

### LBT COMPANY PRESENTATION

**Adelaide, Australia, 5 February 2024:** Australian medical technology company LBT Innovations Limited (ASX: LBT) (**LBT** or the **Company**), a leader in microbiology automation using artificial intelligence, is pleased to provide the attached Company Presentation.

Approved for release by the Chair of the LBT Board.

- ENDS -

### **About LBT Innovations**

LBT Innovations (LBT) provides intelligent automation solutions to microbiology laboratories. Based in Adelaide, South Australia, the Company has developed a best-in-class technology, the Automated Plate Assessment System (APAS® Independence), using artificial intelligence and machine learning software to automate the imaging, analysis and interpretation of microbiology culture plates. The technology remains the only US FDA-cleared artificial intelligence technology for automated culture plate reading and is being commercialised through LBT's wholly owned subsidiary Clever Culture Systems AG (CCS). The product is currently being sold to microbiology laboratories in the pharmaceutical manufacturing sector for the reading of environmental monitoring culture plates and to clinical laboratories as an in vitro diagnostic for infectious diseases. Thermo Fisher Scientific, Inc is exclusive distributor of the APAS® Independence to clinical customers in the United States and selected countries in Europe.

### **INVESTOR ENQUIRIES**

### LBT Innovations

### **Brent Barnes**

Chief Executive Officer & Managing Director

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Proven AI technology disrupting microbiology

Brent Barnes, CEO and Managing Director February 2024







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APAS® PharmaQC setting the standard in biopharmaceutical microbiology

## Highlights

- Biopharmaceutical market the significant Company growth driver
- APAS® PharmaQC commercial traction brought forward to H1 CY24 (6 months ahead of expectations)
- Financial restructure complete, to support expansion into pharmaceutical microbiology market
- Successful \$4.5M capital raise in December 2023 well supported by Board and Management.

# Digital disruption

Automated reading, interpretation and reporting of microbial growth on culture plates





# **APAS®**

Automated Plate Assessment System



## Cutting edge AI technology

Machine learning for microbiology applications



### **Demonstrated performance**

Extensive scientific data, faster than microbiologist



## Improved data integrity

Automatic data trails and audit reports



# Easy integration and user operation

Simple plug and play technology

## Biopharmaceutical Customer Changes

## Quality Control. High cost of failed results

- Up to US\$1bn lost revenue<sup>5-1</sup>
- US\$1m cost per event for failed product<sup>5-1</sup>

## Traceability & data integrity. Highly regulated industry

- 116% increase in regulatory observations to drug establishments<sup>5-2</sup>
- 86% warning letters cite data integrity issues<sup>5-2</sup>

## Efficiency. High demand on Microbiologists

- 2 Microbiologists read every environmental monitoring plate
- Inefficient resource use >98% plates have zero growth<sup>5-3</sup>

# APAS® PharmaQC: Customer value proposition

Technology uniquely positioned in large market

## Al technology improves quality of results AstraZeneca

• "Value of APAS proven during data collection. Single colony missed by humans, detected by APAS." Pharmalab 2023

## Auto reporting improves traceability & data integrity

• APAS® validated to pharmacopeia guidelines, reading and reporting automated through digital interface (no human touchpoints)

### APAS® automatically removes >90% plates

• High-throughput, 1 system reads up to 1,600 plates in an 8 hour shift. Allows Microbiologists to focus on the important plates



# BioPharma Market Dynamic



# AU\$2.8bn<sup>7-1</sup> addressable market for Biopharmaceutical Quality Control

~14,300 FDA registered drug manufacturing facilities worldwide<sup>7-1</sup>

Positive market trends: Pharmaceutical Contract Drug Manufacturing forecast to grow 7.6% (2022-2030)<sup>7-2</sup>

Top 20 Pharma Companies operate ~600 manufacturing facilities globally<sup>7-3</sup>

Land and Expand: Technology validated at one location and scaled across the network

# Up to AU\$1.0m revenue per APAS® sale\*

## Includes up-front Capex and Annual Recurring Revenue (ARR) streams



Product / Service	Description	Revenue Model	Approx. Split
APAS® Independence	Laboratory Instrumentation	Upfront Capex (inc. financing options)	50%
APAS Apps®	Al Software Licence	ARR	25%
APAS Service#	Support and maintenance services	ARR	15%
Implementation Services	Instrument connectivity, technical data and validation support	One-off	10%

<sup>\*</sup> Typical revenue over 5 years (expected initial contracted term)

<sup>#</sup> Third-party service provider / distributor expected to provide service

# Competition: Incubation + reading

Limited scale (1 system restricted to 60-132 plates per day)

3P System – bioMerieux (Interscience OEM)

- Initial PO: ~US\$300K (estimate)
- bioMérieux media
- Incubator capacity 300 plates
  - ~60 plates per day#



Growth Direct – Rapid Micro Biosystems (NASDAQ RPID)

- Initial PO: US\$500K-\$600K (website)9-1
- Single source, proprietary media
- Incubator capacity ~660 plates
  - ~132 plates per day<sup>#</sup>



# APAS® PharmaQC

Multiple competitor instruments required to match throughput of 1 APAS® system

Customer will take plates from their <u>existing</u> <u>incubators</u> and bulk load them into APAS® for automated reading and reporting.

- 1,600 plates per 8 hour shift
- Minimal change to current processes



# Global partners and customers established

## Extensive scientific data published

APAS® has successfully analysed >5 million plates<sup>10-1</sup> globally

Used routinely by customers for the reporting of >1.5 million<sup>10-1</sup> results annually, and growing



























\*CCS Scientific Library and Internal company calculations of partner data



# Cornerstone partner

### APAS® PharmaQC selected for automation<sup>11-1</sup>:

- ~30,000 plates per month at large AZ sites
- >98% of plates are negative
- Occasionally humans make mistakes
- Resolves data integrity challenges

### >AU\$1m funding to accelerate R&D:

- APAS® instrument installed in UK facility
- Product validation expected H2 CY24
- Global rollout anticipated following validation

### Pilot validation completed:

- APAS® PharmaQC achieved 100% sensitivity for microbial growth detection
- Positive performance results presented by AstraZeneca at global conferences

# **Board and Management**

Refreshed Board set expansion into biopharmaceutical industry as the True North for the Company

- Board and Management shareholding increased to 20%
- International experience with healthcare and technology expertise
- Extensive public listed ASX experience in micro-cap and high-growth companies



Brent Barnes
CEO and MD, AU



Rebecca Wilson Chair. AU



**Dan Hill** NED, AU



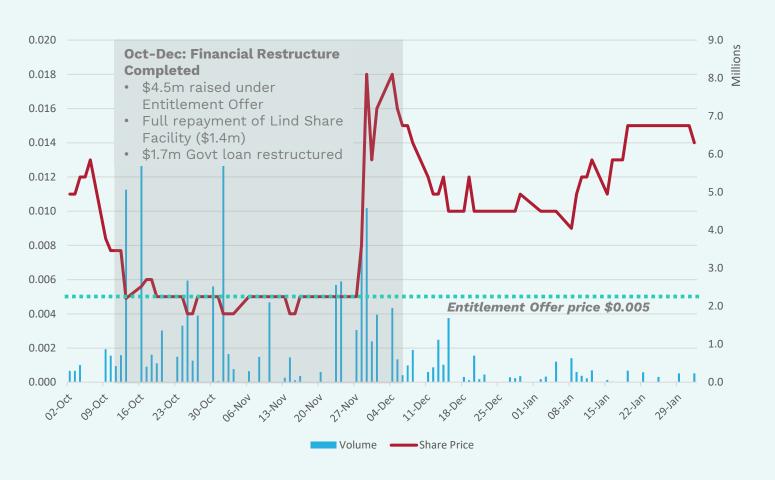
Brian O'Dwyer NED, US



Ray Ridge CFO and CoSec. AU

# **Corporate Overview**

## Financial restructure & updated Company strategy



Key Statistics (Closing Price on 31 January 2024)		
Share Price	\$0.015 per share	
Shares on Issue	1.26 billion	
Market Cap.	~\$19.0 million	
Listed Options  • LBTO  • LBTOA	898 million 449m options, expiring 15-09-24 at \$0.005 449m options, expiring 15-11-25 at \$0.008	
Financials (AUD)		
Cash & Receivables	\$3.7 million (31 Dec 23)	
Annual Cost Base	\$4.4m expected (incl RDTI refund)	
SAFA Loan Facility	\$1.74 million outstanding (low interest rate, interest only until 2026)	
Key Shareholders	Board & Mgmt: ~21% Industry: ~10%   Top 20: ~65%	

# APAS® PharmaQC Outlook

Multiple APAS® PharmaQC sales expected in 2024

APAS® PharmaQC product available for sale LBT complete technology validation - Q1 CY24

AstraZeneca complete customer validation Product assessed in routine manufacturing Expected timeframe Q2-Q3 CY24 Multi-site rollout

APAS® PharmaQC CY24 sales outlook In advanced discussions with various biopharmaceutical customers

APAS® PharmaQC to set the standard for environmental monitoring plate reading Publications & data presented at impactful biopharmaceutical conferences

### References

### Slide 5:

- <sup>5-1</sup> www.researchandmarkets.com, Global PharmarcetuicalsMarketReport 2021: Covid-19 Impact and Recovery to 2030.
- 5-2 https://www.fda.gov/inspections-compliance-enforcement-and-criminal-investigations/inspection-references/inspection-observations
- <sup>5-3</sup> <u>https://www.lbtinnovations.com/automated-reading-of-agar-plates-using-ai/</u>

### Slide 7:

<sup>7-1</sup> Global Pharmaceuticals & Medicine Manufacturing; IBISWorld Industry Report C1933-GL; Eva Koronios; June 2021 (<a href="https://www.contractpharma.com/contents/view\_blog/2018-02-02/an-interactive-global-map-of-pharma-manufacturing-sites/">https://www.contractpharma.com/contents/view\_blog/2018-02-02/an-interactive-global-map-of-pharma-manufacturing-sites/</a>) + internal company analysis and estimate of 25% of total permits relating to sterile sites of a sufficient size to justify automation

7-3 https://www.morganmckinley.com/eu/article/difference-between-pharmaceutical-and-biotechnology

### Slide 9

9-1 https://investors.rapidmicrobio.com/news-and-events/presentations

### Slide 10

<sup>10-1</sup> Internal Company calculations based on customer data and internally generated data

### Slide 11

11-1 https://investors.rapidmicrobio.com/news-and-events/presentations



