



# HALF YEAR REPORT

FOR THE SIX MONTHS TO 30 SEPTEMBER 2023

PROBIOTIC PIONEERS  
FOR A HEALTHIER YOU





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# HY24 SUMMARY

**\$4.8m**

**REVENUE**

**+11%**

**\$3.1m**

**B2B  
REVENUE**

**+9%**

**\$1.7m**

**B2C  
REVENUE**

**+15%**

**\$0.6m**

**EBITDA LOSS**

50% improvement

*Note: % movement comparisons above are to the same period of the prior year*

## PROBI STRATEGIC PARTNERSHIP

- Royalty revenue growth in line with expectations
- Two new R&D collaboration projects completed

## SKINCARE

- Licensing live probiotic serum technology containing BLIS Q24® to cosmetic skincare company Emma Lewisham

## PRIVATE LABEL


- Two new customers in China

## R&D PROGRESS

- Oral composition (BLIS M18™) and new topical composition (BLIS Q24™) patents progressed to National Phase.
- New patent filing on Topical application progressed to PCT stage
- Seven new independent publications further strengthening BLIS K12™ and BLIS M18™ evidence base

## HALF YEAR REPORT

# CHAIR & CHIEF EXECUTIVE'S REPORT



Highlights in the first half of the financial year to 30 September 2023 (1HY24) include growth of Probi royalty payments, establishing new private label business in China and the first licensing agreement for our topical live probiotic serum technology containing BLIS Q24™.

Market conditions in the first half of the year have been challenging with several markets reporting increases in the cost-of-living impacting customers product demand. Based on this we continue to see late commitments to ordering as the customer base closely manages their stock holding and remains conservative in forward ordering.

### FINANCIAL OVERVIEW

Despite challenging market conditions revenue for 1HY24 was up 11% to \$4.8m. Key contributors to this growth has been an increase in Probi royalty revenue from their

licensed sales of BLIS K12™ and BLIS M18™, new private label customers within China, and growth in finished product revenue in NZ Pharmacy retail and the Amazon platform.

An unaudited loss of \$0.7m was recorded in the six months to 30 September 2023 compared with a loss of \$1.7m in the same period last year.

EBITDA loss for the interim period was \$0.6m, which compares with a \$1.2m loss in the previous half year.

Net cash flow for the interim period was \$0.4m decrease. Operating cash

flow was neutral and the EBITDA loss was moderated by a reduction in receivables and prepayment balances. Cash flow from investing activities includes \$0.1m for laboratory equipment replacement and \$0.2m of trademark and patent investment. The company held cash and short term deposit balances of \$7.9m at 30 September 2023.

### B2B sales

Our business strategy centres on growing and diversifying B2B revenues. B2B revenue for 1HY24 was \$3.1m, being 9% growth on the same period last year.

Royalty revenue from Probi is in line with expectations and represents a key contributor to our revenue growth in the first half year and future revenue growth. The other key contributor has been growth in private label sales of finished product into China. We have recently established two new customers for this revenue stream and see this as an important growth driver in the future.

BLIS® ingredient customers continue to closely monitor their stock levels and operate just-in-time ordering. BLIS® ingredient sales to Europe are down 30% compared with the same period last year due to shifting order patterns and a price reduction in line with the renegotiated supply agreement taking effect early this year.

BLIS® ingredient sales to Japan continue to be impacted by the weak Yen to US dollar exchange rate.

#### **B2C sales**

B2C revenue was \$1.7m, 15% growth on the previous year.

Through the first half year we have completed the transition out of the Canadian market selling through the last of the stock holding for this market. In the corresponding period last year, we made a \$0.2m provision for costs associated with withdrawing from Canada. Excluding this provision in the comparative period B2C sales are similar to last year.

Pharmacy retail in NZ was up 25% on 1HY23. The revenue growth was influenced by price increases implemented in April 2023 to offset increased material, staffing and overhead costs. Although volume is relatively flat in the Pharmacy retail channel this does compare favorably with an overall channel decline. Late in the half year we implemented a new campaign focused on our dental portfolio and have partnered with Green Cross Health Pharmacies to range our portfolio within their oral health sections within pharmacy.

ECommerce sales were up 6% on increased sales on Amazon, as we

sold through stock in the Canada market and experienced small growth in the US. Canadian sales were heavily discounted to exit stock and recover holding costs.

Daigou sales in 1HY23 were influenced by new daigou activity where sales volumes included buy-in quantities. Sales for 1HY24 are down as reseller sell through activity is moderated by a conservative approach to the Asian markets they operate in facing tough economic conditions.

#### **SKINCARE LICENSING AGREEMENT**

We are particularly pleased to have completed our first licensing agreement for our cosmetic facial live probiotic serum formulation containing BLIS Q24®. The agreement is with Emma Lewisham, a fast-growing cosmetic skincare company known for its science-led natural skincare. The agreement allows for an exclusive license to use the cosmetic live probiotic formulation under the Emma Lewisham brand in New Zealand,

## CHAIR & CHIEF EXECUTIVE'S REPORT CONTINUED

Australia and the United Kingdom, markets where Emma Lewisham has developed a strong retail and online presence.

Emma Lewisham's product offer, "Supernatural Blemish Serum with live probiotic" was launched within retail and online from 3 October 2023. The first royalty payments associated with this relationship will be recorded in the 2nd half of the financial year.

### PRIVATE LABEL SALES

We have established new attractive relationships for private label supply of finished products into the China market. These product offers are based on our own finished products we supply for NZ under the BLIS PROBIOTICS™ brand. By offering supply of the finished product produced in our own production facility in Dunedin we are providing quality product and unlocking a potential barrier for entry. Private label is seen as an important contributor to our growth in the coming years.

### PROBI LICENSING AND DISTRIBUTION AGREEMENT

Licensing royalties from this relationship in the first half year have been in line with our

expectations and represent new revenue compared with the first half year last year. Along with this Probi have taken over distribution for North America and will service the existing customer base established by our previous distribution partner Stratum Nutrition. This changeover happened at the beginning of August.

In the first half year we also completed two R & D collaborations with Probi combining the relative strengths of both companies. These initiatives represent early pipeline opportunities for the future.

We have also seen good collaboration across the two companies undertaking joint trade show activity to generate new leads.

### RESEARCH AND DEVELOPMENT

We continue to actively prioritise investment in research and development to further delivery of probiotic innovation.

Within our NPD programme we are actively prioritising the ongoing development of patented positions for new symbiotic combinations of BLIS K12™ and BLIS M18™. Development work has identified pre-biotics which have been shown to boost functional activity and

deliver additional benefits over the strain alone.

The live probiotic toothpaste development programme has taken longer than anticipated to optimise the flavour properties of a prototype. An industry partner is currently working to deliver flavour variants required to meet regional needs.

We have further progressed a mix of new patents including:

- Oral composition (BLIS M18™) and new topical composition (BLIS Q24™) patents progressed to National Phase entry.
- New patent filing on topical application progressed to PCT.

In the first half year there has been seven new clinical trials and reviews published on BLIS® probiotic strains which further bolsters the evidence base for these strains and provides valuable new data for selling activity.

### STAFF

As announced in July 2023, Brian Watson CEO resigned with a six month notice period. Our recruitment process is well advanced.

Jennifer Walker, Chief Revenue Officer goes on maternity leave in November 2023. Jennifer's role will be covered by senior team members until her return anticipated at the end of March 2024.

## OUTLOOK

In the face of the challenging global economic environment, there will be continued pressure on growth. We remain optimistic that the B2B strategy will continue to deliver revenue growth, albeit pressure on profitability remains.

We will continue to keep shareholders updated.



**Geoff Plunket**  
**Chair**  
**16 November 2023**



**Brian Watson**  
**Chief Executive Officer**  
**16 November 2023**



# **FINANCIAL STATEMENTS**

FOR THE SIX MONTHS ENDED  
30 SEPTEMBER 2023



# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

	NOTES	SIX MONTHS 30 SEP 2023 (UNAUDITED) \$'000	SIX MONTHS 30 SEP 2022 (UNAUDITED) \$'000	12 MONTHS 31 MAR 2023 (AUDITED) \$'000
<b>REVENUES</b>				
Revenue	3.1	4,777	4,290	10,235
Other income	3.2	198	74	255
<b>Total revenue and other income</b>		<b>4,975</b>	<b>4,364</b>	<b>10,490</b>
<b>EXPENSES</b>				
Distribution expenses		147	140	236
Marketing expenses		606	772	1,329
Occupancy expenses		45	47	117
Employee benefits		2,102	2,072	4,099
Raw materials and consumables		963	848	2,188
Operating expenses		1,765	2,159	3,836
Finance expenses		17	15	35
<b>Total Expenses</b>		<b>5,645</b>	<b>6,053</b>	<b>11,840</b>
<b>SURPLUS / (DEFICIT) BEFORE TAX</b>		<b>(670)</b>	<b>(1,689)</b>	<b>(1,350)</b>
Income tax expense		-	-	-
<b>SURPLUS / (DEFICIT) FOR THE PERIOD</b>		<b>(670)</b>	<b>(1,689)</b>	<b>(1,350)</b>
Other comprehensive income		-	-	-
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>(670)</b>	<b>(1,689)</b>	<b>(1,350)</b>
<b>Earnings / (deficit) per share:</b>				
Basic (cents per ordinary share)		(0.05)	(0.13)	(0.11)
Diluted (cents per ordinary share)		(0.05)	(0.13)	(0.11)

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

	(UNAUDITED)			
	SHARE CAPITAL \$'000	RETAINED EARNINGS/ (DEFICIT) \$'000	SHARE BASED PAYMENTS EQUITY RESERVES \$'000	TOTAL ATTRIBUTABLE TO GROUP \$'000
<b>OPENING EQUITY – 1 APRIL 2023</b>	<b>46,649</b>	<b>(35,887)</b>	<b>74</b>	<b>10,836</b>
Surplus / (deficit) for the year	-	(670)	-	(670)
Other comprehensive income	-	-	-	-
Total comprehensive income	-	(670)	-	(670)
Employee performance rights plan reserve	-	-	(1)	(1)
	-	-	(1)	(1)
<b>CLOSING EQUITY – 30 SEPTEMBER 2023</b>	<b>46,649</b>	<b>(36,557)</b>	<b>73</b>	<b>10,165</b>
<b>OPENING EQUITY – 1 APRIL 2022</b>	<b>46,649</b>	<b>(34,537)</b>	<b>37</b>	<b>12,149</b>
Surplus / (deficit) for the year	-	(1,689)	-	(1,689)
Other comprehensive income	-	-	-	-
Total comprehensive income	-	(1,689)	-	(1,689)
Employee performance rights plan reserve	-	-	17	17
	-	-	17	17
<b>CLOSING EQUITY – 30 SEPTEMBER 2022</b>	<b>46,649</b>	<b>(36,226)</b>	<b>54</b>	<b>10,477</b>

# CONSOLIDATED BALANCE SHEET

AS AT 30 SEPTEMBER 2023

	NOTES	SIX MONTHS 30 SEP 2023 (UNAUDITED) \$'000	SIX MONTHS 30 SEP 2022 (UNAUDITED) \$'000	12 MONTHS 31 MAR 2023 (AUDITED) \$'000
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and cash equivalents		3,902	8,754	4,272
Short term deposits		4,000	-	4,000
Trade and other receivables		996	509	1,444
Prepayments		224	177	339
Inventory		814	763	734
NZX Bond		75	75	75
<b>TOTAL CURRENT ASSETS</b>		<b>10,011</b>	<b>10,278</b>	<b>10,864</b>
<b>Non Current Assets</b>				
Property, plant and equipment		503	516	470
Finite life intangible assets	4	969	1,052	889
Right-of-use-assets		470	590	586
<b>TOTAL NON CURRENT ASSETS</b>		<b>1,942</b>	<b>2,158</b>	<b>1,945</b>
<b>TOTAL ASSETS</b>		<b>11,953</b>	<b>12,436</b>	<b>12,809</b>

Continued overleaf / >>

# CONSOLIDATED BALANCE SHEET CONTINUED

AS AT 30 SEPTEMBER 2023

	NOTES	SIX MONTHS 30 SEP 2023 (UNAUDITED) \$'000	SIX MONTHS 30 SEP 2022 (UNAUDITED) \$'000	12 MONTHS 31 MAR 2023 (AUDITED) \$'000
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Trade and other payables		1,268	1,249	1,353
Current borrowings		-	10	-
Lease liabilities		235	205	229
Foreign exchange contracts		15	82	1
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,518</b>	<b>1,546</b>	<b>1,583</b>
<b>Non Current Liabilities</b>				
Non current borrowings		-	-	-
Lease liabilities		270	413	390
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>270</b>	<b>413</b>	<b>390</b>
<b>TOTAL LIABILITIES</b>		<b>1,788</b>	<b>1,959</b>	<b>1,973</b>
<b>NET ASSETS</b>		<b>10,165</b>	<b>10,477</b>	<b>10,836</b>
<b>OWNERS EQUITY</b>				
Share capital	5	46,649	46,649	46,649
Retained earnings / (deficits)		(36,557)	(36,226)	(35,887)
Share based payment equity reserves		73	54	74
<b>TOTAL EQUITY</b>		<b>10,165</b>	<b>10,477</b>	<b>10,836</b>



**Geoff Plunket**  
Chair



**Barry Richardson**  
Director

These financial statements have been authorised for issue 16 November 2023.

# CONSOLIDATED STATEMENT OF CASHFLOWS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

	NOTES	SIX MONTHS 30 SEP 2023 (UNAUDITED) \$'000	SIX MONTHS 30 SEP 2022 (UNAUDITED) \$'000	12 MONTHS 31 MAR 2023 (AUDITED) \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<i>Cash was provided from / (applied to):</i>				
Receipts from customers		5,430	5,566	10,603
Interest received		-	51	217
Payments to suppliers and employees		(5,450)	(5,251)	(10,680)
Finance costs		(17)	(15)	(34)
<b>Net cash inflow / (outflow) from operating activities</b>	<b>6</b>	<b>(37)</b>	<b>351</b>	<b>106</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<i>Cash was provided from / (applied to):</i>				
Purchase of short term deposits		-	-	(4,000)
Purchase of intangible assets		(177)	(1)	(47)
Purchase of property, plant and equipment		(87)	(40)	(50)
<b>Net cash inflow / (outflow) from investing activities</b>		<b>(264)</b>	<b>(41)</b>	<b>(4,097)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<i>Cash was provided from / (applied to):</i>				
Repayment of borrowings		-	(25)	(37)
Repayment of lease liabilities		(109)	(101)	(238)
<b>Net cash inflow / (outflow) from financing activities</b>		<b>(109)</b>	<b>(126)</b>	<b>(275)</b>
<b>Net Increase / (Decrease) in cash held</b>		<b>(410)</b>	<b>184</b>	<b>(4,266)</b>
Add cash and cash equivalents at start of period		4,272	8,519	8,519
Foreign exchange differences		40	51	19
<b>Balance at end of period</b>		<b>3,902</b>	<b>8,754</b>	<b>4,272</b>
<b>COMPRISED OF:</b>				
Cash and cash equivalents		3,902	8,754	4,272
		<b>3,902</b>	<b>8,754</b>	<b>4,272</b>

# NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

## 1. BASIS OF REPORTING

### Reporting entity

The unaudited consolidated condensed interim financial statements presented are those of Blis Technologies Limited (the "Company") and its subsidiary Blis Functional Foods Limited (the "Group").

The Group's principal activity is developing healthcare products and technologies based on proprietary strains of probiotic bacteria for sale and licensing in New Zealand and overseas.

### Statutory base

The Company is a profit-oriented entity, domiciled in New Zealand, registered under the Companies Act 1993 and listed on the New Zealand Stock Exchange. The Company is an FMC reporting entity under the Financial Markets Conduct Act 2013. The financial statements have been prepared in line with the requirements of these Acts and the Financial Reporting Act 2013.

### Basis of Preparation

The unaudited consolidated condensed interim financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP") and comply with the New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS"), as appropriate for interim financial statements (NZ IAS 34). The interim financial statements should be read in conjunction with the Group annual report for the year ended 31 March 2023.

The unaudited consolidated condensed interim financial statements were authorised for issue by the Board of Directors on 16 November 2023.

### Basis of Measurement

The unaudited consolidated condensed interim financial statements have been prepared on the historical cost basis, except for the derivative financial instruments that are measured at fair value at the end of each reporting period. Historical cost is based on the fair values of the consideration given in exchange for assets.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The same accounting policies and critical judgements, estimates and assumptions are applied in these unaudited consolidated condensed interim financial statements as were applied in the preparation of the Group's consolidated financial statements for the year ended 31 March 2023.

The unaudited consolidated condensed interim financial statements are presented in thousands of New Zealand dollars. The New Zealand dollar is the Group's functional currency.

The unaudited consolidated condensed interim financial statements do not include all the information required for full financial statements.

### Critical Judgements, Estimates and Assumptions

In the application of NZ IFRS, the Directors are required to make judgements, estimates and assumptions about carrying values of asset and liabilities that are not readily apparent from other sources. The judgements, estimates and assumptions used in the preparation of these unaudited consolidated condensed interim financial statements are consistent with those used in the Group's consolidated financial statements for the year ended 31 March 2023.

### Significant Accounting Policies

The accounting policies in the unaudited consolidated condensed interim financial statements are the same

as those applied in the Group's consolidated financial statements for the year ended 31 March 2023.

## 2. SIGNIFICANT TRANSACTIONS AND EVENTS FOR THE CURRENT PERIOD

There were no significant transactions and events that affected the financial performance and financial position of the Group for the six-month period ended 30 September 2023.

## 3. REVENUE AND OTHER INCOME

### 3.1 REVENUE

#### Revenue consists of the following items:

*Point in time recognition:*

	SIX MONTHS 30 SEP 2023 (UNAUDITED) \$'000	SIX MONTHS 30 SEP 2022 (UNAUDITED) \$'000	12 MONTHS 31 MAR 2023 (AUDITED) \$'000
Sale of goods – domestic sales			
Finished goods	1,019	1,098	1,989
Ingredients	37	26	62
Sale of goods – export sales			
Finished goods	934	457	1,525
Ingredients	2,304	2,701	6,375
License fee and royalties	483	8	284
	<b>4,777</b>	<b>4,290</b>	<b>10,235</b>

### 3.2 OTHER INCOME

	SIX MONTHS 30 SEP 2023 (UNAUDITED) \$'000	SIX MONTHS 30 SEP 2022 (UNAUDITED) \$'000	12 MONTHS 31 MAR 2023 (AUDITED) \$'000
Grant income	-	-	37
Other income	-	-	11
Interest income	198	74	207
	<b>198</b>	<b>74</b>	<b>255</b>

## NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 4. FINITE LIFE INTANGIBLE ASSETS

	TRADEMARKS \$'000	PATENTS \$'000	CAPITALISED DEVELOPMENT \$'000	IT, WEBSITE DEVELOPMENT AND SOFTWARE \$'000	TOTAL \$'000
<b>30 SEPTEMBER 2023 (Unaudited)</b>					
<b>Gross Carrying Amount</b>					
Balance at 1 April 2023	224	1,226	4,103	400	5,953
Additions	57	102	18	-	177
Disposals	-	-	-	-	-
Balance at 30 September 2023	281	1,328	4,121	400	6,130
<b>Accumulated amortisation and impairment</b>					
Balance at 1 April 2022	95	1,022	3,568	379	5,064
Amortisation expense	10	15	63	9	97
Impairment expense	-	-	-	-	-
Balance at 30 September 2023	105	1,037	3,631	388	5,161
<b>Net book value at 30 September 2023</b>	<b>176</b>	<b>291</b>	<b>490</b>	<b>12</b>	<b>969</b>
<b>30 SEPTEMBER 2022 (Unaudited)</b>					
<b>Gross Carrying Amount</b>					
Balance at 1 April 2022	212	1,191	4,169	400	5,972
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Balance at 30 September 2022	212	1,191	4,169	400	5,972
<b>Accumulated amortisation and impairment</b>					
Balance at 1 April 2022	47	960	3,252	258	4,517
Amortisation expense	23	31	62	10	126
Impairment expense	10	-	158	90	277
Balance at 30 September 2022	99	991	3,472	358	4,920
<b>Net book value at 30 September 2022</b>	<b>113</b>	<b>200</b>	<b>697</b>	<b>42</b>	<b>1,052</b>



	TRADEMARKS \$'000	PATENTS \$'000	CAPITALISED DEVELOPMENT \$'000	IT, WEBSITE DEVELOPMENT AND SOFTWARE \$'000	TOTAL \$'000
<b>31 MARCH 2023 (Audited)</b>					
<b>Gross Carrying Amount</b>					
Balance at 1 April 2022	212	1,191	4,169	400	5,972
Additions	12	35	-	-	47
Disposals	-	-	(66)	-	(66)
Balance at 31 March 2023	224	1,226	4,103	400	5,953
<b>Accumulated amortisation and impairment</b>					
Balance at 1 April 2022	47	960	3,252	258	4,517
Amortisation expense	19	62	116	31	228
Impairment expense	29	-	215	90	334
Disposals	-	-	(15)	-	(15)
Balance at 31 March 2023	95	1,022	3,568	379	5,065
<b>Net book value at 31 March 2023</b>	<b>129</b>	<b>204</b>	<b>535</b>	<b>21</b>	<b>889</b>

## 5. SHARE CAPITAL

	30 SEP 2023 (UNAUDITED)		30 SEP 2022 (UNAUDITED)		31 MAR 2023 (AUDITED)	
	NO. OF SHARES	\$'000	NO. OF SHARES	\$'000	NO. OF SHARES	\$'000
Balance at the beginning of the period (fully paid)	1,273,801,599	46,649	1,273,801,599	46,469	1,273,801,599	46,469
Share capital issued	-	-	-	-	-	-
Capital raising costs paid	-	-	-	-	-	-
Shares pursuant to CEO share plan	-	-	-	-	-	-
<b>Balance at the end of the period</b>	<b>1,273,801,599</b>	<b>46,649</b>	<b>1,273,801,599</b>	<b>46,649</b>	<b>1,273,801,599</b>	<b>46,649</b>

## NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 6. RECONCILIATION OF NET SURPLUS/ (DEFICIT) WITH CASHFLOWS FROM OPERATING ACTIVITIES

	SIX MONTHS 30 SEP 2023 (UNAUDITED) \$'000	SIX MONTHS 30 SEP 2022 (UNAUDITED) \$'000	12 MONTHS 31 MAR 2023 (AUDITED) \$'000
<b>NET SURPLUS / (DEFICIT) FOR THE PERIOD</b>	<b>(670)</b>	<b>(1,689)</b>	<b>(1,350)</b>
<b>Adjustments for non-cash items:</b>			
Amortisation	97	127	228
Depreciation property, plant and equipment	55	64	120
Depreciation right of use assets	112	105	221
Foreign exchange loss / (gain)	(40)	(51)	(16)
Lease liability adjustment	-	-	24
PSR expense	(1)	17	38
Loss / (gain) on fair value of foreign exchange contracts	15	108	27
Loss on disposal of intangible assets	-	-	51
Impairment of intangible assets	-	277	334
	<b>(432)</b>	<b>(1,042)</b>	<b>(323)</b>
<b>Movement in working capital</b>			
Trade and other receivables	447	1,242	307
Prepayments	115	121	(42)
Inventories	(81)	19	48
Trade and other payables	(86)	11	116
	<b>395</b>	<b>1,393</b>	<b>429</b>
<b>NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES</b>	<b>(37)</b>	<b>351</b>	<b>106</b>

## 7. CAPITAL COMMITMENTS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES

There are no capital commitments or material contingent assets or contingent liabilities as at 30 September 2023 (30 September 2022: \$Nil).

## 8. INVESTMENT IN SUBSIDIARY

SUBSIDIARY	30 SEP 2023	PERCENTAGE HELD 30 SEP 2022	31 MAR 2023	BALANCE DATE	PRINCIPAL ACTIVITY
Blis Functional Foods Limited	100%	100%	100%	31 March	Non-trading

## 9. SEGMENTAL REPORTING

### 9.1 Operating Segments

The Group is internally reported as a single operating segment to the chief operating decision-maker.

### 9.2 Revenue from major products and services

The Group's revenues from its major products and services were as follows:

	SIX MONTHS 30 SEP 2023 (UNAUDITED) \$'000	SIX MONTHS 30 SEP 2022 (UNAUDITED) \$'000	12 MONTHS 31 MAR 2023 (AUDITED) \$'000
BLIS products	4,777	4,290	10,235
Non-core business	198	74	255
<b>Total revenue and other income</b>	<b>4,975</b>	<b>4,364</b>	<b>10,490</b>

Non-core revenues include interest received and grant revenue.

## NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 9. SEGMENTAL REPORTING CONTINUED

#### 9.3 Information about geographical areas

	REVENUE FROM EXTERNAL CUSTOMERS			NON CURRENT ASSETS		
	SIX MONTHS 30 SEP 23 (UNAUDITED) \$'000	SIX MONTHS 30 SEP 22 (UNAUDITED) \$'000	12 MONTHS 31 MAR 23 (AUDITED) \$'000	SIX MONTHS 30 SEP 23 (UNAUDITED) \$'000	SIX MONTHS 30 SEP 22 (UNAUDITED) \$'000	12 MONTHS 31 MAR 23 (AUDITED) \$'000
New Zealand	984	1,022	2,052	1,942	2,158	1,926
Asia Pacific (excl. NZ)	557	591	1,313	-	-	-
EMEA	1,463	2,063	4,594	-	-	-
North America	1,773	614	2,276	-	-	-
<b>Total revenue</b>	<b>4,777</b>	<b>4,290</b>	<b>10,235</b>	<b>1,942</b>	<b>2,158</b>	<b>1,926</b>
Grant revenue	-	-	38	-	-	-
Other revenue	-	-	10	-	-	-
Interest revenue	198	74	207	-	-	-
<b>Total revenue and other income</b>	<b>4,975</b>	<b>4,364</b>	<b>10,490</b>	<b>1,942</b>	<b>2,158</b>	<b>1,926</b>

Revenues for the six months to 30 September 2023 include \$1,408k, \$558k, and \$521k, which arose from sales, license fees and royalties to the Group's three largest customers.

Revenues for the six months to 30 September 2022 include \$2,009k, \$354k, and \$225k, which arose from sales, license fees and royalties to the Group's three largest customers.

Revenues for the year ended 31 March 2023 include \$4,507k, \$895k and \$684k which arose from sales, license fees and royalties to the Group's three largest customers.

Web sales are allocated to the region where the end consumer is based.

### 10. SUBSEQUENT EVENTS

There were no subsequent events post 30 September 2023 (2022: Nil).



# COMPANY DIRECTORY

FOR THE YEAR ENDED 30 SEPTEMBER 2023

## COMPANY NUMBER

1042367

## ISSUED CAPITAL

1,273,801,599 Ordinary Shares

## REGISTERED OFFICE

### **Blis Technologies Limited**

Ground Floor, 442 Moray Place, Dunedin Central  
Dunedin 9016

## SHAREHOLDERS

Listed on the NZX main board

## SHARE REGISTRAR

### **Link Market Services Limited**

Deloitte Centre, 80 Queen Street  
Auckland

## DIRECTORS

G Plunket  
Dr J Andreas  
A McCammon  
Dr B Richardson  
Dr A Stewart

## CHIEF EXECUTIVE

B Watson

## AUDITORS

### **Deloitte Limited**

PO Box 1245  
Dunedin

## BANKERS

### **Bank of New Zealand**

Dunedin

## SOLICITORS

### **Anderson Lloyd**

Private Bag 1959  
Dunedin 9054

### **Downie Stewart Lawyers**

PO Box 1345  
Dunedin 9054

## WEBSITE

[www.blisprobiotics.co.nz](http://www.blisprobiotics.co.nz)

## FACEBOOK

[www.facebook.com/BLISTechnologiesLtd](https://www.facebook.com/BLISTechnologiesLtd)

## INSTAGRAM

[www.instagram.com/blisprobiotics](https://www.instagram.com/blisprobiotics)



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GENERATION OF  
ADVANCED ORAL  
PROBIOTICS





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