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OptiBiotix Health PLC
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OptiBiotix Health plc
("OptiBiotix" or the "Company")

Commercial strategy update

OptiBiotix Health plc (AIM: OPTI), a life sciences business developing compounds to tackle obesity, high cholesterol, diabetes and skincare, provides an update on the progress of its commercial strategy.

The strategy is designed to build brand presence and early sales of OptiBiotix's first generation functional ingredients LP_{LDL}®, SlimBiome®, and WellBiome® and establish a global network of partners. This provides the base of a sustainable business with the probiotic and functional fibre divisions achieving profitability in 2020. Now this has been achieved, the next phase of the strategy is to scale the commercially established first generation product sales by extending product lines and territories with existing partners, and grow profitability by moving up the value chain to sell more product than ingredients. This increases revenues and margin and has a compounding revenue effect in pulling through ingredients sales. This will be accompanied by a focus on commercialising next generation products including the microbiome modulators, LP_{LDL}® as a drug biotherapeutic, and the growing suite of SweetBiotix® products.

This Company update is intended to report progress against that strategy:

1. **Extension of product range with Holland and Barrett ("H&B")**: H&B have launched an extended range of products under their own in-house SlimExpert brand in addition to SlimBiome® shots. This extends the number of products containing SlimBiome® from three to eight, more than doubling H&B's product offering. The new product range comprises three flavours of meal replacements and two porridge flavours and are a direct result of H&B tasting and testing OptiBiotix's finished product applications available from its online store. The doubling of a product offering and creation of H&B's new own brand range is a big commitment to SlimBiome® by a major retailer.

2. **Launch of SlimBiome and OptiBiome products in Asia:** Primo trading have launched a range of products called Prym Fiber through

Amata Life Plus in Thailand. This follows on from the launch of a slimming green tea (OB-EX) containing SlimBiome through the same partner. In addition, Maxcare Inc, have launched a mixed berry flavour SlimBiome jelly stick in Taiwan through a major online TV shopping channel. The launch of products in the region is intended to increase market awareness of the Company's functional ingredient brands in Asia as a forerunner to launching finished products in the larger Asian markets like Singapore and China. OptiBiotix has a distribution agreement with United Italian Trading Corporation (Pte) Ltd for CholBiome®$_{X3}$ and SlimBiome® Medical and anticipates launches of these products in Singapore in early Q2 2021 and China contributing revenues this fiscal year.

3. **Agreements to distribute final products in Africa**: OptiBiotix has signed agreements with Dipromed, a distributor of food supplements and medical devices, for the sale of SlimBiome® Medical and CholBiome® products in Morocco and Algeria. Revenue generation is anticipated in 2021 dependent on registration of the products in the territories.

4. **Extension of SlimBiome in India:** Anthem Biosciences have extended their existing product range of Metalite pro in India and Zeon Lifesciences have launched the ZeoSlim range of meal replacements in India. Dr Taru joins the team on 17 March to build on these early successes and grow sales in the strategically important Indian and Asian markets. Given the size of this market and the scale of the partners the Company are in discussions with, the team anticipate India making a substantial contribution to sales growth in the future.

5. **USA product launch:** The Company has launched the Dietworks Appetite control gummies in the USA. Dietworks is a specialised US weight management company which sells products through online and retail channel across the USA. This is another point of access to the large US market.

6. **Actial Farmaceutica Srl:** Due to a high level of customer interest, Actial Farmaceutica Srl ("Actial"), owner of one of the world's best known probiotic brand called VSL$^{\#}$3®, have requested and been granted an extension to distribute CholBiome® and CholBiome®$_{X3}$ under the VSL#Cardio® range to two new territories (France and Malaysia) in addition to the existing territories (Australia, New Zealand, Indonesia and Thailand). Actial sell clinically proven products into the high value pharma, GP, and hospital networks. It is anticipated that an ongoing roll out of products with Actial in an increasing number of territories will continue throughout this financial year.

7. **Stability studies:**

   a. SlimBiome® Medical has received regulatory approval for 36 months shelf life
   b. CholBiome and CholBiome$_{X3}$ have achieved 24 month stability

c. CholBiome$_{X3}$ has achieved stability in zone 4b (temp 30C 75% relative humidity). This includes countries such as India, Southern Asia, Africa, and parts of the Middle east and South America.

Long term stability studies are important as they are a prerequisite for regulatory approval in many countries, large corporate partners, and international retailers. OptiBiotix has at least 24 months stability for its SlimBiome® and LP$_{LDL}$® products. This allows OptiBiotix and its partners to place larger orders reducing the cost of goods and increasing margins. The lower cost of goods and zone 4b stability studies are important for product launches in India, Southern Asia, and many middle Eastern and South American markets and is a precursor for orders with our existing partners in these regions.

8. **Turnkey solutions:** As OptiBiotix focuses on selling more product than ingredients it has developed an extensive range of marketing flyers, scientific publications, videos, graphic, case studies and a science data package to support its partners. It also provides turnkey websites which link directly to payment solutions in multiple languages. These include: https://slimbiome.ph/; https://www.slimbiome.ph/id ; https://slimbiome.com.au/; http://slimbiome.de/; https://gofigure.pl/; https://lpldl.com/. The overall aim is to make it as easy as possible for partners to market and sell OptiBiotix's final products in different territories around the world.

9. **SweetBiotix®**: There has been good progress of the Company's manufacturing partner who are in the process of manufacturing an initial run of two metric tonnes of SweetBiotix®. This will be the first industrial scale manufacture of SweetBiotix® products. The manufacturing scale up of SweetBiotix® is being paralleled by the release of a number of independent peer reviewed publications demonstrating prebiotic activity and superior taste profile and open innovation application development with global partners.

10. **LP$_{LDL}$® drug biotherapeutic**: The Company has employed Christopher Nother on a part time consultancy basis to explore the use of LP$_{LDL}$® in pharma, either as an 'over the counter' (OTC) product, or a drug biotherapeutic in markets outside the USA. LP$_{LDL}$® has already received an investigational New Drug Approval with Seed Health for a Phase II pharma clinical study. The Company will shortly be publishing placebo controlled human studies which show LP$_{LDL}$® can achieve similar reductions in total cholesterol and LDL (bad cholesterol) to statins, without any side effects. Early discussions suggest that ProBiotix's existing humans studies provide safety, tolerance, and efficacy comparable to that typically seen in a Phase II pharma study. If this is confirmed the risk, timeline, and costs to develop LP$_{LDL}$® as a drug biotherapeutic is substantially reduced. Chris is currently assessing the costs and timelines

to develop LP_{LDL}® as a drug biotherapeutic and the potential to create a biotherapeutic drug division or separate Limited company to fully exploit the opportunity and potential for significant upside.

Stephen O'Hara, CEO of OptiBiotix Health plc commented: *"The Company is in a pivotal position in reporting profitability within its divisions from early sales of our first generation products whilst building the scientific and clinical evidence base to de-risk our highly innovative second generation products. These offer the potential to open significantly larger market opportunities whilst having a low overhead sustainable business model from which to rapidly scale. Strong progress in Q1 2021 with manufacturing scale up of SweetBiotix, development of LP_{LDL}® as a drug biotherapeutic, product line and territory extensions of existing products with corporate and retail partners, coupled with progress in the Indian and Asian markets, puts the Company in a strong position for future growth in this exciting area of healthcare."*

This announcement contains inside information for the purposes of the UK Market Abuse Regulation and the Directors of the Company are responsible for the release of this announcement.

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About OptiBiotix - www.optibiotix.com

OptiBiotix Health plc (AIM: OPTI), which was formed in March 2012, brings science to the development of compounds which modify the human microbiome - the collective genome of the microbes in the body - in order to prevent and manage human disease and promote wellness.

OptiBiotix has an extensive R&D programme working with leading academics in the development of microbial strains, compounds, and formulations which are used as active ingredients and supplements. More than twenty international food and healthcare supplement companies have signed agreements with OptiBiotix to incorporate their human microbiome modulators into a wide range of food products and drinks.

OptiBiotix is also developing its own range of consumer supplements and health products. The Company's current areas of focus include obesity, cardiovascular health, and diabetes.

Caution regarding forward looking statements

Certain statements in this announcement, are, or may be deemed to be, forward looking statements. Forward looking statements are identified by their use of terms and phrases such as "believe", "could", "should" "envisage", "estimate", "intend", "may", "plan", "potentially", "expect", "will" or the negative of those, variations or comparable expressions, including references to assumptions. These forward-looking statements are not based on historical facts but rather on the Directors' current expectations and assumptions regarding the Company's future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. Such forward looking statements reflect the Directors' current beliefs and assumptions and are based on information currently available to the Directors.

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