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OptiBiotix Health PLC
18 March 2025

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

Commercial Update

OptiBiotix Health plc (AIM: OPTI), a life sciences business developing products which reduce hunger and food cravings, enhance the gut microbiome, and sweet fibres as healthy sugar substitutes, provides the following unaudited commercial update for the financial year ended 31 December 2024.

We are pleased to report good progress on all our main strategic objectives set out for 2024 which were:-

- increasing our number of partners and sales in our key target markets of the USA and Asia;
- investing in e-commerce channels to increase direct-to-consumer sales;
- growing our sales of final branded and white label products containing our ingredients to deliver a dual income stream.

The strong sales momentum re-established after management changes in 2023 has continued, with £1,004,266 orders (56% increase) placed by the end of 2024 of which £869,507 (35% increase) were delivered in 2024 with the difference (£134,759) taken forward into 2025. Sales orders for Q1 2025 have already passed sales orders for H1 2024 with a number of weeks to go and are a record start to the year. We are pleased that the 48 metric tonnes of stock purchased during the Covid years in 2020/2021 by Maxum in Australia and the 16 metric tonnes of stock held by Cambridge Commodities has now been cleared. We are also pleased that Brenntag, a €9.2bn specialist ingredient and pharmaceutical supplier has now replaced Maxum as our SlimBiome® distributor in Australia and will also supply Asia going forward. This large stock overhang has had two effects: despite growing sales from these partners to their customers (Optipharm, H&B) this has not been fully recognised in our 2024 accounts, secondarily, OptiBiotix bought back some of this stock in 2023 and 2024 at the original sale price to supply its customers in Asia, Europe, and the USA and this has temporarily impacted on margins (as we are buying back stock from a partner and reselling at a small increase). Now this stock overhang has been cleared the Company should see an increase in gross margins and sale revenues from SlimBiome to these partners in 2025.

Overview

Just under half of sales in 2024 were from Ecommerce with India and B2B ingredients sales in Europe and Asia making up just under 40%. License fees received accounted for over 10% with a small percentage of sales from the USA. We anticipate India and the USA to make increased contributions in 2025 as we include full year sales from Morepen and Amazon India and we bring on a number of new customers from the USA. The first of these is the Daily Nouri FeelFull lemonade product which has shown strong early sales with excellent reviews and a high ranking on Amazon USAhttps://www.amazon.com/Nouri-Prebiotic-Microbiome-Metabolic-Packs-Take/dp/B0DTBRCQTL. We are also pleased to report strong sales growth with Morepen in India. Nouri and Morepen have already placed repeat orders in Q1 2025 and we have received a number of new orders from Asia. This has contributed to record orders at the start of 2025.

The last year has seen a significant change in industry and consumer awareness of the impact of reducing hunger and cravings on weight management, something OptiBiotix first reported in consumer studies on its SlimBiome® product in 2016 (RNS: 6 September 2016). SlimBiome's® ability to reduce hunger and cravings has now been confirmed in a number of independent human studies and published in peer reviewed journals. This has allowed health claims for reduced hunger and cravings to be made in markets around the world which has been important in differentiating our products in a crowded market. This has led to us attracting partners who are willing to invest significant amounts in advertising to quickly grow market share. In previous years, partners have been reluctant to invest in marketing as they felt this was educating the consumer and wouldn't lead to a high return on investment. This has now changed with the anti-obesity drugs increasing consumer awareness about the benefits of reducing hunger in weight management. The Company now has approved health claims, a broad IP portfolio, a network of manufacturing and distribution partners, and is growing its brand in multiple markets

around the world. Whilst building sales in multiple international markets takes longer than just building sales in home markets it reduces the risk of our products being copied in other territories and builds the potential for multiple revenue streams. This creates the foundations for a substantial global business in the years ahead.

The Company is at a significant point with its second-generation products with discussions ongoing with a number of major partners, including two well-known brands of popular beverages, which we hope will lead to material news flow in the near future. These brands are interested in a range of our products which cross over different parts of their businesses which is equally exciting and frustrating as it has impacted on timings. We are pleased to report that our SweetBiotix® products have now been tested by an independent expert tasting panel and in a range of branded drinks, dairy products and as a bulk product and has shown significant taste advantages over sugar. Partner testing has shown similar results.

We are continuing to work with DSM-Firmenich and a manufacturer who supplies products to major corporates like Unilever and uses 10,000 metric tonnes of sugar per annum in addition to a number of other companies looking to incorporate SweetBiotix into their products. The substitution of sugar with SweetBiotix® in partner products is a complex process requiring input from multiple teams within large companies (R&D, regulatory, product innovation/ development, IP/legal, manufacturing, commercial etc) often with conflicting priorities. Whilst frustrated by the length of time this is taking, we are pleased at the level of engagement and steady progress being made and are confident of a successful outcome. A number of these partners are global brands andhave strict confidentiality conditions in place and regularly screen for use of their names in chat rooms. We ask investors to understand our need to respect our commitment to our confidentiality agreements to protect their interests and avoid damaging commercial relationships.

This report will show strong commercial progress and the investments in India¸ the USA and Asia starting to deliver larger partners in key strategic markets who are investing in marketing leading to strong sales and early repeat orders.

Consumer Health and Ecommerce

The investment in e-commerce made in 2024 has led to an increase in sales from £186K in 2023 to £433K (+134%) in 2024. Ecommercehas the advantage of receiving online sales income immediately and allows more control of our brands and messaging and reduces our reliance on distributors.

Within e-commerce Amazon sales increased 156%, China 28%, and our own website by 5%. In terms of profitability, our own website was profitable every month and overall in 2024 due to its low marketing spend, China seven out of twelve months with a small overall loss, and Amazon was loss making every month due to the investment in marketing needed to grow the customer base. As we grow our subscriber base and increase sales from repeat purchases, marketing costs tend to reduce as a percentage of sales which should lead to profitability.The Company has successfully moved to the Fulfilment By Amazon model ("FBA") which allows customers to receive faster delivery through Prime accounts. This has helpedAmazon subscriptions increase from 82 to 320 (290% increase) with subscriptions now making up just under 30% of our overall Amazon sales and SlimBiomeconsistently in the top best sellers for anti-appetite-suppressants. The strong sales growth has continued in 2025 and should accelerate with the recent launch of products on Amazon India. Amazon India has successfully launched with a large focus on building awareness to generate sales, gain reviews and ultimately subscriptions.Amazon India has huge potential and another step in building a presence for the Company's products in the strategically important Indian market. We believe further investment in e-commerce will accelerate revenue growth.

We have also broadened our offer to consumers with the upcoming launch ofa new raspberry Indulgence bar which tasting sessions suggest will be the best yet.This maintains consumer interest and allows an increase in average order value.

North America

We have made good progress towards our strategic goals of increasing our number of partners and growing our sales within the USA, the world's largest economy.

2024 saw significant progress in the USA leading to the first order of just under 1 metric tonnes of SlimBiome from Daily Nouri in Q4 2024 and the launch of FeelFull prebiotic lemonade on their online store and Amazon USA (RNS 18th February 2025). We are pleased to report that the product has been very successful with excellent reviews on Amazon and Daily Nouri expecting to reach their annual 2025 forecast of 10 metric tonnes by July this year. A second and third order has already been placed. Nouri are also looking to launch a new product range and expand into retail later this year.

We are working with two additional partners in the USA who expect to launch in 2025. One is aNASDAQ listed USA e-commerce and direct selling company who we have supplied tomato soups to, the other isone of the largest players in the US weight management market. The launch of products with either partner will increase brand awareness of SlimBiome in the USA and drive further partner interest.

As we grow our sales in the USA we will need to warehouse stock and set up a USA subsidiary to support the short lead times required by retailers and ecommerce partners. We believe our North America business has taken a significant step forward in 2024 and we expect it to be profitable in 2025 with existing customers and making a material contribution to overall profitability going forward.

OptiBiotix Health India

India is already the most populous nation on Earth and, with obesity prevalence at more than 40%, it presents a huge area of opportunity for weight management products.

Our business in India took a material step forwards with theannouncement (RNS 13th March 2024) of a partnership with Morepenand the subsequent launch of LightLife in December 2024 (RNS 3rd December 2024). We are pleased to report that the LightLife product range has been extremely successful and reorders have already been received in Q1 2025. The partnerships with Apollo and Morepen have helped us build a presence in India with the UK Trade Secretary mentioningOptiBiotix in his visit to India - seehttps://www.gov.uk/government/news/uk-firms-rake-in-tens-of-millions-in-exports-to-india. Webelievethat our agreement with Morepen and the upcoming launch of more products under the Dr Morepen brand,plus other partner launchesand the reorderof productsbyApollo pharmacies couldgeneratesignificant revenues and will bring profitability to this part of the business during 2025.

Outlook for 2025

The current financial year has started strongly with our order book for Q1 2025already passing sales orders for H1 2024 with a number of weeks to go to the end of the quarter. This has been fuelled by strong sales for ecommerce, and new orders and reorders from India, USA, and Asia. The launch of Amazon India, sales growth from Nouri and Morepen, a number of new customers coming online, the removal of the substantial stock overhang which has impacted sales from 2021/2022, and the launch of our raspberry indulgence bar should lead to a record year with the aim of being cashflow positive in 2026. Given the high customer ratings and our products being in a unique position in having evidence based health claims for reducing hunger and food cravings we have the potential to build a very successful and profitable business with our first generation products, with second generation products to come.

We believe that the Group is now at a commercial inflection point having made strong progress in 2024 and early 2025 in establishing sales in major international markets like USA, China, and India. As partner and ecommerce sales in these territories grow and we launch new products with existing partners, add new partners in USA and India, and bring our second generation products to market, we have a number of opportunities, any one of which would be transformational for the Company and shareholders alike.

We are pleased by the high level of corporate interest in our second-generation products but frustrated by the time it is taking to progress to the launch of an application containing these products. However, we recognise the more innovative the product the more cautious large brands can be in being first mover in a very conservative food industry but we are confident of success.

Our focus for 2025 is to continue to build our business in USA, India, and Asia whilst investing in ecommerce activities in multiple territories including China, India, and Europe, and launch second generation products.

The Company has built an extensive portfolio of microbiome assets including prebiotic products likeSlimBiome®, WellBiome®, SweetBiotix® and Microbiome modulators within its core business, skincare through SkinBioTherapeutics PLC (SBTX) and probiotics through ProBiotix Health plc (PBX). These create a diverse portfolio in an emerging area of healthcare which is of growing interest to consumer markets around the world. We are pleased to see an increase in the value of company's shareholding in both Probiotix Health plc and SkinBiotherapeutics and see considerable growth potential in both these assets which can potentially be disposed of to pay shareholders an ad hoc dividend or sold down to reduce the need to fundraise in a volatile market.

This means we enter 2025 with a strong balance sheet (£9.1m; 2023:£9.4m), a strong cash position (£740k; 2023: £635k) no debt, a strong first quarter order book, a solid pipeline of existing customers reordering, and new customers looking to launch our award winning products in different applications around the world. Post period the Company sold1,211,567 SBTX shares at an average price of 20p, generating gross proceeds of £257K.

Stephen O'Hara, CEO of OptiBiotix Health plc said: "*2024 was a key year for the Company gaining a number of new accounts in India (Morepen) and the USA (Nouri) which each have the potential for multimillion pound revenues. We are pleased that these accounts have had successful launches in December 2024 (Morepen) and February 2025 (Nouri) and have already reordered. We anticipate more launches in the USA with other partners in the months ahead and both these parts of the business being profitable in 2025. E-commerce continues its rapid sales growth and subscription rates with SlimBiome consistently in the top best sellers for appetite suppressants. The strong ecommerce sales growth has continued in 2025 and should accelerate with the recent launch of products on Amazon India. We are particularly pleased to clear the large stock overhang at Maxum and Cambridge Commodities which has impacted on reportable revenues on the last few years.*

2025 has started strongly with our order book for Q1 2025already passing sales orders for H1 2024 with a number of weeks to go to the end of the quarter. This means we enter 2025 with a strong balance sheet (£9.1m) and cash position (£740k; 2023: £635k) no debt, a strong first quarter order book supported by a pipeline of existing customers reordering, new customers looking to launch, and appreciating assets through our shareholdings in PBX and SBTX".

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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.

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