



ASX Announcement

April 29<sup>th</sup>, 2024

## Quarterly Activity Report Q3 FY24

### Highlights

- **Growth in revenue and margins across Atomo's HIV Self-Test business:**
  - Orders received during the quarter totalling ~320k units from Global Health partner Viatrix, with a further ~200k units ordered in April.
  - The Newfoundland branded Atomo HIV Self-Test secures regulatory approval for supply in Colombia.
- **Funded Development Programs secured:**
  - Atomo part of a consortium awarded \$3m to develop a rapid test for Group Strep B utilising Atomo's integrated swab technology and proven expertise securing approval for novel rapid test solutions.
  - Purchase orders received from the Burnet Institute related to development of two rapid tests utilising Atomo platforms and next generation test assays developed by Burnet.
- **Revenue:** \$526k (unaudited) in Q3 FY24 revenue during the quarter, consisting of HIV sales, OEM cassette sales and initial development fees, bringing YTD revenue to \$2.45m, an increase of 25% on the same period FY23.
- **Cash receipts:** Cash receipts from customers during the quarter of \$789k. Atomo finished the quarter debt-free, with **cash on hand at quarter-end of \$5.2m.**



**SYDNEY Australia, 29 April 2024** – Atomo Diagnostics Limited (ASX: AT1) (**Atomo**) is pleased to release its Appendix 4C and quarterly activity report for the three-months ended 31 March 2024 (Q3 FY24).

## **HIV Self-Test**

Atomo has in the last couple of months received sales orders totalling over 520k units from its global health partner, Viatris. This represents a marked increase in demand for the Atomo HIV Self-Test in global health markets and reflecting the increased significance of Atomo offering the only WHO prequalified HIV self-test being manufactured in Africa.

To support continued growth in the European market, Newfoundland placed an order for an additional 220k tests at the end of Q2, with the first tranche of 50k units manufactured and supplied in Q3, with remaining units to be manufactured after completion of orders for Viatris.

Newfoundland also advised that the product has been approved by the Colombian regulator INVIMA, with the contract for Colombia being 30,000 tests in the first year. Atomo and Newfoundland have commenced discussions related to an extended agreement that the Parties expect to execute by 30 June 2024.

In Australia, Atomo continues to work with NAPWHA and Grindr to promote awareness and access to HIV Self-Tests. Atomo also continues to support existing vending machine programs as well as working with State governments implementing larger vending machine programs in the coming months.

Engagement remains ongoing with the Federal Government in the run into the budget, with HIV Self-Testing now part of Australian government policy for the first time. Atomo, along with key partners, remains convinced of the importance of public health adoption and availability of self-testing for HIV in the community.

## **Funded Development Programs**

**Group B Strep:** Atomo is part of a consortium, including NexSen Biotech, RMIT and Northern Health, that has secured a Federal Government grant of \$3 million to develop an innovative rapid test for Group Strep B, utilising Atomo's proprietary swab test device and rapid test development expertise. Atomo is now in the process of finalising the development agreement with NexSen.



Group B Streptococcus (GBS) bacteria are carried by an estimated one in five expecting mothers. GBS infection can cause serious complications, leading to preterm births, stillbirths, and neonatal deaths. GBS is easily treatable upon detection, meaning this rapid point-of-care test could potentially impact the lives of 150,000 newborn babies globally each year.

**Burnet Institute:** Atomo is collaborating with the Burnet Institute on the development of tests for monitoring Liver function (ALT) and for the detection of active Syphilis infection. The agreement will see Burnet utilise Atomo platforms in the development of these rapid tests, and Atomo has received initial purchase orders related to the optimisation of Atomo platforms for both of these test assays being developed by Burnet.

**Liver Function (ALT):** Burnet has developed a rapid test to detect excessive levels of aminotransferase (ALT) indicating issues with Liver function. The initial commercial opportunity is to use the test as an indicator of liver toxicity in a large funded multinational pharmaceutical trial.

**Active Syphilis Test:** Available rapid tests for Syphilis in the market cannot discriminate between current active cases and past treated cases. This new 'active' syphilis test demonstrates high levels of specificity in distinguishing between active and past infection, transforming the usefulness and effectiveness of rapid syphilis testing.

Syphilis rates have significantly increased in the past decade. In 2022, case notifications of infectious syphilis had more than doubled from recorded rates in 2015 in Australia and in many other countries. A novel Syphilis test for diagnosing active infection represents a sizable opportunity in the growing at-home sexual health market.

**Other Opportunities:** Atomo has had a number of inbound enquiries for Atomo products and technology post US FDA 510(k) clearance of Lumos's FebriDx test on the Atomo Pascal platform. This combined with evidenced traction of Atomo tests in retail channels and demonstrated user preference in independent evaluations provides a compelling value proposition to industry players, increasingly focused on the transition to decentralised testing.

### **Blood Based Pregnancy Testing**

Atomo continues to support NG Biotech (NGB) in the registration of their blood-based pregnancy test in Pascal here in Australia, with a response made to the TGA last week.



Atomo continues to see orders from NGB for the Atomo Pascal device to support sales of the NGB Pregnancy test in markets where NGB has already secured product registration.

## Financials

Total revenue (unaudited) of \$526k for Q3 FY24, comprising \$420k for HIV sales and OEM platform sales of \$90k, plus development fees of \$25k, bringing total revenue for the first three quarters of FY24 to approximately \$2.45m.

Cash receipts from customers during the quarter were \$789k. Atomo finished the quarter debt-free and with **cash on hand of \$5.2m**.

In accordance with ASX Listing Rule 4.7C.3, Atomo advises that an amount of \$195k was paid during the quarter to Atomo Directors in salary and director's fees.

## Key Priorities and Use of Funds

- Continued growth of HIV sales via entry into new markets including Colombia, Switzerland, New Zealand and Eastern Europe, as well as a focus on promoting and scaling emergent public health funded programs in Australia.
- Secure new OEM customers for Pascal following FDA 510(k) clearance of Lumos's FebriDx test on the Atomo Pascal platform, in addition to continuing to execute agreements with new partners related to other Atomo platforms.
- Commencement of the funded development program with NexSen to commercialise the Curie integrated swab device for Strep B, and assessing platform suitability for other vaginal swab applications, including sexual health.
- Progressing activities related to Atomo's pregnancy tests in Australian, New Zealand and US markets, and supporting the expansion of the NG Biotech branded version in other markets where NG is responsible for 'go-to-market'.



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*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](http://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.

## Appendix 4C

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

**Name of Entity**

Atomo Diagnostics Limited

**ABN**

37 142 925 684

**Quarter Ended ("current quarter")**

31 March 2024

| Consolidated statement of cash flows                      | Current Quarter<br>A\$'000 | Year to date<br>(9months)<br>A\$'000 |
|---|----------------------------|--------------------------------------|
| <b>1. Cash flows from operating activities</b>            |                            |                                      |
| 1.1 Receipts from customers                               | 789                        | 2,728                                |
| 1.2 Payments for  |                            |                                      |
| (a) research and development                              | ( 61)                      | ( 168)                               |
| (b) product manufacturing and operating costs             | ( 544)                     | ( 1,824)                             |
| (c) advertising and marketing                             | ( 23)                      | ( 97)                                |
| (d) leased assets   | -                          | -                                    |
| (e) staff costs   | ( 946)                     | ( 3,242)                             |
| (f) administration and corporate costs                    | ( 566)                     | ( 1,467)                             |
| 1.3 Dividends received (see note 3)                       | -                          | -                                    |
| 1.4 Interest received                                     | 43                         | 120                                  |
| 1.5 Interest and other costs of finance paid              | -                          | -                                    |
| 1.6 Income taxes paid                                     | -                          | -                                    |
| 1.7 Government grants and tax incentives                  | -                          | 761                                  |
| 1.8 Other (provide details if material)                   |                            |                                      |
| <b>1.9 Net cash from / (used in) operating activities</b> | <b>( 1,308)</b>            | <b>( 3,189)</b>                      |
| <b>2. Cash flows from investing activities</b>            |                            |                                      |
| 2.1 Payments to acquire or for:                           |                            |                                      |
| (a) entities  | -                          | -                                    |
| (b) businesses  | -                          | -                                    |
| (c) property, plant and equipment                         | ( 28)                      | ( 30)                                |
| (d) investments   | -                          | -                                    |
| (e) intellectual property                                 | 23                         | 20                                   |
| (f) other non-current assets                              | -                          |                                      |

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

| <b>Consolidated statement of cash flows</b>   |  | <b>Current Quarter<br/>A\$'000</b> | <b>Year to date<br/>(9months)<br/>A\$'000</b> |
|---|--|------------------------------------|---|
| 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)  | -                                  | -   |
| <b>2.6</b>  | <b>Net cash from / (used in) investing activities</b>                                      | <b>( 5)</b>                        | <b>( 10)</b>                                  |
| <b>3. Cash flows from financing activities</b>                                      |  |                                    |   |
| 3.1   | Proceeds from issues of equity securities<br>(excluding convertible debt securities)       | -                                  | 2,259   |
| 3.2   | Proceeds from issue of convertible debt<br>securities                                      | -                                  | -   |
| 3.3   | Proceeds from exercise of options  | -                                  |   |
| 3.4   | Transaction costs related to issues of equity<br>securities or convertible debt securities | -                                  | ( 209)  |
| 3.5   | Proceeds from borrowings   | -                                  | -   |
| 3.6   | Repayment of borrowings  | ( 45)                              | ( 135)  |
| 3.7   | Transaction costs related to loans and<br>borrowings                                       | -                                  |   |
| 3.8   | Dividends paid   | -                                  |   |
| 3.9   | Other (provide details if material)  | -                                  |   |
| <b>3.10</b>   | <b>Net cash from / (used in) financing activities</b>                                      | <b>( 45)</b>                       | <b>1,915</b>                                  |
| <b>4. Net increase / (decrease) in cash and<br/>cash equivalents for the period</b> |  |                                    |   |
| 4.1   | Cash and cash equivalents at beginning of<br>period  | 6,510                              | 6,470   |
| 4.2   | Net cash from / (used in) operating activities<br>(item 1.9 above)                         | ( 1,308)                           | ( 3,189)                                      |
| 4.3   | Net cash from / (used in) investing activities<br>(item 2.6 above)                         | ( 5)                               | ( 10)   |

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

| Consolidated statement of cash flows |  | Current Quarter | Year to date         |
|--------------------------------------|--|-----------------|----------------------|
|                                      |  | A\$'000         | (9months)<br>A\$'000 |
| 4.4                                  | Net cash from / (used in) financing activities (item 3.10 above) | ( 45)           | 1,916                |
| 4.5                                  | Effect of movement in exchange rates on cash held                | 56              | 21                   |
| 4.6                                  | <b>Cash and cash equivalents at end of period</b>                | 5,208           | 5,208                |

| 5. Reconciliation of cash and cash equivalents<br>at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts |  | Current Quarter | Previous Quarter |
|---|--|-----------------|------------------|
|   |  | A\$'000         | A\$'000          |
| 5.1   | Bank balances  | 5,208           | 6,510            |
| 5.2   | Term deposits  | -               | -                |
| 5.3   | Bank overdrafts  | -               | -                |
| 5.4   | Other (provide details)  | -               | -                |
| 5.5   | <b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b> | <b>5,208</b>    | <b>6,510</b>     |

| 6. Payments to related parties of the entity and their associates |   | Current Quarter |
|---|---|-----------------|
|   |   | A\$'000         |
| 6.1   | Aggregate amount of payments to related parties and their associates included in item 1 | 195             |
| 6.2   | Aggregate amount of payments to related parties and their associates included in item 2 | -               |

*Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.*



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

**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*

|                                       | <b>Total facility amount at quarter end<br/>A\$'000</b> | <b>Amount drawn at quarter end<br/>A\$'000</b> |
|---------------------------------------|---|--|
| 7.1 Loan facilities                   | -   | -  |
| 7.2 Credit standby arrangement        | -   | -  |
| 7.3 Other (please specify)            | -   | -  |
| <b>7.4 Total financing facilities</b> | -   | -  |

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

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.

| <b>8. Estimated cash available for future operating activities</b>                | <b>A\$'000</b> |
|---|----------------|
| 8.1 Net cash from / (used in) operating activities (Item 1.9)                     | ( 1,308)       |
| 8.2 Cash and cash equivalents at quarter end (Item 4.6)                           | 5,208          |
| 8.3 Unused finance facilities available at quarter end (Item 7.5)                 | -              |
| 8.4 Total available funding (Item 8.2 + Item 8.3)                                 | 5,208          |
| <b>8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)</b> | <b>4</b>       |

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

Answer: Not applicable.

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?

Answer: Not applicable.

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

Answer: Not applicable.

**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:

Authorised by: .....The Board  
(Name of body or officer authorising release see note 4)

**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.