



ASX Announcement

25 October 2022

Quarterly Activity Report Q1 FY23

Highlights

- **Cash receipts:** cash receipts from customers for Q1 FY23 of \$1.4m, with \$892k in receipts from HIV rapid test sales and a further \$472k from COVID-19¹ rapid antigen test sales
- **Revenue:** revenue (unaudited) of \$877k for Q1 FY23, comprising \$400k from HIV Self-Test sales, \$388k from COVID-19 rapid test sales and \$89k from OEM sales
- **HIV business:** 100k tests sold during the quarter, with registration of the test in new countries ongoing and momentum building
- **COVID-19¹ business:** COVID-19 rapid antigen test demand picked up early in the quarter but moderated over the period
- **OEM:** Resumption post pandemic of NG Biotech marketing their hCG rapid pregnancy test in Europe and product registration in Brazil, with an initial order during the quarter and a further larger order subsequent to quarter end, bringing the total orders to date in FY23 of 146k units
- Atomo finished the quarter remaining debt-free and with **cash on hand** of \$11.25m

SYDNEY Australia, 25 October 2022 – Atomo Diagnostics Limited (ASX: AT1) (**Atomo**) is pleased to release its Appendix 4C and quarterly activity report for the three-months ended 30 September 2022 (Q1 FY23).

HIV Tests

Atomo continues to focus on growing its global HIV business with channel partner interest established for product registration in the US. The company also continues to see increasing

¹ COVID-19 rapid testing detects SARS-COV-2, the virus that causes COVID-19



sales locally in Australia as sales channels via pharmacies, clinics and other not-for-profits expand and overall awareness in the community of the Atomo product improves.

The company has also commenced discussions with potential distribution partners seeking access to the Atomo Professional Use HIV test and expects to finalise distributors for the UK and Europe in the coming months and distributors to be introduced for the Middle East and key Asian markets during FY23.

COVID-19 Rapid Antigen Tests

The public health position in Australia continues to move away from treating COVID-19 as a public health emergency, as evidenced by the changing position on compulsory quarantine for positive cases. It is unclear how demand for professional or self-testing will evolve from here however Atomo continues to see some sales during the quarter and intends to secure registration of an Atomo version of the All Test COVID-19 rapid antigen self-test to have a product ready and available should the pandemic continue to evolve and strong demand for rapid testing return.

OEM

NG Biotech resumed ordering Pascal devices during the period as they refocus on their hCG rapid blood-based pregnancy test in Europe and progress new registrations in key markets, the most recent being Brazil. A further order was received after quarter end, bringing the total units ordered so far in FY23 to 146k. Indications are for a step up in demand as NG launches a broader sales and marketing campaign and pushes into new markets. Atomo is working closely with NG to determine how best to bring this product to the US market where rapid pregnancy testing annually exceeds US\$1.3bn in value, with a CAGR in the range of 4-5%².

Partnership Activity

The company is encouraged by opportunities for its products and platforms and has executed of a number of non-binding MOUs with potential partners during the period. These initiatives support Atomo's growth strategy in areas such as low-cost high volume test strip

² <https://www.futuremarketinsights.com/reports/fertility-and-pregnancy-rapid-tests-market>



manufacturing, US go-to-market channels and next generation point of care technology beyond lateral flow.

Platform development

The ongoing development of the Atomo swab device, which is intended to be used to improve performance of swab based rapid tests continues, with initial bench testing results showing encouraging improvements in both workflow and line intensity. The company is now performing clinical diagnostic testing to establish comprehensive data that will support product verification as well as assisting Atomo in securing commercial partners to use the device for their approved tests in market.

Atomo is undertaking proof of concept activities for devices that deliver saliva-based testing and the convenient at home sample collection for tests that require samples to be sent to laboratories for testing.

Atomo has completed the development of an app to support the use of its products, including the ability to detect results automatically and accurately as well as further improving user experience in home settings. Atomo now intends to validate and, where required seek regulatory approval for the app to be released in support of specific products.

Financials

Total cash receipts from customers for Q1 FY23 of \$1.4m, with \$892k in receipts from HIV rapid test sales and a further \$472k from COVID-19 rapid antigen test sales.

Total revenue (unaudited) of \$877k for Q1 FY23, comprising \$388k from COVID-19 rapid test sales, \$400k from HIV Self-Test sales and \$89k from OEM sales.

Atomo remains debt free and with \$11.25m in cash on hand as it continues to manage its cash prudently with an emphasis on targeted investment in critical product and device development, and supporting business development activities, while maintaining a robust balance sheet position.



In accordance with ASX Listing Rule 4.7B, Atomo advises that an amount of \$285k was paid during the quarter to Atomo Directors in salary and director's fees.

Key Priorities

Atomo's key priorities for the remainder of FY23 include:

- Continuing to grow the HIV business including launch of the HIV Professional Use product through new distributors
- Expansion of OEM business to include new platform customers
- Investing in the ongoing development and commercialisation of new rapid test and sample collection platforms that expand Atomo's total addressable market
- Securing a US go-to-market channel partner

For more information, please contact:

John Kelly

Atomo Diagnostics

john.kelly@atomodiagnostics.com

Phone: +61 401 922 279

This announcement was authorised by the Board of Directors.

About Atomo

Atomo is an Australian medical device company supplying unique, integrated rapid diagnostic test (RDT) devices to the global diagnostic market. Atomo's patented devices simplify testing procedures and enhance usability for professional users and untrained self-testers. The Company has supply agreements in place for tests targeting infectious diseases including COVID-19, HIV, viral vs bacterial differentiation and female health.

See more at www.atomodiagnostics.com.

Forward looking statements

This announcement may contain forward looking statements which may be identified by words such as "believes", "considers", "could", "estimates", "expects", "intends", "may", and other similar words that involve risks and uncertainties. Such statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are



beyond the control of Atomo or its Directors and management, and could cause Atomo's actual results and circumstances to differ materially from the results and circumstances expressed or anticipated in these statements. The Directors cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements