



# Blis Technologies & Probi AB

Announcement of long term strategic partnership - July 2021



# Key terms of the long term strategic partnership:

- **Establishment of a licence and supply agreement to drive increased revenue**
  - Blis grants Probi the right to manufacture and sell BLIS K12™, BLIS M18™ as ingredients and finished products and the opportunity to collaborate on future products.
- **Strategic investment by Probi of \$9.18m enhancing the Blis capital position**
  - Cash issue of new shares to Probi resulting in a 13% strategic shareholding (post issue).
  - Providing Blis with capital to support revenue growth initiatives
  - Shares priced at 5% discount to 20 day VWAP to 5 July.
- **Collaboration in R&D to leverage joint strengths in probiotic innovation**
- **Appointment of the Probi CEO to the Blis Board, post 2021 ASM**

# Introducing Probi AB

One of the largest probiotic companies in the world Probi was founded by researchers in Lund, Sweden in 1991.

Extensive global presence with operations in the USA, Sweden and Singapore.

Probi has a strong and broad product portfolio with products designed for supporting digestive health, immunity, iron absorption, bone health, women's health and stress and mental health.

## Nasdaq Stockholm listed:

Ticker: PROB.STO

Market cap: SEK 7.076B  
NZD 1.173B

Fully integrated company focused exclusively on researching, manufacturing, and delivering probiotics for supplements and functional food.

Experts at managing stable, live bacteria from R&D through every stage of the manufacturing process and are dedicated to making the health-enhancing benefits of probiotics available to people everywhere.

Operations in more than 40 markets and holds more than 400 patents globally.

# Scope of collaboration – delivering significant value

## Primary opportunities:

### Blis :

- Substantial revenue growth and increased market penetration
- Capital funds of \$9.18m for investment in growth initiatives

### Probi :

- An expanded portfolio to sell to a strong existing customer base

## Broader opportunities:

- R&D – shared expertise to develop innovative probiotic solutions
- Scientific and clinical validation of probiotic health benefits
- Contract manufacture – both fermentation and finished product manufacture providing operational synergies
- Opportunities for cross licensing of Probi strains to expand the Blis finished product portfolio

# Next steps for Blis

## Rapid implementation of the growth opportunity:

- Technology transfer to enable future production of Blis probiotic strains under licence
- Training of Probi sales force to support their customer engagement and selling activity

## Longer term collaboration opportunity:

- R&D collaboration focused on opportunities to further develop both parties existing technology or combinations of this. Establishing a mutually agreeable R&D collaboration plan.
- Cross licensing opportunities – Blis use of existing Probi technology
- Co-manufacturing options enabling Blis to better service northern hemisphere markets

# Use of the capital funds

## Accelerate our growth priorities:

- Skincare launch activity
- D2C e-commerce investment: USA, CBEC, Australasia, Canada

## Pipeline investment:

- New product development acceleration. Key late phase target - Probiotic Toothpaste
- New strain development

## Internal capability investment:

- Marketing and e-commerce focus

# Questions

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