

## ASX ANNOUNCEMENT

2 April 2024

### Biome Achieves First Quarter of Positive Underlying Operating Cash Flow

- Biome Australia achieves cash-flow positive milestone in Q3 FY24
- Biome records \$3.2m in sales in Q3, representing 74% growth versus PCP
- Month-on-month sell-through growth continues to be delivered in category's weakest seasonal quarter

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Microbiome health company **Biome Australia Limited** (ASX: BIO) ('Biome' or 'the company') is pleased to share a trading update for Q3 FY24.

Biome is delighted to share that in Q3 FY24 the company achieved positive underlying quarterly cash flow. This is a significant milestone for the business on its journey towards profitability. This follows on from Biome's Q2 FY24 during which the business achieved positive quarterly cash flow due to the receipt of the annual R&D rebate of \$315k (see ASX announcement dated 22 Jan 2024).

Biome reports Q3 sales revenue of \$3.2m, representing 74% growth versus the previous corresponding period.

In both February and March, Biome achieved record levels in sell-through for Activated Probiotics from wholesalers into pharmacy and independent health practitioners.

Notably, the March quarter is consistently the weakest quarter across the category due to the pharmacy and practitioner distribution channels slowing over the holiday period. Despite this, Biome has achieved the milestone of recording positive underlying cash flow and maintaining a gross margin of 60%.

Biome's upcoming 4C Quarterly Activities Report will provide a breakdown of the underlying cash flow and the company's quarterly EBITDA. We look forward to updating the market on Q4 activities, which is typically the strongest quarterly period of the financial year.



**Biome Australia’s Managing Director and Founder, Blair Vega Norfolk commented:**

“I am delighted to share this milestone for Biome, generating our first quarter of positive cash flow in our underlying business. Quarter 3 is typically the industry’s weakest of the year, making this milestone even more significant. Biome achieved another strong quarter of sales revenue of \$3.2m which represents 74% growth versus the previous corresponding period, Q3 FY23. We believe the strength of our research and education-led sales model will continue to deliver strong growth for the periods ahead. With Biome now trading cash-flow positive and soon expecting to reach positive EBITDA, we look forward to sharing our March quarter activities report in our 4C this month and the Biome Vision 27 strategic plan later this year.”

-ENDS-

Approved for release by the Biome Australia board of directors.

**About Biome Australia Limited**

Biome Australia develops, licenses, commercialises and markets innovative, evidence-based live biotherapeutics (probiotics) and complementary medicines, many of which are supported by clinical research. Biome aims to improve health outcomes and quality of life, and make its products accessible to all.

Incorporated in Australia in 2018, Biome distributes locally and abroad. In partnership with some of the world's leading organisations in microbiome research and development, Biome produced several unique live biotherapeutic (probiotic) products with innovative delivery technologies that improve their stability and efficacy to create its flagship range of complementary medicines: Activated Probiotics<sup>®</sup>.

Supported by clinical research, including randomised double-blind placebo-controlled trials, Activated Probiotics help prevent and support the management of various health concerns, including low mood and sleep, bone health, iron malabsorption, mild eczema and IBS. Through practitioner-only distribution, Biome is committed to educating health professionals on the newfound systemic health effects of the gut microbiota, helping them to provide innovative, evidence-based natural medicines for the management of some of humanity's most prevalent and chronic health concerns.



For more information visit: [www.biomeaustralia.com](http://www.biomeaustralia.com)

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