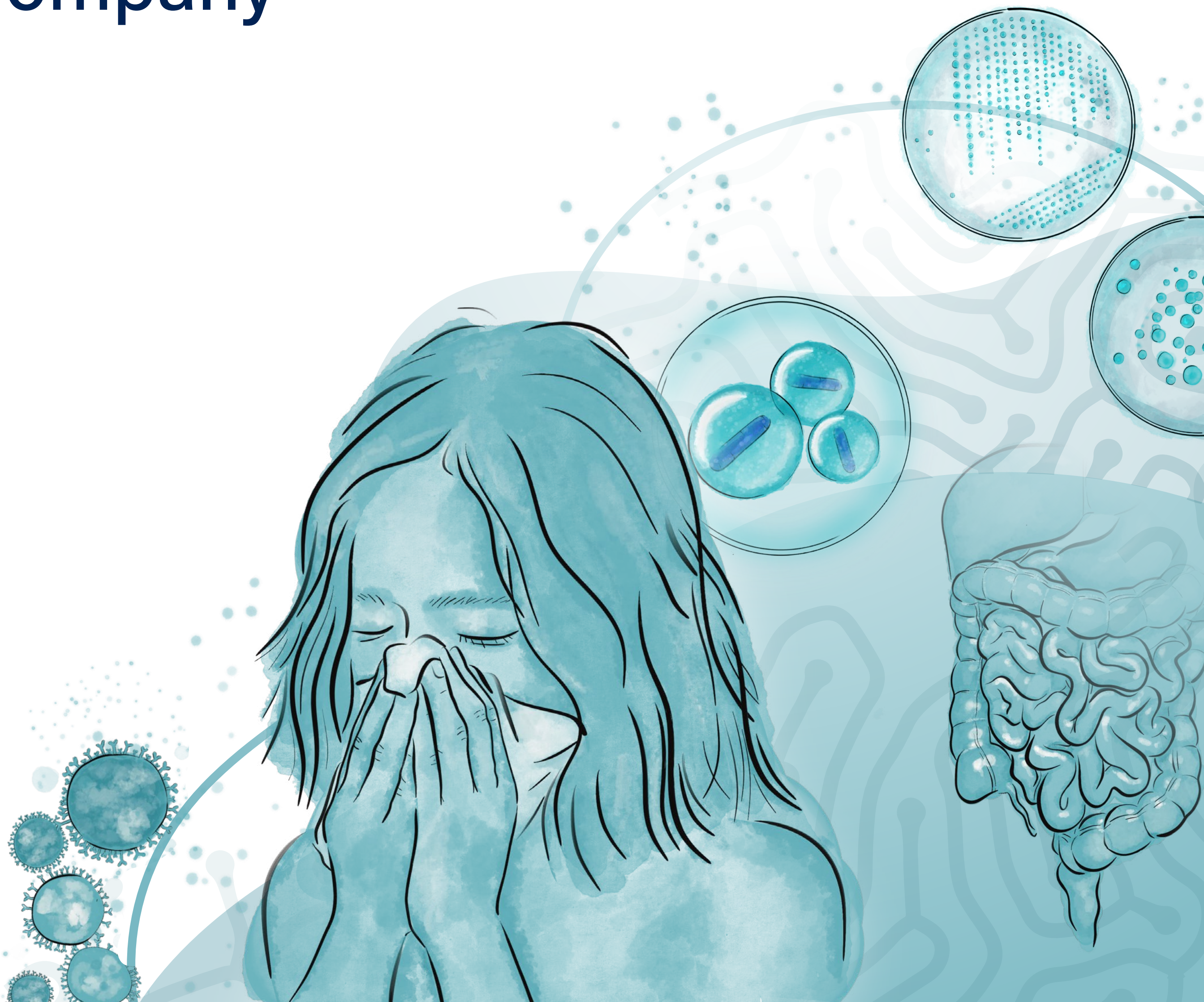
ANNUAL REPORT 2026

BIOME | AUSTRALIA GROUP

The Microbiome Health Company



BIOME | AUSTRALIA GROUP

Biome aims to improve the health and quality of life of people worldwide suffering from common and chronic health conditions using evidence-based complementary medicines. As a microbiome health company driven by science, Biome operates at the intersection of natural medicine and pharmaceutical science, developing, licensing, commercialising, and marketing innovative therapeutic solutions supported by rigorous clinical research.

In partnership with leading global organisations in microbiome research and development, Biome has created two complementary therapeutic platforms with innovative delivery technologies that improve stability and efficacy. Activated Probiotics, the company's flagship range of live biotherapeutics, targets specific health conditions through clinically-validated probiotic strains. Activated Therapeutics expands treatment possibilities beyond traditional probiotics, incorporating prebiotics, postbiotics, and complementary bioactive compounds.

Supported by clinical research, including randomised, double-blind, placebo-controlled trials, these therapeutic ranges address diverse health concerns spanning digestive health, immune function, cardiovascular health, women's health, mood and sleep, bone density, and dermatological conditions. Through practitioner-only distribution across domestic and international markets, Biome educates healthcare professionals on the systemic health effects of microbiome science, providing evidence-based therapeutic tools for managing humanity's most prevalent chronic health challenges.

Acknowledgement of Country

We acknowledge the Wurundjeri people as the Traditional Owners on whose Country we are based. We pay respect to their Elders past, present and emerging and acknowledge their continuing connection to land, sea and community. We extend that respect to Traditional Owners throughout Australia where we work and operate.

Company Overview

Annual Financial Statements

Letter to shareholders

Dear fellow shareholders,

We are pleased to present Biome Australia's FY26 Annual Report.

Two years ago we set out Vision 27, our plan to build Biome from a fast-growing Australian probiotic business into an international microbiome health company. FY26 was the year in which that plan began to be reflected in our results. Sales revenue grew to $23.9 million, with $5.5 million of new revenue added over the year, while the company remained profitable. Equally important, during the year we established the foundations to support faster and more profitable growth in the periods ahead.

Underpinning that plan is the steady, science-led building of our flagship brand. Over successive years, disciplined product development and a consistent focus on clinical evidence have helped establish Activated Probiotics® as one of Australia's leading and most trusted probiotic brands, and moved it steadily toward becoming a household name. According to IQVIA scan data, Activated Probiotics now has the number one probiotic product and the number one kids probiotic product in Australian pharmacy[1] — a position held against global competitors many times our size, and achieved without a retail price increase since the brand launched in 2019. Having reached this standing, we see considerable room for continued growth, both in Australia and internationally.

FY26 was our second consecutive year of net profit, of $3.6 million (includes $2.4m income tax benefit, underlying $1.2m), with EBITDA (excluding share-based payments) increasing 115% to $2.0 million. This reflects a deliberate approach to profitable growth. The company has not pursued revenue through discounting, and in a year in which conditions across much of the consumer health sector were challenging, our decision to lead with science, and to earn trust through evidence and service rather than discounting, enabled us to grow both revenue and earnings.

1. IQVIA™ Sell Out Service, VITAMINS MINERALS AND SUPPLEMENTS category, CHC3=PROBIOTICS, Australia Pharmacy, Total Value and Unit, 52 Weeks W/E 2026-06-27. *IQVIA™ Sell Out Service, VITAMINS & SUPPLEMENTS category, CHC3=PROBIOTICS, Australia Pharmacy, Total Value and Unit, 52 Weeks W/E 2026-06-27.l

Our Australian business remained the primary driver of this result, supported by the strongest consumer demand in the company's history. The sell-through of our products again grew well ahead of the category, and in June, monthly sell-through exceeded 100,000 units for the first time. These results reflect a principle that has held since the company was founded: when we help pharmacists and practitioners achieve better outcomes for their patients, commercial success follows.

A defining strategic decision in FY26 was to take greater control of how our products are manufactured. In June we entered into an agreement with Specialty Probiotics Australia to bring production of our Activated Probiotics range onshore, with the first batch commencing in September 2026 and the range transitioning progressively over approximately 18 months. The agreement requires no capital investment from Biome. It is expected to improve our already strong gross margin, release working capital currently tied up in extended international freight and large inventory orders, and add an Australian-made point of difference in our export markets, consistent with our position as a certified B Corporation. Biome will continue to leverage international supply partnerships to maintain optionality and service international markets, providing diversification and reducing risk. This represents the first phase of the supply-chain program at the heart of Vision 27, and we expect its benefits to be evident in our results over a number of years.

Internationally, FY26 was a year of establishing durable foundations rather than maximising near-term revenue. We continued to pursue a deliberately capital-efficient model, operating our overseas markets through small sales and education teams reporting into Australia, rather than establishing standalone operations in each country. This approach keeps cost and risk low while each market is proven. International revenue reached $1.8 million, with established positions now held across Canada, Ireland, the United Kingdom, and New Zealand. In Canada we secured Fullscript, the largest practitioner distributor in North America, alongside our launch partner and a growing local team. In Ireland we launched with Uniphar across

its wholesale and retail pharmacy network, serving more than 1,400 pharmacy customers. With this distribution in place, and with onshore manufacturing enabling the smaller production runs these markets require, we expect international to contribute more materially in FY27.

We also continued to broaden our offering. Activated Therapeutics®, launched at the close of FY25, completed its first full year in the market and is now ranged with our major pharmacy partners. The range extends our reach beyond probiotics into adjacent, evidence-based areas of health and provides a second platform for growth alongside Activated Probiotics. A number of new products across both ranges are scheduled for FY27.

Research and intellectual property remain central to our strategy, and FY26 was a significant year on both fronts. We filed our first patent application for our proprietary strain BMB18, and commenced recruitment for the BMB18 clinical trial, a 240-participant randomised, double-blind, placebo-controlled study conducted across two respected academic centres, La Trobe University in Melbourne and Harokopio University of Athens in Greece. Developing proprietary, clinically-validated strains is how we intend to strengthen our competitive position and support future product development, and BMB18 is the first of these.

During the year we welcomed Lauren Dwyer as Chief Financial Officer. Lauren is a Chartered Accountant with more than 15 years' experience in senior finance roles across pharmaceuticals, consumer health, and high-growth companies, and she has brought considerable financial discipline to a business that is concurrently scaling and internationalising. Her contribution has already informed our approach to margin, cash management, and the FY27 plan. We also thank Douglas Loh for his significant contribution to Biome over many years.

Vision 27 sets a target of at least $75 million in cumulative sales revenue across FY25–FY27. The company has delivered $42.3 million in the first two years, against a plan deliberately weighted toward FY27. Reaching the target will require a meaningful increase in the revenue added next year, and we remain committed to it. The international business is established and positioned to scale, onshore manufacturing is commencing, the core Australian business continues to compound, and our product pipeline is full. FY26 was a year of building; we intend FY27 to be the year in which that work is realised, and the most significant year in the company's history.

While this report is necessarily focused on financial performance, it is worth restating what sits behind it. Biome exists to improve the health and quality of life of people living with common and chronic conditions, and our product development continues to begin with a genuine patient need rather than a market opportunity. Our certification as a B Corporation reflects a commitment to holding ourselves to that standard, and to balancing the interests of shareholders with those of the patients, practitioners, and communities we serve. We regard this purpose not as being in tension with commercial success, but as the foundation of it.

We thank our team, whose commitment delivered these results, and our pharmacy and practitioner partners, who continue to trust Biome to serve their patients and customers. Above all, we thank you, our shareholders, for your continued support of the company's long-term strategy. We look forward to updating you throughout the year ahead.

Blair Vega Norfolk
Managing Director

Mr Geoffrey Sam OAM
Chair


B
C
D

CFO Update

Dear shareholders,

I am delighted to present FY26 results as your Chief Financial Officer, in a year that will be looked back on as a defining one for the company.

The Group's achievement of profitability in FY26 represents a material inflection in its earnings trajectory. Revenue grew 30% to $23.9 million, EBITDA (excluding share-based payments) increased 115% to $2.0 million and profit before tax reached $1.2 million. Biome's operating model has proven itself, supporting our expectations of sustainable and continuing profitable earnings in future financial reporting periods. As a result, in FY26 we recognised on balance sheet $2.4 million deferred tax assets (carried forward from prior years) — a reflection of the Board's confidence in the durability of the earnings we are now generating.

In 2026 a number of significant projects have been progressed, both internally and externally, to set Biome up for success in FY27 and beyond the targets committed to as part of Vision 27. The significance of the contract manufacturing agreement entered in June 2026 with Specialty Probiotics Australia should not be understated. We have communicated a material increase expected in Biome's gross profit margin as manufacturing transitions onshore over the next 18 months, which will directly deliver increased bottom line profitability and support our continued progress towards a 65%+ gross margin. Of equal significance is the risk mitigation that onshoring affords us, coupled with the complexities it removes around managing a supply chain that has been heavily exposed to global uncertainties, including extended international freight and large inventory holdings.

Capital management has also been a key area of focus during the year, and I am pleased with the progress we have made. Biome delivered a full-year net operating cash inflow of $1.6 million, a turnaround of $4.5 million on the prior year's net operating cash outflow, leaving the Company with $3.6 million in cash and a further $3.1 million in an undrawn credit facility at year end. At the same time, we reduced debt by $1.0 million year-on-year, to $1.9 million drawn against total NAB facilities of $5.0 million as at 30 June 2026. The discipline around cash and debt is inseparable from the profitability result itself — it is what gives Biome the balance sheet strength to fund our FY27 growth plans, including the onshore manufacturing transition and continued international expansion, without placing undue pressure on the business.

Internally and in the second half of FY26, I have prioritised ensuring that we have the right people, processes and platforms in place to support disciplined organisational growth and sustainable operating expenditure practices. In doing so, our focus remains to support increasing sales revenue both domestically as well as in existing and new international markets, whilst leveraging partnerships and continuing investment in research and development.

Underpinning both the FY26 result, and the work already under way for FY27, is an exceptional amount of hard work and dedication. I would personally like to thank the Biome team, who deliver with passion and purpose every day.

Lauren Dwyer
Chief Financial Officer

2018

JULY
Biome Australia founded

6 employees

NOVEMBER
Activated Probiotics launch

Biome launches its condition-specific probiotic range

2020

JUNE
TerryWhite Chemmart distribution deal

Activated Probiotics launches nationally with TerryWhite Chemmart
$833k FY20 sales revenue

NOVEMBER
UK practitioner market launch

Activated Probiotics launches into the UK Practitioner market

2023

MARCH
Biome Lift™ clinical trial preliminary results

On patients with subthreshold depression

JUNE
$7.23m FY23 Sales revenue

2024

JANUARY
UK/Ireland health retail launch

Activated Probiotics launches into UK/ Ireland Health Retail

MARCH
Biome reaches cashflow and EBITDA positive milestones

5000 Distribution points

JUNE
$13m FY24 sales revenue

SEPTEMBER
Test market launch into Canada

NOVEMBER
Canadian health retail launches

DECEMBER
Novel probiotic strain

Biome secures new novel probiotic strain BMB18

MAY
First patent filed for BMB18, clinical trial commences

Biome files its inaugural patent application over proprietary strain BMB18, the cornerstone of its next-generation probiotic program. Randomised, double-blind, placebo-controlled trial begins recruitment across La Trobe University and Harokopio University of Athens

JUNE
Onshore manufacturing SPA

Commercial manufacturing agreement signed with Specialty Probiotics Australia to bring Activated Probiotics production onshore; phase one of Vision 27

JUNE
100,000 units in a month

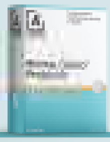
Monthly sell-through passes 100,000 units for the first time; Biome Daily™ Probiotic reaches number 1 probiotic product in Australian Pharmacy.[1]

1. IQVIA™ Sell Out Service, VITAMINS MINERALS AND SUPPLEMENTS category, CHC3=PROBIOTICS, Australia Pharmacy, Total Value and Unit, 52 Weeks W/E 2026-06-27.

JUNE
$23.9m FY26 sales revenue

Record full-year sales revenue of $23.9 million, up 30% on FY25

2021



JANUARY

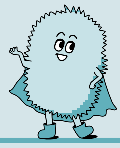
Biome Osteo™ clinical trial

Probone21 clinical trial using Biome Osteo™ commences in partnership with La Trobe University and Probi AB

FEBRUARY

Practitioner market launch

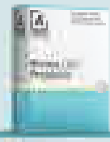
Activated Probiotics launches into the Australian practitioner market with Oborne Health Supplies and vital.ly



FEBRUARY

Biome Daily Kids™ clinical trial

Biome Daily Kids™ clinical trial commences in partnership with Federation University



MARCH

Biome Lift™ clinical trial

In partnership with La Trobe University and Probiotical S.p.A.

2000 Distribution points

JUNE

$2.32m FY21 Sales revenue

NOVEMBER

B Corporation certification

2022

JUNE

$4.1m FY22 sales revenue

3000 Distribution points

SEPTEMBER

Priceline Pharmacy Activated Probiotics product launch

2025

MARCH

BMB18 successfully completes in vitro clinical study

JUNE

International pharmacy launch

Activated Probiotics launched with Uniphar pharmacy wholesale in Ireland and Propharma pharmacy wholesale in New Zealand

JUNE

Biome reaches first net profit

Activated Therapeutics launch

New brand and range of targeted therapeutics offering natural options for common health concerns

2026

JANUARY

Second net profit year begins

Biome enters FY26 on an annualised run rate above $20 million, building on its first full year of net profit in FY25

JANUARY

Canada Fullscript

Activated Probiotics secures Fullscript, the largest practitioner distributor in North America, alongside launch partner Ecotrend Ecologics

JANUARY

Ireland Uniphar launch

Launch with Uniphar across its wholesale and retail pharmacy network, reaching more than 1,400 pharmacy customers

FEBRUARY

Lauren Dwyer appointed CFO

Chartered Accountant with more than 15 years experience across pharmaceuticals, consumer health, and high-growth companies joins as Chief Financial Officer

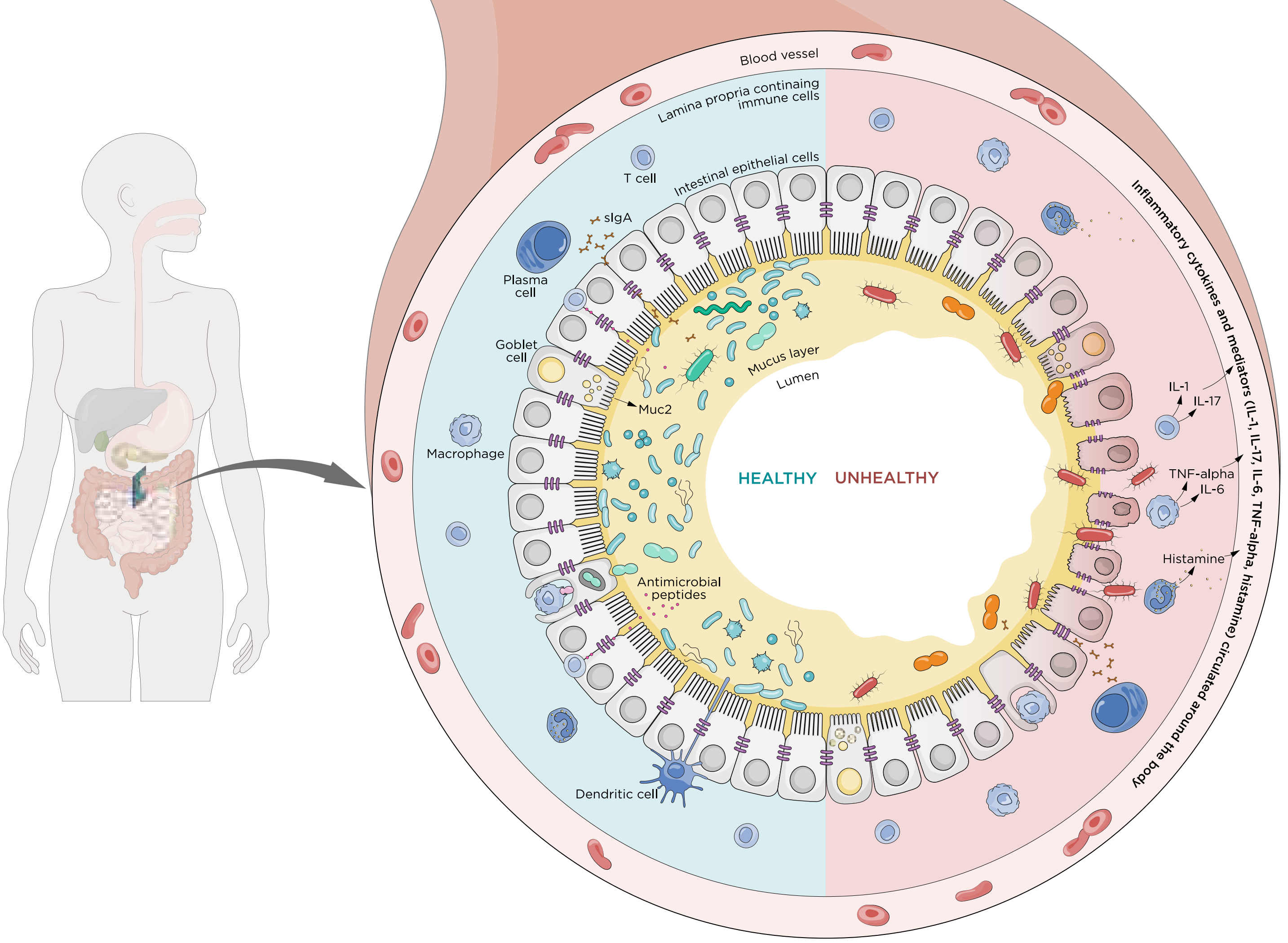
MARCH-JUNE

National public health campaign

National campaign across print, large-format out-of-home, and digital raising awareness of condition-specific probiotics; approximately 1,974,450 digital impressions delivered

Transforming healthcare through microbiome science

Biome is helping Australians improve their health by harnessing cutting-edge microbiome research to develop targeted, evidence-based therapeutic solutions. Operating at the forefront of where microbiome science meets clinical practice, Biome is committed to developing innovative approaches that support gut health and overall wellbeing.



Understanding the microbiome

The human gut hosts a complex ecosystem of trillions of microorganisms that function as a metabolically active organ system. This internal ecosystem doesn't just aid digestion — it orchestrates communication networks that influence a range of different bodily processes, including immunity, hormone production, neurological function, and systemic inflammation throughout the body.

When this ecosystem thrives in balance, it supports optimal whole body health. However, modern life has created widespread microbiome disruption, with compromised gut communities now linked to an expanding spectrum of chronic conditions — from metabolic disorders and autoimmune diseases to mood disturbances and skin conditions.[1]

Contemporary lifestyle factors have fundamentally altered our internal microbial landscape. Ultra-processed foods, chronic stress, sedentary behavior, and frequent antibiotic exposure have collectively diminished microbial diversity and shifted gut composition toward inflammatory profiles.

This disruption manifests as compromised intestinal barrier function, allowing microbial fragments to trigger systemic immune activation. The resulting chronic inflammatory cascade spreads beyond the gut, contributing to the rising prevalence of multisystem disorders that define modern healthcare challenges.

Targeted products for targeted outcomes

Biome has developed two complementary therapeutic ranges that help to address different aspects of microbiome health.

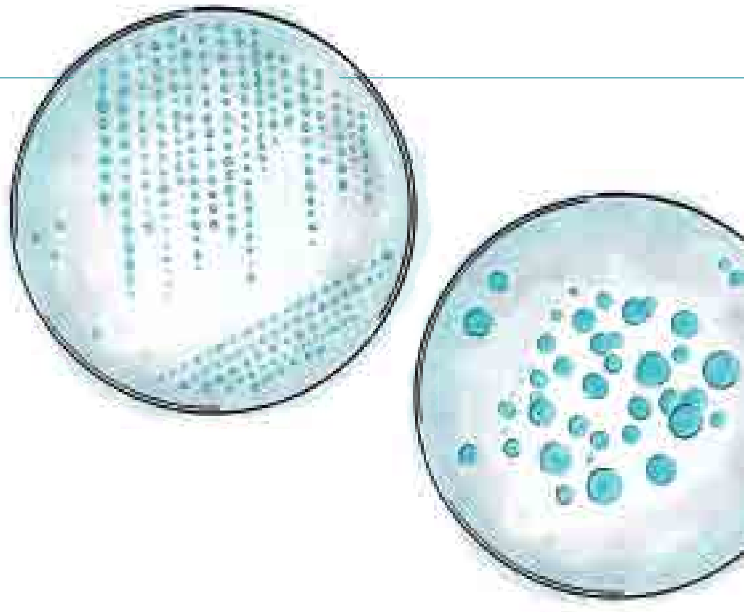
Activated Probiotics is a range of precision probiotics, with each product formulated to address specific health concerns through evidence-based strain selection.

Activated Therapeutics is comprised of evidence-based nutraceuticals and complementary medicines beyond probiotics, incorporating prebiotic fibers, postbiotic compounds, and synbiotic formulations that support microbiome health in their own unique ways.

Together, these ranges provide healthcare practitioners with comprehensive tools to improve the management of key public health concerns through targeted microbiome-based interventions.

1 Anwar, H., Irfan, S., Hussain, G., Naeem Faisal, M., Muzaffar, H., Mustafa, I., Mukhtar, I., Malik, S., & Irfan Ullah, M. (2020). Gut Microbiome: A New Organ System in Body. In Parasitology and Microbiology Research (pp. 1–20). IntechOpen.

Research and development



Over the past year, Biome Australia has continued its investment in proprietary research, advancing its own probiotic strain into active clinical development. Following the transfer of ownership of *Lactobacillus plantarum* BMB18[1] to Biome in FY25, the past 12 months have been defined by the strain's progression from functional validation into formal intellectual property protection and the launch of its first human clinical trial in partnership with La Trobe University.

BMB18: Biome's proprietary strain program

Lactobacillus plantarum BMB18 is Biome's first wholly-owned probiotic strain and remains a key focus of the company's research and development strategy. Owning the strain outright allows Biome to pursue condition-specific health claims, defensible product differentiation, and licensing opportunities in global markets that are not available to companies formulating with third-party strains.

In FY25, core functional characterisation studies established the mechanistic basis for the strain's therapeutic potential, demonstrating an ability to modulate immune responses and inflammation, reduce oxidative stress, and maintain intestinal barrier integrity in cell culture studies. This evidence base provided the scientific rationale for progressing the strain into human clinical research during FY26. Biome holds the strain on formal deposit with the DSMZ.

First human clinical trial: La Trobe University collaboration

The defining milestone of the year was the establishment and approval of the first human clinical trial of BMB18, which Biome Australia is conducting in partnership with La Trobe University's School of Allied Health, Human Services and Sport. Professor Matthew Cooke serves as Principal Investigator, with Professor George Moschonis leading study design and international coordination.

The trial is a randomised, double-blind, placebo-controlled, three-arm study designed to examine the effect of low and high doses of *Lactobacillus plantarum* BMB18 on digestive function, mood, sleep, and quality of life:

Design	Randomised, double-blind, placebo-controlled, three-arm
Participants	240 adults aged 18–65 with mild digestive symptoms and/or occasional sleep or mood disturbance
Sites	Dual-centre: La Trobe University (Melbourne, Australia) and Harokopio University (Athens, Greece)
Arms	1 billion CFU/day, 10 billion CFU/day, and placebo
Duration	Six-week intervention with two-week follow-up
Primary outcome	Digestive symptom severity (IBS-SSS)
Secondary outcomes	Mood (DASS-21), sleep quality (Brief PSQI), quality of life (SF-36), and inflammatory biomarkers (hs-CRP, IL-6)

Key milestones during the year included:

- **Research agreements:** Biome finalised clinical trial and research collaboration agreements with both La Trobe University and Harokopio University.
- **Protocol development:** La Trobe University developed the full study protocol, data collection instruments, and standard operating procedures, ensuring trial design aligned with updated ISAPP guidance on probiotic trials in gut health.
- **Ethics submission and approval:** The study team lodged the ethics application in November 2025, and La Trobe University's Human Research Ethics Committee granted approval on 30 January 2026 (HEC25538) for a five-year period. All corresponding approvals for the Athens site followed in parallel.
- **Trial registration:** the study team prospectively registered the trial with the Australian New Zealand Clinical Trials Registry (ACTRN12625001338459p).
- **Investigational product supply:** Biome's manufacturing partner produced dedicated clinical trial batches of active product and matched placebo, and delivered them to the Melbourne and Athens sites.

Biome and La Trobe University expanded the study to a dual-centre design across Australia and Greece to strengthen the statistical power and population diversity of the dataset, improving the quality and international applicability of the evidence generated.

Future outlook

BMB18 has moved from an owned asset into active clinical development, and represents a significant long-term source of product differentiation and defensible competitive advantage. Participant recruitment for the Melbourne and Athens sites commenced shortly after year end, and the study team has submitted the trial methodology for publication in a peer-reviewed journal. With clinical data expected to inform both future product development and the company's international patent strategy, BMB18 positions Biome to pursue opportunities that few companies in the Australian complementary medicines sector are able to access.

Activated Therapeutics

Biome launched Activated Therapeutics following several years of dedicated research and development, extending its evidence-based approach beyond probiotics into adjacent, science-backed areas of gut health. As with Activated Probiotics, Biome developed each product in the range against a genuine, well-characterised patient need, drawing on the same rigour of clinical evidence and ingredient selection that underpins its probiotic portfolio. Having completed its first full year in market, the range is well supported by both practitioner and pharmacy networks, with strong customer acceptance and feedback validating the science behind it in real-world use. Activated Therapeutics is now established as a long-term platform for growth alongside Activated Probiotics, and further product development is under way to extend the range in the years ahead.

1. A 2020 genome-based revision of the genus *Lactobacillus* reclassified this species as *Lactiplantibacillus plantarum*. This report uses *Lactobacillus plantarum* throughout, consistent with the Australian Register of Therapeutic Goods, which continues to list the species under the *Lactobacillus* genus. Official trial, registry, and ethics documentation use the updated nomenclature. Both names refer to the same microorganism.

Education

FY26 presented many opportunities for the Biome Education team to do what they do best: provide high-quality education on microbiome research. Feedback from Biome's pharmacy and practitioner partners consistently confirms that it is the quality of Biome's education and training which sets it apart. The Education team continually strives to maintain the reputation Activated Probiotics has forged as the most trusted practitioner brand. This year, the team has also worked hard to make sure that Activated Therapeutics is also seen in this same positive light.

Biome officially launched Activated Therapeutics at an evening event in September 2025, attended by dozens of healthcare practitioners. The range has been well received by naturopathic practitioners and pharmacy professionals alike, with the products embodying Biome's commitment to producing evidence-informed solutions to common clinical problems. The Education team has worked hard to produce a suite of educational resources to support the hard work of the practitioner education consultants (PECs) in introducing the range's four products to their accounts. From head office, Director of Education Rebecca Edwards delivered a series of educational webinars for practitioners to help them understand the clinical applications of these four products.

One of the new Activated Therapeutics products, Oestro-ISO, represents an important focus for Biome over the past year. Delivering a standardised dose of soy isoflavones, Oestro-ISO is focused on supporting the health of perimenopausal women. Perimenopause has emerged as a significant area of clinical interest, with many healthcare practitioners seeking to build expertise in this area. Biome firmly embraced the interest in this aspect of women's health, with Rebecca presenting specifically on perimenopause at many points over the year.

The biggest event on the Education calendar for FY26 was Biome's National Masterclass Tour. Perimenopause remained in the spotlight, and was the subject of Rebecca's two hour long seminar to healthcare practitioners, which was presented to hundreds of attendees along the six city tour. The feedback was exceptional, with one attendee commenting 'I'm going to talk to every woman I know about this!'

Women's health overall, not just perimenopause, has been a significant focus for the Biome Education team. One of the ways in which Biome endeavours to live its B Corp values is through community education. An aim for Biome's education this year has been to create more confidence in healthcare professionals when discussing vaginal health with their patients, thereby helping to destigmatise conversations about genitourinary care.

'Confident Conversations' was the session developed to address this, debuting at the Priceline Masterclass national tour. The topic was so well received that the team created an exclusive, invitation-only event alongside the 2026 Australian Pharmacy Professionals (APP) convention, where Rebecca hosted an expert panel discussion for hand-selected guests. Vaginal health featured again at the Terry White Chemmart Masterclass and Leaders Summit across five states, where Rebecca presented on the vaginal microbiome to a large annual gathering of pharmacy professionals and retail managers — extending the reach of the program to a wider cross-section of the industry.

FY26 was a year of diverse adventures for Biome's education. Over the year, Biome presented to a range of audiences including: midwives; pharmacy students; top end pharmacists; industry experts; naturopaths and herbalists and many more. The fact that Rebecca, and by extension the entire Education presence at Biome, was so warmly welcomed in a range of settings speaks volumes to the respect in which Activated Probiotics and Activated Therapeutics are held. The team is excited to see where FY27 takes the brand.

Brand growth and marketing strategy

Biome Australia leads with science, and builds on that foundation with a deliberate, disciplined approach to brand growth. The company invests in clinical research and in translating what that evidence means for healthcare professionals and consumers — but it takes a considered, strategic marketing capability to turn that evidence into trust at scale. It is this combination, rather than price or promotion alone, that has earned the trust its brands depend on. Built patiently over successive years and reinforced through targeted, consistent brand-building, that trust has established Activated Probiotics as one of Australia's leading and most trusted probiotic brands, and moved it steadily toward becoming a household name.

An integrated, evidence-led approach

Marketing and education operate as a single function at Biome. Campaigns are built to inform, pairing rigorous probiotic science with clear, evidence-based information. This is what distinguishes Biome from conventional pharmaceutical marketing and sustains its standing as a trusted authority rather than another brand competing for shelf space. Product and campaign development also continues to begin with a genuine patient need, consistent with Biome's purpose as a certified B Corporation to improve health outcomes, not simply to drive sales.

Deeper partnerships in pharmacy

During FY26 Biome moved from broad distribution toward deeper, more strategic partnerships with major national pharmacy networks, strengthening the foundation for long-term, mutually beneficial growth. Biome continued to connect pharmacists and patients through in-store education, improving outcomes while supporting engagement and loyalty for its partners. With education as the lead partnership strategy, this was supported by increased activity in the channel, including outdoor media partnerships and masterclass tours. This investment in education extended beyond distribution, contributing to Biome achieving the #1 position in pharmacy for two products across the range, according to IQVIA data.

Practitioner education

Practitioners remain central to how Biome builds its brands. Through webinars, masterclasses, printed and digital resources, and its practitioner portal, Biome's Practitioner Education Consultants delivered clinical education across pharmacists, naturopaths, doctors, dentists, and chiropractors. As the range broadened, the education program expanded with it, including new content supporting the Activated Therapeutics range and the conditions it addresses.

Public health campaigns

Biome again invested in national public education during the year. Between March and June 2026 the company ran a national public health campaign spanning print advertising, large-format out-of-home placements, and digital media, raising awareness of condition-specific probiotics and evidence-based microbiome health among Australians. The digital component alone delivered approximately 1,974,450 impressions. Ongoing engagement through the company's blogs, monthly communications, and product surveys kept Biome close to the people using its products throughout the year.

Thought leadership

The annual National Masterclass Tour again brought together leading healthcare professionals to explore new research and clinical applications, reinforcing Biome's standing as a thought leader in microbiome science and giving its partners direct access to the evidence behind the brand.

Positioned for the year ahead

The marketing and education infrastructure Biome has built is scalable. It is the platform the company will use to launch new products across both ranges, to support the transition to Australian-made manufacturing, and to extend the Biome brand into its international markets through FY27, building on the trust and market position established in FY26.

$23,883,240

FY26 Sales revenue

$3,608,226[1]
Second year of net profit

#1
Probiotic Product in Australian Pharmacy[2]

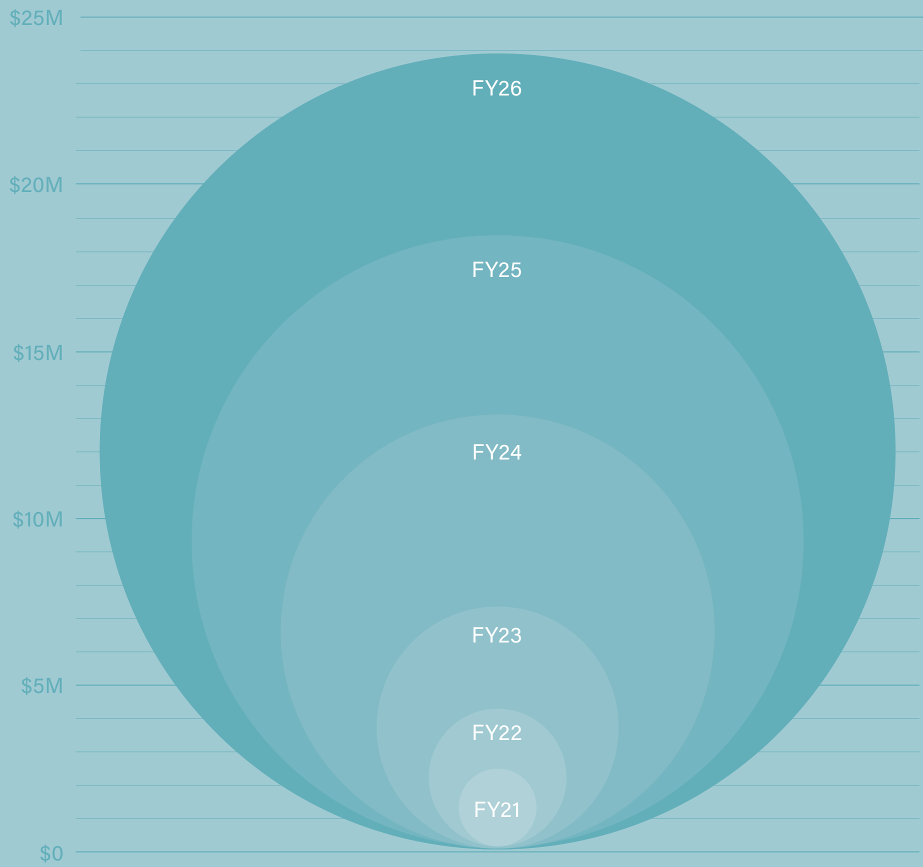
100,000+
Units sold in June

$1,784,093
International sales

+30%
Increase in sales revenue

~60%
Compound annual growth rate

>50%
Domestic business sell-through grew by more than 50%



Annual sales revenue

Sales report

Biome delivered record sales revenue of $23.9 million in FY26, up 30% on FY25, generating a five-year compound annual growth rate of approximately 60% since FY21. This was Biome's second consecutive year of net profit, of $3.6 million (including a net income tax benefit of $2.4 million attributable to the recognition of deferred tax assets in FY26, underlying $1.2m) with EBITDA adjusted of $2.0 million, up approximately 115%, achieved without discounting.

Australia remained the primary driver of the result: domestic sell-through exceeded 100,000 units for the first time in June 2026 and Activated Probiotics is now the second-largest probiotic brand by revenue in Australian community pharmacy, and the largest excluding the discount channel, with Biome Daily Probiotic™ and Biome Daily Kids Probiotic™ each the number-one product in their category.[3] Australian points of sale grew to 7,500 in FY26, with same-store sales up 38.6% on approximately 1,600 new accounts. On this basis, approximately $22.1 million of FY26 revenue was generated domestically.

Within the Australian pharmacy network, Biome worked to develop more strategic partnerships, making progress with its national banner partners in FY26, to ensure growth at these strong levels can be maintained or accelerated over FY27 and beyond. These partnerships are built on the uniqueness of Biome products, and on the company's ability to generate more gross profit per square metre than other brands in the market. Biome achieves this by avoiding promotional pricing and instead driving volume through dispensary adjunct recommendations.

The practitioner market experienced a year of evolution in FY26, with a shift in distributor popularity across all practitioner types that had settled by the close of the year. Biome is pursuing a longer-term strategy in this channel to build the trust and recommendation of Australian health professionals across all modalities, and, through new partnerships, is well positioned to be a brand of choice for years to come.

International revenue reached $1.8 million, up 20% on FY25, across established positions in Canada, Ireland, the United Kingdom, and New Zealand, at a gross margin of approximately 68% (approximately six percentage points above the domestic blend of 62.1%).

Onshore manufacturing, commencing September 2026, is expected to further support gross margin, international scale and improve inventory turnover. Vision 27 targets at least $75 million in cumulative sales revenue across FY25–27; Biome has delivered $42.3 million in the first two years, and reaching the target requires a meaningful step-up in FY27 revenue, which the company reaffirms is on track to achieve.

1. Includes $2.4m Income Tax Benefit, underlying $1.2m

2. IQVIA™ Sell Out Service, VITAMINS MINERALS AND SUPPLEMENTS category, CHC3=PROBIOTICS, Australia Pharmacy, Total Value and Unit, 52 Weeks W/E 2026-06-27.

3. IQVIA™ Sell Out Service, VITAMINS MINERALS AND SUPPLEMENTS category,CHC3=PROBIOTICS, Australia Pharmacy, Total Value and Unit, 52 Weeks W/E 2026-06-27.

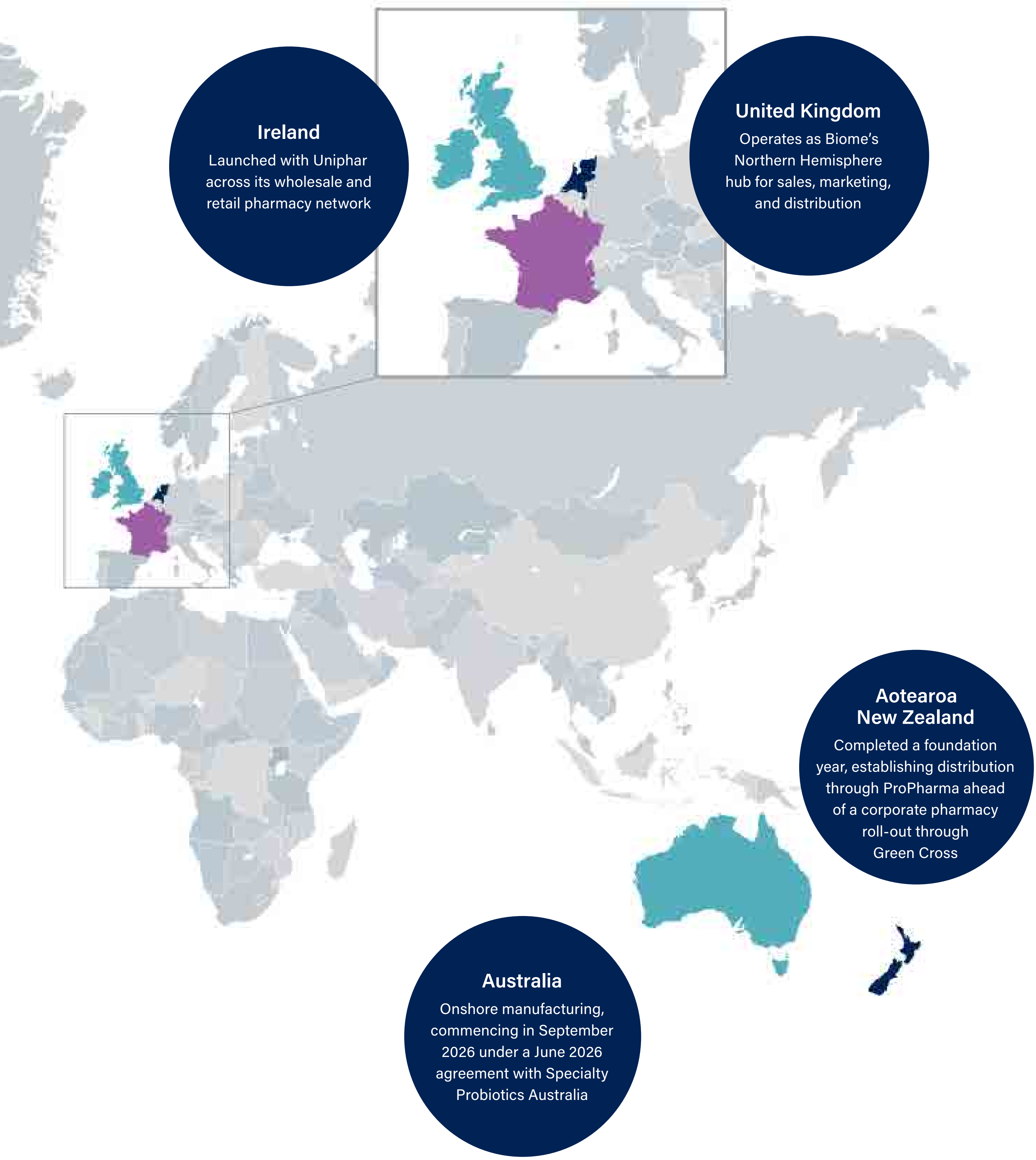
Biome's dedicated team brings expertise, education and genuine passion

International markets

Biome Australia's international expansion is in its early growth phase, with four active markets (Canada, the United Kingdom, Ireland, and New Zealand) contributing independent demand within a single practitioner-led, clinically backed, and never discounted model. Twelve international staff run local sales and education, supported by regulatory, quality, supply chain, science, and finance functions centralised from Australia.

Canada, one of the leading contributors to international sales, secured Fullscript, the largest practitioner distributor in North America, alongside launch partner Ecotrend Ecologics, and added pharmacy and health-food retail distribution in FY26. The United Kingdom operates as Biome's Northern Hemisphere hub for sales, marketing, and distribution across the United Kingdom, the European Union, and Canada. Ireland launched with Uniphar across its wholesale and retail pharmacy network, reaching more than 1,400 pharmacy customers, and secured five pharmacy banner groups. New Zealand completed a foundation year, establishing distribution through ProPharma ahead of a corporate pharmacy roll-out through Green Cross in FY27.

Supply chain investment is underpinning this growth. A Northern Ireland hub supplies the United Kingdom and Ireland directly and opens access to continental Europe. Biome continues to review other international opportunities across all geographies.


Ireland
Launched with Uniphar across its wholesale and retail pharmacy network
United Kingdom
Operates as Biome's Northern Hemisphere hub for sales, marketing, and distribution
Aotearoa New Zealand
Completed a foundation year, establishing distribution through ProPharma ahead of a corporate pharmacy roll-out through Green Cross
Australia
Onshore manufacturing, commencing in September 2026 under a June 2026 agreement with Specialty Probiotics Australia

BIOME | AUSTRALIA GROUP

Annual financial statements

Biome Australia Limited
ABN 51 627 364 014

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Biome Australia Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2026.

Directors

The following persons were directors of Biome Australia Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Mr Geoffrey Sam OAM
(Chairman)

Blair William Brabin Vega Norfolk
(Managing Director)

Dominique Gayle Fisher AM
(Independent Non-Executive Director)

Principal activities

The principal continuing activities of the Group during the financial year were developing, manufacturing and distributing innovative evidence-based products linking the gut and human health through the Group owned brands:

- Activated Probiotics, a first-of-its-kind range of clinically-backed precision probiotics; and
- Activated Therapeutics, a range of targeted therapeutics formulated with clinically-validated natural ingredients.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations

FY26 was the strongest year in Biome's history. Biome Daily, the Company's flagship product, is now the number one probiotic product in Australian pharmacy by both units and dollar value (IQVIA[1]). June 2026 was a landmark month, with consumer sell-through of the Activated Probiotics range surpassing 100,000 units for the first time.

In Q4 FY26, Biome signed a binding manufacturing agreement with Specialty Probiotics Australia (SPA) for onshore production of the Activated Probiotics range, at zero capital investment to Biome, with the first commercial batch targeted for September 2026. The agreement is expected to structurally improve cost of goods sold and free up working capital through shorter inventory and freight lead times.

1. IQVIA™ Sell Out Service, VITAMINS MINERALS AND SUPPLEMENTS category, CHC3=PROBIOTICS, Australia Pharmacy, Total Value and Unit, 52 Weeks W/E 2026-06-27.

Biome's international revenue from customers increased 20% to $1,784,093 across four markets (FY25: $1,486,689). In Canada, a distribution partnership with Fullscript was secured in 2H FY26. In Ireland, a distribution agreement secured with Uniphar is developing the European market, giving Biome a distribution partner in a second international territory.

A clinical trial for BMB18 - Biome's first wholly proprietary probiotic strain – is underway across the University of Athens, alongside La Trobe University in Melbourne. This is expected to build long-term IP value as Biome extends its practitioner-grade brand and distribution footprint into new export markets.

Financial Performance

The Company continued to experience strong sales growth during the year with revenue increasing by 30% to $23,883,240 compared to the previous corresponding period (FY25: $18,417,188). Gross profit on sales grew by 33% to $14,936,188 (FY25: $11,256,288), with a corresponding gross margin attributable on sales to customers of 62.1% (FY25: 61.1%). The improvement in gross profit margin reflects a combination of sales pricing-mix improvements, as well as early gains from the Company's wider operational and inventory optimisation plan and continued progress toward its 65%+ gross margin target.

The strong sales growth has been driven by Biome's Activated Probiotics range, further strengthened by the launch of the Activated Therapeutics range in June 2025, broadening Biome's practitioner-grade portfolio and creating an additional platform for growth into FY27.

Total underlying operating expenses for the year increased by $2,859,133 to $14,001,150, well below the Company's 30% revenue growth and demonstrating growing operating leverage in the underlying business. The Company continued to deliberately reinvest in expanding international markets and distribution points during FY26, positioning the business ahead of the growth and development planned for FY27 and beyond.

Earnings before interest, tax, depreciation and amortisation (EBITDA) excluding share-based payments in FY26 was $2,000,296, 115% up on FY25 ($931,048).

The combination of stronger sales, higher gross margin and contained operating costs helped deliver a 5.5 times multiple improvement in Net Profit Before Tax of $1,186,919 (FY25: $214,656). This result was significantly strengthened by the recognition of a Deferred Tax Asset of $2,421,307, reflecting the Board's increased confidence in the Company's ability to utilise its carried-forward tax losses against future taxable profits. This uplift materially improved basic earnings per share to 1.62 cents for FY26 (FY25: 0.10 cents), providing a stronger underlying earnings base as the Company scales into FY27.

The profit for the consolidated entity after providing for income tax amounted to $3,608,226 (30 June 2025: $214,656).

Financial Position

The Company has $3,551,175 in cash as at 30 June 2026 and a further $3,100,000 in an undrawn credit facility. Biome delivered a full-year net operating cash inflow of $1,626,949, a turnaround of $4,517,753 on the FY25 net operating cash outflow of $2,890,804. The Company continued to strengthen its balance sheet through disciplined capital management, reducing debt by $1,005,413 year-on-year to just $1,900,000 drawn against total NAB facilities of $5,000,000.

The net assets of the Company increased to $9,379,697 as at 30 June 2026 (30 June 2025: $4,675,367), a result of increased capital from the Company reporting a net profit for the year, the recognition of a Deferred Tax Asset and the exercise of company options.

Significant changes in the state of affairs

On 2 February 2026, Ms Lauren Dwyer was appointed Chief Financial Officer replacing Douglas Loh who has retired.

On 10 April 2026, the Company appointed MVAB Audit Pty Ltd as its external auditor, replacing MVAB Assurance. Subsequent to its appointment, MVAB Audit Pty Ltd changed its name to Horizon Nexus (Audit) Pty Ltd. The name change did not affect the legal entity appointed as the Company's external auditor.

There were no other significant changes in the state of affairs of the consolidated entity during the financial year.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations

Information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

Environmental regulation

The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Information on directors

Name	Mr Geoffrey Sam OAM
Title	Independent Non-executive Chair (appointed 21 November 2024)
Age	72
Qualifications	B.Comm
Experience and expertise	Building from his background in hospital executive leadership, Geoff co-founded Healthecare Australia Pty Ltd in 2005. Healthecare Australia is a privately owned healthcare company comprising a portfolio of 17 private hospitals and employing nearly 5,000 healthcare professionals nationwide. He currently serves as a Non-Executive Director of IDT Ltd, Change Financial Ltd and EarlyPay Ltd. His past board positions include ParagonCare Ltd, Money 3 Ltd, Hutchinsons Childcare Services Ltd and Nova Health Ltd. With decades of executive and board-level experience in healthcare, Geoff's qualifications include a Bachelor of Commerce (Accounting and Finance, UNSW), Master of Health Administration (UNSW) and a Master of Arts (Economics and Social Studies, University of Manchester). Geoffrey is also a Fellow of the Australian Institute of Company Directors.
Other current directorships	IDT Ltd, Change Financial Ltd and EarlyPay Ltd
Former directorships (last 3 years)	N/A
Special responsibilities	N/A
Interests in shares	6,574,537 fully paid ordinary shares

Name	Mr Blair William Brabin Vega Norfolk
Title	Managing Director
Age	41
Qualifications	BCom (Accounting), MMktg (Monash), MAICD
Experience and expertise	A health industry expert with over 15 years of global pharmaceutical and nutraceutical industry experience as management and executive. Since founding the business, Blair has recruited the people, secured funding, products and IP and managed key relationships. Blair has strong relationships in media, pharmacy, research and manufacturing. Blair has a significant public profile as a health advocate and speaks at conferences and panels from mental health to general wellbeing.
Other current directorships	N/A
Former directorships (last 3 years)	N/A
Special responsibilities	Managing Director
Interests in shares	18,879,272 fully paid ordinary shares

Name	Ms Dominique Gayle Fisher AM
Title	Independent Non-executive Director
Age	69
Qualifications	BA (Hons)
Experience and expertise	Ms Fisher couples her experience in tech driven businesses with a strong focus on risk mitigation and financial management which has led to her working across a wide range of sectors in both executive and non-executive roles. Ms Fisher has an extensive non-executive career, having served on ASX listed companies, IAG, Circadian Technologies/ Opthea, Pacific Brands and Trimantium GrowthOps (2 as Chair) including two IPOs (IAG and TGO); numerous private companies including NRMA, LaunchVic and SkyTechnologies. She has extensive Audit, Remuneration and Risk Committee experience of listed and unlisted companies. She has also served on various government and private advisory boards at both state and federal for both major political parties, Geoscape Australia and government agencies including the Sydney Opera House, Australia Post and the Australian Council for the Arts.
Other current directorships	N/A
Former directorships (last 3 years)	N/A
Special responsibilities	Chair of Audit & Risk Committee and of Nomination and Remuneration Committee.
Interests in shares	1,456,864 fully paid ordinary shares

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary

George Lazarou has held the position of Company secretary from 27 January 2021. He is a qualified Chartered Accountant with over 30 years' experience, including five years as a partner of a mid-tier accounting firm, specialising in the areas of advisory and corporate services. Mr Lazarou has extensive skills in the areas of corporate services, due diligence, independent expert reports, mergers & acquisitions and valuations. Mr Lazarou has been Chair, Non-Executive Director and Company Secretary of a number of ASX listed companies since 2006.

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2026, and the number of meetings attended by each director were:

	Full Board	
	Attended	Held
Mr Geoffrey Sam OAM	6	6
Mr Blair William Brabin Vega Norfolk	6	6
Ms Dominique Gayle Fisher AM	6	6

Held: represents the number of meetings held during the time the director held office.

The Board was reduced from four to three members in May 2025. The Board determined that, effective 1 July 2025 the roles and responsibilities of the standing committees would be undertaken by the Board as a whole. As a result no separate committee meetings were held during the FY26.

Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The objective of the consolidated entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The Nomination and Remuneration Committee is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the consolidated entity depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

In consultation with external remuneration consultants (in prior years), the Nomination and Remuneration Committee has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the consolidated entity.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:

- having economic profit as a core component of plan design
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering
- constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value
- attracting and retaining high calibre executives

Additionally, the reward framework should seek to enhance executives' interests by:

- rewarding capability and experience
- reflecting competitive reward for contribution to growth in shareholder wealth
- providing a clear structure for earning rewards

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive directors' remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Nomination and Remuneration Committee. The Nomination and Remuneration Committee may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The chair's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chair is not present at any discussions relating to the determination of his own remuneration. Non-executive directors do not receive share options or other incentives.

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting (currently $400,000).

Executive remuneration
The consolidated entity aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Nomination and Remuneration Committee based on individual and business unit performance, the overall performance of the consolidated entity and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the consolidated entity and provides additional value to the executive.

The short-term incentives ('STI') program is designed to align the targets of the business units with the performance hurdles of executives. STI payments are granted to executives based on specific annual targets and key performance indicators ('KPI's') being achieved. KPI's include sales revenue, profit contribution, customer satisfaction, leadership contribution and product management.

The long-term incentives ('LTI') include long service leave and share-based payments. Shares and/or cash are awarded to executives over a period of three years based on long-term incentive measures. This first LTI target for the managing director was met and exceeded by FY24. A new LTI has been set for the managing director, to achieve aggregate sales revenue of $75m to $85m over a 3-year period from FY25 to FY27. The Nomination and Remuneration Committee reviewed the long-term equity-linked performance incentives specifically for executives during the year ended 30 June 2025 (no review in FY26).

Consolidated entity performance and link to remuneration
Remuneration for certain individuals is directly linked to the performance of the consolidated entity. Cash bonus and incentive payments are linked to yearly sales revenue and gross margin, EBITDA and inventory targets being met for STI's with sales revenue and EBITDA targets being met over a 3-year period for LTI's. Any additional cash bonus and incentive payments are at the discretion of the Nomination and Remuneration Committee. Refer to the section 'Additional information' below for details of the earnings and total shareholders return for the last five years.

The Nomination and Remuneration Committee is of the opinion that the continued improved results can be attributed in part to the adoption of performance based compensation and is satisfied that this improvement will continue to increase shareholder wealth if maintained over the coming years.

Voting and comments made at the company's 26 November 2025 Annual General Meeting ('AGM')
At the 26 November 2025 AGM, 98.16% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2026. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration
Amounts of remuneration
Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

The key management personnel of the consolidated entity consisted of the following directors of Biome Australia Limited:

- Mr Geoffrey Sam OAM — Independent Non-executive Chair (appointed 21 November 2024)
- Mr Blair William Brabin Vega Norfolk — Managing Director
- Ms Dominique Gayle Fisher AM — Independent Non-executive Director
- Ms Lauren Margaret Dwyer — Chief Financial Officer (appointed 2 February 2026)
- Mr Douglas Chee Yong Loh — Chief Financial Officer (resigned 2 February 2026)

	Short-term benefits		Post-employment benefits	Long-term benefits		Share-based payments	
30 June 2026	Cash salary and fees	Cash bonus	Super-annuation	Long service leave	Cash bonus	Equity-settled	Total
	$	$	$	$	$	$	$
Non-Executive Directors							
Mr Geoffrey Sam OAM[1]	131,076	-	15,729	-	-	55,710	202,515
Ms Dominique Gayle Fisher AM	80,000	-	9,450	-	-	14,817	104,267
Executive Directors							
Mr Blair William Brabin Vega Norfolk	450,000	199,000	30,000	-	-	59,268	738,268
Other Key Management Personnel							
Mr Douglas Chee Yong Loh[2]	259,611	31,667	30,000	38,654	250,000	29,634	639,566
Ms Lauren Dwyer[3]	113,765	41,667	12,901	-	-	26,697	195,030
	1,034,452	272,334	98,080	38,654	250,000	186,126	1,879,646

1. Including directors' fees (excluding GST) paid to Rose Terrace Investments Pty Ltd, a company associated with Mr Geoffrey Sam
2. Resigned 2 February 2026
3. Appointed 2 February 2026

	Short-term benefits		Post-employment benefits	Long-term benefits		Share-based payments	
30 June 2025	Cash salary and fees	Cash bonus	Super-annuation	Long service leave	Cash bonus	Equity-settled	Total
	$	$	$	$	$	$	$
Non-Executive Directors							
Mr Geoffrey Sam OAM[1]	51,695	-	3,493	-	-	-	55,188
Ms Dominique Gayle Fisher AM	81,667	-	9,392	-	-	-	91,059
Mr Ilario Thomas Faenza[2]	119,725	-	-	-	-	-	119,725
Executive Directors							
Mr Blair William Brabin Vega Norfolk	450,000	100,000	30,000	-	-	-	580,000
Other Key Management Personnel							
Mr Douglas Chee Yong Loh	300,000	100,000	30,000	-	-	-	430,000
	1,003,087	200,000	72,885	-	-	-	1,275,972

1. Including directors fees (excluding GST) paid to Rose Terrace Investments Pty Ltd, a company associated with Mr Geoffrey Sam
2. Including directors fees (excluding GST) paid to Faenza Consulting Pty Ltd, a company associated with Mr Ilario Faenza

The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Fixed remuneration		At risk — STI		At risk — LTI	
	30 June 2026	30 June 2025	30 June 2026	30 June 2025	30 June 2026	30 June 2025
Non-Executive Directors						
Mr Geoffrey Sam OAM	72%	100%	-	-	28%	-
Ms Dominique Gayle Fisher AM	86%	100%	-	-	14%	-
Mr Ilario Thomas Faenza	-	100%	-	-	-	-
Executive Directors						
Mr Blair William Brabin Vega Norfolk	65%	83%	27%	17%	8%	-
Other Key Management Personnel						
Mr Douglas Chee Yong Loh	51%	77%	5%	23%	44%	-
Ms Lauren Dwyer	65%	-	21%	-	14%	-

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name	**Mr Blair William Brabin Vega Norfolk**
Title	Managing Director
Agreement commenced	Upon listing
Term of agreement	No fixed term
Details	$450,000 per annum plus super (as from 1 July 2024) Short-term and Long term-incentive payments in the event that certain milestones are achieved. The agreement is subject to a mutual six month notice period but may be terminated by the Company in the event of serious misconduct.

Name	**Ms Lauren Dwyer**
Title	Chief Financial Officer
Agreement commenced	2 February 2026
Term of agreement	No fixed term
Details	$275,000 per annum plus super (as from 2 February 2026) Short-term and Long term-incentive payments in the event that certain milestones are achieved. The agreement is subject to a mutual three month notice period but may be terminated by the Company in the event of serious misconduct.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of Performance Rights

There were no performance rights issued during the year to directors and other key management personnel as part of compensation during the year ended 30 June 2026.

Options

There were no options over ordinary shares issued to directors and other key management personnel as part of compensation that were outstanding as at 30 June 2026.

There were no options over ordinary shares granted to or vested by directors and other key management personnel as part of compensation during the year ended 30 June 2026.

On 2 December 2025 the Company issued 2,000,000 ordinary shares under its Loan Funded Share Plan (LFSP) with 666,666 shares vesting on 2 December 2026, 666,667 shares vesting on 2 December 2027 and 666,667 shares vesting on 2 December 2028. The equity value of these shares are recognised and credited to the Share Capital account as and when the loans are repaid; and:

On 20 March 2026 the Company issued 2,488,743 ordinary shares under its Employee Incentive Scheme, as follows:

(a) 2,263,002 ordinary shares were issued under its Loan Funded Share Plan (LFSP) with 754,334 shares vesting on 20 March 2027, 754,334 shares vesting on 20 March 2028 and 754,334 shares vesting on 20 March 2029. The equity value of these shares are recognised and credited to the Share Capital account as and when the loans are repaid; and

(b) 225,741 ordinary shares to staff members for achieving sales targets. These shares vested on issue.

Additional information

The earnings of the consolidated entity for the five years to 30 June 2026 are summarised below:

	2026	2025	2024	2023	2022
	$	$	$	$	$
Sales revenue	23,883,240	18,417,188	13,008,897	7,235,611	4,122,425
Net profit/(losses) after tax	3,608,226	214,656	(1,670,202)	(3,078,527)	(4,470,580)
Share price at beginning of year	0.455	0.58	0.072	0.075	0.20
Share price at the end of the year	0.265	0.455	0.58	0.072	0.075

Additional disclosures relating to key management personnel

Shareholding

The number of shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions[1]	Other[2]	Balance at the end of the year
Ordinary shares					
Mr Geoffrey Sam OAM	4,342,537	-	2,232,000	-	6,574,537
Mr Blair William Brabin Vega Norfolk	18,487,272	-	392,000	-	18,879,272
Ms Dominique Gayle Fisher AM	1,456,864	-	-	-	1,456,864
Ms Lauren Dwyer[3]	-	-	2,263,002	-	2,263,002
Mr Douglas Chee Yong Loh[4]	14,190,025	-	-	(14,190,025)	-
	38,476,698	-	4,887,002	(14,190,025)	29,173,675

1. Additions include shares issued under the LFSP for Geoffrey Sam (2,000,000) and Lauren Dwyer (2,263,002)
2. Resigned/retired and no longer a KMP
3. Appointed 2 February 2026
4. Resigned 2 February 2026

This concludes the remuneration report, which has been audited.

Shares under option

There were no unissued ordinary shares of Biome Australia Limited under option outstanding at the date of this report.

Shares issued on the exercise of options

The following ordinary shares of Biome Australia Limited were issued during the year ended 30 June 2026 and up to the date of this report on the exercise of options granted:

Date options exercised	Exercise price	Number of shares issued
12 March 2026	$0.20	1,000,000
17 March 2026	$0.12	625,000
17 March 2026	$0.20	250,000
30 March 2026	$0.20	1,000,000
		2,875,000

Indemnity and insurance of officers

The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium of $22,678 in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The sum insured for Directors' and Officers' Liability Insurance is $1 million.

Indemnity and insurance of auditor

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 29 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 29 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

Officers of the company who are former partners of Horizon Nexus (Audit) Pty Ltd

There are no officers of the company who are former partners of Horizon Nexus (Audit) Pty Ltd.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor

Horizon Nexus (Audit) Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Mr Geoffrey Sam OAM
Chairman

25 August 2026

Horizon Nexus Partners

Horizon Nexus (Audit) Pty Ltd (ABN 33 692 918 577)
Level 4, 35 Collins Street, Melbourne, Victoria, 3000
PO Box 24155, Melbourne, Victoria 3001
horizonnp.com.au

AUDITOR'S INDEPENDENCE DECLARATION
UNDER 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF BIOME AUSTRALIA LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2026 there have been:

(i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Horizon Nexus (Audit) Pty Ltd

Horizon Nexus (Audit) Pty Ltd
ABN 33 692 918 577

Sam Claringbold
Director
Melbourne, 25 August 2026

Statement of profit or loss and other comprehensive income
For the year ended 30 June 2026

		Consolidated	
	Note	30 June 2026	30 June 2025
		$	$
Revenue			
Revenue from customers	5	23,883,240	18,417,188
Changes in inventories of finished goods and freight inwards		(8,947,052)	(7,160,900)
Other income	6	718,749	410,251
Expenses			
Employee costs	7	(7,843,093)	(6,353,347)
Warehouse, wholesale and distribution costs		(1,215,333)	(1,141,337)
Advertising and promotional expenses		(1,792,725)	(1,164,053)
Travel and entertainment expenses		(827,563)	(781,023)
Freight and logistics expenses		(598,716)	(368,438)
Professional and consulting fees		(508,506)	(447,695)
Other expenses		(1,215,214)	(886,124)
Earnings before interest, tax, depreciation and amortisation (EBITDA)		**1,653,787**	**524,522**
Depreciation and amortisation	7	(352,272)	(241,970)
Net interest expense		(114,596)	(67,896)
Profit before income tax benefit		**1,186,919**	**214,656**
Income tax benefit	8	2,421,307	-
Profit after income tax benefit for the year attributable to the owners of Biome Australia Limited	**25**	**3,608,226**	**214,656**
Other comprehensive income for the year, net of tax		9,724	-
Total comprehensive income for the year attributable to the owners of Biome Australia Limited		**3,617,950**	**214,656**

		¢	¢
Basic earnings per share	35	1.62	0.10
Diluted earnings per share	35	1.59	0.10

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Statement of financial position
As at 30 June 2026

	Consolidated		
	Note	30 June 2026	30 June 2025
		$	$
Current assets			
Cash and cash equivalents	9	3,551,175	2,746,416
Trade and other receivables	10	3,733,115	4,327,593
Inventories	11	3,976,425	4,111,914
Other	12	303,864	255,306
Total current assets		11,564,579	11,441,229
Non-current assets			
Property, plant and equipment	13	276,576	224,585
Right-of-use assets	14	1,005,886	138,887
Intangibles	15	447,569	163,239
Deferred tax assets	16	2,421,307	-
Total non-current assets		4,151,338	526,711
Total assets		**15,715,917**	**11,967,940**
Current liabilities			
Trade and other payables	17	2,461,075	3,600,102
Borrowings	18	1,900,000	2,905,413
Lease liabilities	19	260,680	116,833
Employee benefits	20	831,063	557,676
Total current liabilities		**5,452,818**	**7,180,024**
Non-current liabilities			
Lease liabilities	21	807,296	50,979
Employee benefits	22	76,106	61,570
Total non-current liabilities		883,402	112,549
Total liabilities		**6,336,220**	**7,292,573**
Net assets		**9,379,697**	**4,675,367**
Equity			
Issued capital	23	24,194,199	23,323,346
Reserves	24	494,020	406,618
Accumulated losses	25	(15,308,522)	(19,054,597)
Total equity		**9,379,697**	**4,675,367**

The above statement of financial position should be read in conjunction with the accompanying notes

Statement of changes in equity
For the year ended 30 June 2026

	Issued capital	Option Reserves	Accumulated losses	Total equity
Consolidated	$	$	$	$
Balance at 1 July 2024	21,727,165	444,212	(19,267,849)	2,903,528
Profit after income tax expense for the year	-	-	214,656	214,656
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	214,656	214,656
Transactions with owners in their capacity as owners:				
Share-based payments (note 36)	471,619	(37,594)	-	434,025
Exercise of options	1,124,562	-	-	1,124,562
Consolidation - currency adjustment	-	-	(1,404)	(1,404)
Balance at 30 June 2025	23,323,346	406,618	(19,054,597)	4,675,367

	Issued capital	Option Reserves	Accumulated losses	Total equity
Consolidated	$	$	$	$
Balance at 1 July 2025	23,323,346	406,618	(19,054,597)	4,675,367
Profit after income tax benefit for the year	-	-	3,608,226	3,608,226
Other comprehensive income for the year, net of tax	-	-	9,724	9,724
Total comprehensive income for the year	-	-	3,617,950	3,617,950
Transactions with owners in their capacity as owners				
Share-based payments (note 36)	345,853	215,527	-	561,380
Expiry of options	-	(128,125)	128,125	-
Exercise of options	525,000	-	-	525,000
Balance at 30 June 2026	24,194,199	494,020	(15,308,522)	9,379,697

The above statement of changes in equity should be read in conjunction with the accompanying notes

Statement of cash flows
For the year ended 30 June 2026

	Consolidated		
	Note	30 June 2026	30 June 2025
		$	$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		24,178,197	16,833,117
Payments to suppliers (inclusive of GST)		(23,007,344)	(19,994,220)
R&D tax refund and government grants		656,644	410,251
Interest paid on lease liabilities		(181,289)	(139,952)
Income taxes and FBT paid		(19,259)	-
Net cash from/(used in) operating activities	4	1,626,949	(2,890,804)
Cash flows from investing activities			
Payments for property, plant and equipment	13	(204,376)	(37,138)
Payments for intellectual property		(284,330)	(163,239)
Net cash used in investing activities		(488,706)	(200,377)
Cash flows from financing activities			
Proceeds from exercise of options	23	525,000	1,124,562
Proceeds from repayment of Employee Loan Funded Share Plan		-	27,500
Interest received		-	71,145
Repayments for lease liabilities		(206,916)	(108,952)
Proceeds from issues of equity securities (excluding convertible debt securities)		353,845	-
Proceeds from borrowings		-	2,904,816
Repayment of borrowings		(1,005,413)	(1,050,000)
Net cash from/(used in) financing activities		(333,484)	2,969,071
Net increase/(decrease) in cash and cash equivalents		804,759	(122,110)
Cash and cash equivalents at the beginning of the financial year		2,746,416	2,868,526
Cash and cash equivalents at the end of the financial year	9	3,551,175	2,746,416

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. General information

The financial statements cover Biome Australia Limited as a consolidated entity consisting of Biome Australia Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Biome Australia Limited's functional and presentation currency.

Biome Australia Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

192-194 Johnston Street
Collingwood Victoria 3066

Principal place of business

192-194 Johnston Street
Collingwood Victoria 3066

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 25 August 2026. The directors have the power to amend and reissue the financial statements.

Note 2. Material accounting policy information

The accounting policies that are material to the consolidated entity are set out either in the respective notes or below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with IFRS Accounting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 32.

Revenue recognition

The consolidated entity recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method.

The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or

- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Biome Australia Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Reinstatement of comparatives

Certain comparative amounts have been reclassified to conform with the presentation adopted in the current reporting period. These changes are classification in nature only and have no impact on the previously reported total assets, total liabilities, equity, profit or loss, comprehensive income, or cash flows.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2026. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Provision for impairment of inventories

The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

Estimation of useful lives of assets

The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the consolidated entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Note 4. Operating segments

Identification of reportable operating segments

The company is organised into one operating segment: researching, developing, manufacturing and distributing innovative evidence-based products linking the gut and human health. This operating segment is based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.
There is no aggregation of operating segments.

Accounting policy for operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance. The Group does not hold any material non-current assets outside of Australia. No single customer contributed 10% or more to the Group's revenue.

Note 5. Sales revenue

	Consolidated	
	30 June 2026	30 June 2025
	$	$
Sales — Domestic	22,099,147	16,930,499
Sales — International	1,784,093	1,486,689
	23,883,240	18,417,188

Note 6. Other income

	Consolidated	
	30 June 2026	30 June 2025
	$	$
Other income (incl. EMDG - Export Market Development Grant)	62,105	73,084
R&D tax refund	656,644	337,167
	718,749	410,251

Note 7. Expenses

Change in presentation of expenses

During the year, the Group changed its presentation of expenses in the Statement of profit or loss and other comprehensive income from a classification based on function to a classification based on nature. This change in presentation has been made in accordance with AASB 101 *Presentation of Financial Statements*, which requires an entity to select the method of expense classification that provides information that is reliable and more relevant. The Directors consider that a nature-based presentation better achieves this objective for the Group, as it provides users of the financial statements with greater clarity and transparency regarding the underlying composition of the Group's cost base — including the relative significance of employee benefits, marketing and distribution, and other operating costs — information the Directors consider relevant to an assessment of the Group's operating leverage and cost structure. The Directors are of the view that the revised presentation provides more decision-useful information to investors and other stakeholders.

The change has been applied retrospectively in accordance with AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*, with comparative amounts for the prior year restated to reflect the revised classification. These changes are classification in nature only and have no impact on the previously reported total assets, total liabilities, equity, profit or loss, comprehensive income, or cash flows.

	Consolidated	
	30 June 2026	30 June 2025
	$	$
Employee costs		
Salary and wages (including commissions)	5,428,020	4,439,554
Overseas contractors and consultants	853,832	699,241
Superannuation and post-employment benefits	1,215,388	808,026
Share-based payments[1]	345,853	406,526
	7,843,093	6,353,347

1. Includes $9,460 (FY25: $110,000) for share-based payments to non-related third-party service providers.

	Consolidated	
	30 June 2026	30 June 2025
	$	$
Depreciation and amortisation		
Depreciation expense on property, plant and equipment	152,385	143,932
Depreciation expense on right-of-use asset	199,887	98,038
	352,272	241,970

	Consolidated	
	30 June 2026	30 June 2025
	$	$
Finance costs		
Interest expense	70,137	129,253
Interest expense on leases	44,510	10,789
Bank charges	66,642	52,494
Merchant fees	(1,422)	4,136
Foreign exchange (gains)/losses	(84,385)	70,707
	95,482	267,379

Note 8. Income tax expense

	Consolidated	
	30 June 2026	30 June 2025
	$	$
Numerical reconciliation of income tax expense and tax at the statutory rate		
Profit before income tax benefit	1,186,919	214,656
Tax at the statutory tax rate of 25%	296,730	53,664
Tax effect amounts which are not deductible/ (taxable) in calculating taxable income		
Effects of different tax rates for foreign subsidiary	125,495	56,507
R&D refund	(164,161)	(84,292)
R&D expenses	178,750	193,774
Prior year adjustment	183,608	-
Share-based payments	86,627	101,632
Timing differences not recognised	(32,883)	(55,290)
	674,166	265,995
Prior year tax losses utilised	(674,166)	(265,995)
Current income tax expense	-	-
Income tax comprises		
Current tax expense	-	-
Deferred tax benefit	2,421,307	-
	2,421,307	-

	Consolidated	
	30 June 2026	30 June 2025
	$	$
Tax losses not recognised		
Unused tax losses for which no deferred tax asset has been recognised	-	(10,501,653)
Potential tax benefit at statutory tax rates (25%)	-	(2,625,413)

The above potential tax benefit for tax losses has been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed and the Group generates sufficient taxable earnings.

Note 9. Current assets — cash and cash equivalents

	Consolidated	
	30 June 2026	30 June 2025
	$	$
Cash at bank	3,551,175	2,746,416

Accounting policy for cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Note 10. Current assets — trade and other receivables

	Consolidated	
	30 June 2026	30 June 2025
	$	$
Trade receivables	3,733,115	4,327,593

Accounting policy for trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Note 11. Current assets — inventories

	Consolidated	
	30 June 2026	30 June 2025
	$	$
Raw materials — at cost	223,376	490,958
Finished goods — at cost	3,775,049	3,666,706
Provision for slow moving and obsolete stock	(22,000)	(45,750)
	3,976,425	4,111,914

Accounting policy for inventories

Raw materials, work in progress and finished goods are stated at the lower of cost and net realisable value on a 'first in first out' basis. Cost comprises of direct materials and delivery costs, direct labour, import duties and other taxes, an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity, (and, where applicable, transfers from cash flow hedging reserves in equity). Costs of purchased inventory are determined after deducting rebates and discounts received or receivable.

Stock in transit is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Note 12. Current assets — other

	Consolidated	
	30 June 2026	30 June 2025
	$	$
Prepayments	211,614	225,056
Deposits on leases	92,250	30,250
	303,864	255,306

Note 13. Non-current assets — property, plant and equipment

	Consolidated	
	30 June 2026	30 June 2025
	$	$
Property, plant and equipment — at cost	795,094	590,618
Less: Accumulated depreciation	(518,518)	(366,033)
	276,576	224,585

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Office Equipment and Furniture, Fixtures and Fittings	Leasehold Improvement	Total
	$	$	$
Balance at 1 July 2024	61,950	269,430	331,380
Additions	37,137	-	37,137
Depreciation expense	(18,719)	(125,213)	(143,932)
Balance at 30 June 2025	80,368	144,217	224,585
Additions	88,411	115,965	204,376
Depreciation expense	(49,050)	(103,335)	(152,385)
Balance at 30 June 2026	119,729	156,847	276,576

Accounting policy for property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Leasehold improvements	3–10 years
Office equipment, furniture, fixtures and fittings	3–7 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Note 14. Non-current assets — right-of-use assets

	Consolidated	
	30 June 2026	30 June 2025
	$	$
Right-of-use assets	1,557,075	490,189
Amortisation expense	(551,189)	(351,302)
	1,005,886	138,887

Accounting policy for right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

Note 15. Non-current assets — intangibles

	Consolidated	
	30 June 2026	30 June 2025
	$	$
Intellectual property — at cost	204,767	114,212
Other intangible assets — at cost	242,802	49,027
	447,569	163,239

Accounting policy for intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Intellectual property

Significant costs associated with intellectual property are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 10 years. As of 30 June 2026, intellectual property is not yet in use.

Note 16. Non-current assets — deferred tax

The Group has recognised a deferred tax asset in the current financial year, for the first time. A deferred tax asset is recognised for deductible temporary differences and unused tax losses only to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences and unused tax losses can be utilised.

The deferred tax asset has not previously been recognised as the Group had a history of tax losses. During the year ended 30 June 2026, the Group achieved profitability representing a material inflection point in its earnings trajectory. The Directors consider it probable that the Group will generate sufficient future taxable profits to utilise the underlying deductible temporary differences and carried-forward tax losses. Accordingly, a deferred tax asset has been recognised for the first time in the current year.

The Group's deferred tax asset of $2,421,307 as at 30 June 2026 (2025: nil) comprises the following:

	Consolidated	
	30 June 2026	30 June 2025
	$	$
Amounts recognised in profit or loss:		
Tax losses	2,211,619	-
Provisions	232,292	-
Accruals	16,050	-
Depreciation	15,522	-
Prepayments	(51,970)	-
Other	(2,206)	-
Deferred tax asset	2,421,307	-

Note 17. Current liabilities — trade and other payables

	Consolidated	
	30 June 2026	30 June 2025
	$	$
Trade and other payables	2,461,075	3,600,102

Accounting policy for trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Note 18. Current liabilities — borrowings

	Consolidated	
	30 June 2026	**30 June 2025**
	$	$
Loan — NAB Trade Finance	992,404	1,300,000
Loan — NAB Invoice Finance	907,596	1,605,413
	1,900,000	2,905,413

Refer to note 27 for further information on financial instruments.

Accounting policy for borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Note 19. Current liabilities — lease liabilities

	Consolidated	
	30 June 2026	**30 June 2025**
	$	$
Lease liability	260,680	116,833

Lease liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	1 year	1–5 years	5 years	Total undiscounted lease liabilities	Lease liabilities included in this Statement of Financial Position
Lease liabilities 2026	322,505	891,199	-	1,213,704	1,067,975
Lease liabilities 2025	122,303	51,586	-	173,889	167,812
	444,808	942,785	-	1,387,593	1,235,787

The amounts recognised in the statement of profit or loss and other comprehensive income relating to interest expense on lease liabilities and short-term leases or leases of low value assets are shown below:

	2026	**2025**
	$	$
Interest expense on lease liabilities	44,510	10,789
Depreciation expense	199,887	98,038
	244,397	108,827

Lease term reassessment

The Group leases office premises at 192–194 Johnston Street, Collingwood, under a lease with a non-cancellable term expiring 30 November 2026. The lease contains an option to extend the term by a further two years, to 30 November 2028, exercisable at the Group's discretion.

During the year ended 30 June 2026, the Group reassessed the lease term in accordance with AASB 16 Leases, having regard to the Group's intention to retain the premises, significance of leasehold improvements and cost of relocation. On the basis of this assessment, the Group concluded it is reasonably certain to exercise the extension option, and the lease term has accordingly been revised to 30 November 2028.

Note 20. Current liabilities — employee benefits

	Consolidated	
	30 June 2026	30 June 2025
	$	$
Annual leave	300,870	250,485
Long service leave	99,026	107,191
Provision for bonuses	431,167	200,000
	831,063	557,676

Accounting policy for employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Note 21. Non-current liabilities — lease liabilities

	Consolidated	
	30 June 2026	30 June 2025
	$	$
Lease liability	807,296	50,979

Accounting policy for lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Note 22. Non-current liabilities — employee benefits

	Consolidated	
	30 June 2026	30 June 2025
	$	$
Long service leave	76,106	61,570

Accounting policy for other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Note 23. Equity — issued capital

	Consolidated			
	30 June 2026	30 June 2025	30 June 2026	30 June 2025
	Shares	Shares	$	$
Ordinary shares — fully paid	227,998,033	220,609,231	24,194,199	23,323,346

Movements in ordinary share capital

Details	**Date**	**Shares**	**Issue price**	**$**
Balance	1 July 2024	215,090,901		21,727,165
Exercise of options	5 July 2024	300,000	$0.12	36,000
Exercise of options	10 Sep 2024	2,131,404	$0.40	852,562
Exercise of options	10 Sep 2024	50,000	$0.20	10,000
Exercise of options	10 Sep 2024	1,550,000	$0.12	186,000
Exercise of options	20 Dec 2024	75,000	$0.20	15,000
Exercise of options	4 March 2025	125,000	$0.20	25,000
Shares issued under Employee Incentive Scheme	27 June 2025	1,042,484	$0.42	436,801
Shares issued for advisory services	27 June 2025	244,442	$0.45	109,999
Transfer from Share options reserve		-	-	($75,181)
Balance	30 June 2025	220,609,231		23,323,346

Details	Date	Shares	Issue price	$
Shares issued under Loan Funded Share Plan[1]	2 Dec 2025	2,000,000	$0.40	-
Exercise of options	12 March 2026	1,000,000	$0.20	200,000
Exercise of options	17 March 2026	625,000	$0.12	75,000
Exercise of options	17 March 2026	250,000	$0.20	50,000
Shares issued for marketing services	20 March 2026	25,059	$0.37	9,460
Shares issued under Employee Incentive Scheme	20 March 2026	225,741	$0.38	85,217
Shares issued under Loan Funded Share Plan[1]	20 March 2026	2,263,002	$0.37	-
Proceeds from on market sale of shares	24 March 2026	-	$0.00	11,464
Exercise of options	30 March 2026	1,000,000	$0.20	200,000
Transfer from Share options reserve		-	-	239,712
Balance	30 June 2026	227,998,033		24,194,199

1. Valuation of shares issued under the LFSP are determined by using industry standard binomial pricing model taking into account the terms and conditions upon which instruments are issued.

Employee incentive share issues:
On 2 December 2025 the Company issued 2,000,000 ordinary shares under its Loan Funded Share Plan (LFSP) with 666,666 shares vesting on 2 December 2026, 666,667 shares vesting on 2 December 2027 and 666,667 shares vesting on 2 December 2028. The equity value of these shares are recognised and credited to the Share Capital account as and when the loans are repaid.

On 20 March 2026 the Company issued 2,488,743 ordinary shares under its Employee Incentive Scheme, as follows:

(a) 2,263,002 ordinary shares were issued under its Loan Funded Share Plan (LFSP) with 754,334 shares vesting on 20 March 2027, 754,334 shares vesting on 20 March 2028 and 754,334 shares vesting on 20 March 2029. The equity value of these shares are recognised and credited to the Share Capital account as and when the loans are repaid; and

(b) 225,741 ordinary shares to staff members for achieving sales targets. These shares vested on issue.

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back

There is no current on-market share buy-back.

Capital risk management

The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The consolidated entity is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

Accounting policy for issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Note 24. Equity — reserves

	Consolidated	
	30 June 2026	30 June 2025
	$	$
Share option and performance rights reserves	494,020	406,618

Note 25. Equity — accumulated losses

	Consolidated	
	30 June 2026	30 June 2025
	$	$
Accumulated losses at the beginning of the financial year	(19,054,597)	(19,267,849)
Profit after income tax benefit for the year	3,608,226	214,656
Consolidation currency adjustment	-	(1,404)
Other comprehensive income for the year, net of tax	9,724	-
Expiry of options	128,125	-
Accumulated losses at the end of the financial year	(15,308,522)	(19,054,597)

Note 26. Equity — dividends
There were no dividends paid, recommended or declared during the current or previous financial year.

Note 27. Financial instruments

Financial risk management objectives

The consolidated entity's principal financial instruments comprise cash, short term deposits and equity investments. The main purpose of the cash and term deposit is to earn the maximum amount of interest at a low risk to the consolidated entity. The consolidated entity also has other financial instruments such as trade debtors and creditors which arise directly from its operations. For the period under review, it has been the consolidated entity's policy not to trade in financial instruments.

The directors' overall risk management strategy seeks to assist the consolidated entity in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the consolidated entity's operating units. Finance reports to the Board on a monthly basis.

Market risk

Foreign currency risk

The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

Price risk

The consolidated entity is not exposed to any significant price risk.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Current financial assets and financial liabilities are generally not exposed to interest rate risk because of their short-term nature. At 30 June 2026, the consolidated entity's cash/cash equivalents (note 9) are variable interest rate instruments earning approximately 3.80% p.a. at call interest.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The consolidated entity only transacts with entities that are rated the equivalent of investment grade and above. The consolidated entity's exposure and the credit ratings of its counterparties are continuously monitored. Credit exposure is controlled by counterparty limits that are reviewed and approved by the Board annually.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Liquidity risk

Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 28. Fair value measurement

Accounting policy for fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Note 29. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Horizon Nexus (Audit) Pty Ltd, the auditor of the company, and unrelated firms:

	Consolidated	
	30 June 2026	30 June 2025
	$	$
Audit services — Audit or review of the financial statements		
Horizon Nexus (Audit) Pty Ltd (formerly MVAB Assurance, Australia)	56,000	48,000
The M Group Partnership, United Kingdom	13,472	12,574
Audit services	69,472	60,574
Non-audit services		
MVA Bennett Pty Ltd	29,933	18,650
The M Group Partnership, United Kingdom	36,543	17,394
Non-audit services	66,476	36,044

Note 30. Key Management Personnel

Key Management Personnel ('KMP') are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Company. The following persons were KMP of the Group during the year, unless otherwise indicated:

- Mr Geoffrey Sam OAM — Independent Non-executive Chair
- Mr Blair William Brabin Vega Norfolk — Managing Director
- Ms Dominique Gayle Fisher AM — Independent Non-executive Director
- Ms Lauren Margaret Dwyer — Chief Financial Officer (appointed 2 February 2026)
- Mr Douglas Chee Yong Loh — Chief Financial Officer (resigned 2 February 2026)

The aggregate compensation attributable to KMP of the Group is set out below. Amounts disclosed represent compensation for services provided by KMP in their capacity as directors and/or executives of the Group, and are inclusive of compensation received from, or receivable from, the parent entity, its subsidiaries and related entities.

There were no loans made, guaranteed or secured, directly or indirectly, by the Group to any KMP or their related parties during the financial year (FY25: none).

	Consolidated	
	30 June 2026	30 June 2025
	$	$
Short-term employee benefits	1,306,786	1,253,087
Post-employment benefits	98,080	72,885
Other long-term benefits	288,654	-
Share-based payments	186,126	125,945
Total key management personnel compensation	1,879,646	1,451,917

Detailed remuneration disclosures for each KMP, including the split between fixed and at-risk (short-term and long-term incentive) remuneration, are set out in the Remuneration Report, which forms part of the Directors' Report.

Note 31. Related party transactions

Parent entity

Biome Australia Limited is the parent entity.

Transactions with related parties

Directors fees of $146,805 (excluding GST) were paid to Rose Terrace Investments Pty Ltd, a company associated with Mr Geoffrey Sam, for remuneration of services provided (FY25: $55,188).

Note 32. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	30 June 2026	30 June 2025
	$	$
Profit after income tax	1,837,648	1,027,845
Total comprehensive income	1,837,648	1,027,845

Statement of financial position

	Parent	
	30 June 2026	30 June 2025
	$	$
Total current assets	22,711	80,640
Total assets	20,982,747	17,671,981
Total current liabilities	87,493	106,432
Total liabilities	87,493	106,432
Equity		
Issued capital	24,194,010	23,323,157
Share option and performance rights reserves	494,020	406,618
Accumulated losses	(3,792,776)	(5,758,549)
Total equity	20,895,254	17,971,226

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

In FY 2025, the parent entity entered a Deed of Guarantee and Indemnity in relation to a $5.0 million secured debt facility of its wholly owned subsidiary, Biome Australia Trading Pty Ltd with NAB Limited. This remains in place as at 30 June 2026.

Interest in subsidiaries

Subsidiaries	Principal place of business / Country of Incorporation	Owned 2026	Owned 2025
Biome Australia Trading Pty Ltd	Melbourne, Victoria, Australia	100%	100%
Biome Australia IP Pty Ltd	Melbourne, Victoria, Australia	100%	100%
Biome Australia Trading (UK) Limited	London, United Kingdom	100%	100%

Contingent liabilities

The Managing Director is entitled to a long-term incentive (LTI) of $1,000,000 vesting subject to the achievement of Board specified performance conditions over a three year period ending 30 June 2027. Should the performance conditions be met in a future period, a liability and corresponding expense will be recognised at that time. The parent entity has no other known contingent liabilities as at 2026. 2025: The former CFO was paid $250,000 (refer to details of remuneration under cash bonus) during the 2026 financial year as long-term incentive targets were met specifically EBITDA targets being delivered in two out of a three-year period.

Capital commitments — Property, plant and equipment

The parent entity had no capital commitments at 2026 (2025: Nil).

Material accounting policy information

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity
- and its receipt may be an indicator of an impairment of the investment.

Note 33. Events after the reporting period

No matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 34. Reconciliation of profit after income tax to net cash from/(used in) operating activities

	Consolidated	
	30 June 2026	30 June 2025
	$	$
Profit after income tax benefit for the year	3,608,226	214,656
Adjustments for		
Depreciation and amortisation	352,272	241,970
Share-based payments	346,508	406,526
Interest on lease payments	40,194	10,789
Change in operating assets and liabilities		
Decrease/(increase) in trade and other receivables	559,362	(1,702,661)
Decrease/(increase) in inventories	135,489	(2,233,337)
Increase in deferred tax assets	(2,421,307)	-
Increase in prepayments	(13,442)	(173,945)
(Increase)/decrease in trade and other payables	(1,268,276)	1,301,195
Increase/(decrease) in employee benefits	287,923	(955,997)
Net cash from/(used in) operating activities	1,626,949	(2,890,804)

Note 35. Earnings per share

	Consolidated	
	30 June 2026	30 June 2025
	$	$
Profit after income tax attributable to the owners of Biome Australia Limited	3,608,226	214,656
	Shares	Shares
Weighted average number of ordinary shares used in calculating basic earnings per share	223,267,540	218,472,578
Weighted average number of ordinary shares used in calculating diluted earnings per share	227,214,115	224,707,882
Basic earnings per share	1.62¢	0.10¢
Diluted earnings per share	1.59¢	0.10¢

Accounting policy for earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Biome Australia Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Note 36. Share-based payments

Set out below are summaries of shares issued under the Company's Employee Incentive Plan:

Issue Date	Security Issued	Issue Price	No of Securities Issued	Value of Security Issued
18/01/2023	Fully paid shares	$0.07	1,902,689	$137,564
05/10/2023	Fully paid shares	$0.13	560,393	$74,756
01/12/2023	Fully paid shares	$0.12	9,612,708	$1,160,254
10/04/2024	Fully paid shares	$0.33	817,434	$269,998
14/06/2024	Fully paid shares	$0.36	131,416	$47,525
27/06/2025	Fully paid shares	$0.45	474,571	$213,564
27/06/2025	Fully paid shares	$0.42	812,355	$340,377
02/12/2025	Fully paid shares	$0.40	2,000,000	$803,460
20/03/2026	Fully paid shares	$0.37	2,263,002	$842,968
20/03/2026	Fully paid shares	$0.38	225,741	$85,217

Set out below are summaries of options granted for services rendered:

Grant date	Expiry date	Exercise price	Balance at start of year	Granted	Exercised	Expired/ forfeited/other	Balance at end of year
31/03/2023	31/03/2026	$0.12	625,000	-	(625,000)	-	-
31/03/2023	31/03/2026	$0.20	2,250,000	-	(2,250,000)	-	-
08/03/2024	31/03/2026	$0.50	2,500,000	-	-	(2,500,000)	-
			5,375,000	-	(2,875,000)	(2,500,000)	-

Share options granted carry no rights to dividends and no voting rights. The options fully vested on issue. Valuation of the options has been undertaken using an industry standard pricing model. Refer below for further information.

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
31/03/2023	31/03/2026	$0.07	$0.12	30.98%	-	2.93%	$12,560
31/03/2023	31/03/2026	$0.07	$0.20	30.98%	-	2.93%	$1,900
08/03/2024	31/03/2026	$0.39	$0.50	34.45%	-	3.60%	$128,125

Accounting policy for share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award
- at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date. All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Note 37. Commitments and Contingencies

(a) Capital expenditure commitments

The group has no capital commitments as at 30 June 2026 (2025: nil).

(b) Contingent liabilities

The Managing Director is entitled to a long-term incentive (LTI) of $1,000,000 vesting subject to the achievement of Board specified performance conditions over a three year period ending 30 June 2027. Should the performance conditions be met in a future period, a liability and corresponding expense will be recognised at that time. The parent entity has no other known contingent liabilities as at 2026 (2025: The former CFO was paid $250,000 (refer to details of remuneration under cash bonus) during the 2026 financial year as long-term incentive targets were met specifically EBITDA targets being delivered in two out of a three-year period).

Consolidated entity disclosure statement for the year ended 30 June 2026

Set out below is relevant information relating to entities that are consolidated in the consolidated financial statements at the end of the financial year as required by the Corporations Act 2001 (s.295(3A)(a)).

Entity name	Entity type	Place formed / Country of incorporation	Ownership interest	Tax residency
Biome Australia Limited	Body corporate	Australia	100.00%	Australia[1]
Biome Australia Trading Pty Ltd	Body corporate	Australia	100.00%	Australia[1]
Biome Australia IP Pty Ltd	Body corporate	Australia	100.00%	Australia[1]
Biome Australia Trading (UK) Limited	Body corporate	United Kingdom	100.00%	United Kingdom

1. Biome Australia Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime.

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with IFRS Accounting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2026 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Mr Geoffrey Sam OAM
Chairman
25 August 2026

Horizon Nexus Partners

Horizon Nexus (Audit) Pty Ltd (ABN 33 692 918 577)
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PO Box 24155, Melbourne, Victoria 3001
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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BIOME AUSTRALIA LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Biome Australia Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the Consolidated Entity Disclosure Statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the year then ended; and

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) issued by the Accounting Professional & Ethical Standards Board Limited that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Audit Area	
Area of focus	**How our audit addressed the area of focus**
Share Options and Equity Transactions Refer also to Note 23 (Equity – issued capital), Note 24 (Equity – reserves) and Note 36 (Share – based payments)	
The Group issued shares and options to directors and senior management under a share-based compensation plan. These arrangements have differing terms and conditions that give rise to different accounting outcomes. Share based payment arrangements require judgmental assumptions including volatility rate and expected life in determining the fair value of the arrangements and the expensing of that fair value over the estimated service period. In recognising these transactions, the Group performed a valuation to calculate the share-accounting expense. Details of the share-based payment arrangements offered to directors, executive management, third parties and shareholders, are disclosed in the Remuneration Report. The audit of the share-based payment arrangements and the associated expense is a key audit matter due to the judgements required in determining fair value.	To evaluate the share transactions, we performed the following procedures, amongst others: • In performing our procedures, we assessed the terms of the share-based payment arrangements issued during the period including review of documentation issued to shareholders. • We assessed the methodology used by the Group in valuing the share options. • We assessed the expense recorded on the statement of comprehensive income. • We assessed whether the disclosure in note 23, 24 and 36 in relation to the arrangements was adequate and whether it complied with Australian Accounting Standards.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2026 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The Directors of the Company are responsible for the preparation of:

a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and *the Corporations Act 2001*; and

b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and for such internal control as the directors determine is necessary to enable the preparation of:

> i. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
>
> ii. the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

• Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

• Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation. We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 30 to 35 of the directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of Biome Australia Limited, for the year ended 30 June 2026, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Horizon Nexus (Audit) Pty Ltd

Horizon Nexus (Audit) Pty Ltd

SAM CLARINGBOLD
Director

Melbourne, Victoria
Date: 25 August 2026

Shareholder Information

The shareholder information set out below was applicable as at 16 September 2026.

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

Size of holding	Number of holders	% total shares issued
100,001 and over	273	82.44%
10,001 to 100,000	924	14.64%
5,001 to 10,000	481	1.68%
1,001 to 5,000	1,034	1.16%
1 to 1,000	266	0.09%
Holding less than a marketable parcel	418	0.16%

Equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

Holder Name	Number held	% total shares issued
Ocean And Remi Pty Ltd	18,209,955	7.99%
J P Morgan Nominees Australia Pty Limited	13,232,278	5.80%
HSBC Custody Nominees (Australia) Limited	11,933,858	5.23%
BNP Paribas Nominees Pty Ltd	8,828,683	3.87%
Raymond Demaio Pty Ltd	6,795,377	2.98%
Cob Pty Ltd	6,395,546	2.80%
Burrangong Pty Ltd	5,797,101	2.54%
Mr Paul James Madden	2,971,848	1.30%
Mr Yuk Chung Edward Chiu	2,769,565	1.21%
Mr Joshua Oliver Stanford-Harris	2,383,466	1.05%
Ms Lauren Dwyer	2,263,002	0.99%
Mr John William Bronger	2,140,579	0.94%
Netwealth Investments Limited	2,076,204	0.91%
DC Retirement Nominees Pty Ltd	2,023,728	0.89%
Harlund Investments Pty Ltd	2,000,000	0.88%
Qintet Pharma Partners Pty Ltd	1,944,657	0.85%
Seaforth Blue Pty Ltd	1,850,345	0.81%
Astro Superannuation Holdings Pty Ltd	1,800,000	0.79%
Chemistworx Management Pty Ltd	1,630,434	0.72%
HW Woods Holdings Pty Ltd	1,594,203	0.70%

Unquoted equity securities

There are no options over ordinary shares issued as at the date of reporting.

Substantial holders

Substantial holders in the company are set out below:

	Ordinary shares	
	Number held	% total shares issued
Blair Vega Norfolk	18,879,272	8.28%

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares
On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.

Securities

Class	Number of shares
Ordinary fully paid shares	227,998,033

1.1 Roles and Responsibilities of Board and Management

The Role of the Board and Delegations

The Board is accountable to shareholders for the activities and performance of Biome Australia Limited (Biome) by overseeing the creation of sustainable shareholder value within an appropriate risk framework and having regard for stakeholder interests and community expectations.

The Board is responsible for setting Biome's vision and strategy. Biome's vision is to become the number one trusted probiotic brand in all markets in which we operate. Biome also works to prevent disease, improve health outcomes and quality of life, and make our products accessible to all. This is a long-term vision, and the Board sets strategic priorities each year to work towards fulfilling this vision.

Directors are actively involved in setting, approving and regularly monitoring Biome's strategic priorities and holding management accountable for progress.

This process includes one annual Board strategy meeting offsite, regular Board reporting and meetings, and discussion and review with management. Similarly, the Board ensures that rigorous governance processes operate effectively to guide decision making across the business.

The Board's responsibilities are set out in the Board Charter, which is available at https://qrcodes.pro/VYjRir.

The Board's role and responsibilities include:

- establishing, promoting and maintaining the strategic direction of Biome;
- approving business plans, budgets and financial policies;
- considering management recommendations on strategic business matters;
- establishing, promoting and maintaining proper processes and controls to maintain the integrity of accounting and financial records and reporting;
- fairly and responsibly rewarding executives, having regard to the performance of the executives, Biome's risk management framework and culture, the interests of shareholders, market conditions and Biome's overall performance;
- adopting and overseeing the implementation of corporate governance practices;
- overseeing the establishment, promotion and maintenance of effective risk management policies and processes;
- reviewing Board composition and performance;
- appointing, evaluating and remunerating the Chief Executive Officer (CEO), the Chief Financial Officer (CFO), and appointing the Company Secretary; and
- determining the CEO's delegated authority.

The Board previously established standing committees to assist in carrying out its responsibilities and to consider certain issues and functions in detail. Effective from 1 July 2025, the role of those committees is undertaken by the Board as a whole, as described at section 1.3.

Management responsibility

The Board has delegated to the CEO the authority and powers necessary to implement the strategies approved by the Board and to manage the business affairs of Biome within the policies and delegation limits specified by the Board from time to time. The CEO may delegate authority to management but remains accountable for all authorities delegated to management.

1.2 Directors' Skills Matrix

The Board has determined that its current members have an appropriate collective mix of skills, experience and expertise to:

- exercise independent judgement;
- have a proper understanding of, and competence to deal with, current and emerging issues of the business;
- encourage enhanced Biome performance; and
- effectively review and challenge the performance of management.

The Board's competencies are assessed annually, and the results of the most recent (July 2026) assessment are shown in the table as follows.

Areas of expertise/ leadership qualities	Average Self-Assessment Rating*
Risk & Compliance	4.67
Financial & Audit	4.67
Strategy	5
Policy Development	5
Technology	3.67
Executive Management	5
Industry Specific Skills	4.33
Leadership	5
Ethics and Integrity	5
Contribution	5
Negotiation	5
Crisis Management	5
Previous Board Experience	4.67

*Self-assessment rating from 1 to 5, with 1 being the lowest and 5 being the highest

Given the relatively small size of the Board at present, the Board skills matrix shows some skill gaps. The Board believes these gaps are effectively covered by access to subject matter experts as the need arises to complement the skills of the existing non-executive and executive directors.

The Board addresses Board succession by reviewing, at least annually, the size and composition of the Board against the skills matrix and Biome's strategic objectives, in order to identify any gaps in the balance of skills, knowledge, experience, independence and diversity. Where a vacancy arises or an additional Director is considered necessary, the Board identifies suitable candidates and undertakes appropriate checks as to character, experience, education, criminal record and bankruptcy history before making a recommendation to shareholders. Performance evaluations of the Board and individual Directors were completed for the financial year ended 30 June 2026 in accordance with the process set out in the Board Charter.

1.3 Board Committees

To assist it in undertaking its duties, the Board had previously established the following standing committees:

- Audit & Risk Committee; and
- Nomination & Remuneration Committee.

Each committee had its own charter, copies of which remain available at:

Audit & Risk Committee Charter, https://qrcodes.pro/t2WmkJ

Nomination & Remuneration Committee Charter, https://qrcodes.pro/h7itl2

The charters specified the composition, responsibilities, duties, reporting obligations, meeting arrangements, authority and resources available to the committees and the provisions for review of the charter.

Given the size of the Board, which comprises three Directors (previously four), the Board decided that those functions would be more effectively undertaken by the Board as a whole, effective from 1 July 2025. Accordingly, the standing committees did not operate at any time during the period, and all matters previously delegated to them, including audit, risk, nomination and remuneration matters, were considered by the full Board. The Board will reconstitute the committees if and when the size of the Board makes it appropriate to do so, and the committee charters remain in place in the meantime.

During the period, 6 meetings of directors were held. Attendances by each director during the period were as follows:

Directors	Eligible to Attend	Attended
Geoffrey Sam OAM (Chair)	6	6
Blair Vega Norfolk	6	6
Dominique Fisher AM	6	6

1.4 Diversity

Biome values, recognises and respects diversity in all its aspects. Biome has adopted a Diversity Policy which promotes diversity and inclusiveness regardless of employees' experiences, perspectives, professional skills, gender, gender identity, age, sexual orientation, marital or family status, disabilities, ethnicity, religious beliefs, and cultural and socioeconomic backgrounds. The Diversity Policy entrusts the Board with responsibility for designing and overseeing its implementation, developing initiatives to promote and achieve Biome's diversity goals, and assessing the effectiveness of those objectives each year. A copy of the Diversity Policy is available at https://qrcodes.pro/S9QOjb.

The Board has set measurable objectives for achieving gender diversity in the composition of the Board, senior executive positions and the workforce generally. As at 30 June 2026:

- the Board comprised three Directors, of whom one (33%) is female;
- women held one of the two senior executive positions (50%). For these purposes, “senior executive” means the CEO and the CFO; and
- across the workforce generally, 72% of employees were female and 28% were male.

Having regard to the current size of the Board and of Biome’s workforce, the Board’s measurable objectives are to maintain not less than one female Director on the Board (being not less than 33% of Directors), not less than 50% female representation in senior executive positions, and not less than 50% female representation across the workforce generally. Biome met each of these objectives during the period. Biome also incorporates specific diversity considerations into its recruitment processes, and the Board reviews these objectives, and Biome’s progress against them, at least annually.

Biome is not in the S&P/ASX 300 Index and is not a “relevant employer” under the Workplace Gender Equality Act 2012 (Cth). The Board will continue to monitor Biome’s growth and will review its diversity objectives periodically to ensure they remain appropriate.

1.5 Risk Management Framework

Biome’s Board is responsible, in conjunction with senior management, for the management of risks associated with the business and implementing structures and policies to adequately monitor and manage these risks.

As noted at section 1.3, the functions of the Audit & Risk Committee are undertaken by the Board as a whole. The Board is therefore directly responsible for setting the appropriate risk appetite and for ensuring that there is an effective risk management framework that is able to manage, monitor and control the various risks to which the business is exposed.

On a day-to-day basis, the CEO has responsibility for monitoring the implementation of the risk framework, including the monitoring, reporting and analysis of the various risks faced by the business, and providing effective challenges to activities and decisions that may materially affect Biome’s risk profile.

Biome has a robust risk management framework which supports its operating segments, and its risk appetite distinguishes risks from which Biome will seek to make an economic return from those which it seeks to minimise and which it does not consider will provide a return. The management of these risks is fundamental to Biome’s business, customers and to building long-term shareholder value.

In addition to having a separate risk management function, Biome recognises that a requirement for an effective risk management framework is for there to be a strong risk culture throughout the organisation, where risk is everybody’s business. The foundation of this risk culture is a set of values, the Biome values. All employees are assessed against the Biome values as part of the annual performance review process, and this outcome contributes to the overall performance rating and remuneration outcomes. In addition to this, Biome regularly assesses its risk culture through external audits to ensure that the management of risk and day-to-day compliance remains entrenched within the way in which Biome operates. The Board is responsible for setting and monitoring the risk appetite for Biome when pursuing its strategic objectives. The Board’s approach to, and appetite for risk provides that, subject to earning acceptable economic returns, it can retain exposure to credit risk, liquidity risk and market risk.

- Credit default risk
  — is the risk of loss in the value of an asset due to a counterparty failing to discharge its contractual obligations when they fall due;
- Liquidity risk
  — is the potential impact of Biome’s short, medium and long-term funding and liquidity management requirements; and
- Market risk
  — is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect Biome’s income or value of its holdings of financial instruments.

Biome seeks to minimise or hedge the risks for which it does not consider an appropriate return can be generated.

These risks include:

- Foreign exchange risk
  — is the risk of a change in asset values as a result of movements in foreign exchange rates;
- Inflation risk
  — is the risk of a change in asset values and Biome’s earnings as a result of movements in inflation both in Australia and jurisdictions in which Biome owns assets;

- Operational risk
  — is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events; and
- Regulatory and compliance risk
  — is the risk of legal or regulatory sanctions or loss as a result of Biome's failure to comply with laws, regulations or regulatory policy applying to its business.

Certified B Corporation

This company meets the highest standards of social and environmental impact

Biome Australia is proud to be a Certified B Corporation since 2021.

Certified B Corporations (B Corps) are for-profit companies that use the power of business to build a more inclusive and sustainable economy. They meet the highest verified standards of social and environmental performance, transparency, and accountability.

The Biome team feels strongly that business can be a force for good. Biome Australia aims to improve not only health outcomes, but be seen as a company working to redefine success in business, demonstrating that inclusivity and sustainability can be part of a healthy economy.

Activated Probiotics and Activated Therapeutics are registered trademarks of Biome Australia

Corporate directory

Directors

Geoffrey Sam OAM
(Independent Non-Executive Chair)
Blair William Brabin Vega Norfolk
(Managing Director)
Dominique Gayle Fisher AM
(Independent Non-Executive Director)

Company secretary

George Lazarou

Chief financial officer

Lauren Dwyer — appointed 2 February 2026
Douglas Chee Yong Loh— resigned 2 February 2026

Registered office

192–194 Johnston Street
Collingwood Victoria 3066
Phone: +61 3 9017 5800

Principal place of business

192-194 Johnston Street
Collingwood Victoria 3066

Share register

Automic Pty Ltd
477 Collins Street
Melbourne Victoria 3000
Phone: 1300 288 664

Stock exchange listing

Biome Australia Limited shares are listed on the Australian Securities Exchange (ASX code: BIO)

Auditor

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Lawyers

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Regulatory Advisor

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