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NZX Limited  
Wellington

Tuesday, 1<sup>st</sup> October 2024

**Rua Bioscience has today released its Annual Report.  
Highlights: Q1 FY25 sales are double the total sales of FY24.**

**Tairawhiti, New Zealand** – Rua Bioscience Limited (NZX:RUA) has today released its Annual Report for the 12 months ended 30 June 2024 (FY24).

The Annual Report is attached and available now on Rua's website:  
[www.ruabio.com/annual-report](http://www.ruabio.com/annual-report).

The Annual Report provides an overview of Rua's year, focused on the delivery of its differentiated strategy – anchored in genetics and distribution – to prepare the business for its next phase of growth and sustainable revenue generation.

The report shows the continuity of our strategy and the progress we have made in establishing sales pipelines in key markets that will be filled with unique East Coast genetics.

The financial performance was discussed alongside our unaudited financial statements, released on 29 August 2024. Despite the receipt of \$150,000 of equity from existing shareholders and the sale of our manufacturing facility now unconditional there remains uncertainty around the ability of the business to continue as a going concern. For further information and context please refer to the Going Concern Disclosure (Note 2(f)) in the Financial Statements, including the disclaimer of opinion that has been provided by the auditors.

Notwithstanding the uncertainty over our going concern status, the Directors' continue to believe the business has a positive future.

### **Subsequent operational and financial update**

Rua has started the financial year well with sales in the first quarter of 2024 already over double the total sales of the previous year at approximately \$240,000. This strong result reflects the success of Rua's export-led strategy, particularly in Germany and Australia, where new distribution channels are driving revenue growth. The sales momentum is expected to continue over the remainder of the year.

As noted above Rua has secured an unconditional sales and purchase agreement for its manufacturing facility, providing operational flexibility to support its ongoing expansion. The sale is to Awa Ora Genesis Kaitiaki Harakeke Trust of Te Araroa.

Rua has also received critical support through a share placement with key shareholders, further underlining investor confidence in the company's future.

Rua's Directors have expressed their confidence in the company's trajectory, reaffirming the strategic plan and steps being taken towards achieving positive cash flow by the end of 2025.

Rua is at an extremely exciting time in its journey. Our portfolio of regulatory approvals have enabled sales pipelines to be established in three key markets and soon be to four with UK sales beginning at the end of this year. Two of our key markets, Germany and Australia are the largest medicinal cannabis markets in the world. This allows us the opportunity to increase our revenue considerably. With our unique Tairawhiti East Coast kaupapa we are well positioned to build on our brand and fill these distribution channels with our own taonga genetics from the East Coast.

Mediation process with Cann Group in Australia has concluded without a final resolution at this stage. However, both parties remain engaged in negotiations to

reach a potential resolution. Further updates will be provided as the process unfolds.

## **Capital Raise Announcement**

Although sales and performance have significantly improved and we have an unconditional agreement for the sale of our manufacturing facility in place, further funding is still needed to fuel Rua's growth ambitions. As a result, we will soon be initiating a capital raise to ensure the Company has the required level of working capital to optimise and scale operations in key markets.

Details of the structure of the capital raise will be made available in the coming weeks.

"Rua is in three key markets with Rua branded products. Our first quarter performance and the strategic sale of our manufacturing facility place Rua in a strong position to capitalize on global opportunities," said Anna Stove Chair of Rua Bioscience. "A further capital raise is an essential next step as we focus on growing revenues to give us the cash flow we need to deliver sustainable long-term value for our shareholders."

The Board is optimistic about the Company's future, with the support of key stakeholders, strategic partnerships in export markets, and its commitment to producing high-quality medicinal cannabis that enhances lives.

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**For more information, please visit [www.ruabio.com](http://www.ruabio.com) or contact:**

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