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Microba secures $2.025 million placement and increases cost reduction programme

Microba Life Sciences Limited (ASX: MAP) (Microba or the Company) announces that it has received firm commitments to raise $2.025 million (before costs) through a two-tranche placement supported by substantial shareholder Sonic Healthcare, together with Perennial Partners, Thorney and Microba directors.

The Placement will fund the one-off costs of Microba's cost reduction programme and strengthen its funding position as it progresses the proposed merger with Genetic Signatures Limited (ASX: GSS) (**Genetic Signatures**). Microba also provides an update on its cost reduction programme, Board renewal and a proposed sale process for its Invivo Supplements business, together with a summary of Q1 FY27 trading. Further detail on Q1 FY27 is set out in Microba's Quarterly Activities Report and Appendix 4C, also released today.

Key points

- **$2.025 million Placement** – firm commitments for 50,625,000 new shares at $0.04 per share, supported by substantial shareholder Sonic Healthcare, together with Perennial Partners, Thorney and Microba directors. Proceeds will fund one-off restructuring costs and working capital. Tranche 1 ($1.025 million) is expected to settle on 26 October 2026. Tranche 2 ($1.0 million) is subject to shareholder approval and other conditions.

- **Lower cost base** – annualised cash operating costs reduced by approximately $5 million (over 20%) compared with FY26. A further approximately $3 million of annualised reductions is planned, which would take the total reduction to more than 30% of the FY26 cost base.

- **Record core testing revenue** – Q1 FY27 core testing revenue of $2.57 million, up 31% vs the prior corresponding period (PCP) and the 13th consecutive quarter of core testing growth, led by a record 5,589 Australian Microbiome Explorer tests (up 44% vs PCP). Total revenue was $3.44 million, down 4% vs PCP following the exit of legacy and distributed products. GI Navigator launched in Australia and the United Kingdom on 7 October 2026.

- **Interim CEO** – Geoff Cockerill was appointed Interim Chief Executive Officer, as announced on 25 September 2026.

- **Director retirement** – Professor Ian Frazer AC and Professor Gene Tyson will step down from the Microba Board as Microba moves to a smaller Board, consistent with the board composition agreed for the combined group should the proposed merger with Genetic Signatures Limited proceed.

- **Invivo Supplements** – following expressions of interest, Microba plans to commence an advisory process for a potential sale of its UK-based Invivo Supplements business.

- **View this announcement on our Investor Hub:** https://ir.microba.com/link/P4NOXe

Placement

Microba has received firm commitments to raise $2.025 million (before costs) through a two-tranche placement (**Placement**) of 50,625,000 new fully paid ordinary shares (**New Shares**) at an issue price of $0.04 per New Share (**Offer Price**).

The Placement is supported by substantial shareholder Sonic Healthcare (**Sonic**), together with Perennial Partners and Thorney, which have each committed to participate in both tranches, and by Microba directors, who will participate in the second tranche.

The Offer Price of $0.04 represents a:

- 9.1% discount to the Company's last closing price of $0.044 on 19 October 2026; and
- 13.0% discount to the 10-day volume weighted average price (**VWAP**) of $0.046 per share, up to and including 19 October 2026.

Proceeds from the Placement will be used to fund one-off restructuring costs associated with the cost reduction programme, working capital and the costs of the Placement. The Placement strengthens Microba's funding position as it completes its cost reduction programme and progresses the proposed merger with Genetic Signatures announced on 22 September 2026 (**Proposed Merger**).

The first tranche of $1.025 million (**Tranche 1**) will be raised through the issue of 25,625,000 New Shares under the Company's existing placement capacity under ASX Listing Rule 7.1, without shareholder approval. Settlement of Tranche 1 is expected on 26 October 2026.

The second tranche of $1.0 million (**Tranche 2**) will be raised through the issue of 25,000,000 New Shares and is subject to satisfaction of the following:

(a) all necessary shareholder approvals at a general meeting of the Company, expected to be held in December 2026 (**General Meeting**); and

(b) Genetic Signatures obtaining all shareholder approvals necessary for the Proposed Merger,

(**Conditions**).

If the Conditions are not satisfied, Tranche 2 will not proceed.

New Shares issued under the Placement will rank equally with Microba's existing fully paid ordinary shares from the date of issue. Microba will apply for quotation of the New Shares on ASX. Following completion of Tranche 1 and Tranche 2, 767,742,274 shares will be on issue.

Directors Pasquale Rombola, Stephane Chatonsky and Jacqueline Fernley have also committed to subscribe for a total of $75,000 of New Shares (1,875,000 New Shares) under Tranche 2, subject to shareholder approval at the General Meeting.

On completion of Tranche 1, Sonic's voting power in the Company will increase from approximately 22.6% to approximately 24.5%. It is anticipated that, following completion of Tranche 2, Sonic will increase its voting power in the Company from approximately 24.5% to approximately 26.0%. This increase is subject to shareholder approval under item 7 of section 611 of the *Corporations Act 2001* (Cth) at the General Meeting.

Cost reduction programme

Since June 2026, Microba has reduced its annualised cash operating costs by approximately $5 million, or over 20%, compared with FY26. Q1 FY27 was the first quarter to reflect these reductions and included approximately $0.45 million of one-off restructuring payments. The full benefit is not yet reflected, as some employment notice periods ran through the quarter.

Following slower-than-expected revenue growth in the United Kingdom, Microba plans further annualised reductions of approximately $3 million, which would take the total reduction to more than 30% of the FY26 cost base. These focus on property consolidation, a simpler leadership and organisational structure (including a smaller Board), not backfilling vacant roles, and lower contractor, marketing, software and overhead costs.

Cash operating costs exclude cost of goods sold, restructuring and annual payments. The annualised figure is September 2026 payments multiplied by 12, compared with FY26 on the same basis. These are unaudited, non-IFRS measures and are not a forecast.

Proposed sale of Invivo Supplements

Following expressions of interest, Microba plans to commence an advisory process for a potential sale of its UK-based Invivo Supplements business. The business has a clinically formulated range of 26 products targeting gut, vaginal and oral microbiome health. Invivo own-brand supplement revenue was $0.70 million in Q1 FY27, up 6% vs PCP. Any sale would be subject to receipt of any necessary regulatory approvals, including any approvals required by ASX. There is no certainty that the process will result in a transaction, and Microba will keep the market informed in accordance with its continuous disclosure obligations.

Board and leadership changes

As part of their discussions on the Proposed Merger, Genetic Signatures and Microba have agreed that, if the Proposed Merger proceeds, the board of the combined group (**Combined Group**) will comprise six directors, three nominated by each company.

Consistent with this and with Microba's move to a smaller Board, Professor Ian Frazer AC and Professor Gene Tyson have agreed to step down from the Microba Board, effective Wednesday 21 October 2026. Both have made substantial contributions to Microba over the past nine years, serving through the Company's formation, its listing on the ASX and the establishment of its clinical diagnostics business and therapeutic programmes. The Board thanks them both and wishes them every success.

Microba's nominees to the board of the Combined Group are Pasquale Rombola, Jacqueline Fernley and Stephane Chatonsky.

As announced on 25 September 2026, Geoff Cockerill was appointed Interim Chief Executive Officer of Microba.

Q1 FY27 trading update

Microba delivered record core testing revenue of $2.57 million in Q1 FY27, up 31% vs PCP and the 13th consecutive quarter of core testing growth, driven by a record Australian quarter of 5,589 Microbiome Explorer tests sold, up 44% vs PCP. Group core test volume was a record 6,527 tests, up 32% vs PCP. In the United Kingdom, 725 Microbiome Explorer tests were sold, down 7% vs PCP, and lifting UK sales is an immediate priority.

Total revenue was $3.44 million, down 4% vs PCP following the exit of legacy and distributed products, while core testing and own-brand Invivo revenue grew 25% vs PCP. A late-September laboratory delay moved $0.21 million of revenue into October. Microbiome Explorer deferred revenue was $1.99 million at 30 September 2026, up 54% vs PCP.

Cash receipts were $4.27 million, up 1% vs PCP and the highest quarterly receipts since the September 2024 quarter. Net cash used in operating activities was $3.80 million, including approximately $0.45 million of one-off restructuring payments and $0.34 million of annual payments that fall in the first quarter. Cash and equivalents were $3.87 million at 30 September 2026, before receipt of Placement proceeds.

GI Navigator launched in Australia and the United Kingdom on 7 October 2026. More than 150 tests were ordered through the early access programme ahead of launch, and Microba will report GI Navigator sales from the December 2026 quarter.

Financial figures are preliminary and unaudited. Further detail is set out in the Q1 FY27 Quarterly Activities Report and Appendix 4C released today.

This announcement has been authorised for release by the Board of Directors.

For further information, please contact:

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About Microba Life Sciences Limited
Microba is at the forefront of microbiome health and human care. With world-leading science, insights and collaboration tools, Microba's vision is to deliver clinical-grade microbiome tests that help people live healthier, happier lives. Better science. Better insights. Better health. Microba – Expect better. www.microba.com

Forward-looking statements

This document contains certain "forward-looking statements". The words "expect", "anticipate", "estimate", "intend", "believe", "guidance", "should", "could", "may", "will", "predict", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this document are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks and uncertainties and other factors that are beyond the control of Microba, its directors and management. This includes statements about market and industry trends, which are based on interpretations of current market conditions.

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 statements and any projections and assumptions on which these statements are based. These statements may assume the success of Microba's business strategies. The success of any of those strategies is subject to uncertainties and contingencies beyond Microba's control, and no assurance can be given that any of the strategies will be effective or that the anticipated benefits will be realised in the period for which the forward-looking statement may have been prepared or otherwise. Readers are cautioned not to place undue reliance on forward-looking statements and except as required by law or regulation, none of Microba, its representatives or advisers assumes any obligation to update these forward-looking statements. No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this document. The forward-looking statements are based on information available to Microba as at the date of this document. Except as required by law or regulation (including the ASX Listing Rules), none of Microba, its representatives or advisers undertakes any obligation to provide any additional or updated information whether as a result of a change in expectations or assumptions, new information, future events or results or otherwise.