

MARKET UPDATE – EU COMMERCIAL ACTIVITIES

Expanding European market opportunity and 2021 Outlook

Adelaide, Australia, 15 December 2020: Australian medical technology company LBT Innovations Limited (ASX: LBT) (**LBT** or the **Company**), a leader in medical technology automation using artificial intelligence, is pleased to provide an update on its European sales and commercialisation activities through joint venture Company Clever Culture Systems.

Key Points

- **APAS® Independence sale to Labor Dr Gärtner – Installed and being monitored by wider Limbach Group**
- **APAS® Independence evaluation by The Doctors Laboratory, London – MRSA module successful**
- **Customer proposals delivered by Beckman Coulter – Germany, France and UK**
- **Beckman Coulter partnership progressing well**

Commercial Updates

Over the past 6 months, the Company has made positive progress advancing a number of EU commercial opportunities. In October 2020, the Company sold an APAS® Independence to Labor Dr Gärtner, based in Ravensburg, a technology leader within the Limbach Group of laboratories. The installation and training was completed smoothly despite the travel restrictions and importantly, performance of the instrument is now being closely monitored by the wider Limbach Group laboratories with additional sales opportunities expected to develop over time.

Health Services Laboratory in London, a joint venture with Sonic Healthcare (ASX: SHL), has completed their evaluation of the APAS® Independence with MRSA analysis module. The results were extremely positive and data from the evaluation is also being considered for publication.

Building the sales pipeline, customer proposals for the APAS® Independence have also been submitted with Beckman Coulter. The expansion into France, a new territory for the APAS® Independence, is underway, with a number of opportunities emerging. It is expected that the first customer evaluation in France will commence in the first quarter of calendar year 2021.

An evaluation version of the EU Urine analysis module has also been released for existing customers providing an expanded commercial opportunity for the APAS® Independence in Europe. This module is being trialled ahead of a formal release once CE Mark is achieved in 2021.

Beckman Coulter Partnership

The early market feedback from Beckman Coulter indicates that the addition of the APAS® Independence within Beckman Coulter's suite of microbiology automation solutions provides a strong value proposition for customers. This is important when competing with competitor's total laboratory automation solutions, where Beckman Coulter's combined product portfolio with APAS® Independence provides an end-to-end and cost-effective alternative to customers.

2021 Outlook

Supporting the Beckman Coulter partnership in Europe will be a key priority for the Company in 2021. There are growing numbers of qualified laboratories within the pipeline, and the Company will work with Beckman Coulter to progress these through evaluation to purchasing during 2021. The sales cycle remains long (12+ months), and these newer opportunities are expected to be realised moving into 2022 and beyond in an accelerated way.

Joint marketing initiatives planned for 2021, include webinar presentations, customer showcase events as well as a booth presence at the European Congress for Clinical Microbiology and Infectious Diseases, in Vienna, Austria in July 2021.

The roll out of the first vaccines for COVID-19 is expected to help improve access to customers as travel restrictions ease and active COVID-19 cases start to decline. It is believed that the longer-term impact of COVID-19 will be to drive laboratory automation to ensure laboratories have the flexibility to deal with challenges in the future.

From a technology perspective, the Company are planning the release of its European VRE and Urine analysis modules in 2021. LBT have also deployed an early version of its new APAS®-AMR analysis module to its German Key Opinion Leader, Labor Dr Wisplinghoff to support the development of the technology.

LBT CEO and Managing Director, Brent Barnes said:

“The progress made in the European market with Beckman Coulter over the last 6 months is extremely promising and the benefit of the partnership is clear. After completing the initial product training, our European Sales Executive is now working alongside the Beckman Coulter sales team to identify near term opportunities and progress account qualification. We have established an extremely strong platform for commercialisation growth moving into 2021.”

Approved for release by the Chair of the LBT Board.

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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. Beckman Coulter have also been appointed as Marketing Agent in Europe to assist in facilitating sales. The APAS® instrument 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.

CONTACTS

LBT Innovations	Investor Enquiries
Brent Barnes Chief Executive Officer & Managing Director Tel: +61 8 8227 1555 E: info@lbtinnovations.com	David Allen / John Granger Hawkesbury Partners Tel: +61 2 9103 9494 E: jgranger@hawkesburypartners.com