

ASX ANNOUNCEMENT

28 April, 2025

Quarterly Activities & Appendix 4C March 2025

- *Biome* records \$195k EBITDA¹ for Q3
- *Biome* recorded a net operating cash inflow of \$123k
- *Biome* achieves another high growth quarter in sales revenue, reaching ~\$4.51m for Q3, an increase of 41% vs PCP
- *Biome* achieved a gross margin of 61% for Q3
- *Biome* had a cash balance of \$2.7m as at 31 March 2025
- *Biome* expects to report its first full year net profit for FY25
- Record cash receipts of \$4.91m in Q3, up 61% vs PCP and up 13.% vs Q2

Microbiome health company ***Biome Australia Limited*** (ASX: BIO) ('*Biome*' or '*the company*') is pleased to provide its Appendix 4C and Activity Report for the quarter ended 31 March 2025.

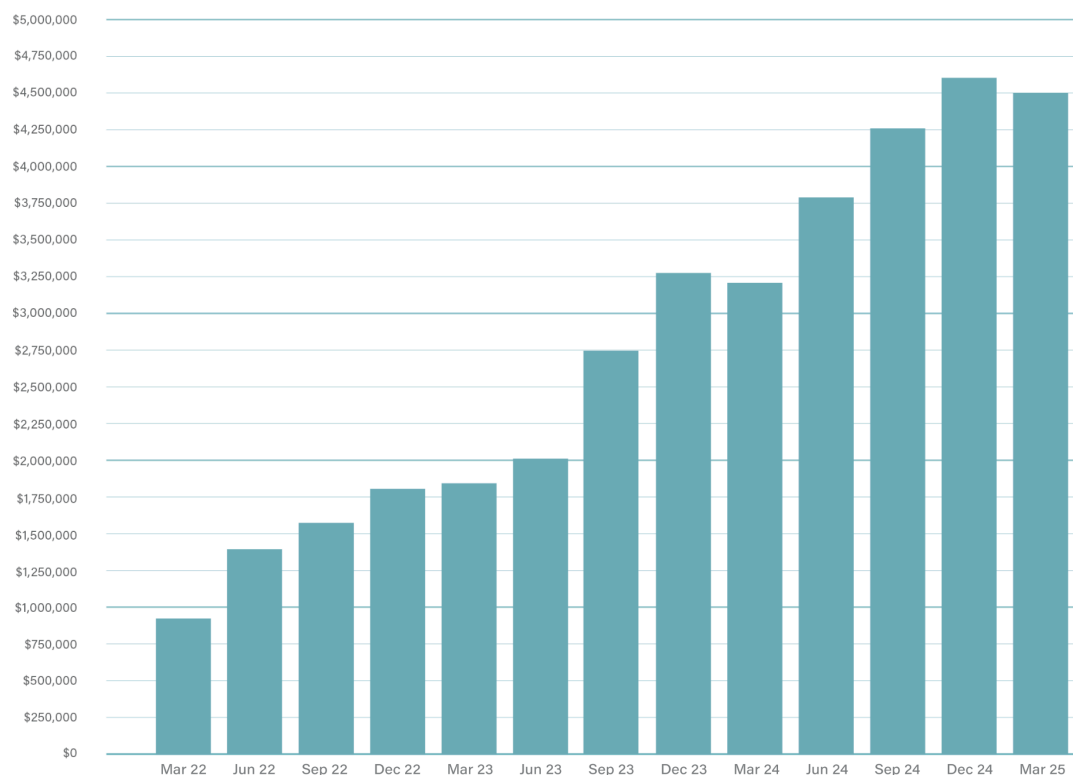
The company is pleased to report quarterly sales revenue of \$4.51m, another consecutive quarter of positive EBITDA, reaching \$195k in Q3¹. Cash receipts increased to \$4.91m, up 13% vs Q2 and 61% vs PCP. Cash at March 31 increased \$123k to \$2.7m and *Biome's* gross margin was maintained at 61%.

Biome has achieved positive EBITDA over five consecutive quarters and expects to report its first net profit in FY25.

¹ EBITDA as measured, excl R&D Rebate and Share Based Payments;

Quarterly Sales Revenue

Quarterly Sales



Throughout the quarter, *Biome* has continued its growth and development in both local and international markets, adding new products to existing retail pharmacy partners, increasing shelf space in Australia and signing new health retailers across Canada, Ireland, the United Kingdom and New Zealand. As we close FY25, *Biome* is pleased to be commencing the launch of its new range, *Activated Therapeutics™* into its existing distribution network.

Biome Australia Managing Director and Founder Blair Vega Norfolk said:

"As we progress through the June quarter, Biome is in a strong position to close FY25 with significant growth and an expected first full year of net profit. Throughout Q3 we have been preparing for the launch of our new brand and product range, Activated Therapeutics™, which we expect to commence rollout in Q4. The pharmacy industry is predicting a record cold and flu season in 2025, which is often a strong signal for growth in the probiotic category through the winter months. The ongoing success of Biome's Activated Probiotics (AP), is reinforced by the feedback from our key customers, Terry White Chemmart and Priceline Pharmacy, that we remain the highest growth brand in our category, within community pharmacy. During the quarter all key customers increased shelf space and ranging of AP via their annual reviews. I look forward to sharing further updates through the coming periods."

Quarterly Financial Summary

Biome reported positive EBITDA of \$195k for the March quarter (Q3FY25). Cash at the end of the quarter was \$2.7m. The company received \$25k from the exercise of options in Q3, plus \$7,500 for the extinguishment of a loan under the Company's Employee Loan Funded Share Plan. Cash flow from operating activities for Q3 was a net inflow of \$123k.

During the quarter, Biome has been actively preparing for the launch of a new practitioner product range under its new brand, Activated Therapeutics™.

Business activity expenses consist of sales, advertising and marketing costs of \$420k (an increase of \$105k from previous quarter \$315k). Payments for inventory and fulfillment increased by \$300k, due to the timing of invoices, to \$2.58m (previous quarter \$2.28m). Other operating costs increased by \$15k to \$51k, and research and development increased by \$6k to \$105k vs Q2. The balance of operating outflows were administration and staff costs totaling \$1.627m, an increase of \$161k from the previous quarter.

In Q3, the company received a record \$4.912m in cash receipts from customers (Q3 FY24, \$4.335m), an increase of \$577k or 13.3% vs Q2. At the end of Q3, the company held \$3m in inventory (a slight decrease from the \$3.1m in Q2 FY25), representing a wholesale value of \$7.6m.

The company notes that in Q3 *Biome* paid \$195,607 to directors of the company in fees, salaries and superannuation payments, as follows:

- Executive Director \$120,000
- Non-executive Directors \$75,607

Appendix 4C

Quarterly cash flow report for entities

subject to Listing Rule 4.7B

Name of entity

BIOME AUSTRALIA LIMITED (BIO)

ABN

51 627 364 014

Quarter ended ("current quarter")

MAR 2025

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (....9...months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	4,912	13,135
1.2	Payments for		
	(a) research and development	(105)	(299)
	(b) inventory & fulfilment	(2,581)	(6,947)
	(c) other operating costs	(51)	(138)
	(d) sales, advertising and marketing	(420)	(1,237)
	(e) staff costs (incl annual cash bonus)	(1,425)	(3,933)
	(f) administration and corporate costs	(202)	(592)
	(g) Managing Director's 3-year LTI	-	(1,000)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	23	69

1.5	Interest and other costs of finance paid	(28)	(114)
1.6	Income taxes & FBT paid	–	–
1.7	Government grants including EMDG and R&D tax rebate incentives	–	53
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	123	(1,003)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment	(4)	(49)
	(d) investments		
	(e) intellectual property	–	(136)
	(f) other non-current assets (*leasehold improvements)		
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment		
	(d) investments		
	(e) intellectual property		
	(f) other non-current assets		

2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (**bank guarantee)		
2.6	Net cash from / (used in) investing activities	(4)	(185)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (from exercise of options)	32	1,131
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from issue of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings		
3.6	Payments for lease liabilities	(31)	(82)
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (repayments of borrowings)	(13)	(37)
3.10	Net cash from / (used in) financing activities	(12)	1,012

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2587	2,869
4.2	Net cash from / (used in) operating activities (item 1.9 above)	123	(1,003)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(4)	(185)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(12)	1,012
4.5	Effect of movement in exchange rates on cash held	0	0
4.6	Cash and cash equivalents at end of period	2,694	2,694

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,694	2,587
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,694	2,587

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	195,607
6.2	Aggregate amount of payments to related parties and their associates included in item 2	nil
<p><i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i></p> <p>The amount paid to Directors of the Company during the quarter was \$195,607 in fees, salaries and superannuation payments, as follows:</p> <ul style="list-style-type: none"> · Executive Director \$120,000 · Non-executive Directors \$75,607 		

7.	Financing facilities <i>Note: the term “facility” includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	1,500	1,000
7.2	Credit standby arrangements	Nil	n/a
7.3	Other (please specify)	Nil	n/a
7.4	Total financing facilities	1,500	1,000
7.5	Unused financing facilities available at quarter end		500

7.6	<p>Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.</p> <p>Biome Australia Trading Pty Ltd (“Biome Trading”) a wholly owned subsidiary of The Company has entered into a \$1.5 million secured debt facility (“Facility”) with Tradeplus24 (TP24) for working capital purposes to fund future growth.</p> <p>The current interest rate of the Facility is 11.1384% per annum, with a portion tied to the 30-day bank Bill Swap Rate (“BBSW”) bid rate as at midday on the first working day of each month plus a fixed margin of 6.8%. The Facility has a facility fee of 1.8% per annum. The Facility is repayable by 30 June 2025 and is secured by a General Security Agreement over the whole of Biome Trading’s assets, a first ranking priority charge over the whole of Biome Trading’s receivables (debtor) book and a Deed of Guarantee and Indemnity from the Company, supported by a General Security Agreement over the whole of the assets of the Company as well as a Deed of Subordination over intercompany loans. It is the company’s intention to seek a renewal of this facility before the end of FY25 if required.</p>
-----	--

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	123
8.2	Cash and cash equivalents at quarter end (item 4.6)	2,694
8.3	Unused finance facilities available at quarter end (item 7.5)	500
8.4	Total available funding (item 8.2 + item 8.3)	3,317
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

8.6

If item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

n/a

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

n/a

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

n/a

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 28 April 2025

Authorised by: by the Board

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

–ENDS–

Approved for release by the Biome Australia board of directors.

Investor Hub

Biome has launched a new interactive investor hub. To view a video presentation of this announcement, ask questions or sign up for future company updates, please visit the investor hub via [this link](https://investorhub.biomeaustralia.com/) (<https://investorhub.biomeaustralia.com/>).

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[®].

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.

Biome also develops, licenses and distributes a scientifically formulated, organic nutraceutical range, Activated Nutrients[®].

For more information visit: www.biomeaustralia.com

Investor Relations

Rechelle Friend

corporate@biomeaustralia.com

(03) 9017 5800

Forward looking statements

*This release may contain forward looking statements, including but not limited to projections, guidance on future revenues, earnings, other potential synergies and estimates and the future performance of Biome (**Forward Looking Statements**).*

Forward Looking Statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Actual results, performance or achievements may differ materially from those expressed or implied in such Forward Looking Statements and

any projections and assumptions on which these Forward Looking Statements are based. Such statements may assume the success of Biome's business strategies. You are cautioned not to place undue reliance on Forward Looking Statements.

The Forward Looking Statements are based on information available to Biome as at the date of this release. Any Forward Looking Statements containing forward looking financial information provided in this release is for illustrative purposes only and is not represented as being indicative of Biome's views on its future financial condition and/or performance.

Nothing in this release is a promise or representation as to the future. No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any Forward Looking Statements contained in this release. Except as required by law or regulation (including the ASX Listing Rules), Biome does not undertake to provide any additional or updated information whether as a result of a change in expectations or assumptions, new information, future events or results or otherwise.

To the maximum extent permitted by law, Biome excludes and expressly disclaims all liabilities in respect of, and makes no representation or warranty, express or implied as to the fairness, currency, accuracy, reliability or completeness of information in this release or the accuracy, likelihood of achievement or reasonableness of any Forward Looking Statements (or any event or results expressed or implied in any Forward Looking Statements) contained in, implied by, the information in this release or any part of it, or that this release contains all material information about Biome or which a prospective investor or purchaser may require in evaluating a possible investment in Biome or acquisition of securities in Biome.

Investors are strongly cautioned not to place undue reliance on Forward Looking Statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the Covid-19 pandemic.
