

Dear OpenBiome Friends and Supporters,

When you read about human health these days, it's nearly inevitable that you'll learn about a new discovery related to the gut microbiome. Over a decade ago, that wasn't the case, yet in that time the field of microbiome science has grown exponentially in reach and impact. We're proud to be a pioneer in this field, from shipping our first investigational Fecal Microbiota Transplant (FMT) for a *C. difficile* (*C. diff*) patient in 2013 to generating new research on malnutrition and microbial diversity.

Read on as we proudly reflect on a few of the milestones we reached in 2023.

Key Milestones

Patient Impact

With two FDA-approved biotherapeutic drugs for *C. diff* released in the fall of 2022, OpenBiome played a critical role in bridging the treatment gap by supplying investigational FMT to patients with recurrent *C. diff*. In 2023, we provided **3,594 investigational Fecal Microbiota Transplants (FMT)** to patients at **509 registered hospitals**. At the close of 2023, the total number of FMTs provided since our founding was **69,550**.

C. diff survivor and patient Keekee Buckley shared a powerful story of how an investigational FMT from OpenBiome restored both her health and her hope:

"In 2019 I was hospitalized with sepsis from recurrent *C. diff*. Despite being on three different antibiotics at the same time, the doctors didn't understand why nothing was working, why my fever wasn't breaking, and why my body wasn't getting better. During this time, I was begging for a fecal microbiota transplant (FMT), but I was told I wasn't eligible because I hadn't had enough relapses. Eventually they were able to stabilize my vitals and after a week, I was discharged from the hospital, with the intent that I would taper off two antibiotics over the next month. Only, I didn't make it that long. Two weeks later, I relapsed again, and an FMT was finally approved, leaving me weeping with gratitude. I had the FMT a few days later via colonoscopy and immediately recovered. When I woke up in the recovery room, I spotted the packaging from OpenBiome that my donor's healthy microbiota had come in. I asked the nurse if I could keep the box. I still have it over three years later. OpenBiome, from the bottom of my heart, thank you for saving me."

Research and Partnership Development

In 2023, the Global Microbiome Conservancy (GMbC) program continued the important work of increasing representation in human microbiome research and conserving vital microbiome diversity. With the predominance of microbiome samples originating from North America and Europe, the GMbC marked a new milestone by collecting the first Latin American samples from Argentina. Additionally, we grew the GMbC bacterial strain library by over 40%, adding 3,500 new isolates.

Making stool aliquots available for research is another way we help advance the field. OpenBiome maintains a large library of aliquots derived from the same rigorously screened stool samples manufactured into FMT preparations for *C. diff* treatment. This library is available to scientists pursuing non-clinical research on the microbiome. This year, we fulfilled an order for 1,000 aliquots from the University of California, San Diego, for the largest metaproteomic sequencing project to date.

In April, OpenBiome co-chaired a workshop at the Wellcome Sanger Institute funded by the Gates Foundation entitled “Accelerating microbiome research to improve child health in low & middle-income countries 2023.” The Gates Foundation will be providing small grants for scientists from LMICs in attendance to undertake placements at labs in US and Europe.

We submitted four grant proposals in 2023 to fund cost-effective, practical solutions to childhood malnutrition with global impact. We were awarded a \$100,000 grant from the Allen Foundation to support development of a live bacterial product with anti-pathogen activity for infants in from low- and middle-income countries.

Governance

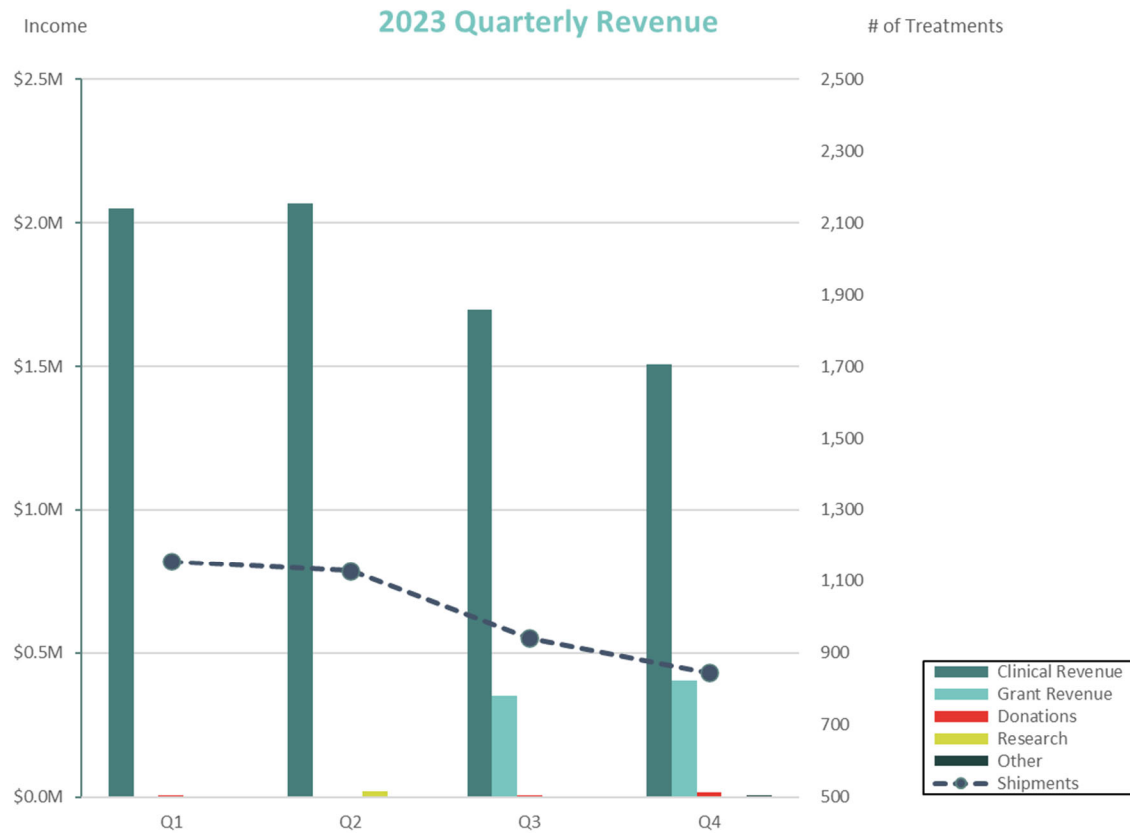
We welcomed four new Board members in 2023: Stephen Jones, JD, Executive Director of the Stanley Family Foundation; Joanne Kamens, Ph.D. Senior Consultant, Diversity North Group; Ruchika Kumar, LL.M, General Counsel, N-Power Medicine; and Garabet Yeretssian, Ph.D., Science Program Manager, Chan Zuckerberg Foundation.

Awards

OpenBiome was internationally recognized during United Nations Week in New York as the recipient of the GBCHealth Futurist Award which honors its success as a global health leader. Our work establishing FMT as an accepted therapy for *C. diff* demonstrated that human microbes can treat serious illnesses and laid the foundation for a new field of biotech innovation.

Financial Overview

Please refer to our financial statements and graphs below, which show our Quarterly Revenue, Balance Sheet, and Income Statements for 2023.



Income Statement

	2023			2022
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Operating revenues and support:				
Sales of product (net discounts)	\$ 6,900,180	\$ -	\$ 6,900,180	\$ 5,983,020
Research activities:				
Contract revenue	\$ 22,100	\$ -	\$ 22,100	\$ 112,610
Grant revenue	\$ 757,338	\$ -	\$ 757,338	\$ 33,828
Shipping and handling fees	\$ 417,649	\$ -	\$ 417,649	\$ 405,200
Less cost of clinical program sales	\$ (4,058,689)	\$ -	\$ (4,058,689)	\$ (5,474,618)
Gross profit on sales	\$ 4,038,578	\$ -	\$ 4,038,578	\$ 1,060,040
Other income	\$ 16,253	\$ -	\$ 16,253	\$ 8,205
Other donations	\$ 28,058	\$ -	\$ 28,058	\$ 24,239
Total operating revenues and support	\$ 4,082,889	\$ -	\$ 4,082,889	\$ 1,092,484
Operating expenses:				
Program:				
Clinical	\$ 1,679,323	\$ -	\$ 1,679,323	\$ 1,564,604
Research	\$ 39,484	\$ -	\$ 39,484	\$ 35,413
GMbC	\$ 897,620	\$ -	\$ 897,620	\$ 939,046
Total program expenses	\$ 2,616,427	\$ -	\$ 2,616,427	\$ 2,539,063
General and administrative	\$ 877,839	\$ -	\$ 877,839	\$ 878,282
Total operating expenses	\$ 3,494,266	\$ -	\$ 3,494,266	\$ 3,417,345
Change in net assets from operations	\$ 588,623	\$ -	\$ 588,623	\$ (2,324,861)
Non-operating activities:				
Gain on forgiveness of Paycheck Protection				
Program Loan	\$ -	\$ -	\$ -	\$ 867,983
Gain on sales of assets	\$ 4,500	\$ -	\$ 4,500	\$ 840
Investment gains (losses), net of fees	\$ 297,922	\$ -	\$ 297,922	\$ (146,164)
Total non-operating activities	\$ 302,422	\$ -	\$ 302,422	\$ 722,659
Change in net assets	\$ 891,045	\$ -	\$ 891,045	\$ (1,602,202)
Net assets, beginning of year	\$ 7,841,479	\$ -	\$ 7,841,479	\$ 9,443,681
Net assets, end of year	\$ 8,732,524	\$ -	\$ 8,732,524	\$ 7,841,479

Balance Sheet

Assets	2023	2022
Current assets:		
Cash and cash equivalents	\$ 2,003,562	\$ 1,299,880
Accounts receivable, net	\$ 779,575	1,226,101
Inventory, net	\$ 155,400	\$ 258,720
Prepaid expenses	\$ 99,988	\$ 105,086
Investments	\$ 5,651,758	\$ 5,353,836
Government grant receivable	\$ 406,334	\$ -
Total current assets	\$ 9,096,617	\$ 8,243,623
Property and equipment, net	\$ 107,693	\$ 124,409
Right-of-use assets, operating leases	\$ 564,050	\$ 803,818
Security deposits	\$ 196,200	\$ 267,582
Total assets	\$ 9,964,560	\$ 9,439,432
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	\$ 89,212	\$ 85,316
Accrued expenses	\$ 441,355	\$ 512,583
Current portion of Paycheck Protection Program Loan		
Protection Program Loan	\$ 59,407	\$ 58,813
Operating lease obligation, current	\$ 173,556	\$ 259,129
Total current liabilities	\$ 763,530	\$ 915,841
Paycheck Protection Program Loan	\$ 78,012	\$ 137,423
Long-term operating lease obligation	\$ 390,494	\$ 544,689
Total liabilities	\$ 1,232,036	\$ 1,597,953
Net assets:		
Without donor restrictions	\$ 8,732,524	\$ 7,841,479
Total net assets	\$ 8,732,524	\$ 7,841,479
Total liabilities and net assets	\$ 9,964,560	\$ 9,439,432

Moving into 2024, OpenBiome will transfer the GMbC program back to its co-founders, M&M and Kiel while continuing to support the conservancy's research through grants.

We plan to focus on the following key objectives for 2024:

1. Strengthen our financial position and organizational health,
2. Be a respected leader in key areas of microbiome health research and patient care,
3. Optimize operations while consistently and efficiently delivering effective products and programs,
4. Build an outstanding global talent network and create a culture of personal growth, belonging, and innovation.

None of our achievements would be possible without the dedication of our staff, partners, and supporters. Together, we are excited to be a part of a future where we realize the power of the microbiome to improve health for all.

With heartfelt appreciation,



Julie Barrett O'Brien
Chief Executive Officer
OpenBiome