua remains steadfast in the delivery of our differentiated strategy. We are optimistic about the opportunities ahead and are committed to delivering value to our stakeholders, communities and patients worldwide.

ENDS

The person who authorised this announcement:

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