

12 February 2025

AOTI, INC. (the "Company" or "Group" or "AOTI")

Trading Update for the year ended 31 December 2024

AOTI, INC. (AIM: AOTI), a medical technology group focussed on the durable healing of wounds and the prevention of amputations through its unique intermittent Topical Wound Oxygen (TWO₂) and Negative Pressure Wound (NEXA) therapies, is pleased to announce its unaudited trading update for the financial year ended 31 December 2024.

Group revenue for 2024 is expected to be in excess of 58.1m (2023: 43.9m), representing growth of over 32%, compared to a growth of 31% for the prior year. Growth outside the Veterans Affairs (VA) sector has helped to diversify sales mix such that the VA, whilst continuing to grow, accounted for less than 60% (2023: 72%) of Group revenues. This will contribute to margin improvements in the medium to long term.

During the year, we accelerated investment in new market channels to allow us earlier than planned access to these large and higher margin segments outside of the VA sector. In addition to managed Medicaid, this now includes workers' compensation, long term care and skilled nursing facility sectors. These investments included an escalation of key opinion leader evaluations and the addition of sector-specific market access expertise. This increased capability will also enable us to better convey to payers the value-based proposition and total cost of care savings that TWO₂ therapy delivers. Opening these expanded sales channels is expected to contribute strongly to sustaining our high levels of growth in 2025 and beyond.

As the VA broadly pays upon provision of service and other sectors pay on traditional commercial terms, this has resulted in an increase in our receivables during 2024. We therefore expect to increase our non-cash accounting provision based on the FASB CECL methodology¹. Taking this into account as well as our investments in new market segments, the Group's Adjusted EBITDA² margin for 2024 is expected to increase to approximately 13.8%, compared with 3.9% for the prior year.

The Board remains confident of the Group's prospects and continuing to achieve greater than 30% revenue growth in 2025 and the medium term.

The Company will report its audited preliminary results for the twelve months ending 31 December 2024 on 28 April 2025.

Dr. Mike Griffiths, Chief Executive Officer and President of AOTI, INC., commented: *"Our investment in expansion into a broader range of channels reflects the growing awareness of the burden of chronic disease and the need for effective treatments that also reduce costs. TWO₂ therapy continues to demonstrate that it provides significant, clinically proven patient outcomes and cost reductions for payers by healing wounds more durably, increasing the body of evidence in support of its further adoption. In the US, chronic disease consumes 90% of all healthcare spending, with heightened attention being paid to reducing this growing burden. As market leader in this new, high growth sector, AOTI is uniquely positioned to reduce the total cost of care for this patient population."*

1. Current Expected Credit Losses (CECL) methodology as required by the Financial Accounting Standards Board (FASB), Accounting Standards Update No. 2016-13 Financial Instruments - Credit Losses (topic 326)

2. Adjusted EBITDA is an unaudited non-GAAP measure: Earnings before interest, taxation, depreciation, amortisation and non-underlying items

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ABOUT AOTI, INC.

AOTI, INC. was founded in 2006 and is based in Oceanside, California, US and Galway, Ireland, providing innovative solutions to resolve acute and chronic wounds worldwide. Its products reduce healthcare costs and improve the

solutions to resolve severe and chronic wounds worldwide. Its products reduce healthcare costs and improve the quality of life for patients with these debilitating conditions. The Company's patented non-invasive Topical Wound Oxygen (TWO₂)[®] therapy has demonstrated in differentiating, robust, double-blinded randomised controlled trials (RCT) and real-world evidence (RWE) studies to more-durably reduce the recurrence of Diabetic Foot Ulcers (DFUs), resulting in an unprecedented 88 per cent reduction in hospitalisations and 71 per cent reduction in amputations over 12 months. TWO₂[®] therapy can be administered by the patient at home, improving access to care and enhancing treatment compliance. TWO₂[®] therapy has received regulatory clearance from the US (FDA), Europe (CE Mark), UK (MHRA), Health Canada, the Chinese National Medical Products Administration, Australia (TGA) and in Saudi Arabia. Also see www.aotinc.net

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