



Biome Australia Limited

Presentation

March 2022 – Quarterly Update

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Certified



This company meets the highest standards of social and environmental impact

Corporation



Commercial in confidence

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Our mission

To prevent disease, improve health outcomes and quality of life, and make our products accessible to all





About Biome Australia

Biome Australia (ASX: BIO) is focused on becoming a global leader in targeted probiotics (live-biotherapeutics), offering clinically-proven condition-specific probiotic products fueled by novel clinical research programs to cement and extend the evidence base of its probiotic products.

Activated Probiotics®, Biome's flagship range of novel live-biotherapeutics (probiotics), was created in partnership with world leading organisations in microbiome research and utilises innovative delivery technologies that improves their stability and efficacy.

Biome also develops, licenses and distributes a scientifically formulated, organic nutraceutical range, Activated Nutrients® and a sports performance and recovery range, Activated X Performance®, which targets professional athletes.

Biome is a certified B Corporation, a designation that a business is meeting high standards of verified performance, accountability, and transparency.

Investment Highlights



Strong financial performance

Record March 22 quarter sales of \$925k, up 58% vs PCP

+82.6% growth in Net Sales FYTD 22 (\$2.73m) vs PCP (\$1.49m)

Current annualised revenue of \$3.7m Q3 FY22)



Widespread distribution

Over 2,500 distribution points in Australia, an increase of 25% since IPO

Strategic pharmacy distribution deal with Terry White Chemmart, Australia's largest pharmacy group with 500 pharmacies



Ongoing clinical pipeline

Successful results from independent asthma & acne clinical trials

Three clinical programs underway:

- Subthreshold depression
- Paediatric immune system function
- Osteoporosis prevention

Investment Highlights



Business model to deliver continued growth

Key partners TWCM, Blooms and Symbion reported Activated Probiotics as their 1 growth brand

Providing services, such as Bone Health Clinics, at pharmacies to foster long-term relationships

Practitioner only (S3) designation



World class development partners

Partnered with La Trobe and Federation Universities to complete clinical trials

Probiotal - Italy

Probi - Sweden

Greenleaf Medical - Sweden



Leading product portfolio

23 products across 3 brands:

- Activated Probiotics
- Activated Nutrients
- AXP

New product launches:

- Biome Advanced(10) – Q3FY22
- Biome Acne – Q3 FY22
- Biome Baby – Q4 FY22

Activated Probiotics

Practitioners & Pharmacies

CONSUMER BENEFITS

5x more effective delivery - Microbac™ technology

Shelf-stable – Fridge free

Clinically documented probiotic strains

One-a-day formulation



GMP



ONE A DAY
FORMULATION



FRIDGE
FREE



VEGAN



DIGESTIVE HEALTH



Biome Daily™ Probiotic

To help enhance immune
system function and promote
healthy digestion



Biome Her Probiotic

To help maintain a healthy
vaginal microbiome



Biome Osteo™ Probiotic

To help promote bone
health in adults



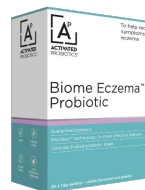
Biome Daily Kids™ Probiotic

To help reduce the occurrence
& duration of common colds



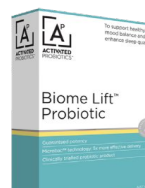
Biome Breathe™ Probiotic

To stimulate a healthy immune
system response in children



Biome Eczema™ Probiotic

To help reduce the
symptoms of mild eczema



Biome Lift™ Probiotic

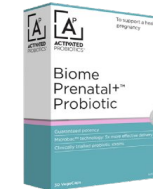
To support healthy
mood balance and
enhance sleep quality

ANTIBIOTIC SUPPORT



Biome IBS™ Probiotic

To relieve the symptoms of
medically diagnosed IBS



Biome Prenatal+™ Probiotic

To support a healthy
pregnancy



Biome Iron+™ Probiotic

To help increase
absorption of dietary iron



Biome Baby™ Probiotic

To help support digestive
and immune health in infants



Biome Acne™ Probiotic

To help relieve the symptoms
of acne



Biome Advanced™ Probiotic 30/10Caps

To help restore the balance of
beneficial gut bacteria after
antibiotic use

PAEDIATRIC DIGESTIVE & IMMUNE HEALTH

IMMUNITY AND ALLERGIES

DERMATOLOGY

MENTAL HEALTH

Primary distribution channels

Community pharmacy and independent health practitioners



Australian community pharmacies

- **Over 1,650 pharmacies now carry the Activated Probiotics range, up 350 since the IPO (+27%)**
- **Represents 67.5% of sales**
- Community pharmacies are Biome Australia's core distribution market and are commonly full-service and health-oriented
- Our products are sold as stand-alone complementary medicines or via pharmacist-recommendations as adjunct products alongside various medications

Complementary medicine practitioners

- **This channel has increased from circa 20% of sales at IPO to 29% of sales in Q3FY22.**
- Non-retail professional channel made up of independent health practitioners in private practice
- This includes complementary medicine practitioners (such as naturopaths and nutritionists) and other health professionals who make use of complementary medicines, such as dietitians and integrative doctors
- Includes independent health practitioners in Australia, New Zealand and the United Kingdom

Our Australian Distribution Network

Biome Australia has grown to **over 2500 distribution points**, including 1650 community pharmacies

Our key sales channels are community pharmacy, complementary medicine practitioners and integrative health stores

Authorised Distribution Partners:

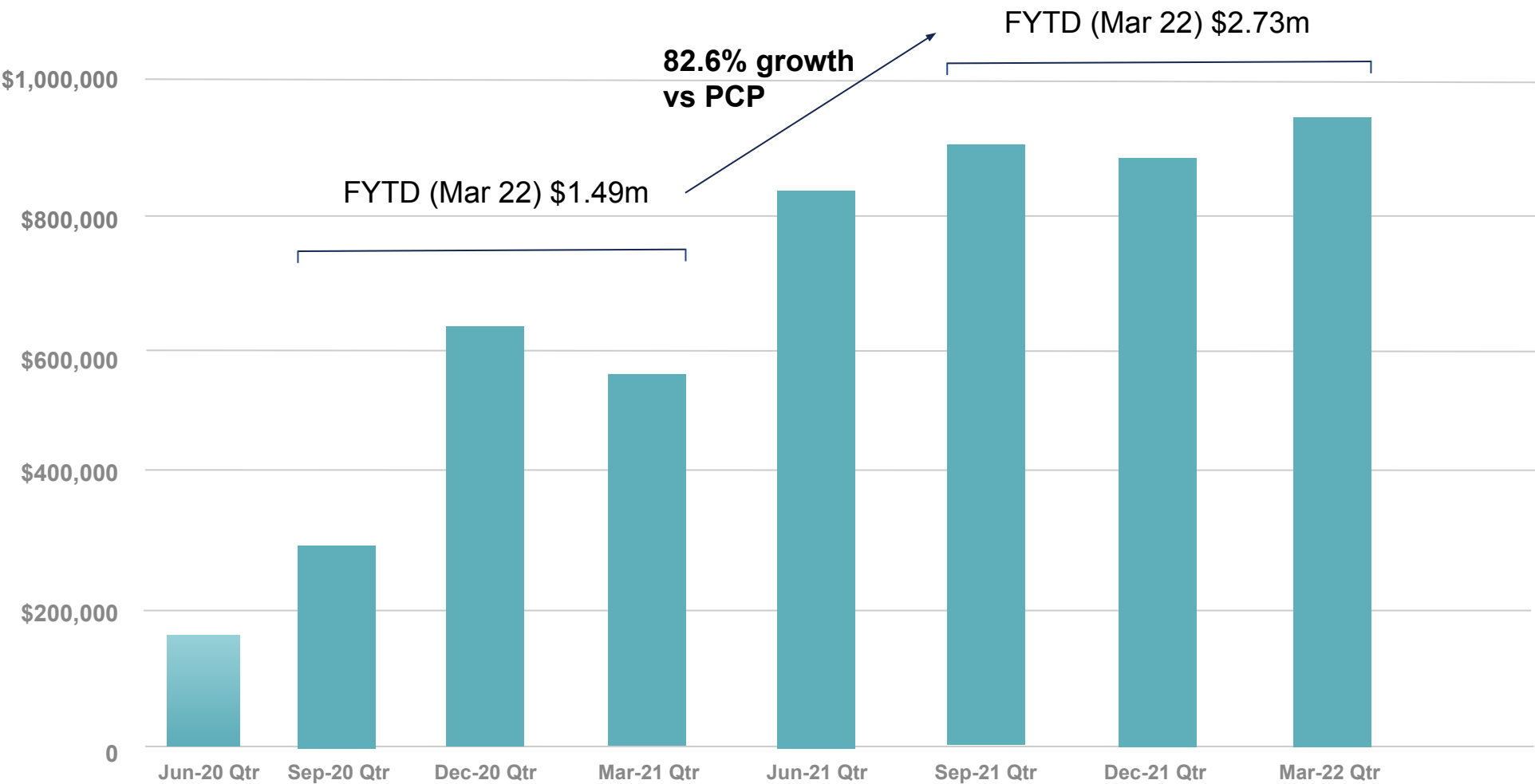


Community Pharmacy Partners:



Quarterly Net Sales

Track record of rapid growth



Product ranking by sales

March 2022 Quarter

Rank	Product	% Share
1	Biome Daily Probiotic	20.0%
2	Biome Daily Kids Probiotic	15.7%
3	Biome Advanced Probiotic (30 caps)	10.3%
4	Biome Her Probiotic	8.3%
5	Biome Advanced Probiotic (10 caps)	7.4%
6	Biome Eczema Probiotic	6.3%
7	Biome Lift Probiotic	6.2%
8	Biome IBS Probiotic	5.0%
Sub total		79.3%
Other SKUs		20.7%
Total - March Qtr		100.0%

PRODUCT RANKING

Gut health and immune health are leading product by sales volume closely followed by condition targeted products for women's health, dermatology and mental health

Biome expect the precision probiotics range to occupy a larger percentage share of the coming periods.

Customer ranking by sales

Rank	Location	Customer	March 22 Qtr % Share	FY21 % Share
1	Aust	Pharmacy Wholesaler A	40.2%	49.1%
2	Aust	Pharmacy Wholesaler B	27.3%	20.2%
3	Aust	Practitioner Wholesaler A	8.8%	3.2%
4	Aust	Practitioner Wholesaler B	7.8%	2.9%
5	UK	UK Practitioner Wholesaler A	2.6%	4.2%
6	Aust	Practitioner Group	2.1%	3.2%
			88.8%	82.8%
Others			11.2%	17.2%
TOTAL			100.0%	100.0%

CUSTOMER RANKING

Pharmacy customers make up 67.5% of Biome's total sales and continues to grow in both new distribution and sell through

Total practitioner channel is growing at a faster rate than other channels, moving from circa 20% of sales at IPO to 29% in Q3 FY22

Corporate Overview

Key Statistics

Existing Shares on issue	199.9m
Options on issue ¹	8.1 m
Share Price (20 April 2022)	8.9 cents
Net Tangible Asset per share	3.9 cents
Market Capitalisation (20 April 2022)	A\$17.8m
Enterprise value	A\$11.2m
IPO - Amount raised (November 2021)	A\$8.0m

Major Shareholders

Directors and Management	16.4%
Other Staff	3.6%
Other Shareholders	80.0%
Total	100.0%

Substantial Shareholders

Blair Vega Norfolk (MD)	7.09%
Giuseppe Demaio	5.47%
Douglas Loh (CFO)	6.33%

- Options on issue:
 - 1,924,338 options exercisable at \$0.21 expiring on 30 June 2022;
 - 1,924,337 options exercisable at \$0.28 expiring on 30 June 2023;
 - 4.3 million options issued to the Lead Manager exercisable at \$0.30 and \$0.40 and expiring 3 and 4 years from the date of issue (24 November 2020)
- Founders hold 13.4% of the Company, escrowed for 24 months until 30 November 2023

Growth strategies

Products supported by clinical evidence

Immediate term (12 months)

- Focus on sales and marketing to improve sell-through to existing customers
- Drive growth of Biome Acne and Biome Baby Probiotic launched in H2 2022 – an Acne specific live biotherapeutic and Baby probiotic product under Activated Probiotics®
- Grow revenue in recently launched independent health practitioners' distribution channel in AU, UK and NZ
- Increase distribution into additional pharmacies within its existing community pharmacy banner groups
- Sign additional distribution deals with new pharmacy banner groups

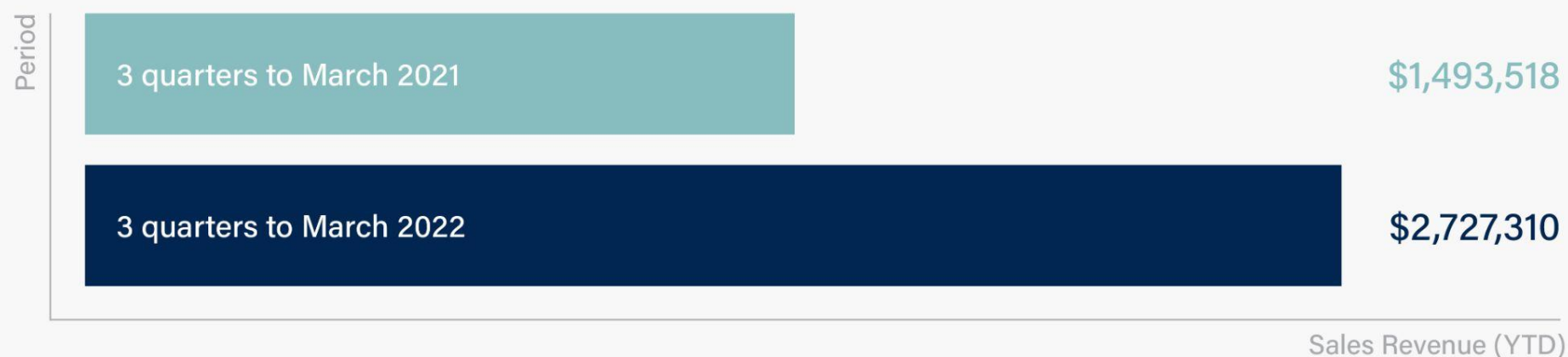
Short term (2 – 5 years)

- Grow sales revenue in community pharmacy channel through professional education and high level of service
- Biome will continue to develop its 'adjunct medication market' within the community pharmacy channel
- Expand European sales – increase distributors in the United Kingdom, increase marketing budget and invest in additional sales and education staff
- Ongoing expansion of product portfolio with focus on novel products to address patients unmet medical needs

Strong growth outlook

Q4 FY22 expected to be strongest quarter to date

YTD Sales Revenue +86% vs PCP



FY22 Outlook

- Q4 FY22 has started strongly
 - increased sales to existing retail distribution partners and
 - a significant pipeline of near term sales opportunities under negotiation
- Early indications of sales momentum suggest a strong finish to the financial year
- Q4 FY22 is expected to be further record quarter for sales revenue



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