

## LBT PRESENTS AT EXCHANGESA CONFERENCE IN ADELAIDE

*Thursday 26 September 2019, Adelaide Oval, Adelaide*

**Adelaide, Australia, 26 September 2019:** LBT Innovations Limited (ASX: LBT) (**LBT** or the **Company**), a leader in medical technology automation using artificial intelligence, announces that the Company's CEO and Managing Director, Brent Barnes, will be presenting at the ExchangeSA 2019 Listed Companies conference on Thursday 26 September 2019.

The conference which will be held at the Adelaide Oval in Adelaide is an annual event established to provide the opportunity for a selection of top performing South Australian based listed companies to present to the private and professional investment community of South Australia.

The Company's presentation for the conference is attached.

– ENDS –

### About LBT Innovations

LBT Innovations (LBT) improves patient outcomes by making healthcare more efficient. Based in Adelaide, South Australia, the Company has a history of developing world leading products in microbiology automation. Its first product, MicroStreak®, was a global first in the automation of the culture plate streaking process. The Company's second product, the Automated Plate Assessment System (APAS®) is being commercialised through LBT's 50% owned joint venture company Clever Culture Systems AG (CCS) with Hettich Holding Beteiligungs- und Verwaltungs-GmbH. The APAS® Independence is based upon LBT's intelligent imaging and machine learning software and remains the only US FDA-cleared artificial intelligence technology for automated imaging, analysis and interpretation of culture plates following incubation. The Company has regulatory cleared analysis modules able to support microbiology laboratories with the automated analysis of urine culture plates and for MRSA infection control.

### CONTACTS

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# Company Presentation

ExchangeSA Listed Companies Conference  
September 2019

Brent Barnes

Managing Director & Chief Executive Officer

ASX code: LBT

[lbtinnovations.com](http://lbtinnovations.com)

# Disclaimer

This document contains certain forward-looking statements that involve risks and uncertainties. Although we believe that the expectations reflected in the forward-looking statements are reasonable at this time, we can give no assurance that these expectations will prove to be correct.

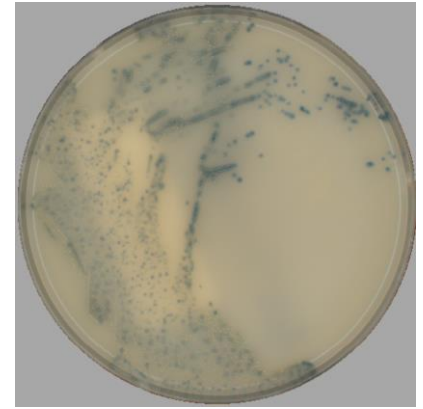
Given these uncertainties, readers are cautioned not to place undue reliance on any forward-looking statements. Actual results could differ materially from those anticipated in these forward-looking statements due to many important factors, risk and uncertainties including, without limitation, risks associated with estimating potential quantity and timing of sales, risks associated with medical device development and manufacture, risks inherent in the extensive regulatory approval processes mandated by regulatory authorities, delays in clinical trials, future capital needs, general economic uncertainty and other risks detailed from time to time in the Company's announcements to the ASX.

Moreover, there can be no assurance that others will not independently develop similar products or processes or design around patents owned or licensed by the Company, or that patents owned or licensed by the Company will provide meaningful protection or competitive advantages.

All reasonable efforts have been made to provide accurate information, but the Company does not undertake any obligation to release publicly any revisions to any "forward-looking statement" to reflect events or circumstances after the date of this presentation, except as may be required under applicable laws. Recipients should make their own enquiries in relation to any investment decisions from a licensed investment advisor.



# Problems facing our customers



All around the world Microbiologists and Scientists handle culture plates

## Poor resource utilisation

- Lack on automation means manual processing
- Up to 85% of plates can be negative

## People aren't perfect

- Microbiologist **error rates** of 5.5% - 6.6%; over 12% morphology

## Shortage of Microbiologists

- US vacancy rate at any one time is 9%
- Declining profession / labour shortage

## Workplace safety issues

- Strain injuries caused by repetitive manual processes
- Management: sick days, annual leave



# LBT Solution: modular automated products

## Microbiology lab culture plate workflow

Inoculation  
and Culture  
Plate Streaking

Incubate

Plate Reading

Identification &  
antibiotic  
sensitivity testing

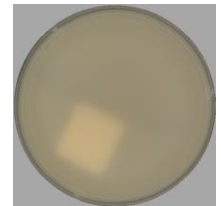


**PREVI® Isola**  
*Sales 2009 - 2015*

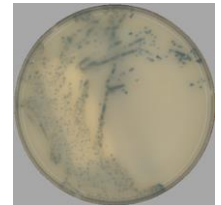


**APAS® Independence**  
*Launched 2018*

### Automated plate reading



*MRSA - negative*



*MRSA - positive*

# APAS® Independence

**3x faster**

than manual culture  
plate reading

**Available**

regulatory cleared in  
US, EU, AU

**Clinically  
proven**

in a 10,000 patient  
clinical trial



Fast



Accurate



Cost effective

The first and only automated culture plate reader. Powered by AI



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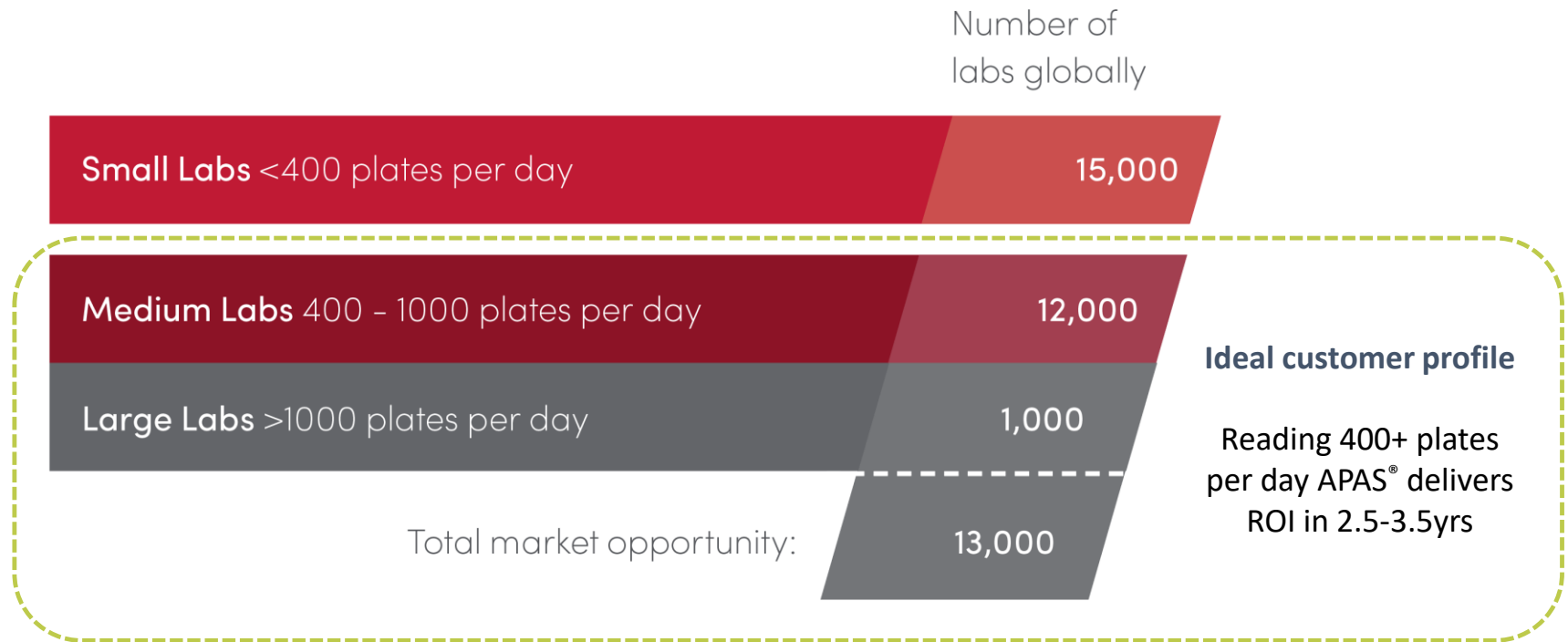
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# Potential target market ~ 13,000 labs



# Capital & annuity sales model

## End Customer Pricing



Purchase price

**~US\$300,000**

leasing model available

Annual Software  
License:



**~US\$20K - \$40K**

Annual accessories:



**~US\$1K - \$2K**

5 year revenue  
opportunity

**~US\$0.45m  
per instrument**



**CLEVER CULTURE  
SYSTEMS**

**50:50 Joint Venture**



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**HETTICH**  
LABORAPPARATE

Contribute equally to operational  
and development costs

**Profits shared equally**



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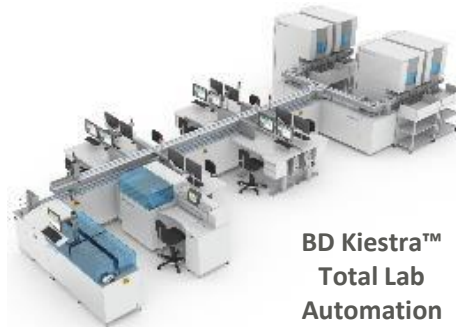
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# First mover advantage



## Two main competitors in automation of microbiology

- Automate lab work flow but not plate reading - still require microbiologists
- Large capital cost ~ US\$2.5m+ cost
- Complex and long lead times
- Low penetration ~ 150 units in 10 yrs

## APAS® Independence difference

- First & only FDA-Cleared: automated reading & interpretation
- Modular design – works with other solutions
- Much more affordable @ US\$0.3m



APAS® Independence

Inoculation and Culture  
Plate Streaking

Incubate

**Automated Plate  
Reading**

Identification & antibiotic  
sensitivity testing



# Path to market strategy

## Pre-sales commercialisation

Publications  
& white  
papers

Reference  
site(s)

Sales pipeline

Instrument  
Development

Analysis  
Module  
Development

Regulatory  
Clearances



Instrument +  
Analysis Module  
cleared for sale

## Sales Process

### Build Awareness

- Grow prospective customer base
- Demonstrate at conferences
- Publications
- Establish Reference sites and key opinion leaders

### Laboratory Feasibility

- APAS target laboratory profile:
  - >400 samples per day
  - Agar media used
  - Specimen types processed

### Customer Evaluation

- Instrument demonstration
- Onsite customer evaluation
- Develop evaluation protocol
- LIS Integration

### Buying Decision

- Customer workflow assessment
- Maintenance and support
- ROI assessment
- Investment committee decision

## Product Development

**Strategy:** Development, global footprint, product cleared for sale, early sales

## Distributor Appointment



sales, service, expanded reach

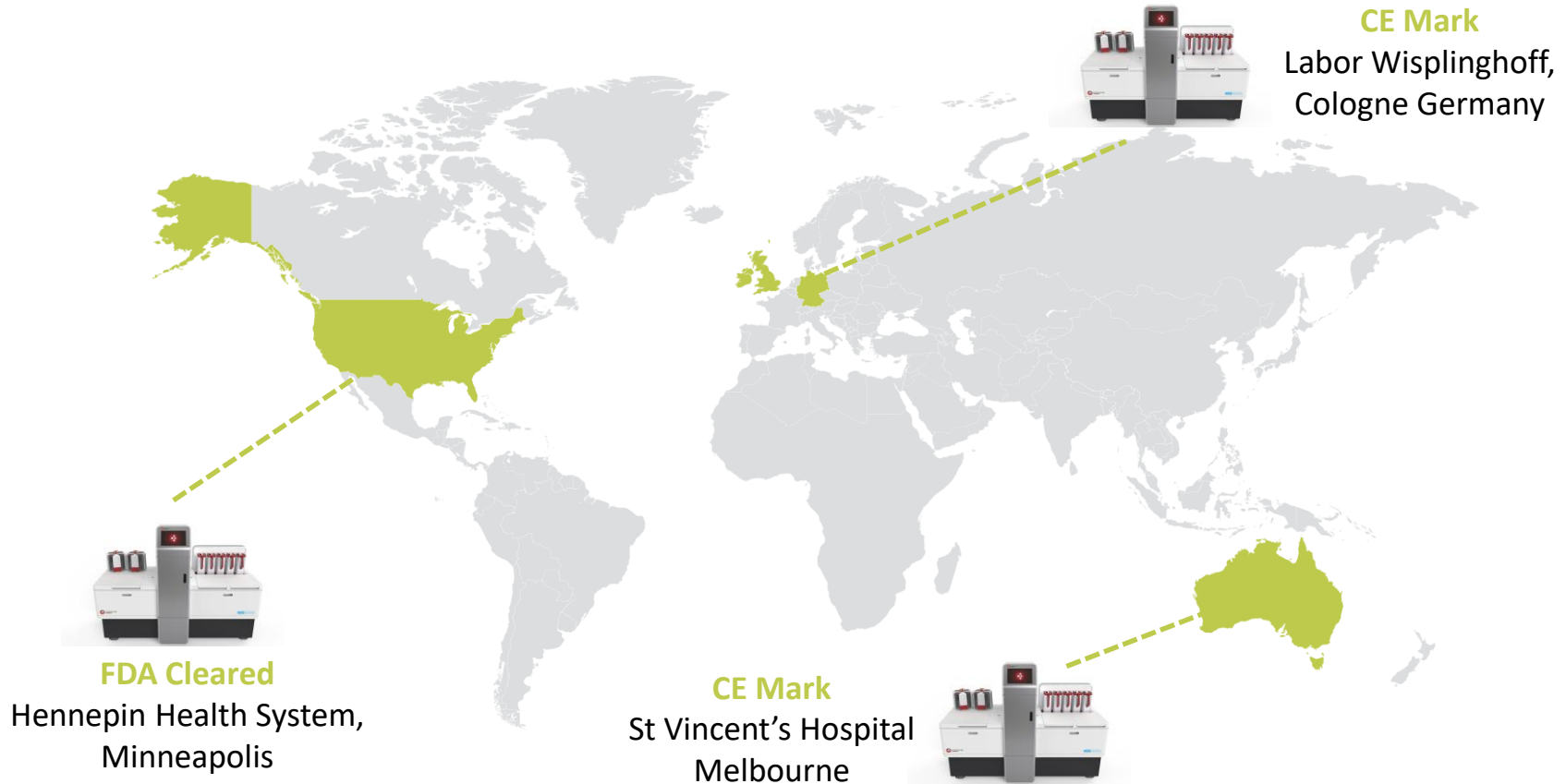
## Engaging Distributors

- Routine clinical use in their market
- Demonstrate customer engagement
- Initial sales pipeline established
- Regulatory cleared product



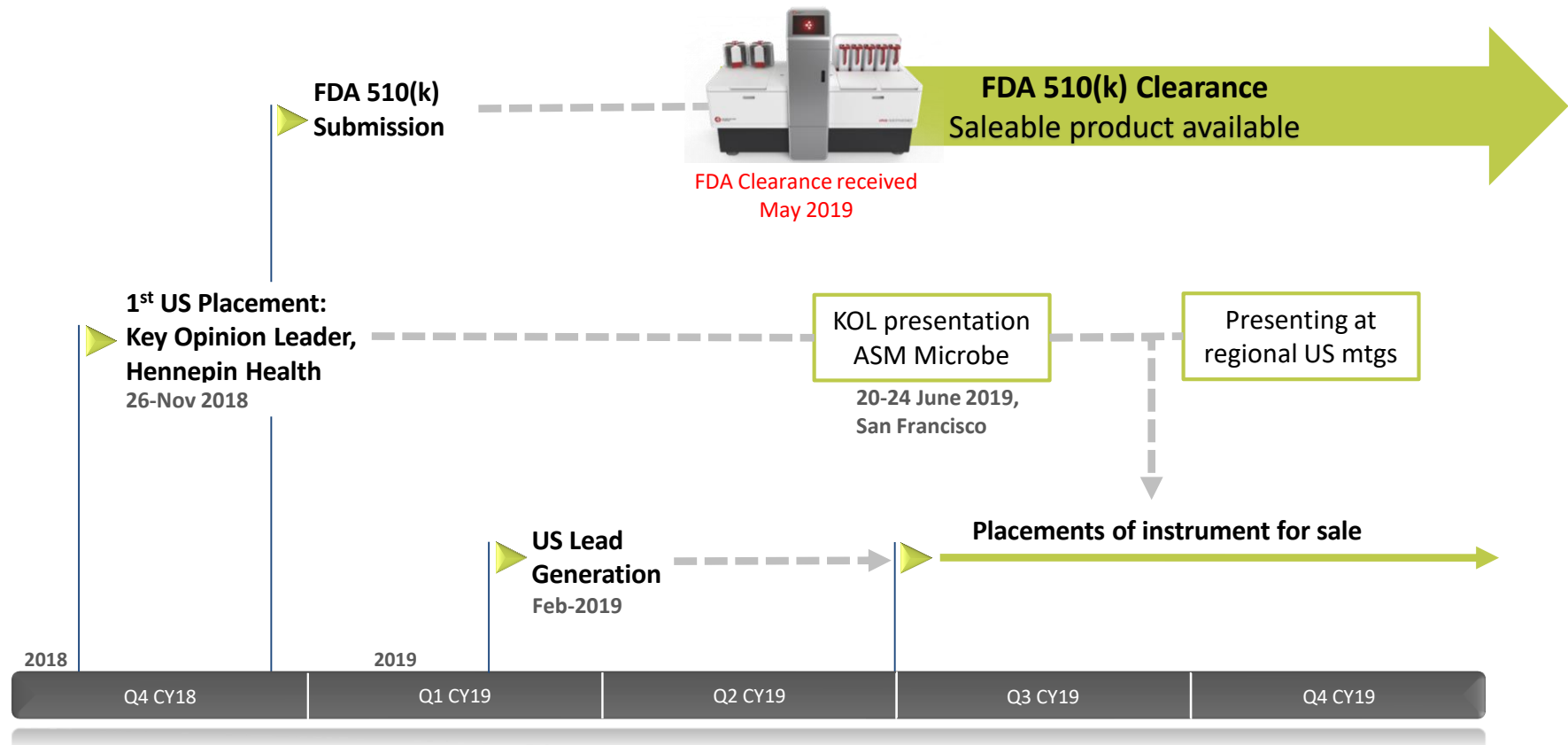
# 2019 unlocking global markets

Instrument now available for sale, with customer advocacy established



# US commercialisation pathway

APAS Independence cleared for sale in the United States



# EU commercialisation pathway

CE Mark achieved in September 2019 – cleared for sale in EU

Commercialisation underway to build sales pipeline

- Sales executive on the ground
- MRSA study completed by Labor Dr Wisplinghoff
- Data presented at ECCMID 2019
- Evaluation to procure underway

**Germany:**

1,090 laboratories, > 300 laboratories meeting APAS® target profile

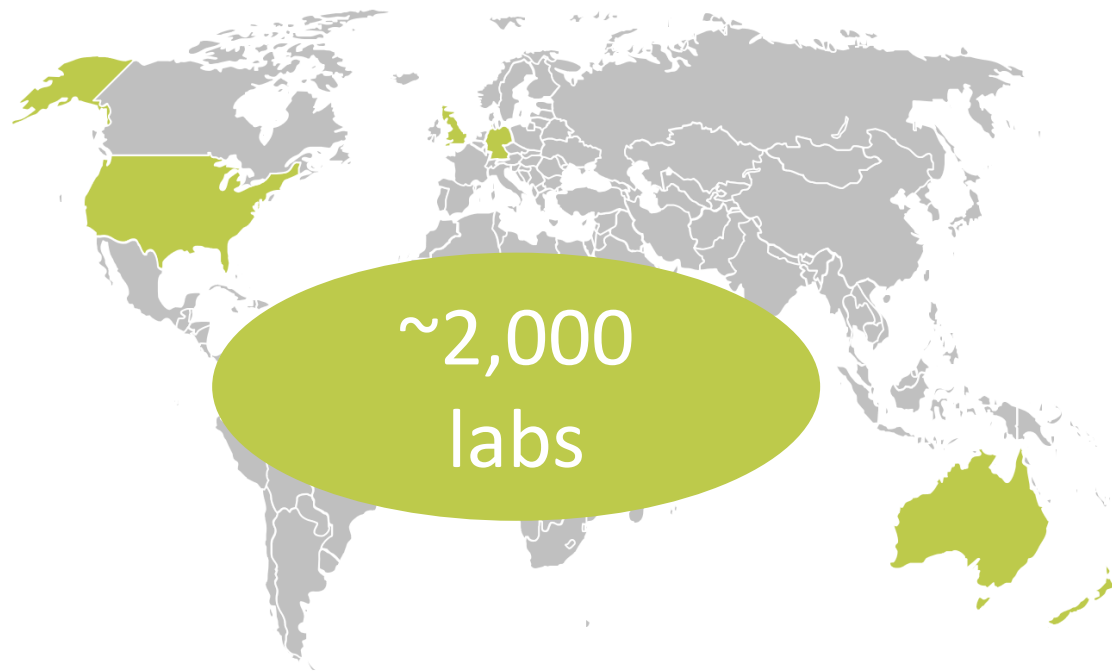
**4 contract laboratory providers cover 71 sites and > 50% of microbiology testing for the region**

## Introduction of artificial intelligence for high throughput culture-based MRSA screening

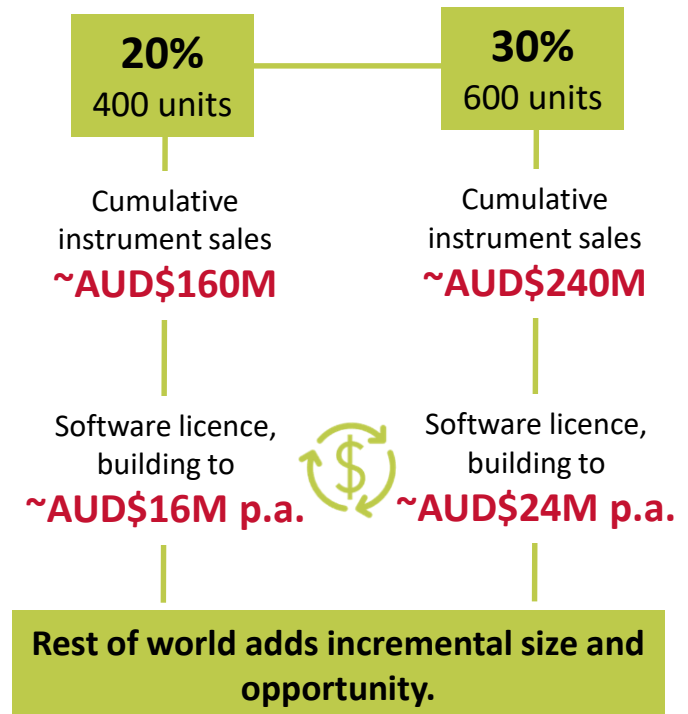


# LBT opportunity remains large

## Addressable market H2-19



## Penetration rate of 4 planned countries





# Corporate overview

## Key Statistics (Closing on 19 September 2019)

**Share Price** **\$0.11 per share**

12-month range \$0.059 - \$0.25

Number of shares 235.3 million

Options Issued 3.6 million

**Market Cap** **~\$25.9 million**

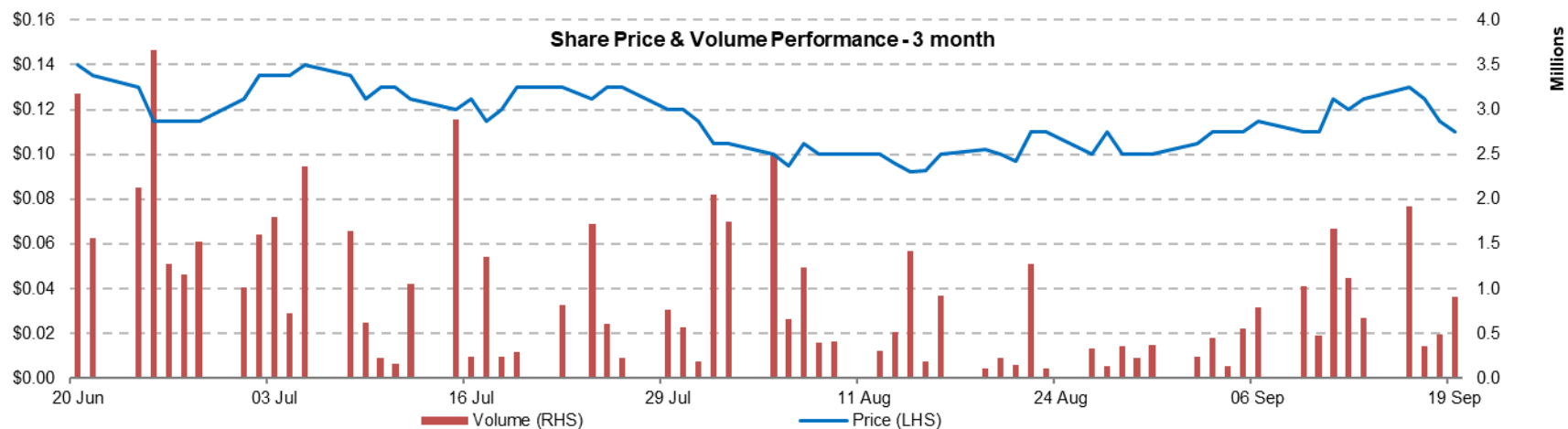
## Financials

**Current Cash** **\$10.2 million** (as at 30 June 2019)

SAFA Loan Facility \$4 million facility – \$2.5m drawn down  
Low interest rate, 5-year term

Enterprise value \$15.7 million

**Shareholders** **Insto (7%), Industry (7%), Dir + Mgmt (4%)**



# Investment Highlights

## Competitive positioning strong

- APAS® Independence is the only FDA cleared product using AI for automated clinical microbiology plate reading
- Clinically proven through 10,000 patient global clinical trial

## Commercial strategy

- Commercial launch in EU and US commenced in H2-19
- Available to sell in US, EU, AU

## Well funded

- Raised \$5m in Jun-19
- Available cash of \$10.2m as at 30 Jun 2019

## Large value proposition

- Size of the target market potential from the end of 2019 > 2,000 labs
- Attractive sales model with upfront payment and annual recurring fees





**LBT** INNOVATIONS

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