



Lumos Diagnostics Holdings Limited FY22 Investor Presentation

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www.lumosdiagnostics.com

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FY22 Summary



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Having come from a long career in the diagnostics industry, I joined Lumos with a deep understanding of the needs of the industry and of the Company's capabilities, strengths and technology base.

I foresee a tremendous opportunity for Lumos to build a robust and growing business.

Doug Ward
Chief Executive Officer
Lumos Diagnostics



US\$11.6 million total revenue in FY22 ▶ 38% decrease vs FY21



US\$9.4 million Commercial Services business unit revenue in FY22 ▶ 45% decrease vs FY21



Regulatory clearances for CoviDx™ and ViraDx™ granted in Canada



FebriDx® cleared for marketing in Brazil and United Arab Emirates



Improved cash management through ongoing cost reduction program and capital raise

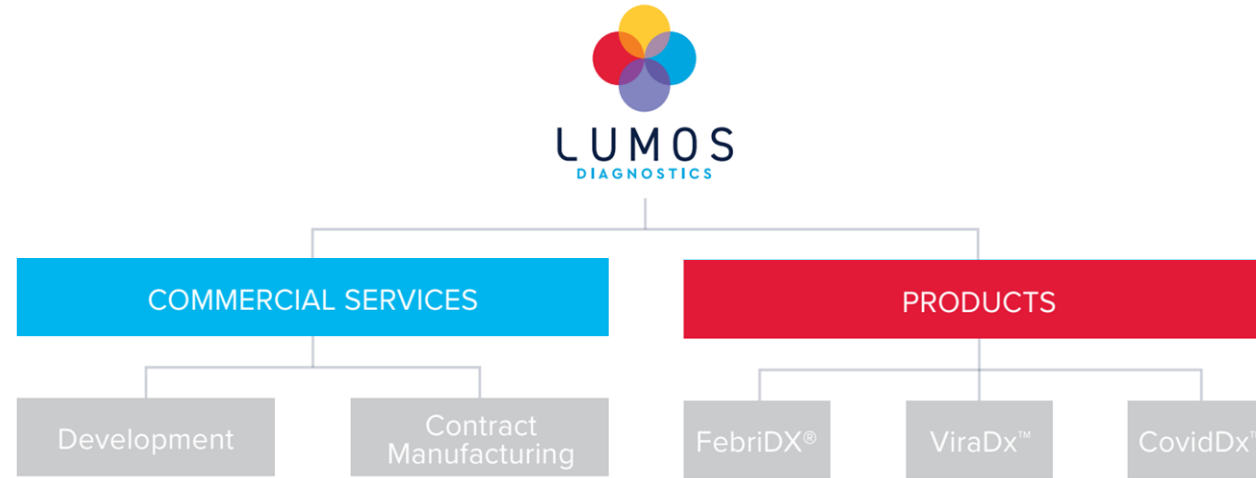


Experienced commercial diagnostics executive Doug Ward appointed as CEO

Company Overview

A decorative horizontal bar consisting of a series of small, colored squares in yellow, red, blue, and purple, positioned below the "Company Overview" text.

Lumos Value Streams



Desktop Readers

Disposable Readers

Lumos Leelu Reader



CoviDx™

FebriDx®

ViraDx™

Commercial Services - FY22 Operational Summary



CARLSBAD, CA USA

- Lumos commercial services revenue of US\$9.4 million (v US\$17.1 million FY21) - normalisation to pre-pandemic growth profile (US\$5.3 million in FY20).
- Provided development services on 11 active customer projects during FY22.
- Transition of development projects to manufacturing did not materialise as anticipated.
- Operational review and rationalisation to reflect market conditions.
- Secured initial contract with new customer Aptatek .
- Prioritised business-development activities for commercial services projects

Lumos-branded Product Business - FY22 Summary



FebriDx[®]

BACTERIAL VS VIRAL INFECTION

- Regulatory clearances for FebriDx in Brazil and UAE.
- FebriDx adopted as part of PharmacyFirst initiative in Liverpool.
- US health economic study published outlining for FebriDx.
- US marketing clearance not granted. appeal filed.

ViraDx[®]

3-IN-1 COVID-19/FLU A/FLU B TEST

- Validation and verification work for the 3-ViraDx test completed.
- U.S. FDA for Emergency Use Authorization (EUA) submitted.
- ViraDx granted Interim Order authorization by Health Canada

CoviDx[™]

SARS-COV-2 RAPID ANTIGEN TEST

- Interim Order (IO) authorization from Health Canada.
- Initial purchase orders for CoviDx in Canada to assist with outbreak of the omicron strain of SARS-CoV-2.

Financial Highlights

A decorative horizontal bar with a gradient of colors: yellow, orange, red, purple, blue, and green.

Financial Summary – FY22

All numbers in USD



Revenue

- Total revenue \$11.6m, down 38% from \$18.8m in FY21
- Services revenue \$9.4m, compared to \$17.1m in FY21
- Product revenue \$2.2m , compared to \$1.7m in FY21

Gross Profit

- Total gross profit \$4.5m, \$8.6m in FY21
- Overall gross profit margin at 38%,
- GP margin for contract R&D services was steady at 47%

Operating Expenses

- Underlying operating expenses \$22.7m (excluding D&A), versus \$19.2m in FY21
- Impairment, restructuring and reserves expense of \$24.1m booked in FY22 results
- Depreciation and amortization \$2.8m, versus \$0.4m in FY21

EBITDA & EBIT

- Underlying EBITDA loss \$18.2m versus loss of \$10.6m in FY21
- Reported EBIT loss for the year of \$45.1m versus \$10.8m in FY21
- Finance costs \$0.6m versus \$4.2m in FY21

NPAT

- Net loss for the year, after income tax, was \$45.7m compared to \$15.0m in FY21

Income Statement

All numbers in USD



	FY2022 \$'000	FY2021 \$'000
Revenue	11,630	18,854
Cost of sales	(7,174)	(10,253)
Gross profit	4,456	8,601
Other income	17	191
Expenses		
Marketing and sales	(2,270)	(1,034)
General and administration	(11,906)	(9,768)
Research and development	(1,329)	(1,239)
Employee expenses	(10,024)	(7,562)
Impairment of plant and equipment	(3,801)	-
Impairment of intangibles	(12,562)	-
Impairment of inventory	(3,267)	-
Impairment of financial assets	(203)	-
Doubtful debts	(2,545)	-
Restructuring expenses	(1,680)	-
Finance costs	(610)	(4,219)
Loss before income tax expense	(45,724)	(15,030)
Income tax expense	-	-
Loss after income tax expense	(45,724)	(15,030)

- Revenue \$11.6m, down 38% on FY21
- Services revenue \$9.4m - down from FY21 high of COVID driven projects (77% higher than FY20 revenue of \$5.3m)
- Product revenue \$2.2m - CoviDx and FebriDx
- Underlying operating expenses \$22.7m, up 18% on \$19.2m in FY21
- Marketing and sales investment in capability and pre-launch activities
- General & administration - \$2.4m of the increase due to D&A (additional facilities, PP&E) – excluding this G&A was \$9.1m v's \$9.4m in FY21
- G&A costs also impacted by expenses related to being an ASX listed public company that were not incurred in FY21
- Employee expenses increase from building capability, and excess capacity
- Total impairment, restructuring and reserves expense of \$24.1m - details on next page
- Reduction in finance costs with FY21 containing the pre-IPO convertible notes

Restructure and Rationalization

All numbers in USD



- Commenced a right-sizing and rationalization program to reduce costs and monthly cash usage
- Headcount reduced from around 135 to 54
- Consolidate operations in Carlsbad, CA and close the Sarasota, FL facility
- A number of one-off, impairment charges and reserves have been made, totaling \$24.1m:
 - \$3.8m - Impairment of Plant & Equipment – mainly relates to closing the Sarasota facility
 - \$12.6m - Impairment of Intangibles (full details in the Annual Report)
 - \$1.0m Goodwill – related to initial acquisition of RPS
 - \$1.3m Development Capitalized – some assay and reader costs
 - \$10.3m Intellectual Property – mainly relates to FebriDx, from acquisition of RPS
 - \$3.3m Impairment of Inventory – CoviDx and FebriDx
 - \$0.2m Impairment of Financial Assets – shares in old RPS holding company
 - \$2.5m Doubtful Debts – primarily two customers
 - \$1.7m Restructuring Expenses – restructuring , severance, site rationalization and lease exits

Balance Sheet

All numbers in USD



	June 2022 \$'000	June 2021 \$'000
Current assets		
Cash and cash equivalents	7,978	44,890
Trade and other receivables	1,890	4,255
Inventories	2,526	4,439
Prepayments and other assets	1,048	3,475
Total current assets	13,442	57,059
Non-current assets		
Financial assets	-	203
Plant and equipment	3,495	6,223
Right-of-use assets	7,476	8,657
Intangibles	12,527	25,848
Total non-current assets	23,498	40,931
Total assets	36,940	97,990
Current liabilities		
Trade and other payables	4,115	24,119
Lease liabilities	968	765
Employee benefits	1,087	1,975
Contract liabilities	6,659	5,653
Total current liabilities	12,829	32,512
Non-current liabilities		
Lease liabilities	6,226	7,197
Total non-current liabilities	6,226	7,197
Total liabilities	19,055	39,709
Net assets	17,885	58,281
Equity		
Issued capital	92,139	84,222
Reserves	280	2,869
Accumulated losses	(74,534)	(28,810)
Total equity	17,885	58,281

- Cash and cash equivalents at 30 June of US\$8.0m
- Receivables \$1.9m, net of \$2.2m provision for doubtful debts
- Inventory raw material and finished goods for FebriDx, ViraDx, CoviDx
- Prepayments reduction as costs for insurance, sub-contractor payments and other expenses are released
- Plant & Equipment reduction - impairment related to closing Sarasota facility
- Intangibles \$12.5m mostly relates to investments in reader platform and intellectual property (FebriDx, capitalized R&D, patents..etc)
- Accounts payable includes trade creditors, accrued expenses, and restructuring expenses
- Employee benefits reduction due to lower headcount
- Contract liabilities are deposits and pre-payments made by customers, which will unwind as the products and services are delivered
- Reduction in reserves related to FCTR (AUD/USD movement)

Cash Flow

All numbers in USD



	FY2022 \$'000	FY2021 \$'000
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	12,456	20,726
Payments to suppliers (inclusive of GST)	(30,337)	(31,562)
Proceeds from government grant	15	187
	(17,866)	(10,649)
Interest received	2	4
Interest and other finance costs paid	(172)	(244)
Net cash used in operating activities	(18,036)	(10,889)
Cash flows from investing activities		
Payments for plant and equipment	(2,523)	(5,883)
Payments for clinical trials and development	(1,832)	(2,449)
Net cash used in investing activities	(4,355)	(8,332)
Cash flows from financing activities		
Proceeds from issue of convertible notes	-	17,210
Net of cost proceeds from issue of shares	7,870	29,311
Proceeds from sell-down of shares	(17,583)	17,583
Repayment of lease liabilities	(1,206)	(835)
Net cash from/(used in) financing activities	(10,919)	63,269
Net increase/(decrease) in cash and cash equivalents	(33,310)	44,048
Cash and cash equivalents at the beginning of the financial year	44,890	847
Effects of exchange rate changes on cash and cash equivalents	(3,602)	(5)
Cash and cash equivalents at the end of the financial year	7,978	44,890

- Opening cash \$27.3m – excluding the proceeds from sell down shares
- Operating cash outflow \$18.0m, equivalent to \$1.5m per month
- Payments for PP&E reduced as facility build outs completed
- Payments for clinical trials and development reduced as limited new work required on existing reader and product portfolio
- Proceeds of capital raise completed in June, and exercise of options during the year, \$7.9m
- Total cash burn for the year (operating & investing activities, plus lease payments) was \$23.6m, approx. \$2.0m per month
- FX movement had a material impact on cash during the year, \$3.6m reduction
- Closing cash \$8.0m

Outlook



Promising Outlook

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I believe we are entering the new financial year in a stronger position, as a much more focused and streamlined company.

There is little doubt in my mind that POC diagnostic tests are going to become an ever-increasing part of our lives.

With its unique capabilities, technology and products, Lumos has an important and valuable role to play in that future, and I look forward to ensuring it is fulfilled.

Doug Ward
Chief Executive Officer
Lumos Diagnostics



Growth through focus on strategic services partnerships



Continue to minimise burn and improve cash position



Rationalize business to Carlsbad, CA, USA



Optimise manufacturing operations in Carlsbad, CA, USA



FebriDx FDA appeal and regulatory strategy



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