

Prior to publication, the information contained within this announcement was deemed by the Company to constitute inside information as stipulated under the UK Market Abuse Regulation. With the publication of this announcement, this information is now considered to be in the public domain.

31 December 2024

Provexis plc

UNAUDITED INTERIM RESULTS FOR SIX MONTHS TO 30 SEPTEMBER 2024

Provexis plc ("**Provexis**" or the "**Company**"), the business that develops, licenses and sells the proprietary, scientifically-proven Fruitflow® heart-health functional food ingredient, announces its unaudited interim results for the six months ended 30 September 2024.

Highlights

- Total revenue for the period £785k (six months ended 30 September 2023: £388k), a 103% increase relative to the prior half year, including £725k from Fruitflow II SD (2023: £299k) and £60k (2023: £89k) from Fruitflow+ Omega-3. The Company is dealing with numerous sales enquiries from existing and new customers for further direct sales of Fruitflow II SD in 2025 and beyond.
- Provexis Ireland Limited, the Group's new Irish subsidiary company, started trading in April 2024 from a fulfilment centre in the EU, facilitating fast and tariff free sales of Fruitflow to customers in the EU.
- The new long term commercial partnership with dsm-firmenich ('DSM') has progressed well during the period, with continuing interest from some significant global customers. The commercial partnership is based on: (i) a Premix and Market-Ready Solutions supply agreement for Fruitflow II SD; and (ii) the use of Fruitflow to confer health benefits in modulating the gut microbiome of humans.
- In April 2024 the Company issued 45,123,732 new ordinary shares of 0.1p each in the Company to DSM Venturing BV, in part satisfaction of an inventory purchase; the shares were valued at £270,742.
- In December 2024, after the period end, the Company issued a further 82,945,984 new ordinary shares of 0.1p each in the Company to DSM Venturing BV, in satisfaction of: (i) a further inventory purchase; and (ii) an estimated royalty liability payable to DSM for the two years ended 31 December 2024; the shares were valued at £559,885.
- The share issues to DSM Venturing BV are of direct benefit to the Company's cash resources and net assets, and they will help the Company to fund a wholly new production run of Fruitflow II SD which will be required in the early months of 2025.
- Planned launch by BYHEALTH, a circa £2bn listed Chinese dietary supplement business, of a number of Fruitflow based products in the Chinese market has been progressing well, with potential sales volumes remaining at a significant multiple of existing Fruitflow sales.
- BYHEALTH has been working since 2015 on an extensive regulatory submission to the Chinese State Administration for Market Regulation ('SAMR') for Fruitflow, seeking to establish a new permitted health function claim for foods such as Fruitflow that can demonstrate an anti-platelet effect.
- In August 2023 BYHEALTH submitted: i) the first application under the new SAMR Implementation Rules, seeking to obtain a new permitted health function claim for foods such as Fruitflow which help to 'maintain normal platelet aggregation function and benefit blood flow health'; and ii) some related product registration applications. BYHEALTH stated publicly that it has been working on the project since 2015, with 'tens of millions of funds' (RMB) invested by BYHEALTH in the research and development work. The Company and BYHEALTH remain in close and constructive dialogue, at a high level.
- Underlying operating loss* for the period of £98k (six months ended 30 September 2023: £208k).
- Total cash inflow from operating activities for the period of £17k (six months ended 30 September 2023: total cash outflow from operating activities for the period of £61k).
- Cash of £478k at 30 September 2024 (30 September 2023: £319k).

*Loss from operations, adjusted for (i) share-based payments of £49k (2023: £61k), and (ii) R&D tax relief: receivable tax credit of £Nil (2023: £8k).

Provexis Chairman Dawson Buck and CEO Ian Ford commented:

'The Company is pleased to report on another strong period of progress, to include £785k of revenue in the period from sales of the Company's Fruitflow II SD ingredient and its consumer product Fruitflow+ Omega-3.

Total revenue increased by 103% (relative to the prior 6 months ended 30 September 2023), aided by the group's new Provexis Ireland business which started trading in April 2024.

Sales of Fruitflow II SD in the half year from 1 April 2024 to 30 September 2024 were more than 11% ahead of sales of Fruitflow II SD for the full year ended 31 March 2024.

The Company is dealing with numerous sales enquiries from existing and new customers for further direct sales of Fruitflow in 2025 and beyond.

The new long term commercial partnership with dsm-firmenich ('DSM') has progressed well, with continuing interest from some significant global customers. The commercial partnership is based on: (i) a Premix and Market-Ready Solutions supply agreement for Fruitflow II SD; and (ii) the use of Fruitflow to confer health benefits in modulating the gut microbiome of humans.

Provexis has been working with BYHEALTH for more than eight years to support the planned launch of a number of Fruitflow based products in the Chinese market. Clinical studies conducted in China are typically required to obtain the necessary regulatory clearances in China, and a significant investment in eight separate Fruitflow studies has been undertaken at BYHEALTH's expense. Completed studies have shown excellent results in use for Fruitflow, and they provide strong evidence for the efficacy of Fruitflow on platelet function.

In August 2023 the Company reported that BYHEALTH had submitted: i) the first application for a new permitted health function claim and ii) some related product registration applications. The significance of these major developments for Fruitflow in China is further outlined here www.nutraingredients-asia.com/Article/2023/09/05/china-set-to-approve-new-function-claims-for-health-foods#. BYHEALTH has noted that it has been working on the project since 2015, with 'tens of millions of funds' (RMB) invested by BYHEALTH in the research and development work. The Company and BYHEALTH remain in close and constructive dialogue, at a high level.

Fruitflow is well placed to play an important role in the Chinese cardiovascular health market under the permitted health function claim legislation, and we look forward to working closely with BYHEALTH seeking to maximise the commercial success of this agreement for the benefit of both companies.

The Company has developed a strong, long lasting and wide-ranging patent portfolio for Fruitflow, and it owns outright four existing patent families for Fruitflow. The new microbiome patent application takes this to a potential total of five patent families, with potential patent protection now running out to 2042. The four existing patent families have a truly global footprint, and the Company also holds other valuable intellectual property and trade secrets for Fruitflow. The intellectual property for Fruitflow is of fundamental importance to the Company and its current and future commercial partners, to include DSM and BYHEALTH, and it underpins the numerous commercial opportunities which the Company and its partners are pursuing for Fruitflow.

The Company expects that: (i) the significant changes to the sales and supply chain structure for Fruitflow from January 2023 and the new Provexis Ireland operation, (ii) the gut microbiome patent application and related long-term partnership with DSM and (iii) the recent BYHEALTH regulatory developments in China will have a strongly beneficial effect on the current and future commercial prospects for Fruitflow and the business worldwide.

The Company would like to thank its customers and shareholders for their continued support, and the Board remains strongly positive about the outlook for Fruitflow and the Provexis business for the coming year and beyond.'

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Chairman and CEO's statement

The Company has had an active and successful first six months of the year, and it has made further progress with the commercial prospects of its innovative, patented Fruitflow® heart-health ingredient.

DSM Nutritional Products - new agreements for Fruitflow®

Provexis entered into a long-term Alliance Agreement with DSM in 2010 to commercialise Fruitflow through sales as an ingredient to brand owners in the food, beverage and dietary supplement categories, with a contractual term for the Agreement which ran to 31 December 2022.

More than 100 regional consumer healthcare brands have now been launched by direct customers of DSM, and a number of further regional brands have been launched through DSM's distributor channels. An increasing number of commercial projects have been initiated by DSM with prospective customers in recent years, including some prospective customers which are part of global businesses, and the total projected annual sales value of the prospective sales pipeline for Fruitflow, which is now shared across Provexis and DSM, continues to stand at a substantial multiple of existing annual sales.

In June 2022 Provexis announced it had secured two new agreements with DSM for Fruitflow, to replace the Alliance Agreement: (i) a Transfer of Business agreement and (ii) a Premix and Market-Ready Solutions supply agreement, which both took effect on 1 January 2023.

The Company also announced the filing of a new patent application in June 2022 relating to the use of Fruitflow to confer health benefits in modulating the gut microbiome of humans. This followed the completion of a successful human study, the results of which strongly support the use of Fruitflow for modulating gut microbiota to confer a number of health benefits, to include a reduction in TMAO (trimethylamine-n-oxide).

Under the terms of the two new agreements with DSM, and the June 2022 patent application:

- DSM's existing and prospective customers for Fruitflow as a straight ingredient (not a Premix or Market-Ready solution) transferred to become direct customers of Provexis from 1 January 2023, and the Company took over the wholly outsourced supply chain / production process for Fruitflow from DSM at that time.
- A royalty is payable to DSM on the gross profits generated from Fruitflow sales to customers transferred from DSM over the first four years of the Transfer of Business agreement.
- From 1 January 2023 the net profit accruing to Provexis on sales of Fruitflow in the calendar year - on a pro-forma basis, assuming like for like sales and margins - would be materially ahead of the net share of the profit that would have accrued to Provexis with like for like sales and margins under the 2010 Alliance Agreement. On the same pro-forma basis, assuming like for like sales and margins, the net profit accruing to Provexis would further increase in each of the subsequent three calendar years.
- A new partnership was agreed with DSM in 2022 relating to the gut microbiome patent, giving DSM preferential access to the use, marketing, and sale of Fruitflow based products which are based on the patent, subject to certain milestones which have been agreed between the parties. In addition to the patent's core claim for Fruitflow, for modulating gut microbiota to confer a number of health benefits, the patent also sets out some potential new uses for Fruitflow in treating a wide variety of human health conditions, beyond Fruitflow's existing established use in heart-health. The global digestive health market size was US\$38 billion in 2019 and it is projected to grow to US\$72 billion in 2027 at a high single-digit CAGR in the 2020-2027 period (see www.fortunebusinessinsights.com/digestive-health-market-104750).
- The results of the successful gut microbiome human study have been submitted for publication in a peer reviewed scientific journal www.sciencedirect.com/science/article/pii/S0022316622131275.
- DSM conducted a strong launch of the new microbiome technology in January 2023 (www.dsm.com/human-nutrition/en/talking-nutrition/press-releases/2023-01-20-new-study-reveals-dsms-fruitflow-activates-gut-heart.html), with widespread trade press coverage. The technology has seen strong and ongoing interest from some significant global customers.
- Provexis will sell Fruitflow as a straight ingredient to DSM exclusively for use in DSM's Premix Solutions and Market-Ready Solutions businesses, with DSM then looking to sell the resulting Premix and Market-Ready Solutions products on to its customers. DSM's Premix and Market-Ready Solutions businesses are part of DSM's Customized Solutions business which also offers personalised nutrition solutions to customers, a rapidly developing growth area. The Company looks forward to supporting DSM and its Premix and Market-Ready Solutions customers for many years to come.
- A number of DSM's customers for Fruitflow which have been transferred to Provexis have been Fruitflow customers for several years, including some distributor customers which sell Fruitflow on to third parties.

The Company has been progressing these sales relationships since the Transfer of Business agreement was announced in June 2022, and it has been able to generate new customers for Fruitflow outside the royalty arrangements with DSM, in addition to its existing supply and distribution agreement for Fruitflow with BYHEALTH.

From 1 January 2023 the Group's sales channels for Fruitflow therefore include:

1. Former DSM customers for Fruitflow;
2. DSM and its Premix and Market-Ready Solutions businesses, which will leverage the resources and relationships of DSM in some of the major global markets, and seek to commercialise the gut microbiome patent;
3. New customers for Fruitflow as a straight ingredient;
4. BYHEALTH and its customers, through the Company's long-term supply and distribution agreement for Fruitflow with BYHEALTH; and
5. The Group's Fruitflow+ Omega-3 dietary supplement product which is sold direct to consumers, the Group will also look to serve its Chinese Cross-Border e-commerce distributor for this product in China.

The Company is in discussions with a number of third parties seeking to progress new sales and distribution opportunities for Fruitflow, and it can be contacted for all Fruitflow sales enquiries by email at fruitflow@provexis.com.

Fruitflow® transfer arrangements from 1 January 2023, and trading for the period

The customer transfer process from DSM to Provexis has progressed well, with sales commencing to customers for Fruitflow II SD (Fruitflow II SD is Fruitflow as an ingredient, in Spray Dried powder form) in February 2023, when the first batch of Fruitflow inventory was transferred from DSM's fulfilment centre in The Netherlands to the Company's outsourced fulfilment centre in the UK.

| Revenue | Unaudited six months ended 30 September 2024 £ | Unaudited six months ended 30 September 2023 £ | Audited year ended 31 March 2024 £ |
|----------------------------|---------------------------------------------------------------------------|---------------------------------------------------------------------------|---------------------------------------------------------------|
| Fruitflow II SD ingredient | 724,817 | 298,879 | 651,845 |
| Fruitflow+ Omega-3 | 60,531 | 88,655 | 150,119 |
| | 785,348 | 387,534 | 801,964 |

Total revenue during the six months ended 30 September 2024 increased by 103% year on year (relative to the prior six months ended 30 September 2023), primarily due to an increase of £426k (143%) in sales of Fruitflow II SD in the period to £725k (2023: £299k), aided by the group's new Provexis Ireland business which started trading in April 2024.

Sales of Fruitflow II SD in the half year from 1 April 2024 to 30 September 2024 were more than 11% ahead of sales of Fruitflow II SD for the financial year ended 31 March 2024.

Loss from operations for the period was £148k (2023: £276k), to include non-cash share-based payments of £49k (2023: £61k).

Underlying operating loss for the period (being the loss from operations, adjusted for (i) share-based payments of £49k (2023: £61k), and (ii) R&D tax relief: receivable tax credit of £Nil (2023: £8k)) was £98k (2023: £208k), an improvement of £109k year on year, aided by increased sales.

In April 2024 the Company issued 45,123,732 new ordinary shares of 0.1p each in the Company to DSM Venturing BV, a significant existing shareholder in Provexis, in part satisfaction of an inventory purchase; the shares were valued at £270,742 on 5 April 2024, the date of admission.

In December 2024, after the period end, the Company issued 82,945,984 new ordinary shares of 0.1p each in the Company to DSM Venturing BV, in satisfaction of: (i) a further inventory purchase, for the final part of DSM's stocks of Fruitflow; and (ii) an estimated royalty liability payable to DSM for the two years ended 31 December 2024; the shares were valued at £559,885 on 24 December 2024, the date of admission.

The share issues to DSM Venturing BV are of direct benefit to the Company's cash resources and net assets, and they will help the Company to fund a wholly new production run of Fruitflow II SD which will be required in the early months of 2025.

A royalty is payable to DSM on the gross profits generated from Fruitflow sales to customers transferred from DSM over the first four years of the Transfer of Business agreement, entered into by the Company in June 2022. The six months ended 30 September 2024 included six months of the royalty at the second-year rate to 31 December 2024. Royalties payable to DSM are included in cost of goods. The terms of the Transfer of Business agreement otherwise remain strictly confidential between the Company and DSM.

Fruitflow II SD is currently manufactured in the EU. Rules of origin under the post BREXIT trade deal announced in December 2020 have meant that shipments of Fruitflow II SD from a UK fulfilment centre for re-export and sale to EU customers are at potential risk of additional tariffs on re-entry into the EU. Consequently, the Company setup a new Irish subsidiary company, Provexis Ireland Limited, which started selling Fruitflow to EU customers in April 2024 via an outsourced fulfilment centre in the EU. The Company continues to use an outsourced fulfilment centre in the UK for its non-EU customers.

BYHEALTH Co., Ltd.

In November 2021 the Company announced it had entered into a supply and distribution agreement (the 'BYHEALTH Agreement') for Fruitflow with BYHEALTH, a listed Chinese dietary supplement business with a market capitalisation of approximately £2 billion.

The BYHEALTH Agreement, which followed the Company's extensive work with BYHEALTH over the last eight years, took full effect from 1 January 2023 and it gives BYHEALTH exclusive supply and distribution rights to commercialise Fruitflow in Mainland China, Hong Kong, Macau, Taiwan and Australia (the 'Territories').

Under the BYHEALTH Agreement Provexis is responsible for the manufacture, supply and sale of Fruitflow to BYHEALTH, and BYHEALTH is responsible for the manufacture, marketing, and sale of Fruitflow based functional food and dietary supplement finished products in the Territories, through BYHEALTH's extensive sales network. BYHEALTH also has exclusive rights to act as the distributor of Fruitflow as an ingredient in the Territories.

Provexis and BYHEALTH will seek to collaborate on research and development projects which may result in the development and approval of Fruitflow as a drug, for potential sale and distribution in the Territories.

Regulatory progress in China - new permitted health function claim

Provexis has been working with BYHEALTH for more than eight years to support the planned launch of a number of Fruitflow based products in the Chinese market. Clinical studies conducted in China are typically required to obtain the necessary regulatory clearances in China, and a significant investment in eight separate Fruitflow studies has been undertaken at BYHEALTH's expense. Completed studies have shown excellent results in use for Fruitflow, and they provide strong evidence for the efficacy of Fruitflow on platelet function.

The Chinese regulatory system for functional health food ingredients, such as Fruitflow, is governed by the State Administration for Market Regulation (the 'SAMR') and it is based on a defined list of permitted health function claims which brand owners are permitted to use on product labels.

The SAMR provides the possibility of adding new health function claims to the list, with claims needing to demonstrate a relationship between a food or nutrient and a consequent health improvement, subject to evaluation and verification by the SAMR.

SAMR certified functional health foods are required to use a blue cap / blue hat logo on their product packaging, which identifies products as approved functional health foods in China.

BYHEALTH has been working on an extensive regulatory submission to the SAMR seeking to establish a new permitted health function claim for foods such as Fruitflow that can demonstrate an anti-platelet effect, inhibiting platelet function and conferring beneficial health effects.

On 28 August 2023 the SAMR announced in China that the 'Implementation Rules for Health Food New Functions and Product Technology Evaluation' (the 'Implementation Rules') had been agreed by the SAMR in June 2023, with these new rules to take effect from 28 August 2023.

On 29 August 2023 it was announced in China that BYHEALTH had submitted: i) the first application under the Implementation Rules, seeking to obtain a new permitted health function claim for foods such as Fruitflow which help to 'maintain normal platelet aggregation function and benefit blood flow health'; and ii) some related product registration applications.

The significance of these major developments for Fruitflow in China is further outlined here www.nutraingredients-asia.com/Article/2023/09/05/china-set-to-approve-new-function-claims-for-health-foods#. BYHEALTH has noted that it has been working on the project since 2015, with 'tens of millions of funds' (RMB) invested by BYHEALTH in the research and development work.

The Company has previously stated that if BYHEALTH is successful in obtaining a new permitted health function claim in China for functional health foods, such as Fruitflow, that can demonstrate an anti-platelet effect, it is expected that this would result in some significant orders for Fruitflow, potentially at a multiple of current total sales values. The Company and BYHEALTH remain in close and constructive dialogue, at a high level.

Fruitflow+ dietary supplement products

Fruitflow+ Omega-3 is available to purchase from the Company's subscription focussed e-commerce website www.fruitflowplus.com, and from Amazon UK.

The Fruitflow+ Omega-3 business reported sales in the period of £61k (6 months ended 30 September 2023: £85k), reflecting largely unchanged subscriber numbers on the www.fruitflowplus.com website. The prior year period for the six months ended 30 September 2023 included a further order from the Company's Chinese Cross-Border e-commerce ('CBEC') channel. The CBEC distribution agreement in China is separate but wholly complementary to the Company's work with BYHEALTH, with the CBEC regulations enabling sales of Fruitflow+ Omega-3 in China now, prior to the health function claim which BYHEALTH is seeking to secure.

Fruitflow+ Omega-3 has a social media presence on Facebook www.facebook.com/FruitflowPlus, Instagram www.instagram.com/fruitflowplus and Twitter / X <https://twitter.com/FruitflowPlus>.

The Company is seeking to expand further its commercial activities with Fruitflow+ Omega-3 and other Fruitflow+ combination products, and it is currently in dialogue with some other potential international direct selling customers.

Intellectual property

The Company is responsible for filing and maintaining patents and trade marks for Fruitflow, and patent coverage for Fruitflow now includes the following patent families which are all owned outright by Provexis:

| Patent family | Developments in the period from Sep-24 to Dec-24 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|
| <p>Improved Fruitflow / Fruit Extracts Improved Fruitflow / Fruit Extracts, with patents granted by the European Patent Office in January 2017, September 2020 and April 2023.</p> <p>Patents have been granted in thirteen other major territories to include China and USA; and applications are at a late stage of progression in a further four global territories, with potential patent protection out to November 2029.</p> | <p>Patent applications (seeking additional patent protection) are pending in Europe, Hong Kong and the USA.</p> |
| <p>Antihypertensive (blood pressure lowering) effects This patent was originally developed in collaboration with the University of Oslo, and it has now been granted for Fruitflow in Europe, the US and four other territories. Patent applications are being progressed in China and Japan, with potential patent protection out to April 2033.</p> <p>In August 2020 the Company announced it had agreed to purchase the background and joint foreground blood pressure lowering IP owned by Inven2 AS, the technology transfer office at the University of Oslo, and Provexis now owns these important patents outright, with the licensing option originally held by Inven2 having been cancelled.</p> | <p>Patent applications are pending in China and Japan.</p> |
| <p>Fruitflow with nitrates in mitigating exercise-induced inflammation and for promoting recovery from intense exercise Patents have been granted around Europe and in the US, Australia, Brazil, Canada, China, Hong Kong, India, Israel, Japan, South Korea, the Philippines, New Zealand and Mexico.</p> <p>Further patent protection is being sought in three territories, with potential patent protection out to December 2033.</p> | <p>Patent applications are pending in Europe, Hong Kong and the USA.</p> |

| Patent family | Developments in the period from Sep-24 to Dec-24 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|
| <p>Fruitflow for air pollution</p> <p>The use of Fruitflow in protecting against the adverse effects of air pollution on the body's cardiovascular system.</p> <p>Laboratory work has shown that Fruitflow can reduce the platelet activation caused by airborne particulate matter, such as that from diesel emissions, by approximately one third.</p> <p>US, Australian, Brazilian, Indonesian, Israeli, Japanese Malaysian and Taiwanese patents have been secured and there are pending applications in nine jurisdictions (including the US where a further application has been filed) which extends potential patent protection for Fruitflow out to November 2037.</p> | <p>Patent applications are pending in nine global territories.</p> |
| <p>Fruitflow to confer health benefits in modulating the gut microbiome of humans</p> <p>The Company filed a patent application in June 2022 relating to the use of Fruitflow to confer health benefits in modulating the gut microbiome of humans. This followed the completion of a successful human study, the results of which strongly support the use of Fruitflow for modulating gut microbiota to confer a number of health benefits.</p> <p>The international procedure concluded in December 2024 and applications have now been filed in 15 important territories (including Europe, China and the USA), with potential patent protection out to June 2043.</p> | <p>Patent applications have been filed in 15 global territories.</p> |

Capital structure and funding

The Company is seeking to maximise the commercial returns that can be achieved from its Fruitflow technology, and the Company's cost base and its resources continue to be very tightly managed. The Company remains keen to minimise dilution to shareholders and it is focussed on moving into profitability as Fruitflow revenues increase, but while the Company remains in a loss-making position and / or significant growth phase, it may need to raise funds in the future to meet its working capital requirements.

The Company has needed to hold Fruitflow II SD in stock from 1 January 2023 onwards, to sell to new and existing customers, and the Company therefore agreed to purchase from DSM the remaining stocks of Fruitflow which DSM held on 31 December 2022.

In April 2024 the Company issued 45,123,732 new ordinary shares of 0.1p each in the Company to DSM Venturing BV, a significant existing shareholder in Provexis, in part satisfaction of an inventory purchase; the shares were valued at £270,742.

In December 2024, after the period end, the Company issued 82,945,984 new ordinary shares of 0.1p each in the Company to DSM Venturing BV, in satisfaction of: (i) a further inventory purchase for the final part of DSM's stocks of Fruitflow; and (ii) an estimated royalty liability payable to DSM for the two years ended 31 December 2024; the shares were valued at £559,885.

The share issues to DSM Venturing BV are of direct benefit to the Company's cash resources and net assets, and they will help the Company to fund a wholly new production run of Fruitflow II SD which will be required in the early months of 2025.

The size / volume and therefore cost of a wholly new production run of Fruitflow II SD will be determined with reference to the Company's best estimate of demand for Fruitflow over the next 24 months, and the Company is currently in dialogue with its existing and prospective customers for Fruitflow II SD, seeking their assistance as best possible with this volume estimate. The forecasting process involves a considerable degree of uncertainty, subject to existing and new customers' changing plans, requirements and regulatory progress, and inevitably there is a wide range of possible outcomes in terms of overall forecast demand.

The production process for Fruitflow II SD takes place in two stages, which need to be booked with its outsourced supply chain partners in advance of production taking place. The Company is in close dialogue with all key parties in its supply chain for Fruitflow, to include: (i) maximum capacity planning; (ii) production cost and other efficiencies; and (iii) the potential requirement for much larger batches of Fruitflow II SD to be made at relatively short notice.

In the coming months, based on its current level of cash, the Group may need to raise further equity finance or potentially new loan finance, subject in large part to the size / volume of new production runs of Fruitflow II SD which the Company may need to commission, with larger production runs inevitably requiring more cash at the outset.

Considering the success of previous fundraisings and the current performance of the business, the Directors have a reasonable expectation of raising sufficient additional equity capital or new loan finance to continue in operational existence for the foreseeable future. Subject to the outcome of ongoing negotiations with a third party, the Company might also be able to hold some of its future stock requirements on a consignment basis, only paying for the stock when it was required for sale.

For these reasons the Directors are of the opinion that at 31 December 2024, the Group and Company's liquidity and capital resources are adequate to deliver the current strategic objectives and 2025 business plan and that the Group and Company remain a going concern.

Outlook

The Company is pleased to report on another strong period of progress, to include £785k of revenue in the period from sales of the Company's Fruitflow II SD ingredient and its consumer product Fruitflow+ Omega-3.

Total revenue increased by 103% (relative to the prior 6 months ended 30 September 2023), aided by the group's new Provexis Ireland business which started trading in April 2024.

Sales of Fruitflow II SD in the half year from 1 April 2024 to 30 September 2024 were more than 11% ahead of sales of Fruitflow II SD for the full year ended 31 March 2024.

The Company is dealing with numerous sales enquiries from existing and new customers for further direct sales of Fruitflow in 2025 and beyond.

The new long term commercial partnership with dsm-firmenich ('DSM') has progressed well, with continuing interest from some significant global customers. The commercial partnership is based on: (i) a Premix and Market-Ready Solutions supply agreement for Fruitflow II SD; and (ii) the use of Fruitflow to confer health benefits in modulating the gut microbiome of humans.

Provexis has been working with BYHEALTH for more than eight years to support the planned launch of a number of Fruitflow based products in the Chinese market. Clinical studies conducted in China are typically required to obtain the necessary regulatory clearances in China, and a significant investment in eight separate Fruitflow studies has been undertaken at BYHEALTH's expense. Completed studies have shown excellent results in use for Fruitflow, and they provide strong evidence for the efficacy of Fruitflow on platelet function.

In August 2023 the Company reported that BYHEALTH had submitted: i) the first application for a new permitted health function claim and ii) some related product registration applications. The significance of these major developments for Fruitflow in China is further outlined here www.nutraingredients-asia.com/Article/2023/09/05/china-set-to-approve-new-function-claims-for-health-foods#. BYHEALTH has noted that it has been working on the project since 2015, with 'tens of millions of funds' (RMB) invested by BYHEALTH in the research and development work. The Company and BYHEALTH remain in close and constructive dialogue, at a high level.

Fruitflow is well placed to play an important role in the Chinese cardiovascular health market under the permitted health function claim legislation, and we look forward to working closely with BYHEALTH seeking to maximise the commercial success of this agreement for the benefit of both companies.

The Company has developed a strong, long lasting and wide-ranging patent portfolio for Fruitflow, and it owns outright four existing patent families for Fruitflow. The new microbiome patent application takes this to a potential total of five patent families, with potential patent protection now running out to 2042. The four existing patent families have a truly global footprint, and the Company also holds other valuable intellectual property and trade secrets for Fruitflow. The intellectual property for Fruitflow is of fundamental importance to the Company and its current and future commercial partners, to include DSM and BYHEALTH, and it underpins the numerous commercial opportunities which the Company and its partners are pursuing for Fruitflow.

The Company expects that: (i) the significant changes to the sales and supply chain structure for Fruitflow from January 2023 and the new Provexis Ireland operation, (ii) the gut microbiome patent application and related long-term partnership with DSM and (iii) the recent BYHEALTH regulatory developments in China will have a

strongly beneficial effect on the current and future commercial prospects for Fruitflow and the business worldwide.

The Company would like to thank its customers and shareholders for their continued support, and the Board remains strongly positive about the outlook for Fruitflow and the Provexis business for the coming year and beyond.

Dawson Buck
Chairman

Ian Ford
CEO

Consolidated statement of comprehensive income
Six months ended 30 September 2024

| Unaudited six months ended 30 September 2024 £ | Unaudited six months ended 30 September 2023 £ | Audited year ended 31 March 2024 £ |
|---------------------------------------------------------------------------|---------------------------------------------------------------------------|---------------------------------------------------------------|
|---------------------------------------------------------------------------|---------------------------------------------------------------------------|---------------------------------------------------------------|

Notes

| | | | | |
|----------------------------------------------------|---|-----------|-----------|-----------|
| Revenue | | 785,348 | 387,534 | 801,964 |
| Cost of goods | | (512,000) | (249,870) | (518,169) |
| Gross profit | | 273,348 | 137,664 | 283,795 |
| Selling and distribution costs | | (32,811) | (32,744) | (65,706) |
| Research and development costs | | (123,716) | (140,225) | (301,722) |
| Administrative costs - share based payment charges | | (49,207) | (60,526) | (121,051) |
| Administrative costs - other | | (215,153) | (180,504) | (398,908) |
| Loss from operations | | (147,539) | (276,335) | (603,592) |
| Finance income | | 890 | 1,029 | 1,594 |
| Loss before taxation | | (146,649) | (275,306) | (601,998) |
| Taxation | | (12,500) | 8,200 | 13,880 |
| Loss and total comprehensive loss for the period | | (159,149) | (267,106) | (588,118) |
| Attributable to: | | | | |
| Owners of the parent | | (159,149) | (267,106) | (586,243) |
| Non-controlling interest | | - | - | (1,875) |
| Loss and total comprehensive loss for the period | | (159,149) | (267,106) | (588,118) |
| Loss per share to owners of the parent | | | | |
| Basic and diluted - pence | 3 | (0.01) | (0.01) | (0.03) |

Consolidated statement of financial position
30 September 2024

Unaudited
30 September
2024

Unaudited
30 September
2023

Audited
31 March
2024

Notes

£

£

£

Assets

Current assets

| | | | |
|-----------------------------|----------------|----------------|----------------|
| Inventories | 152,755 | 145,863 | 136,520 |
| Trade and other receivables | 144,760 | 264,410 | 125,479 |
| Corporation tax asset | 46,680 | 41,000 | 46,680 |
| Cash and cash equivalents | 478,199 | 318,819 | 189,357 |
| Total current assets | 822,394 | 770,092 | 498,036 |

| | | | |
|---------------------|----------------|----------------|----------------|
| Total assets | 822,394 | 770,092 | 498,036 |
|---------------------|----------------|----------------|----------------|

Liabilities

Current liabilities

| | | | |
|----------------------------------|------------------|------------------|------------------|
| Trade and other payables | (471,006) | (319,017) | (307,448) |
| Total current liabilities | (471,006) | (319,017) | (307,448) |

| | | | |
|--------------------------|------------------|------------------|------------------|
| Total liabilities | (471,006) | (319,017) | (307,448) |
|--------------------------|------------------|------------------|------------------|

| | | | |
|-------------------------|----------------|----------------|----------------|
| Total net assets | 351,388 | 451,075 | 190,588 |
|-------------------------|----------------|----------------|----------------|

**Capital and reserves attributable to
owners of the parent company**

| | | | |
|--------------------------|----------------|----------------|----------------|
| Share capital | 2,262,945 | 2,217,822 | 2,217,822 |
| Share premium reserve | 18,928,940 | 18,703,321 | 18,703,321 |
| Merger reserve | 6,599,174 | 6,599,174 | 6,599,174 |
| Retained earnings | (26,905,922) | (26,537,368) | (26,795,980) |
| | 885,137 | 982,949 | 724,337 |
| Non-controlling interest | (533,749) | (531,874) | (533,749) |
| Total equity | 351,388 | 451,075 | 190,588 |

Consolidated statement of cash flows
30 September 2024

| Unaudited six months ended 30 September 2024 £ | Unaudited six months ended 30 September 2023 £ | Audited year ended 31 March 2024 £ |
|---------------------------------------------------------------------------|---------------------------------------------------------------------------|---------------------------------------------------------------|
|---------------------------------------------------------------------------|---------------------------------------------------------------------------|---------------------------------------------------------------|

Cash flows from operating activities

| | | | |
|--------------------------------------------|------------------|-----------|-----------|
| Loss after tax | (159,149) | (267,106) | (588,118) |
| Adjustments for: | | | |
| Finance income | (890) | (1,029) | (1,594) |
| Taxation charge / (Tax credit receivable) | 12,500 | (8,200) | (13,880) |
| Share-based payment charge - share options | 49,207 | 60,526 | 121,051 |
| Changes in inventories | (16,235) | 181,934 | 191,277 |
| Changes in trade and other receivables | (19,281) | (203,436) | (64,505) |
| Changes in trade and other payables | 163,558 | 130,680 | 119,111 |
| Net cash flow from operations | 29,710 | (106,631) | (236,658) |

| | | | |
|--------------------------------------------------|-----------------|----------|-----------|
| Taxation | (12,500) | 45,160 | 45,160 |
| Total cash flow from operating activities | 17,210 | (61,471) | (191,498) |

Cash flow from investing activities

| | | | |
|--------------------------------------------------|------------|-------|-------|
| Interest received | 890 | 1,169 | 1,734 |
| Total cash flow from investing activities | 890 | 1,169 | 1,734 |

Cash flow from financing activities

| | | | |
|--------------------------------------------------------------|----------------|---|---|
| Proceeds from issue of share capital - purchase of inventory | 270,742 | - | - |
| Total cash flow from financing activities | 270,742 | - | - |

| | | | |
|------------------------------------------------|----------------|----------|-----------|
| Net change in cash and cash equivalents | 288,842 | (60,302) | (189,764) |
| Opening cash and cash equivalents | 189,357 | 379,121 | 379,121 |
| Closing cash and cash equivalents | 478,199 | 318,819 | 189,357 |

| Consolidated statement of changes in equity 30 September 2024 | Share capital | Share premium | Merger reserve | Retained earnings | Total equity attributable to owners of the parent | Non- controlling interests | Total equity |
|------------------------------------------------------------------|------------------|------------------|-------------------|----------------------|------------------------------------------------------------|----------------------------------|-----------------|
| | £ | £ | £ | £ | £ | £ | £ |
| At 31 March 2023 | 2,217,822 | 18,703,321 | 6,599,174 | (26,330,788) | 1,189,529 | (531,874) | 657,655 |
| Share-based charges - share options | - | - | - | 60,526 | 60,526 | - | 60,526 |
| Total comprehensive expense for the period | - | - | - | (267,106) | (267,106) | - | (267,106) |
| At 30 September 2023 | 2,217,822 | 18,703,321 | 6,599,174 | (26,537,368) | 982,949 | (531,874) | 451,075 |
| Share-based charges - share options | - | - | - | 60,525 | 60,525 | - | 60,525 |
| Total comprehensive expense for the period | - | - | - | (319,137) | (319,137) | (1,875) | (321,012) |
| At 31 March 2024 | 2,217,822 | 18,703,321 | 6,599,174 | (26,795,980) | 724,337 | (533,749) | 190,588 |
| Share-based charges - share options | - | - | - | 49,207 | 49,207 | - | 49,207 |
| Issue of shares - inventory purchased 5 April 2024 | 45,123 | 225,619 | - | - | 270,742 | - | 270,742 |
| Total comprehensive expense for the period | - | - | - | (159,149) | (159,149) | - | (159,149) |
| At 30 September 2024 | 2,262,945 | 18,928,940 | 6,599,174 | (26,905,922) | 885,137 | (533,749) | 351,388 |

1. General information, basis of preparation and accounting policies

General information

Provexis plc is a public limited company incorporated and domiciled in the United Kingdom (registration number 05102907). The address of the registered office is 2 Blagrove Street, Reading, Berkshire RG1 1AZ, UK.

The main activities of the Group are those of developing, licensing and selling the proprietary, scientifically-proven Fruitflow® heart-health functional food ingredient.

Basis of preparation

This condensed financial information has been prepared using accounting policies consistent with International Financial Reporting Standards in the European Union (IFRS).

The same accounting policies, presentation and methods of computation are followed in this condensed financial information as are applied in the Group's latest annual audited financial statements, except as set out below. While the financial figures included in this half-yearly report have been computed in accordance with IFRS applicable to interim periods, this half-yearly report does not contain sufficient information to constitute an interim financial report as that term is defined in IAS 34.

Use of non-GAAP profit measure - underlying operating profit

The directors believe that the operating loss before share based payments measure provides additional useful information for shareholders on underlying trends and performance. This measure is used for internal performance analysis. Underlying operating loss is not defined by IFRS and therefore may not be directly comparable with other companies' adjusted profit measures. It is not intended to be a substitute for, or superior to IFRS measurements of profit.

The interim financial information does not constitute statutory accounts as defined in section 434 of the Companies Act 2006 and has been neither audited nor reviewed by the Company's auditors Shipleys LLP pursuant to guidance issued by the Auditing Practices Board.

The results for the year ended 31 March 2024 are not statutory accounts. The statutory accounts for the last year ended 31 March 2024 were approved by the Board on 30 September 2024 and are filed at Companies House. The report of the auditors on those accounts was unqualified, contained an emphasis of matter with respect to going concern, and did not contain a statement under section 498 of the Companies Act 2006.

The interim report for the six months ended 30 September 2024 can be downloaded from the Company's website www.provexis.com. Further copies of the interim report and copies of the 2024 annual report and accounts can be obtained by writing to the Company Secretary, Provexis plc, 2 Blagrove Street, Reading, Berkshire RG1 1AZ, UK.

This announcement was approved by the Board of Provexis plc for release on 31 December 2024.

Going concern

Under the terms of the DSM Transfer of Business agreement which was announced in June 2022, DSM's existing and prospective pipeline customers for Fruitflow II SD as a straight ingredient (not a DSM Premix or DSM Market-Ready solution) transferred to become direct customers of Provexis WEF 1 January 2023.

The Company has needed to hold Fruitflow II SD in stock from 1 January 2023 onwards, to sell to new and existing customers, and the Company therefore agreed to purchase from DSM the remaining stocks of Fruitflow which DSM held on 31 December 2022.

In April 2024 the Company issued 45,123,732 new ordinary shares of 0.1p each in the Company to DSM Venturing BV, a significant existing shareholder in Provexis, in part satisfaction of an inventory purchase; the shares were valued at £270,742 on 5 April 2024, the date of admission.

In December 2024 the Company issued 82,945,984 new ordinary shares of 0.1p each in the Company to DSM Venturing BV, in satisfaction of (i) a further inventory purchase for the final part of DSM's stocks of Fruitflow, and (ii) an estimated royalty liability payable to DSM for the two years ended 31 December 2024; the shares were valued at £559,885 on 24 December 2024, the date of admission.

The share issues to DSM Venturing BV for (i) the inventory purchases and (ii) the settlement of an estimated royalty liability are of direct benefit to the Company's cash resources and net assets, and they will help the Company to fund a wholly new production run of Fruitflow II SD which will be required in the early months of 2025.

The size / volume and therefore cost of a wholly new production run of Fruitflow II SD will be determined with reference to the Company's best estimate of demand for Fruitflow over the next 24 months, and the Company

is currently in dialogue with its existing and prospective customers for Fruitflow II SD, seeking their assistance as best possible with this volume estimate. The forecasting process involves a considerable degree of uncertainty, subject to existing and new customers' changing plans, requirements and regulatory progress, and inevitably there is a wide range of possible outcomes in terms of overall forecast demand.

The production process for Fruitflow II SD takes place in two stages, which need to be booked with its outsourced supply chain partners in advance of production taking place. The Company is in close dialogue with all key parties in its supply chain for Fruitflow, to include (i) maximum capacity planning, (ii) production cost and other efficiencies and (iii) the potential requirement for much larger batches of Fruitflow II SD to be made at relatively short notice.

In the coming months, based on its current level of cash, the Group may need to raise further equity finance or potentially new loan finance, subject in large part to the size / volume of new production runs of Fruitflow II SD which the Company may need to commission, with larger production runs inevitably requiring more cash at the outset.

Considering the success of previous fundraisings and the current performance of the business, the Directors have a reasonable expectation of raising sufficient additional equity capital or new loan finance to continue in operational existence for the foreseeable future. Subject to the outcome of ongoing negotiations with a third party, the Company might also be able to hold some of its future stock requirements on a consignment basis, only paying for the stock when it was required for sale.

For these reasons the Directors are of the opinion that at 31 December 2024, the Group and Company's liquidity and capital resources are adequate to deliver the current strategic objectives and 2025 business plan and that the Group and Company remain a going concern.

Accounting policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 March 2024, as described in those annual financial statements.

2. Segmental reporting

The Group's operating segments are determined based on the Group's internal reporting to the Chief Operating Decision Maker (CODM). The CODM has been determined to be the Board of Directors as it is primarily responsible for the allocation of resources to segments and the assessment of performance of the segments. The performance of operating segments is assessed on revenue.

The CODM uses revenue as the key measure of the segments' results as it reflects the segments' underlying trading performance for the financial period under evaluation. Revenue is reported separately to the CODM and all other reports are prepared as a single business unit.

| Revenue | Unaudited six months ended 30 September 2024 £ | Unaudited six months ended 30 September 2023 £ | Audited year ended 31 March 2024 £ |
|----------------------------|---------------------------------------------------------------|---------------------------------------------------------------|---------------------------------------------------|
| Fruitflow II SD ingredient | 724,817 | 298,879 | 651,845 |
| Fruitflow+ Omega-3 | 60,531 | 88,655 | 150,119 |
| | 785,348 | 387,534 | 801,964 |

3. Earnings per share

Basic earnings per share amounts are calculated by dividing the profit attributable to owners of the parent by the weighted average number of ordinary shares in issue during the period.

The loss attributable to equity holders of the Company for the purpose of calculating the fully diluted loss per share is identical to that used for calculating the basic loss per share. The exercise of share options would have the effect of reducing the loss per share and is therefore anti-dilutive under the terms of IAS 33 'Earnings per Share'.

Basic and diluted loss per share amounts are in respect of all activities.

There were 178,500,000 share options in issue at 30 September 2024 (2023: 188,500,000) that are currently anti-dilutive and have therefore been excluded from the calculations of the diluted loss per share.

| | Unaudited six months ended 30 September 2024 | Unaudited six months ended 30 September 2023 | Audited year ended 31 March 2024 |
|-------------------------------------------------------------------------|---------------------------------------------------------------------|----------------------------------------------------------|----------------------------------------------|
| Loss for the period attributable to owners of the parent - £ | 159,149 | 267,106 | 586,243 |
| Weighted average number of shares | 2,261,712,366 | 2,217,821,523 | 2,217,821,523 |
| Basic and diluted loss per share - pence | 0.01 | 0.01 | 0.03 |

4. Share capital and Total Voting Rights

At 31 December 2024, the date of this announcement, the Company's issued share capital comprises 2,345,891,239 ordinary shares of 0.1 pence each, each with equal voting rights. The Company does not hold any shares in treasury and therefore the total number of ordinary shares and voting rights in the Company is 2,345,891,239.

The above figure may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or change to their interest in, the share capital of the Company under the FCA's Disclosure Guidance and Transparency Rules.

5. Cautionary statement

This document contains certain forward-looking statements with respect to the financial condition, results and operations of the business. These statements involve risk and uncertainty as they relate to events and depend on circumstances that will incur in the future. Nothing in this interim report should be construed as a profit forecast.