

ASX ANNOUNCEMENT

27 August 2026

Biome to launch in China

- Exclusive cross-border e-commerce (CBEC) distribution heads of agreement signed with H&S Global for the *Activated Probiotics* range
- *Biome* will launch the *Activated Probiotics* range in China, the largest single-country probiotics market in the world¹
- H&S will operate as *Biome's* sales and operational partner on the ground in China
- *Biome* will maintain control and ownership of the brand marketing of *Activated Probiotics* in China
- Australian manufacture of *Activated Probiotics* begins from September 2026, and *Biome Daily* is the leading probiotic product in Australian pharmacy², both critical to a successful China launch
- Volumes, targets and the launch date will be confirmed on execution of a master agreement later this year, with launch planned within FY27

Microbiome health company *Biome Australia Limited* (ASX: *BIO*) has through its wholly owned subsidiary Biome Australia Trading Pty Ltd signed a heads of agreement with H&S Global for the exclusive distribution of the *Activated Probiotics* range in China through cross-border e-commerce, under a three-year initial term. Launch is planned within FY27. The agreement forms part of *Biome's* Vision 27 strategy.

¹ Grand View Research, China Probiotics Market Outlook, 2025. China probiotics market size and forecast, and country share of the global probiotics market.

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.

China is the largest single-country probiotics market in the world. The category was worth approximately US\$10.8B in 2025 and is forecast to reach US\$29.3B by 2033, a compound annual growth rate of 13.1 per cent.¹

Probiotics are the largest product type within China's digestive health supplements category, and e-commerce accounts for an estimated 60 to 70 per cent of dietary supplement retail sales.³ Cross-border e-commerce is the entry route: products sold through this channel do not require Blue Hat registration, provided they appear on China's cross-border positive list and are legally marketed in their country of origin. For *Biome* that means entry without local product registration, without reformulation and without capital expenditure, selling the same products, in the same packs, that already serve Australian pharmacy.

Australian provenance and Australian manufacture are the defining trust signals in this channel. On 3 June 2026 *Biome* announced a binding agreement with Specialty Probiotics Australia, a GMP licensed Australian manufacturer, to progressively transition production of the *Activated Probiotics* range onshore, with the first commercial batch targeted for September 2026. *Biome* sequenced the China entry to follow the onshore manufacturing transition, so that Australian manufacture is in place at launch.

Biome's Activated Probiotics range is supported by more than 30 randomised, double blind, placebo controlled clinical trials on the *Activated Probiotics* products. The range is practitioner recommended, sold through more than 7,500 Australian pharmacies and practitioners. *Biome Daily Probiotic* is now the number one probiotic product in Australian pharmacy, and *Biome Daily Kids* the number one children's and immune health probiotic in pharmacy.⁴ This positioning is key to both why China and why now.

Biome ran a structured assessment of cross-border e-commerce operators before partnering with H&S Global, reviewing proposals from several established distributors in the channel. *Biome's* management met H&S Global's ownership and leadership team and visited their facilities in both Sydney and Chengdu China over recent months and met the leadership teams of the major cross-border platforms in China, including Douyin (Tiktok), Tmall, WeChat and JD Health.

Biome assessed H&S Global as the strongest fit of the operators reviewed and among the largest in the channel, with a demonstrated record of building and scaling international health brands in Chinese cross-border e-commerce, and a long-term approach to brand development consistent with *Biome's* own.

³ Grand View Research, China Digestive Health Supplements Market, 2025. Product type share and e-commerce share of dietary supplement retail sales in China.

⁴ IQVIA™ Sell Out Service, VITAMINS MINERALS AND SUPPLEMENTS category, CHC3=PROBIOTICS, Australia Pharmacy, Total Value and Unit, 52 Weeks W/E 2026-06-27.

H&S Global will purchase product from Biome for resale in the Territory, and will establish and operate Biome's brand stores and channel presence on Biome's behalf, with *Biome* leading brand and marketing. As a premium practitioner brand, *Biome* intends to own its brand and marketing globally.

Key terms

The following is a summary only of the key terms of the heads of agreement and is qualified in its entirety by reference to the full agreement.

- Parties: Biome Australia Trading Pty Ltd (a wholly owned subsidiary of Biome Australia Limited) and H&S Global
- Territory and channel: People's Republic of China (mainland), cross-border e-commerce (CBEC) only
- Term: three years from signing
- Exclusivity: exclusive for the first year; continuation into years two and three subject to purchase targets agreed between the parties
- Marketing: Biome leads brand strategy, marketing investment and brand development in the Territory, working with H&S Global on campaign planning and in-market execution
- Brand and intellectual property: Biome retains all rights in the Activated Probiotics and Activated Therapeutics brands and in its proprietary strains
- Termination: the heads of agreement runs for its three-year term and does not contain express termination rights; termination provisions will be addressed in the fuller master agreement
- Payment terms: 30 days from date of invoice
- Governing law: Victoria, Australia

Status and conditions

The heads of agreement is binding in respect of exclusivity for H&S Global in the agreed territory and channel for the first year of the term; the right for H&S Global to operate *Biome's* brand presence on the key cross-border e-commerce, social media and communication platforms in China on *Biome's* behalf; and intellectual property, confidentiality and governing law.

Completion is subject to execution of a master distribution agreement, which the parties will negotiate in good faith with the intention to launch the *Activated Probiotics* in China within FY27.

Biome Australia Founder and Managing Director, Blair Vega Norfolk, said:

"We have been looking at China for several years and have deliberately waited. Entering too early with the wrong partner is how brands get damaged in this market. We reviewed proposals from several of the leading distributors in this channel and H&S were in a class of their own. What mattered most was that they share our time horizon, vision and values.

"The Chinese probiotic market has evolved rapidly over recent years, to now be one of the more sophisticated probiotic markets, with educated consumers asking for more from brands. Activated Probiotics holds a leadership position in clinical research and quality, which is what Chinese consumers are asking of brands in 2026. Biome has always held a long-term view to China being key to our future but has taken a patient approach to waiting for the right time and the right partner. With H&S we feel confident we have found a strategic business partner."

H&S Global Chief Executive Officer, Leo Zhang, said:

"At H&S we are presented with a great many brands from around the world looking to grow in China. Very few have built a platform and brand position like Biome's Activated Probiotics. With the backing of gold standard clinical trials to support efficacy across the entire Activated Probiotics range, we believe this is a key attribute Chinese consumers are demanding of their complementary medicines in 2026.

H&S does not take on many new brands as the time and effort to develop is very significant, but with Biome's long-term vision, scientific rigour and our shared values we feel well aligned and are excited for what we can achieve together over the coming years."

-ENDS-

Approved for release by the Biome Australia board of directors.

For further information



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About Biome Australia Limited

Biome Australia develops, licenses, commercialises and markets innovative, evidence-based live biotherapeutics and complementary medicines with clinically proven health benefits. Incorporated in Australia in 2018, Biome distributes locally and internationally. Supported by randomised double-blind placebo-controlled clinical trials, Activated Probiotics and Activated Therapeutics help prevent and support management of various health concerns including low mood and sleep, bone health, iron malabsorption, mild eczema and IBS. For more information visit www.biomeaustralia.com

Forward Looking Statements

This release may contain forward looking statements, including but not limited to projections, guidance on future revenues, earnings, other potential synergies and estimates and the future performance of *Biome* (Forward Looking Statements). Forward Looking Statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Actual results, performance or achievements may differ materially from those expressed or implied in such Forward Looking Statements and any projections and assumptions on which these Forward Looking Statements are based. Such statements may assume the success of *Biome's* business strategies. You are cautioned not to place undue reliance on Forward Looking Statements.

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