

# Biome Australia Limited

## FY22 Presentation

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Certified



This company meets the highest standards of social and environmental impact

Corporation



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## Our mission

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





# About Biome Australia

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Biome Australia (ASX: BIO) is focused on becoming a global leader in the complementary medicine industry, 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*<sup>®</sup>, 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 is a certified B Corporation, a designation that a business is meeting high standards of verified performance, accountability, and transparency.

# 01

## Investment and Business Highlights

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# FY22 Key Stats - Successes



## FY22 Key Performance Indicators

FY22 \$4.12m up 78% vs FY21

Gross margin increased to 58%

Annualised revenue of \$5.56m (Q4 FY22)

Pre-tax loss (\$4.5m) improved by \$840k or 16%

Cash balance \$5.5m

FY22 operating cash flow (\$3.42m)

# FY22 Business Highlights



## FY22 Key Performance Indicators

Over 3,000 distribution points in Australia, with sales of Activated Probiotics also in the UK & NZ – 50% increase since November 30 IPO

Scan data - 2 units per transaction & return purchase above category average (TWCM data)

Activated Probiotics #1 growth brand in TerryWhite Chemmart and #2 for revenue

Signed *Priceline Pharmacy* Distribution Agreement – 370 high volume service based pharmacies to launch in Q1 FY23

Activated Probiotics #1 growth with Symbion #3 growth with API - Two key pharmacy distributors

2 clinical trials completed and published for novel products on allergic asthma and acne

# FY23 Q1 and Sales Revenue Forecast



## Q1 FY23 Key Performance Indicators

Q1 Sales Revenue \$1.56m up 70% vs PCP

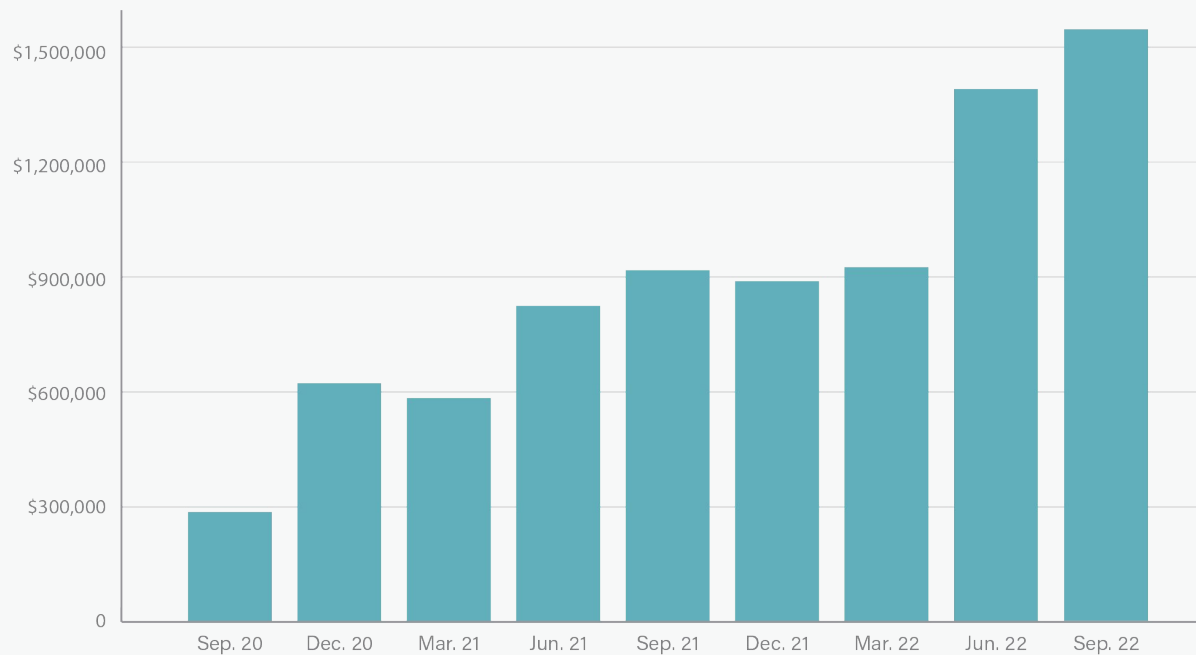
Gross margin maintained at 58%

Forecast Sales Revenue \$7m for FY23

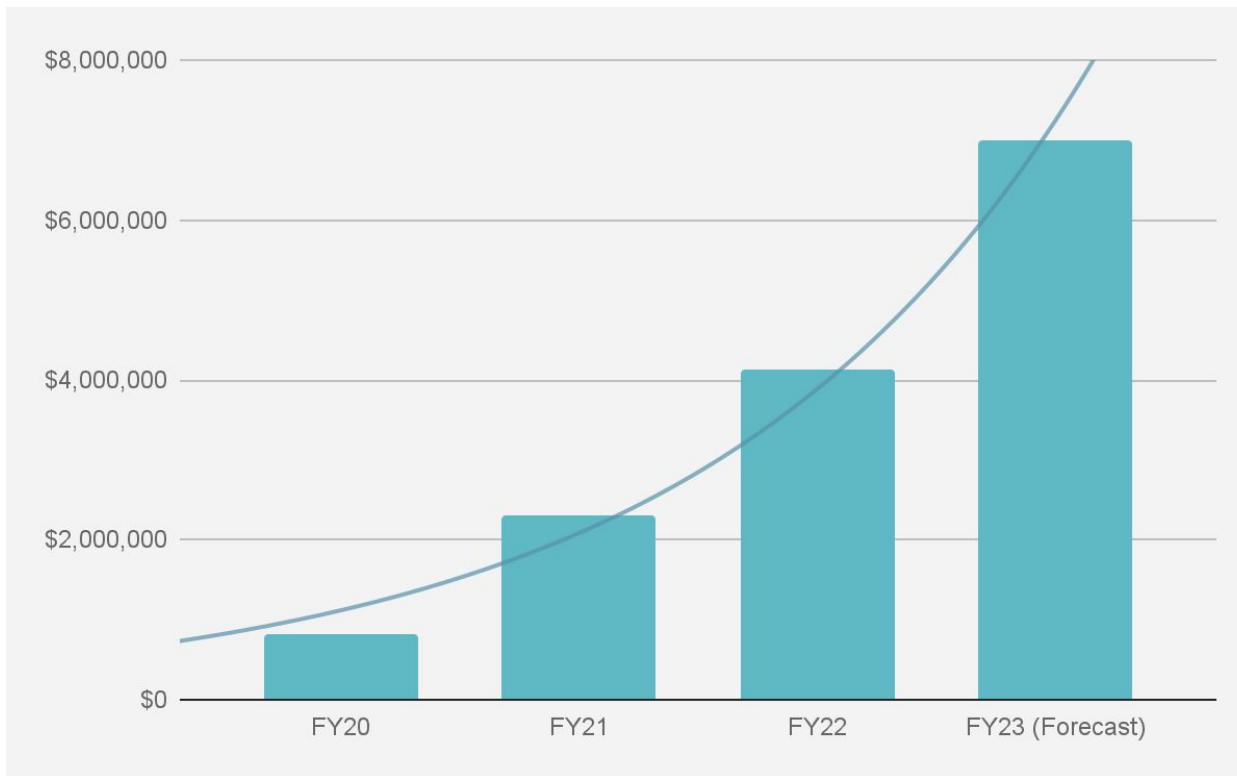
Priceline Pharmacy national launch



# Quarterly Sales Growth



# Sales Growth



# 02

## Activated Probiotics Range

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# Activated Probiotics

## Practitioners & Pharmacies

### CONSUMER BENEFITS

5x more effective delivery - Microbac™ technology  
Shelf-stable

Clinically documented probiotic strains

One-a-day formulation



GMP



ONE A DAY  
FORMULATION



FRIDGE  
FREE



VEGAN



DIGESTIVE  
HEALTH



### Biome Daily™

To help enhance immune system function and promote healthy digestion



### Biome Her

To help maintain a healthy vaginal microbiome



### Biome Osteo™

To help promote bone health in adults



### Biome Daily Kids™

To help reduce the occurrence & duration of common colds



### Biome Breathe™

To stimulate a healthy immune system response in children



### Biome Eczema™

To help reduce the symptoms of mild eczema



### Biome Lift™

To support healthy mood balance and enhance sleep quality

WOMEN'S HEALTH

PAEDIATRIC  
DIGESTIVE &  
IMMUNE HEALTH

IMMUNITY &  
ALLERGIES

DERMATOLOGY

MENTAL HEALTH



### Biome IBS™

To relieve the symptoms of medically diagnosed IBS



### Biome Prenatal+™

To support a healthy pregnancy



### Biome Iron+™

To help increase absorption of dietary iron



### Biome Baby™

To help support digestive and immune health in infants



### Biome Acne™

To help relieve the symptoms of acne



### Biome Advanced™ 30/10Caps

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

ANTIBIOTIC  
SUPPORT

# 03

## Clinical Research



# Clinical pipeline - Indication overview

- Three ongoing clinical trials and further research opportunities in discussion



## BIOME LIFT

Assessing the efficacy of the *Biome Lift*™ Probiotic compared to a placebo in reducing the severity of symptoms in patients with subthreshold depression.

### Endpoints

- Measures of anxiety, stress and mood
- Effects on biomarkers of inflammatory, immune, and stress responses
- The gut microbiota composition and function (via fecal samples assessing microbiota genome and functional predictions of gut microbiota)
- Body composition markers
- Gastrointestinal symptoms

### Recruitment Completed

Preliminary results expected in Q3 FY23.



## BIOME KIDS

Analysing the influence of probiotic use on absenteeism and immune health among children aged 2-5 years attending childcare centres.

### Assessment criteria and outcomes:

- The duration of symptoms of common infections (gastrointestinal and respiratory infections, etc)
- The number of children with different varieties of infectious diseases (gastrointestinal infections; respiratory infections; hand foot and mouth disease etc)
- Use of antibiotics or other medication related to infectious diseases
- Changes in mood and behaviour (secondary outcome)

Ethics approval received and recruitment is expected to be completed in Q3 FY23, with results in Q2 FY24



## BIOME OSTEO

Examining the effect of 12-month supplementation with Biome Osteo on bone metabolism as well as bone mineral density.

### Endpoints:

- DXA measurements
- Blood indices e.g. vitamin D, P1NP (collagen deposition, marker for bone formation) and CTx (marker for bone rate turnover)
- Gut microbiota composition
- Body composition

Preliminary results are expected in Q3 FY23 and final results in Q1 FY24

# 04

## Distribution Network and Sales Model



# Australian Distribution Network

- Biome Australia currently has over 3000 distribution points, between community pharmacies and independent health practitioners
- Strategic partnerships with Terry White Chemmart resigned for FY23
- Distribution agreement signed with Priceline Pharmacy in Q4 FY22.

## Pharmacy Core Ranges:



## Authorised Distribution Partners:







# Training and Education Driven Sales Model

Unique Education and Service Model Drives Sales in Australia, UK and NZ

## Education and Service Support

- The Biome sales team is a mix of health qualified practitioner education consultants and territory managers
- Practitioner education consultants undertake high level product detailing and training in community pharmacy and with independent health practitioners
- High quality training and education develops stronger trust and relationships with health practitioners
- Biomes support leads to active recommendations of Biome Australia products
- Digital educational content and assets effectively support the national sales team in servicing practitioner markets
- Health Clinics are provided to key accounts to gain trust and develop existing accounts

# Health Advertising

Activated Probiotics - Point of purchase windows and billboards



# Health Practitioner & Patient Feedback

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## Biome Lift Probiotic

*"My patient has been on a prescription sertraline (anti-depressant) for a number of years to manage his mental health symptoms, and clinical depression. After two months on Biome Lift he has decided to no longer continue on the sertraline and has never felt better. His doctor was also supportive after seeing his results."*

Pharmacist - Coffin Bay SA

## Biome Daily Kids Probiotic

*"A 3yo girl has been suffering with constipation for 12 months so far with zero success using pharmaceutical medicine. Just three days on Biome Kids made the difference. Mom is so happy that she sent me a thanks message on the weekend. So I am happy!"*

Nutritionist, Republic of Ireland

## Biome IBS Probiotic

*"I have suffered with IBS for a few years and nothing has helped and have found myself in very uncomfortable & embarrassing situations, since a friend suggested Biome IBS probiotic 6 months ago my life has changed 100%. I no longer feel uncomfortable going out, I feel much better within my gut and bowel."*

Patient feedback, Australia

## Biome Her Probiotic

*"I have been working with a client with a chronic urinary tract infection/thrush that was not resolved with antibiotics for months! Finally swapped her from another company's probiotic to the Biome Her and the UTI and thrush are gone! Amazing!"*

Naturopath, NSW

# Health Practitioner & Patient Feedback

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## Biome Breathe Probiotic

*"As a children's health naturopath Biome Breathe has been an invaluable addition to my tool kit! I've been using Biome Breathe for children with asthma, recurring respiratory tract infections, hay fever and croup with incredible results. [...] I've actually had cases where I've been able to wean children off of long-term naturopathic medicines."*

Naturopath - Adelaide

## Biome Osteo Probiotic

*"One of my patients, aged 73, has quite severe osteoporosis, following breast cancer x2, and strong chemotherapy. [...] Over the past 4 years she has had ongoing thoracic vertebral compression fractures from the osteoporosis [...]. The spinal fractures have caused her extreme pain for 8-9 months each. Since starting on Biome Osteo 3 months ago, she hasn't had a spinal or rib fracture, and the pain from her spine has reduced significantly."*

Naturopath - Adelaide

## Biome Acne Probiotic

*"I just wanted to email to let you know how much I love the new Biome Acne product! I have used it on myself for my rosacea. Since using the Acne product the redness is pretty much gone and I haven't had any pimples come up at all. I am on a Rosacea Facebook page and have told everyone of my results so you may get queries from around the world soon!"*

Nutritionist - Perth

## Biome Eczema & Advanced Probiotic

*"I have used Activated probiotics on many clients successfully. Great products. Success with psoriasis using Biome Eczema and use Biome Advanced on all my autoimmune clients."*

Nutritionist - Melbourne

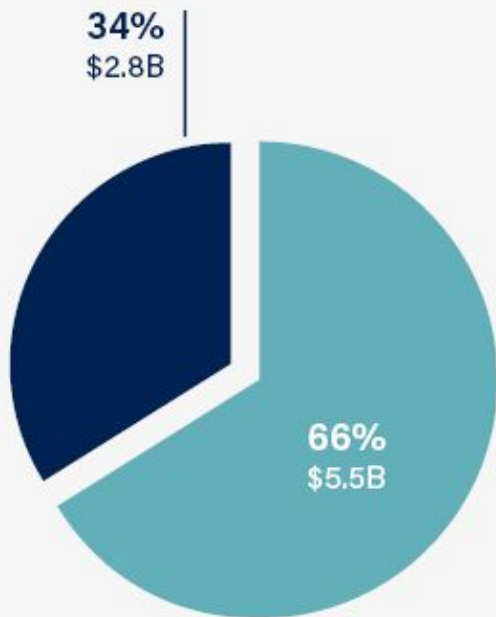
# 05

## Growth Strategy

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# Addressable Market & Growth Strategy



## TOTAL ADDRESSABLE AUSTRALIAN MARKET



Complementary Medicines



Biome's Adjunct Medication Market

International markets represent an even larger opportunity

# Short term growth strategies

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1 - 3 YEARS

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Increase average account  
sell-through of Activated Probiotics  
across all existing distribution points



Biome's top three distribution outlets are averaging \$100k+ per year of Activated Probiotics sales.

Education & Training  
Product Range Expansion  
Health Clinics

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Increase distribution into new  
pharmacy and health practitioners

25 ➤ 50%

Total market  
penetration goal

The estimated addressable market is in excess of 12,000 distribution points, 5,800 pharmacies and 6,000+ independent health practitioners (accounts).

Biome currently has 25% total market penetration and aims to grow this to 50% within 2-3 years in conjunction with increased per outlet sales.

# Short term growth strategies

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1 - 3 YEARS

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Develop the adjunct medication and co-prescribing market

**\$2.8B** Biome has a unique opportunity in the suitability of Activated Probiotics' products to be recommended alongside various medications by pharmacists and doctors.

Targeted approach with key pharmacy banner group partners.

This represents a total addressable market of \$2.8B in Australia, prescribed alongside various medications.

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Continue measured expansion into the UK / EU market



# Long term growth strategies

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5+ YEARS

Drive profitability to deliver exceptional shareholder returns including dividends

Further develop Biome's adjunct medication market' within community pharmacy (220m scripts per year)

Ongoing expansion of product portfolio with focus on novel products to address patients' unmet medical needs

Reach 80% of the Australian community pharmacy market

Explore distribution opportunities in new markets across Europe, North America and Asia-Pacific

Explore further optimisation of manufacturing processes

Identify acquisition targets to bolster organic growth

# 06

## FY22 Financial Highlights

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# FY22 - Financial Highlights

	<i>FY21</i> <i>\$'000</i>	<i>FY22</i> <i>\$'000</i>	<i>Comments</i>
Sales	2,318	4,122	+78%
Gross Profit	1,179	2,387	+102%
Gross Margin %	51%	58%	+7% (abs)
R&D rebate & Export Market Development Grant (EMDG)	267	270	+1%
Government JobKeeper support	124	nil	-100%
Sales and marketing expenses	(3,390)	(3,533)	+4%
Corporate & Administrative expenses	(3,074)	(2,793)	-9%
<b>Pre-tax profit</b>	<b>(5,381)</b>	<b>(4,541)</b>	<b>+16%</b>
Inventories	1,021	1,169	+\$148k
Net Assets	1,580	6,525	+\$4.95m
Cash Balance	610	5,493	+\$4.88m
Net cash used in operating activities	(2,393)	(3,421)	+(1.028m)



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[activatednutrients.com](https://activatednutrients.com)  
[activatedxperformance.com.au](https://activatedxperformance.com.au)

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