RNS Number : 1426U
OptiBiotix Health PLC
27 March 2019

The "SweetBiotix®: Scientific and commercial update" announcement released on 27 March 2019 at 7.00am under RNS No 0786U was released with incorrect text and should be disregarded. The below is the correct text.

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

SweetBiotix®: Scientific and commercial update

OptiBiotix Health plc (AIM: OPTI), a life sciences business developing compounds to tackle obesity, high cholesterol, diabetes and skin care, provides the following scientific, manufacturing and commercial update on its sweet fibre (SweetBiotix®) technology platform.

Scientific Update

OptiBiotix has a number of development programmes creating natural sweet fibres (SweetBiotix®) with the potential to meet the needs of both the natural high intensity sweetener and bulk sugar markets. These markets are collectively forecast to reach $112bn by 2022 (Mordor Intelligence, 2017). OptiBiotix's products are differentiated from other natural sweeteners and sugar substitutes on the market in that they been developed:-

i. To be dietary fibres proving no contribution to sugar intake
ii. Have low glycemic index
iii. Enhance the gut microbiome providing additional potential health benefits
iv. Have intense sweetness (High Intensity Sweeteners) or sweetness similar to sugar (depending on product)

Recent gut model studies have shown that OptiBiotix's high intensity derived sweeteners enhance the gut microbiome, significantly increasing the number and activity (short-chain fatty acids -SCFA) of bacterial species typically associated with good gut health when compared to current natural sweeteners (e.g. stevia, mogrosides). SCFA's are the body's molecular messengers widely known for their importance in gut health & immunity and are one of the main ways in which the gut microbiome contributes to better health. These results, presented at ProBiota 2019 (RNS: 20 February 2019), are to the best of our knowledge, the first reports of high intensity derived sweeteners impacting on the gut microbiome. This

functionality, published at a major scientific conference, has stimulated interest from a wider range of partners looking for functionality and health benefits in their products.

Commercial Update

The Company has a strategy of creating interests and commercial agreements with multiple companies who have expertise in the manufacture and application development of high value speciality ingredients. This has led to agreements with two companies (RNS: 31 May 2018 and 26 June 2018) looking to explore the potential to reduce the sugar content in a range of applications, including dairy. In addition to ongoing discussion with existing partners, OptiBiotix has reached non-binding Heads of Terms with a US company to license OptiBiotix's high intensity derived sweeteners. This company has funded the pilot scale up and supply of two batches of high intensity derived sweeteners. Once a binding commercial agreement has been reached, this will be announced to the market. Late stage discussions are ongoing with another global partner to jointly develop a finished product which allows claim for sugar and calorie reduction whilst limiting any cost increase in the final product to 10%.

These discussions with multiple, often competing partners, are taking place against a background of continued development of the science which is identifying new functionalities and creating new opportunities. This creates a complexity in negotiating separate manufacturing and application rights for both high intensity sweeteners, bulk sugars and combinations of both. These discussions are with corporate partners within a corporate process and timescale, and are often subject to strict confidentiality clauses.

Frederic Narbel

We are pleased that Dr Frederic Narbel commenced his employment with OptiBiotix on 1 March 2019 as Managing Director of the Prebiotic division, which includes SweetBiotix®**.** Fred will bring additional, expertise, capability and capacity to the team to support the complex and time consuming negotiations with multiple potential partners.

Stephen O'Hara, CEO of OptiBiotix, commented: "*The Company believes it is making strong scientific and commercial progress with its SweetBiotix® development programmes. This has generated interest from a number of companies with capabilities in the manufacture or application development of similar high value products. This is part of a strategy of working with global partners who have the capability and expertise to manufacture speciality ingredients like SweetBiotix, and consumer brands who have the specialist application expertise to incorporate SweetBiotix® into a wide range of breaded, dairy, cereal and beverage consumer products. The commercial challenge is to negotiate terms with a combination of partners, against a background of continued development of the science, which maximises the opportunity to fully exploit the wide range of opportunities offered by our SweetBiotix® technology.*"

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.

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About OptiBiotix - www.optibiotix.com
OptiBiotix was formed in March 2012 to develop compounds which modify the human microbiome - the collective genome of the microbes in the body - to prevent and manage human disease.

The aim of OptiBiotix is to discover and develop microbial strains, compounds and formulations, which modulate the human microbiome and can be used as food ingredients and supplements or active compounds for the prevention and management of human metabolic diseases, examples of which include obesity, cholesterol and lipid distribution and diabetes.

OptiBiotix has established a pipeline of microbiome modulators that can impact on lipid and cholesterol management, energy harvest and appetite suppression. The development pipeline is fuelled by its proprietary OptiScreen® and OptiBiotic® platform technologies designed to identify metabolic pathways and compounds that impact on human physiology and bring potential health benefits. These platforms are applicable across a wider range of other human diseases.

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