ASX Announcement
19 October 2023

Q1 FY24 QUARTERLY ACTIVITIES REPORT & APPENDIX 4C

Strong personal testing growth & therapeutic program advancement

Microba Life Sciences Limited (ASX: MAP) ("Microba" or the "Company"), a precision microbiome Company, is pleased to provide a summary of its activities for the quarter ended 30 September 2023.

Key Highlights

- **62% and 72% yoy revenue growth for domestic and international Personal Testing respectively**
- **Continued growth in uptake of Microba's next generation healthcare test, MetaXplore™, in Australia with 33% growth in tests sold between June and September, and 56% growth on previous quarter in registered healthcare professional accounts**
- **Microba's advanced infectious disease testing technology MetaPanel™ progressing towards launch in Australia with Sonic Healthcare (ASX: SHL), targeting first test delivery before the end of Q2 FY24**
- **New agreement executed with SYNLAB to deliver Microba's testing into Norway, Serbia and additional European countries**
- **IBD Program – All patients successfully dosed in MAP 315 Phase I clinical trial. Positive MOA data generated**
- **IO Program – Second animal model and immunological data confirms anti-tumour activity**
- **AI Program – Transfer of Microba strains to Ginkgo Bioworks completed and primary screening >50% complete**
- **Q1 FY24 unaudited revenue totalled $1.08m, up 16.3% pcp with Personal Testing up 65.5% to $0.81m and Research Testing down 39.4% to $0.26m**
- **Q1 FY24 cash receipts totalling $1.78m, down 0.9% on pcp, with pcp including a large one-off cash receipt**
- **$26m in cash or equivalents at 30 September 2023, not including expected $6m FY23 R&D Tax Incentive.**

Commenting on the quarter, Microba's CEO, Dr Luke Reid, said:

"MetaXplore continues to gain traction in Australia setting the foundations for international launch with our distribution partner network. International revenues continue to grow as our existing distribution partners progress in market, and new partners are operationalised. It was a positive quarter of growth aligned to strategy and we are excited about the upcoming launch of our world-first advanced infectious disease test MetaPanel together with major partner Sonic Healthcare."

"For Microba's therapeutics, the Phase I clinical trial for our Inflammatory Bowel Disease program with lead candidate MAP 315, progresses on track to complete in December. Positive data has been generated supporting a multi-modal and clinically valuable mechanism of action (MOA) for MAP 315 which adds to our growing data package around the asset. Further anti-tumour activity has been generated for our Immuno-Oncology program leads which corroborated our first results, and demonstrated activity consistent with induction of a targeted immune response supporting continued advancement of this program towards clinical development."

Microba Life Sciences Ltd ABN 82 617 096 652
Level 10, 324 Queen Street, Brisbane QLD 4000 Australia
T: 1300 974 621 **E:** investor@microba.com **W:** microba.com

Continued growth in the uptake of MetaXplore™ healthcare test with Australian healthcare professionals

Following the momentum from Microba's launch of the new MetaXplore™ test range last quarter, we saw strong growth in Q1:

- 33% growth in MetaXplore™ tests sold (June 23 vs September 23)
- 56% growth on previous quarter in registered healthcare professional accounts

A core component of Microba's Personal Testing growth strategy is to leverage the Company's world-leading technology and capability to advance the clinical application of microbiome testing to become embedded as a routine part of health and disease management. The MetaXplore™ test range was developed together with healthcare professionals and is expected to represent a large addressable market for Microba with >30% of the population suffering from a disorder of gut-brain interaction (DGBI) related to the bowel[1], and >20% of the population estimated to suffer from a chronic health issue which may be influenced by their gut microbiome[2]. The MetaXplore™ test range through the Co-Biome™ brand can be accessed in Australia via a healthcare professional, and in FY24 is expected to be rolled out through Microba's international healthcare distribution partner network.

Progressing to launch Microba's advanced infectious disease test MetaPanel™ with Sonic Healthcare

In July 2023 the first distribution agreement with Sonic Healthcare was signed to deliver Microba's advanced infectious disease testing technology MetaPanel™ Australia-wide through the Sonic Healthcare Australia Pathology network. Across the last quarter Microba and Sonic have built technology integrations, logistics workflows and executed clinical test validation procedures together in preparation to make the MetaPanel™ test clinically available to healthcare professionals. Further information will be shared on this product and the commercial opportunity over the coming quarters aligned to the launch of this product. First test delivery is expected to occur in Q2 FY24, followed by a full market launch in Q3 FY24.

MetaPanel™ is an advanced accredited metagenomic diagnostic test which has been designed to identify a comprehensive panel of pathogenic microorganisms and genes to advance the standard of care in gastrointestinal infectious disease pathology. It is expected that this could represent a significant commercial opportunity for the Company with an estimated initial target market of over 16 million patients[3] globally which are high-risk and susceptible to gastrointestinal infection, and receive routine testing for pathogens. Microba continues to work actively with Sonic Healthcare to progress distribution arrangements across their major markets to deliver MetaPanel™ domestically and internationally.

Advancement in international distribution and revenue growth

Aligned to Microba's Personal Testing growth strategy, international expansion with the Company's leading bench of medical diagnostic and healthcare partners continues. In Q1 FY24 an agreement was executed and operationalised with SYNLAB to establish a distribution hub to enable distribution into various European countries with demand for Microba's testing, including Norway and Serbia, with first sales already achieved.

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[1] Estimated based on the prevalence of specific Disorders of the Gut-Brain Interaction across 26 countries (Av prevalence of 32.8% DOI: 10.1111/nmo.14594), and the proportion regularly seeking medical support with one or more doctor visit per month (Average 15.4% - DOI: 10.1053/j.gastro.2020.04.014).

[2] Estimated based on current literature on the understanding of the role of the microbiome in chronic disease (Vijay, Amrita, and Ana M. Valdes. (2022): 489-501. DOI: 10.1038/s41430-021-00991-6) and burden of these chronic diseases (Australian Bureau of Statistics (2020-21), *Health Conditions Prevalence*, ABS Website, accessed 20 March 2023.).

[3] *Estimated based on the global number of immuno-compromised patients and other patients at high risk for gastrointestinal infection (>8.1m global and >68k Australian chemotherapy treated solid tumour cancer patients, and >1.1m global and >8k Australian haematological cancer patients DOI:https://doi.org/10.1016/S1470-2045(19)30163-9 & https://www.aihw.gov.au/reports/cancer/cancer-in-australia-2021/summary), (>3m global and 12k Australian dialysis patients DOI: 10.1038/s41581-022-00542-7 & https://www.anzdata.org.au/wp-content/uploads/2019/09/c04_haemodialysis_2018_ar2019_v2.0_2020619.pdf & https://www.anzdata.org.au/wp-content/uploads/2021/09/c05_peritoneal_2020_ar_2021_Chapter_v1.0_20220530_Final.pdf), (>140k global and >1k Australian Organ Transplant patients per year https://www.transplant-observatory.org/ & https://www.health.gov.au/topics/organ-and-tissue-donation/organ-and-tissue-donation-in-australia), (>3.5m global and >25k long stay ICU patients – estimate based on data from https://ourworldindata.org/grapher/intensive-care-beds-per-100000 and other sources).*

Overall, execution of Microba's Testing Services' international growth strategy saw international Personal Testing revenue up 72% pcp, driven by an expanding distribution partner network. We expect this growth to continue as we advance our international partnerships and operationalise the Sonic Healthcare network across FY24.

Together, Sonic Healthcare, SYNLAB, Genova Diagnostics and G42 Healthcare provide Microba with strong access into major global healthcare markets across the globe:

- Sonic Healthcare > UK, Germany, Switzerland, Belgium, Australia, NZ & US
- SYNLAB > Broader Europe & LATAM
- Genova Diagnostics > US
- G42 Healthcare > Middle East (GCC Region)

With access to 35 countries through this network and active operations now in 16 countries, the Company has an excellent foundation for growth. The team is executing diligently to progressively move partners through Microba's partner success program to contract, operationalise, activate sales and marketing, and support the growth of these partners to provide Microba-powered testing to their customers. The below table summarises the current stage of Microba's distribution partners.

Stage	**Countries & Partners**
Planning & Contracting	18 countries (Including Sonic Healthcare companies)
Operationalisation	United States (LUM), Australia (SHL), Brazil (SYAB)
Sales & Marketing Activation	United Arab Emirates (G42), Portugal (SYAB), Czech Republic (SYAB), Türkiye (SYAB), Poland (SYAB), Croatia (SYAB), Hungary (SYAB), United States (GEN), Norway (SYAB), Serbia (SYAB)
Execution & Growth	Australia (MAP), Australia (MG), New Zealand (MG), Spain (SYAB), Italy (SYAB), Romania (SYAB)

SHL = Sonic Healthcare, SYAB = SYNLAB affiliate organisation, G42 = G42 Healthcare, GEN = Genova, LUM = Luminary Health Centers, MH = Midnight Health, MG = Metagenics, MAP = Microba

Inflammatory Bowel Disease Program – All patients successfully dosed in MAP 315 Phase I clinical trial, and positive MOA data generated.

Across Q1 FY24, dosing of all patients and all patient visits were successfully completed from Microba's Phase I clinical trial of lead candidate MAP 315. Preliminary blinded data indicates that MAP 315 is well tolerated with both low and high dose cohorts. The trial continues to progress to schedule and to results being available in December.

Additional data has been generated across the quarter supporting a multi-modal mechanism of action for MAP 315. This includes demonstration of secreted bioactive compounds which enhances epithelial cell migration and maintenance of tight junctions. Further, MAP 315 has been shown to suppress pro-inflammatory responses and stimulate a key anti-inflammatory cytokine in human peripheral blood mononuclear cell studies.

MAP 315 is being developed for the treatment of Ulcerative Colitis (UC), a debilitating form of Inflammatory Bowel Disease (IBD) with >50% of patients unable to achieve sustained remission with current standard of care. The market for UC treatment was valued at US$7.5b in 2020 and is forecast to grow to US$10.8b by 2030[4].

The Phase I trial is a randomised, double-blind, placebo-controlled study to evaluate the safety, tolerability and pharmacokinetics of MAP 315 in healthy adults. The trial involves 32 healthy participants and is being conducted by Nucleus Network, utilising their world-class clinical trial facilities in Melbourne.

IBD is a term for conditions that cause prolonged inflammation of the digestive tract and now affects more than 7 million people globally, with this number increasing each year[5]. UC is one of the two major forms of IBD which results in

[4] https://www.nature.com/articles/d41573-021-00194-5 , https://www.alliedmarketresearch.com/ulcerative-colitis-market
[5] https://www.thelancet.com/journals/langas/article/PIIS2468-1253(19)30333-4/fulltext.

inflammation and ulcers (sores) in the digestive tract, causing a debilitating chronic condition. Patients are currently treated with anti-inflammatory and immunomodulatory medication to dampen the disease and control symptoms, often with significant side effects. These available treatment options commonly fail, with more than 50% of patients unable to achieve sustained remission[6], which sees them experiencing regular episodes of inflammation, diarrhoea, bleeding and abdominal pain[7]. As many as 25% of patients require hospitalisation[8].

Microba's novel drug candidate MAP 315 was originally identified using the Company's data-driven Therapeutic Platform, demonstrating that this previously unidentified novel bacterial species is commonly observed in healthy individuals but consistently deficient in individuals with IBD, and in particular UC. Subsequent pre-clinical investigation of MAP 315 through both *in vitro* and *in vivo* models demonstrated that MAP 315 promotes epithelial restitution and mucosal healing – biological activities that are associated with disease remission but not adequately addressed through existing therapy. MAP 315 provides a compelling commercial opportunity to fill a key gap in the current standard of care for UC treatment and represents a potential novel treatment paradigm for patients living with this debilitating disease.

To date, 10 of the top 20 major pharmaceutical companies have invested in microbiome drug development programs. There is increasing attention on the sector with the recent FDA approval of Rebyota, the first ever FDA approved fecal microbiota product from Ferring Pharmaceuticals in November 2022, and FDA approval of Vowst the first oral microbiome therapeutic for Seres Therapeutics (NASDAQ: MRCB) which occurred in April 2023.

Immuno-Oncology Program – Second animal model and immunological data demonstrates anti-tumour activity

During the quarter, Microba's Immuno-Oncology Program completed multiple immunological experiments for its therapeutic leads, confirming their anti-tumour activity.

Microba's first animal model study which completed in Q3 FY23, assessed Microba's therapeutic leads in a refractory mouse model of melanoma, demonstrating a significant reduction in tumour volume for mice treated with an Immune Checkpoint Inhibitor (ICI) together with Microba's therapeutic leads, when compared to control mice that received ICI therapy alone. These first results supported an accelerated program of work elucidating the mechanism of action to enable lead selection and a clinical study in patients.

In Q1 FY24, in a second experiment using an ICI responsive colon adenocarcinoma MC38 syngeneic mouse model, it was demonstrated again that Microba's therapeutic leads are able to significantly reduce tumour burden compared to ICI alone or controls. Further, immunological studies from the first model in the B16-F10 mouse tumour model demonstrated activity consistent with induction of a specific and targeted immune response including:

- Changes in cytokine and chemokine profiles consistent with anti-tumour activity; and
- Identification of significantly enhanced immune cell infiltration by immunohistochemistry in microbiome and ICI treated animals compared to ICI alone

Additional animal studies and immune profiling experiments are continuing with further data expected in Q2 FY24.

This program is targeting the development of a therapeutic to improve response rates in cancer patients receiving ICI therapy. Global ICI sales continue to grow, with Merck announcing sales of the market-leading drug Keytruda of US$20.9b for calendar year 2022[9].

While there have been considerable advances in the treatment options for melanoma, improvement of overall response rates and survival remain meaningful areas of opportunity. Furthermore, ICIs are used in a range of cancers beyond melanoma including lung, head and neck, breast, colon, cervical, and other types of cancer. With the ICI market being valued at over US$30b with a >15% CAGR[10], a microbiome-based adjuvant therapy that increases response to these drugs

[6] https://www.crohnscolitisfoundation.org/sites/default/files/2019-02/Updated%20IBD%20Factbook.pdf.
[7] Scribano, M.L. Adverse events of IBD therapies. Inflamm Bowel Dis. (2008). https://doi.org/10.1002/ibd.20702.
[8] Pola, S. et al. Strategies for the care of adults hospitalized for active ulcerative colitis. Clin Gastroenterol Hepatol. (2012). https://doi.org/10.1016/j.cgh.2012.07.006.
[9] https://www.merck.com/news/merck-announces-fourth-quarter-and-full-year-2022-financial-results/.
[10] https://au.finance.yahoo.com/news/immune-checkpoint-inhibitors-market-predicted-090000312.html.

has the potential to become standard of care across a range of cancers, and therefore represents a substantial commercial opportunity for Microba.

There is an increasing body of literature supporting a key role for the microbiome in cancer[11]. Cancer immunotherapy, and more specifically ICIs have become standard of care for a range of tumour types. However, despite their impact on cancer treatment, up to 70% of patients do not respond to these drugs[12,13] leaving a large, underserved patient population. Differences in the microbiomes of responders and non-responders to ICI treatment have been observed in international studies, and treatment of the microbiome using fecal microbiome transplants has demonstrated the ability to turn ICI non-responders into responders[14,15]. This presents an important opportunity for Microba to leverage its proprietary Therapeutics Platform to identify the key components of the microbiome which drive that effect and develop an effective adjuvant therapy to improve ICI response. In addition to the potential large commercial opportunity for this program, these results provide another validation of Microba's unique ability to discover therapeutically active biology from the human microbiome through the Company's platform.

Autoimmune Disease Program – Discovery program progressing on schedule

The autoimmune disease discovery program with partner Ginkgo Bioworks (NYSE: DNA) continues to progress on schedule. Microba have transferred all target strains for screening and Stage 1 activity screens are now more than 50% complete. From the data available to date, the assays developed for screening have demonstrated required specificity and sensitivity to enable down-selection of therapeutic leads. It is expected that Stage 1 activity screening will be completed and data available by the end of Q2 FY24. In preparation for Stage 2 activity screening, significant progress has been made with Ginkgo Bioworks to finalise the screening assays that will support final lead selection.

Overall, this two-year program is tracking positively to deeply characterise a large number of bacteria from Microba's biobank which were identified using the Company's data driven approach, to deliver therapeutic leads for multiple autoimmune diseases which represents a significant commercial opportunity for the Company. The combination of Microba's unique ability to identify and isolate human gut bacteria associated with health together with the high-throughput microbial screening capabilities of Ginkgo Bioworks has created a powerful drug discovery workflow. In Q3 FY23, first results across multiple *in vitro* assays were delivered identifying leads with anti-inflammatory activity, effects on gene transcription associated with immune modulation, and other biological mechanisms of relevance to autoimmune and other chronic diseases.

Microba's Autoimmune Disease program was established in partnership with Ginkgo Bioworks (NYSE: DNA) in FY22 following their strategic investment into Microba's IPO, and embodies a 2-year discovery program principally targeting three autoimmune disorders (lupus, psoriatic arthritis and autoimmune liver diseases).

Autoimmune diseases are a family of more than 80 chronic and often life-threatening illnesses, which occur when the body's own immune system attacks the body's healthy cells, tissues and organs. Autoimmune conditions now impact around 5% of the population and their prevalence is rising[16]. In recent years, several studies have highlighted the role of the microbiome in the pathogenesis of autoimmune diseases[17]. The global market for autoimmune disease treatments was estimated to be US$53.2b in 2019 and forecast to grow to US$90.7b by 2024[18]. This program has the potential to generate multiple therapeutic assets for major unmet needs in the management of autoimmune diseases.

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[11] Sepich-Poore e al. (2021). *The microbiome and human cancer.* DOI: 10.1126/science.abc4552.
[12] Leonardi et al. (2020). *International Journal of Oncology*. DOI: 10.3892/ijo.2020.5088.
[13] Wolchok et al. (2017). *New England Journal of Medicine*. DOI: 10.1056/NEJMoa1709684.
[14] Baruch et al. (2020). *Science*. DOI: 10.1126/science.abb5920.
[15] Davar et al. (2021). *Science*. DOI: 10.1126/science.abf3363.
[16] Fugger, L.et al. Challenges, Progress, and Prospects of Developing Therapies to Treat Autoimmune Diseases. Cell. (2020). https://doi.org/10.1016/j.cell.2020.03.007https://doi.org/10.1016/j.cell.2020.03.007.
[17] De Luca, F. and Shoenfeld, Y. The microbiome in autoimmune diseases. Clin Exp Immunol. (2019). https://doi.org/10.1111/cei.13158.
[18] BCC Research. Autoimmune Disorder Therapies: Global Markets (2020).

Financial Update

Unaudited revenue for the September 2023 quarter totalled $1.08m, representing 16.3% growth on pcp with Personal Testing up 65.5% to $0.81m and Research Services down 39.4% to $0.26m. Cash receipts for the September 2023 quarter totalled $1.78m, down 0.9% on pcp, this decrease is predominantly due to a large one-off Research Services contract payment of $428k which was received in Q1 FY23.

As at 30 September 2023, Microba had $25.95m in cash or equivalents. During the quarter the Company invested $3.31m into the advancement of its data driven drug discovery programs (IBD, Immuno-oncology, and Autoimmune Disease). Microba remains in a strong position to execute its growth strategy including a robust runway to progress the Company's therapeutic programs to key milestones.

In accordance with Listing Rule 4.7C, payments made during the quarter to related parties and their associates included in item 6.1 of Appendix 4C was $107,000 and included Director fees.

Use of Funds

In section 7.4 of the Microba Life Sciences Prospectus, the Company provided a proposed use of funds statement for 24 months from listing. The table below shows the use of funds from IPO to the end of the most recent quarter ended 30 September 2023, the table does doesn't include the expected $6m FY23 R&D Tax Incentive refund, which will be offset the below line items.

Use of Funds	Q1 FY24	Prior Total	Total Expenditure	Prospectus
Global market penetration and sales growth	1,110	5,957	7,067	7,200
Data driven drug discovery	3,312	8,944	12,256	13,100
Platform technology advancement	783	1,256	2,039	2,500
Administrative and working capital	978	4,343	5,321	4,700
Costs of the offer	-	2,429	2,429	2,500
Total	**6,183**	**22,929**	**29,112**	**30,000**
Further capital – Sonic Healthcare (Nov 2022)	-	17,237		-

During Q1 FY24, overall expenditure remained in line with the estimated use of funds as set out in the Prospectus, noting that there has been an acceleration of the Company's activities, in particular the progression towards launch of Microba's advanced infectious disease test MetaPanel™ with Sonic Healthcare. This acceleration of activities has been enabled by the additional investment made by Sonic in November 2022.

ASX Announcement
19 October 2023

This announcement has been authorised for release by the Board.

For further information, please contact:

Dr Luke Reid
Chief Executive Officer
E: Luke.Reid@microba.com

Investor / Media Relations
E: investor@microba.com
W: https://ir.microba.com/
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About Microba Life Sciences Limited

Microba Life Sciences is a precision microbiome company driven to improve human health. With world-leading technology for measuring the human gut microbiome, Microba is driving the discovery and development of novel therapeutics for major chronic diseases and delivering gut microbiome testing services globally to researchers, clinicians, and consumers. Through partnerships with leading organisations, Microba is powering the discovery of new relationships between the microbiome, health and disease for the development of new health solutions.

For more information visit: www.microba.com

Microba encourages all current investors to go paperless by registering their details with the designated registry service provider, Automic Group, whose contact information is housed on the Investor Relations page of the Company's website.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity	
Microba Life Sciences Limited, and controlled entities	
ABN	**Quarter ended ("current quarter")**
82 617 096 652	30 September 2023

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (3 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	1,781	1,781
1.2	Payments for		
	(a) research and development	(2,961)	(2,961)
	(b) product manufacturing and operating costs	(734)	(734)
	(c) advertising and marketing	(388)	(388)
	(d) leased assets	(156)	(156)
	(e) staff costs	(2,540)	(2,540)
	(f) administration and corporate costs	(491)	(491)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	223	223
1.5	Interest and other costs of finance paid	(6)	(6)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	8	8
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(5,264)**	**(5,264)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(103)	(103)
	(d) investments	-	-
	(e) intellectual property	(722)	(722)
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(825)**	**(825)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(94)	(94)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**(94)**	**(94)**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	32,044	32,044
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(5,264)	(5,264)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(825)	(825)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(94)	(94)
4.5	Effect of movement in exchange rates on cash held	91	91
4.6	**Cash and cash equivalents at end of period**	**25,952**	**25,952**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	25,952	30,902
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other – Restricted Cash*	-	1,142
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**25,952**	**32,044**

*Relates to cash held in a Microba escrow account for the purposes of satisfying the Ginkgo Bioworks R&D activities under the agreement between Ginkgo and Microba. The balance has been paid out in the current quarter.

6.	Payments to directors of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	(107)
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Payments included in item 6.1 above relate to Director Fees and Consulting Fees paid to Directors of Microba Life Sciences Limited during the period.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	(241)	(241)
7.4	**Total financing facilities**	**(241)**	**(241)**

7.5	**Unused financing facilities available at quarter end**	0

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

An unsecured insurance premium funding arrangement was entered into to finance the Group's annual insurance premiums. The balance originally drawn was $479k, the balance at quarter end was $241k, and is repayable over 11 equal monthly instalments, with a fixed interest rate of 3.89%.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(5,264)
8.2	Cash and cash equivalents at quarter end (item 4.6)	25,952
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	**Total available funding (item 8.2 + item 8.3)**	**25,952**
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	**4.9**

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

N/A

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

N/A

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

N/A

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: **19 October 2023**

Authorised by: **The Board of Directors**

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.