

ENABLING THE NEXT GENERATION OF NOVEL INSECTICIDES

# BIO-GENE TECHNOLOGY LIMITED

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FY23 Business Update

PRESENTED BY

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BIO-GENE  
TECHNOLOGY  
LTD



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# AGENDA

- Bio-Gene Business Overview
- Performance Highlights
- Operational Update
- FY23 Financials
- Outlook
- Q&A



# GLOBAL CHALLENGES AND RESISTANT PEST CONTROL

## Food Security & Public Health

- Growing population = more food
- Climate change = more mosquitos

## Financial Impact

- Production lost to pests = higher costs, lost income
- Direct & economic impact of disease

## Social Impact

- Vector borne disease = increased risk to more humans
- More people = less arable land



“Without Crop Protection, crop losses would double each year”

CropLife

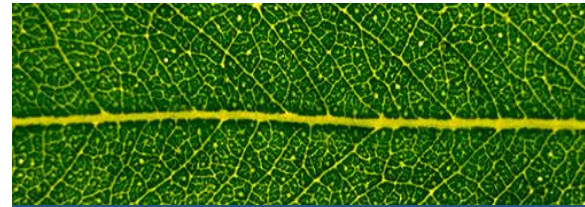


“No new public health insecticides have been developed for mainstream vector control for 30 years”

CDC

# BIO-GENE'S CHEMISTRY IS A STEP-CHANGE FOR RESISTANT PEST CONTROL

- **Novel Mode of Action (MoA)**
  - Last new MoA commercialised in 2008, with current sales of US\$2.3bn
- **Naturally derived and safe chemistry**
- **Efficacy across a number of target pests**
- **Addresses multiple market segments**
  - Crop protection, grain storage, consumer applications, public health & animal health
- **Third Party Validation**
  - Multiple commercial deals with industry leading companies
- **Multiple revenue streams**
  - Licensing fees, milestone payments, active ingredient supply, royalties



## Qcide™

### Natural Compound

An extract of a specific cultivar of eucalypt, the Gypmie Messmate

Trees farmed in QLD

The leaves contain oil expressing high levels of Tasmanone,



## Flavocide™

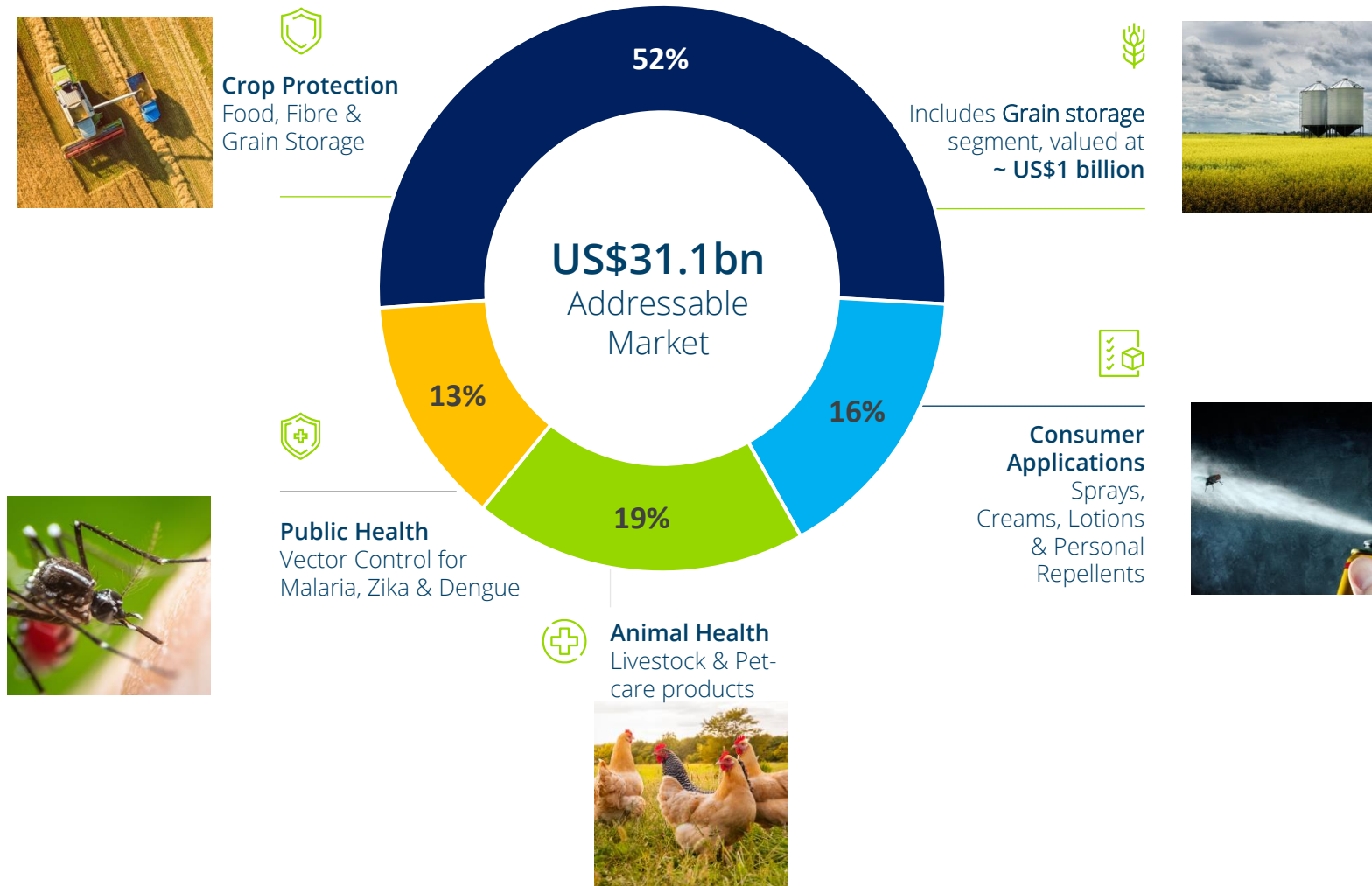
### Nature Identical Compound

Active ingredient Flavesone is found in Nature

Synthesised via new proprietary process

Can be produced in large volumes globally

# BIO-GENE'S PRODUCTS TARGET 5 KEY MARKET SEGMENTS



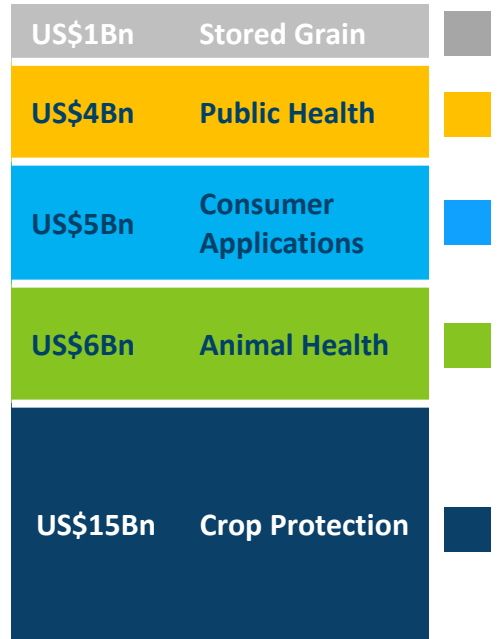
# FY23 PERFORMANCE HIGHLIGHTS

Key developments achieved in FY23 collectively pave a clear path towards commercialisation

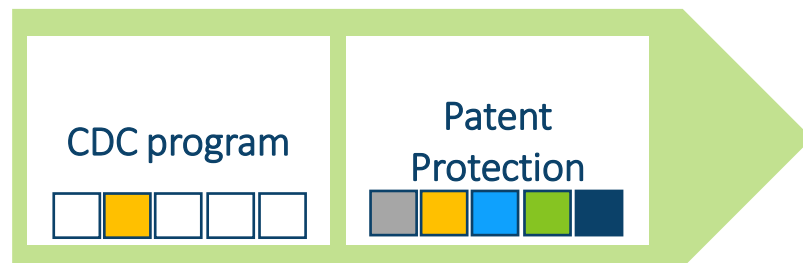
## FY23 Key Achievements



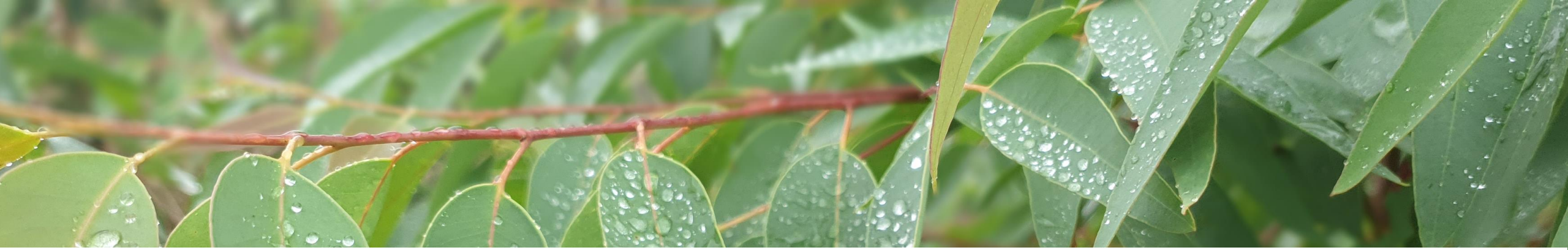
## US\$31.1 billion Addressable Market



## Key Achievements subsequent to year end







# OPERATIONAL UPDATE





# STRATEGY

## Commercialisation pathway

- Active ingredient registrations
- Product development, marketing & distribution with strong commercial partners
- Developing additional IP, proprietary manufacturing & production know-how

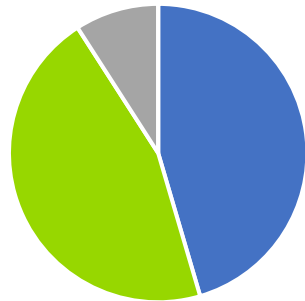
## Revenue drivers

- Technology licensing fees
- Milestone payments
- Active ingredient supply
- Royalties

# REVENUE PROFILE EXPECTATIONS

## FY 2023

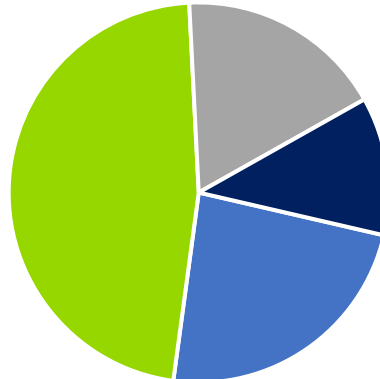
- ✓ Registration and Commercial development stage
- ✓ Licence fees, milestone payments and raw materials part support capital needs
- ✓ Critical phase of commercial development supporting future high margin royalty stream future



■ Licence Fees

## FY 2027

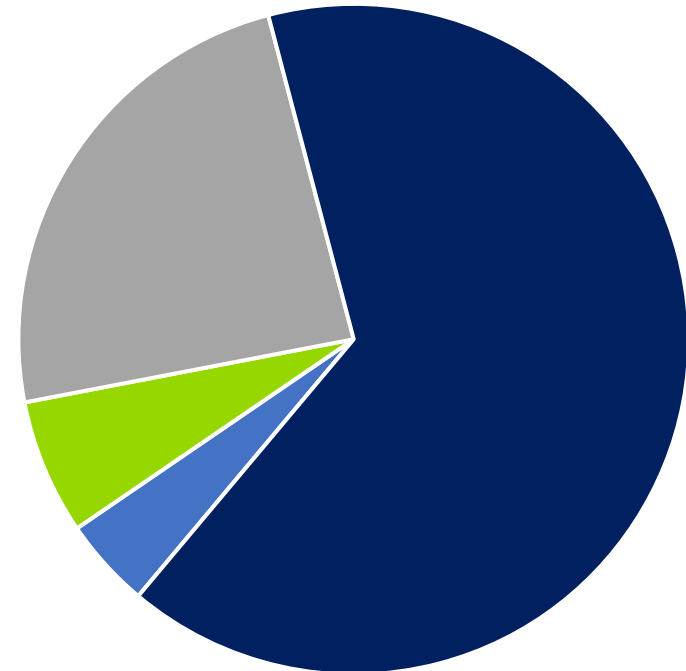
- ✓ Active ingredients first registrations
- ✓ Products developed can go to market



■ Milestone

## FY 2031

- ✓ Expanding commercialised product driving significant increase in royalty payments
- ✓ High margins



■ Raw Materials

■ Royalty

# COMMERCIAL PARTNERSHIP SNAPSHOT

Additional opportunities with other commercial partners advancing



**STK applies advanced botanical science and bio-ag technology in the development & commercialisation of natural crop protection for growers worldwide**

Develop, register and commercialise Qcide for crop protection

- ✓ STK will fully fund the registration
- ✓ Bio-Gene has full registration access

## Revenue Model

Active ingredient supply to STK

On-going royalties on end use product sales with other commercial partners



**Clarke is the largest vertically integrated company in public health mosquito control**

Develop, register and commercialise Flavocide for public health and residential mosquito control in US and Caymen Islands

- ✓ Clarke will fully fund registration of end use products
- ✓ \$250m total addressable market

## Revenue Model

Up-front licence fee

Milestone payments prior to registration

On-going royalties on end-use product sales

Development costs borne by Clarke



**Evergreen is a market leader in consumer products across Europe and in Australia/New Zealand**

Develops and registers products for consumer applications across Europe, UK, Australia and NZ

- ✓ Additional field work aligned to European summer

## Revenue Model

Up-front licence fee

Milestone payments prior to registration

On-going royalties on end-use product sales

Development costs borne by Evergreen





**Our key and expanding commercial partnerships position us for significant commercial success.**

**– Richard Jagger**  
**MD & CEO**



# COMMERCIAL FY23 ADVANCEMENT SUMMARY

Commercial partnerships and third-party validation are critical for our business progression

Partnership	Advancement Made	Value Add
STK 	Completion of STK agreement for Qcide	<ul style="list-style-type: none"><li>✓ STK fully funds multi-million dollar Qcide registration cost</li><li>✓ BGT retains full commercial flexibility</li><li>✓ Enables BGT to work with all commercial partners in all key markets for Qcide</li></ul>
Clarke 	Clarke market extension	<ul style="list-style-type: none"><li>✓ Significant expansion of market opportunity across the United States</li></ul>
GRDC 	GRDC confirmation of support for grain storage program	<ul style="list-style-type: none"><li>✓ Supports conversations with potential commercial partners</li><li>✓ Leverage knowledge (industry &amp; regulatory processes)</li><li>✓ Future support of development programs</li></ul>
Evergreen 	Additional formulation evaluation underway	<ul style="list-style-type: none"><li>✓ Confirming efficacy at a field level</li></ul>

# OPERATIONAL ADVANCEMENTS

Intellectual property advancements are critical to the value of BGT to our customers



## Synergy leads to new partner evaluation

- Significant opportunity to reduce insecticide load, address resistance, reduce cost & support post-patent strategies for partners.
- Opens broader market possibilities



## CDC funded program on ticks

- US Government funded, aims to demonstrate fit with tick control (vector)



## Two new patents granted

- Significant coverage across the United States in all markets (US\$5B market)



## Developments in manufacturing partnerships

- Refining cost and safety of manufacture – developing Intellectual Property

# LEADERSHIP TEAM EVOLVES FOR NEXT STAGE OF GROWTH

- Appointment of Alex Ding as Chair upon retirement of Robert Klupacs
- Appointment of Tim Grogan as new CEO
- Richard Jagger focusing on commercial partnerships
- Follows on from:
  - Appointment of Chris Ramsay as new Non-Executive Director
  - Appointment of Rod Valencia as CFO / Co Sec / Investors Relations





# FY23 FINANCIALS



# FINANCIAL UPDATE – KEY METRICS

AUD (\$'000)	FY22	FY23
Revenue	446	149
Other income	493	532
Reported Net Loss	(2,914)	(3,096)
	FY22	FY23
Net Cash Used in Operations	(1,993)	(3,276)
Cash	6,342	2,991

- FY23 Commentary
  - Revenue includes milestone payments \$150k
  - Other income includes R&D refund ~\$440k per year
  - Net cash Used in Operations included:
    - R&D expense \$2m
    - Intellectual Property and patent registrations \$300k
    - Commercial expenses \$300k
    - Administrative expenses \$1.2m
  - Cash position of ~\$3.0m with no bank debt

# COMMERCIALISATION PATHWAY AND CAPITAL INTENSITY

Commercialisation Pathway	Current Initiatives	Capital Intensity
<ul style="list-style-type: none"> <li>Active ingredient registrations</li> </ul>	<ul style="list-style-type: none"> <li>Investment to register active ingredient significant</li> <li>STK deal (significant financial upside for BGT)</li> <li>Focused on Flavocide registration</li> </ul>	<ul style="list-style-type: none"> <li>Qcide registration – no (minimal) cost</li> <li>Capital intensity – becoming high with registration study commitments for Flavocide</li> </ul>
<ul style="list-style-type: none"> <li>Product development, Marketing &amp; distribution with strong commercial partners</li> </ul>	<ul style="list-style-type: none"> <li>Initiate STK deal after signing</li> <li>Advance other commercial partnerships</li> <li>Undertake further supportive efficacy studies</li> </ul>	<ul style="list-style-type: none"> <li>Capital intensity – low to medium</li> </ul>
<ul style="list-style-type: none"> <li>Developing additional IP, proprietary manufacturing &amp; production know-how</li> </ul>	<ul style="list-style-type: none"> <li>Further refinement of Flavocide / Qcide processes (cost reductions)</li> <li>Combination (synergy) IP</li> <li>Finalising Flavocide manufacturing partnership agreements</li> </ul>	<ul style="list-style-type: none"> <li>Capital intensity – medium</li> </ul>





# OUTLOOK



# OUTLOOK

- Additional synergy/efficacy testing
- Advance other commercial partnerships
- Deliver manufacturing partnerships
- Advance our regulatory applications with governing bodies
- Continue to advance our business model via licences, milestones, active ingredient sales & royalties



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# BIO-GENE TECHNOLOGY LIMITED

Q&A

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