



ASX Announcement

27 February 2018

Elixinol reports strong growth

Revenue 62% increase vs prior year

Highlights of FY2017 results

- Revenue of \$16.5 million up 62% vs prior year and above prospectus forecast
- Gross profit margin improved to 64% exceeding prospectus forecast by 2%
- EBITDA for Elixinol USA exceeding prospectus forecast by 12%
- Positive Group EBITDA
- Strong balance sheet with \$18.8 million cash on hand and materially debt free

Elixinol Global Limited (ASX:EXL) is pleased to report its full year financial results for the year ended 31 December 2017. During the period, Elixinol successfully raised \$20 million via an IPO with the subsequent admission to the official list of ASX on 8 January 2018.

Elixinol Global Chief Executive Officer, Mr Paul Benhaim, commented “We are pleased to have exceeded our prospectus forecast in our first financial results since our oversubscribed Initial Public Offering. A 62% increase in revenue demonstrates our capability to deliver strong growth, and a positive group EBITDA places us in a great position moving forward.”

“Elixinol USA delivered revenue growth of 86% compared with the previous financial year which shows the team’s ability to grow not only the demand but stable and high-quality supply of our hemp derived CBD nutraceuticals line.”

“2018 will be the first full year that hemp foods are legal and consumers now expect to see hemp food products in mainstream food channels. With a healthy start to the year, we anticipate a successful harvest of our Australia hemp seed harvest within weeks. We look forward to continued revenue growth in existing as well as new products and brands.”

“The global growing demand for plant-based, sustainable and high-quality hemp nutraceutical, food and medical cannabis products continues to support our intended growth plans.” said Mr Benhaim.

As foreshadowed in the prospectus, no dividend was forecast for FY2017.

FY2017 Financial Results

(AU\$'000)	Pro forma ¹					Prospectus
	Elixinol USA	Elixinol AUS	Hemp Foods Australia	Elixinol Global ²	Elixinol Group FY2017	Elixinol Group FY2017
Revenue	13,269	-	3,203	-	16,472	15,458
Cost of goods sold	4,207	-	1,765	-	5,972	5,912
Gross Profit	9,062	-	1,438	-	10,500	9,545
GP%	68%	-	45%	-	64%	62%
Other income	241	-	192	-	433	196
Operating expenses	6,815	392	2,243	1,463	10,913	9,946
EBITDA	2,488	(392)	(613)	(1,463)	20	(205)
Finance costs	-	-	-	-	-	12
Depreciation	89	-	176	-	265	268
Acquisition amortisation	1,132	-	164	-	1,296	336
Profit before tax	1,267	(392)	(953)	(1,463)	(1,541)	(821)
Tax expense	336	-	-	-	336	715
Profit after tax	931	(392)	(953)	(1,463)	(1,877)	(1,535)

Note: Totals may differ due to rounding. (1) Pro forma results are prepared on a basis consistent with the FY2017 forecast as shown in the IPO Prospectus (2) Elixinol Global shown as incremental costs as a consequence of the Company becoming ASX listed. These costs are mostly not yet incurred but are included in pro forma results for comparability.

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About Elixinol Global

Elixinol Global Limited (ASX: EXL) through its businesses has a global presence in the cannabis industry including hemp, CBD dietary supplements, food and wellness products, as well as the cultivation and manufacture of medicinal cannabis products. Elixinol Global's businesses include:

- Elixinol LLC, which was founded in 2014, is a global manufacturer and distributor of industrial hemp based dietary supplement and skincare products, with operations based out of Colorado, USA
- Hemp Foods Australia Pty Ltd, which was founded in 1999, is the largest hemp food wholesaler, retailer, manufacturer and exporter in the southern hemisphere of bulk and branded raw materials and finished products
- Elixinol Pty Ltd, which was founded in 2014 to participate in the emerging Australian medicinal cannabis market