

# Universal Biosensors, Inc.

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# Universal Biosensors

## Introduction

UBI (ASX:UBI) is a biosensor company and **world leader** in electrochemical cell technology.

Our patented technology is based on diagnosis and measurements using a portable handheld device from a “**finger prick of blood**” sample (size).

Our ambition is to build a multi product stable of biosensors in large markets which generate ongoing revenue streams and strong margins.

Our revenue model is to sell the handheld, portable analyzer into high volume repeat-use scenarios and then sell single use, disposable biosensor strips which are used for each diagnostic test.

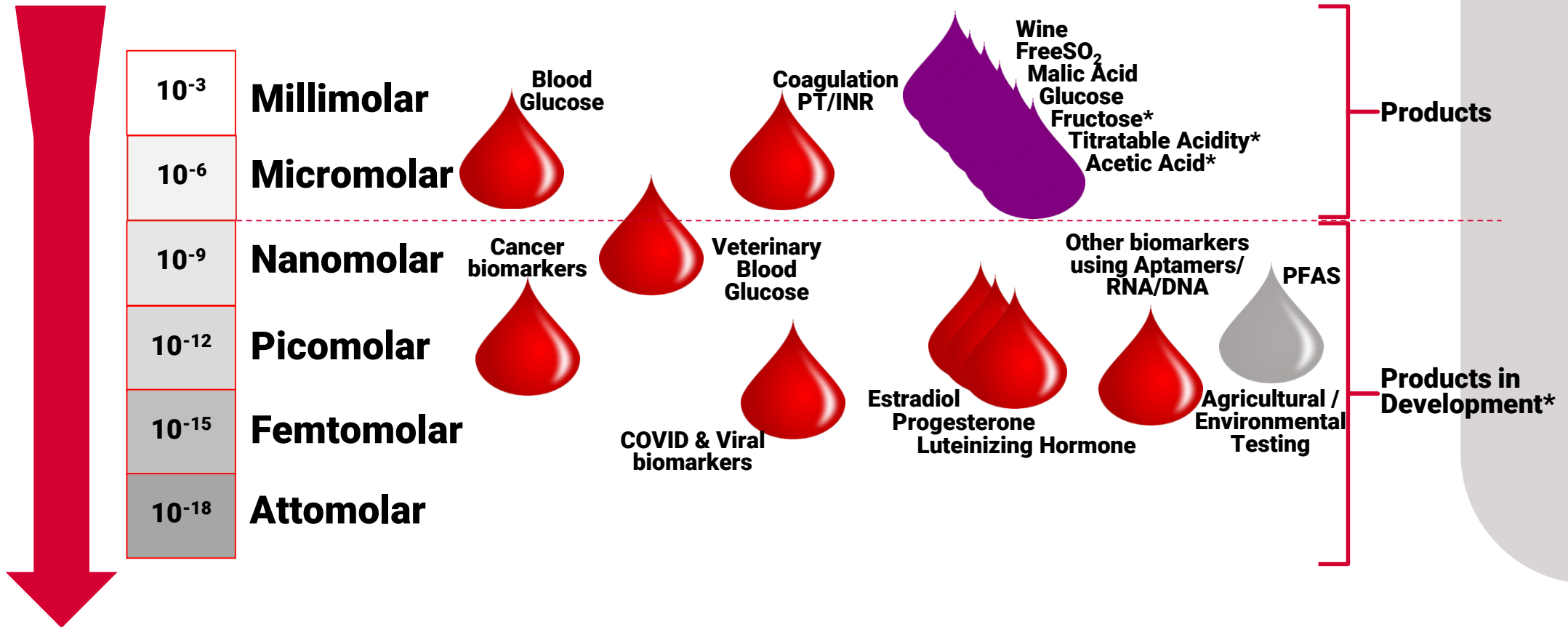


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# New Technology

Increased limits of detection delivers new product capability



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# Universal Biosensors

## Strong pipeline of products

**19 years 2001 – 2020**

### **2 product launches:**

1. A blood glucose monitoring product for LifeScan, Inc.
2. Xprecia Stride for Siemens.

**2 years 2021 – 2022**

### **Product launches and development pipeline:**

1. Sentia – wine testing platform Free SO<sub>2</sub> (launched)
2. Sentia – wine testing platform Malic Acid (launched)
3. Sentia – testing for Glucose (launched August 2022)
4. Sentia – testing for Fructose, Titratable Acidity, Acetic Acid (development continues)
5. Xprecia Prime – approved for sale in Europe. Clinical trials ongoing in USA. First product sales expected H2 2022
6. Blood glucose biosensor for cats and dogs (development continues)
7. Cancer Tn Antigen biosensor (development continues)
8. Aptamer based fertility biosensor (development continues)
9. Aptamer based COVID-19 biosensor (development continues)

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# Sentia

## Business update

Sentia is sold to distributors who buy devices and strips in large numbers and then on-sell to wineries over time. In the initial roll out phase, sales to distributors are often lumpy so it is hard to measure how Sentia sales are performing “In Market”.

Sentia is also sold directly to wineries by UBI’s USA sales team which represent “In Market” sales.

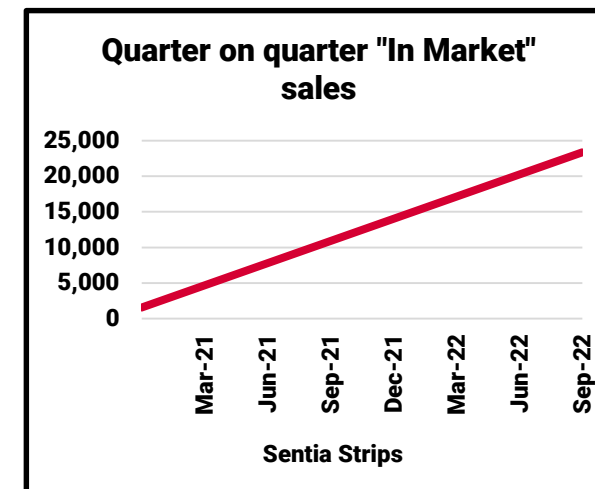
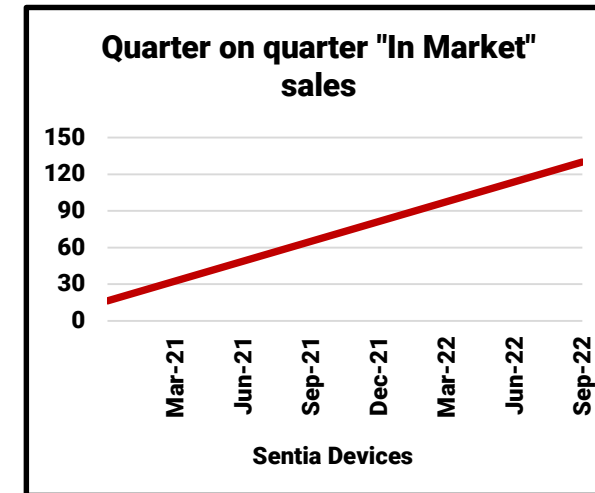
In Market sales are measured by devices registered as being used in the field by our technology platform and is the key to long term sales growth.

For the 9 months ending 30 September 2022, “In Market” Device sales are estimated to **grow at an average of 24%** per quarter.

For the 9 months ending 30 September 2022, “In Market” Strip sales are estimated to **grow at an average of 41%** per quarter.

Average Selling Price per strip has **increased 21%** between H1 2021 and H1 2022.

Estimated in market sales (average)



# Sentia

## Business update

Following the launch of Sentia's Free Sulphur test strip in March 2021, there are now three products being sold on the Sentia platform:

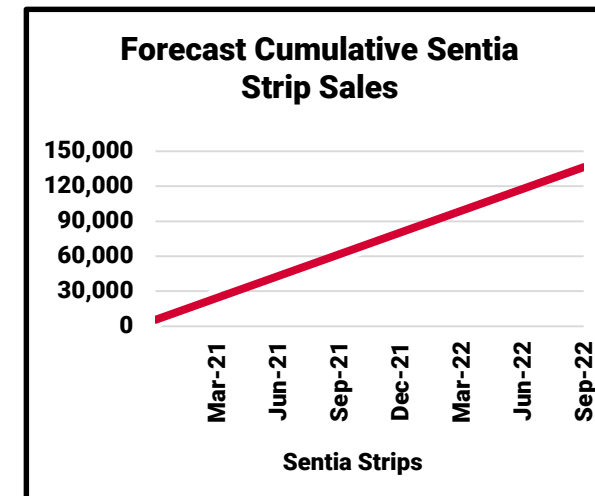
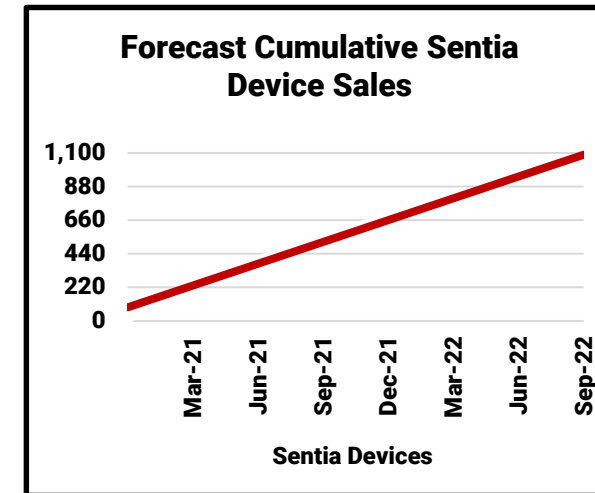
- Malic Acid was launched March 2022.
- Glucose was launched August 2022.

Three more products are expected to be released over the coming months (Q4 2022 / Q1 2023)

- Fructose – our reworked chemistry is working well, and the strip is now in stability trials.
- Titratable Acidity – the chemistry is working well, and the strip is now in stability trials.
- Acetic Acid - the chemistry is working well, and the strip is now in stability trials.

We now have **20 distribution agreements** in place covering 25 countries.

We continue to invest in our global sales team in the USA and Europe.



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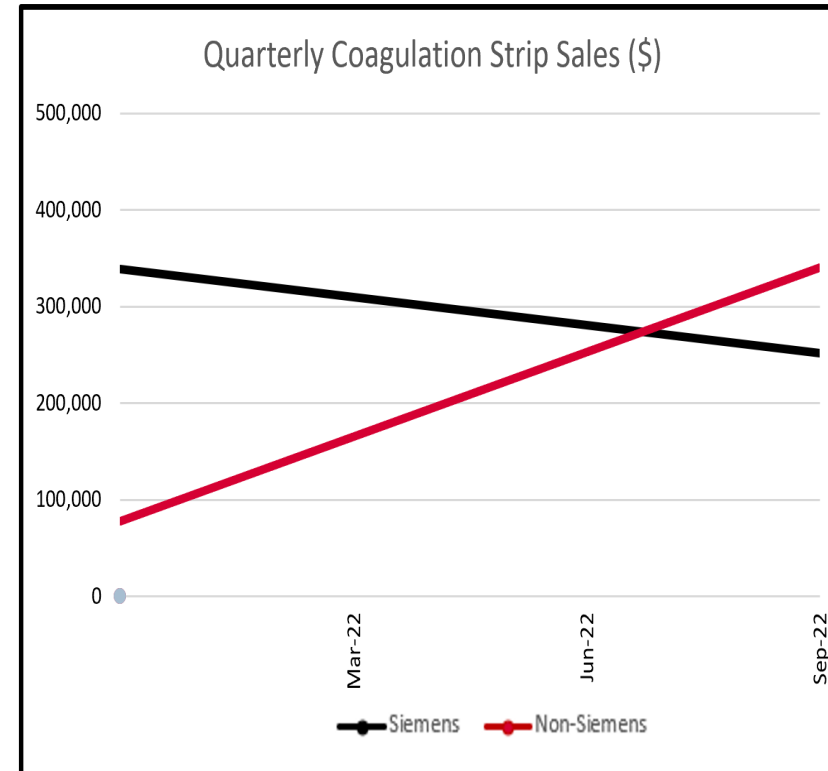
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# Xpreicia

## Business update

### UBI:

- Has successfully transitioned **50%** of the legacy Siemens distribution network which are now buying directly from UBI (another 15% are still in negotiation).
- Recorded **93% growth** of sales directly to non-Siemens distributors H121 v H122.
- Is now selling more Xpreicia product into its own distribution network than through Siemens. This is a major achievement.
- Recorded a **13% increase** in Average Selling Price per strip H121 v H122.





# Xprecia

## Business update

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UBI is **forecasting sales growth** for Xprecia products for the 2022 financial year, including the European launch of its new Xprecia Prime PT/INR product. We note sales growth may be dependent on the timing of Siemens' orders and its continued "run down" of stock ahead of the March 2023 termination and hand back of Xprecia sales to UBI.

The anticipated launch of Xprecia Prime is on track:

- 350 Xprecia Prime devices will be **delivered** to UBI **during Q3 2022** and sales are expected to commence Q4 2022.
- Regulatory approval obtained to sell Xprecia Prime in 32 countries in Europe during H1 2022.
- Xprecia Prime USA **clinical studies** progressing well with 308 patients of the FDA's required 360 enrolled.

UBI now have 27 distribution agreements in place **covering 19 countries**.

Sales in 2023 are expected to benefit from the finalization of the Siemens hand over and the launch of Xpreica Prime.

# Hemostasis Reference Laboratory

## Business update

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Overall sales growth half on half (H1 2022 on H1 2021) was down 12% because Hemostasis Reference Laboratory (HRL) had a 6-week shutdown as it moved premises, commissioned a new laboratory and new equipment.

HRL moved to a new location to facilitate **expanding our specialist services** into:

- Inflammatory disease;
- Cytokines; and
- Multiplex Immunoassay Platform.

Nearly \$1m was spent on moving the laboratory to a new location.

# Animal Blood Glucose Biosensor

## Update

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60 prototype devices are to be delivered to UBI in October.

Contact has been made with 45+ potential distributors globally.

10 companies in advanced discussions (ie. NDA, Term Sheet) covering:

- United States (4x) including one global player,
- United Kingdom (2x),
- Europe,
- Australia,
- China,
- Finland.

Sales expected to **commence H1 2023**.



# Animal Blood Glucose Biosensor

## Update

It's estimated 1.25m animals have diabetes globally of which:

- 552,000 animals are in the US:
  - ✓ 300,000 dogs (1 in 300 have diabetes).
  - ✓ 252,000 cats (1 in 230 have diabetes).

Estimated global market size \$239m in 2022.

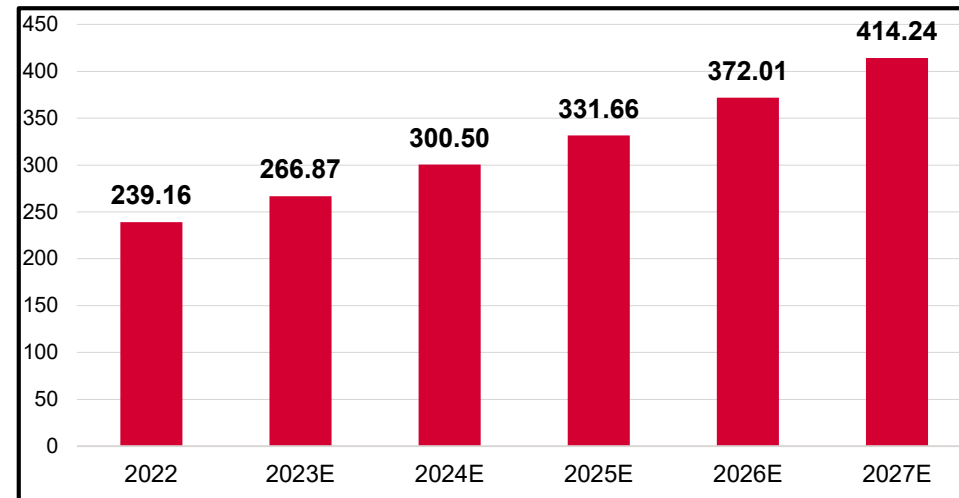
Market is growing at a CAGR of 11.35% and projected to be \$414m in 2027.

138 million test strips estimated in 2022 (62 million in the US).

Projected number of test strips per animal with diabetes is 112 p.a.

*Treatment recommendations after diagnosis include;  
**Glucose monitoring**, Insulin therapy, Diet Change, Exercise.*

**Vet Blood Glucose Monitoring (AUD Million)**



# Cancer Biosensor (Tn Antigen)

## Update

UBI licensed technology relating to a cancer biomarker (Tn Antigen) that can be used to monitor a cancer patient's tumor activity from a finger prick of blood.

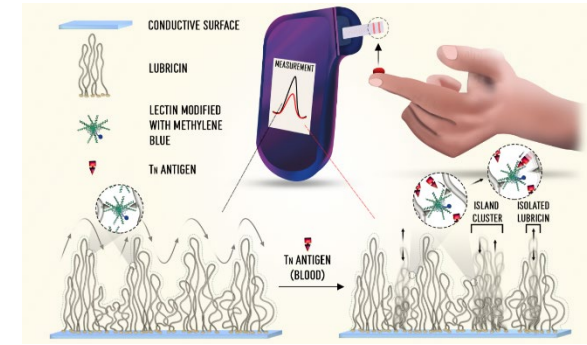
UBI reported the results of its first development trial with The Peter MacCallum Cancer Centre during April 22 which were very promising.

Supply chain issues delayed the delivery of a key raw material (Lubricin) by several months which in turn delayed our second development trial using Victorian Cancer Biobank blood samples.

New Lubricin arrived at UBI during the last week of August.

UBI's second development trial, (Victorian Cancer Biobank trial), is expected to report results before the end of 2022. The trial may include biobank samples from:

- 40 prostate cancer samples
- 40 breast cancer samples
- 40 colorectal cancer samples and;
- 10 healthy control samples



### Results from Peter Mac development trial

#### Colorectal Cancer

C (n=16), H (n=10)*	Sensitivity (%)	Specificity (%)
2 Electrode	100.0	60.0
3 Electrode	100.0	90.0

\*C = Cancer (48 samples tested), H = Healthy (30 samples tested). Each patient sample tested in triplicate

	Sensitivity (%)	Specificity (%)
CEA	55.2	83.6

#### Prostate Cancer

C (n=44), H (n=10)*	Sensitivity (%)	Specificity (%)
2 Electrode	92.9	60.0
3 Electrode	72.7	90.0

\*C = Cancer (132 samples tested), H = Healthy (30 samples tested). Each patient sample tested in triplicate

	Sensitivity (%)	Specificity (%)
PSA	85.4	30.3

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# Covid & Fertility Biosensors

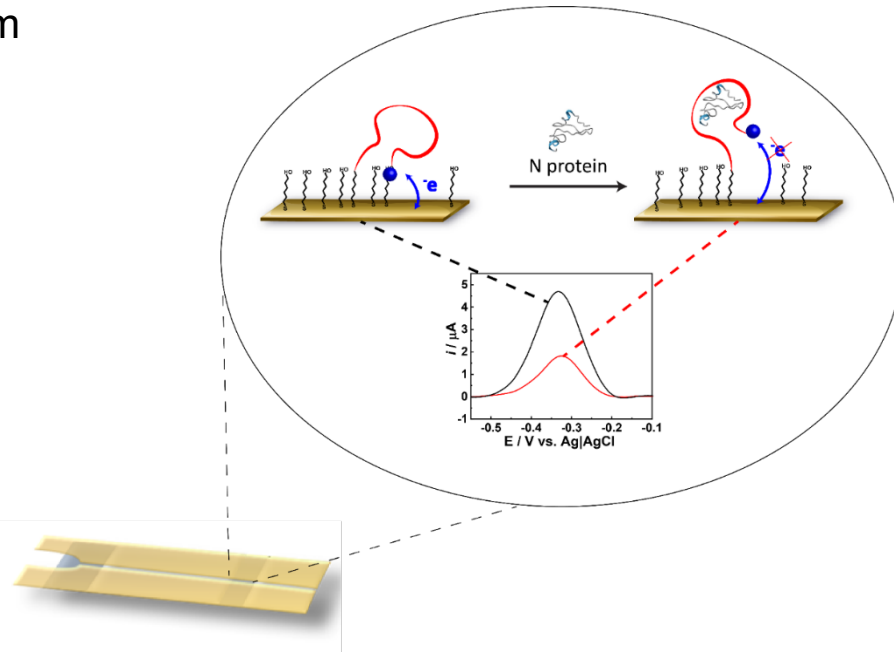
## Update

Work on our aptamer based COVID-19 biosensor platform is progressing.

Our first pilot clinical study, testing live COVID-19 virus, will begin during Q4 2022.

The work performed on the aptamer based COVID-19 biosensor platform is all transferrable to our fertility hormone monitoring tests and will fast track this development (on the same platform).

The three aptamers for estradiol, progesterone and luteinizing hormone have been developed and are at the UBI facility. Initial testing has been performed and the results look promising. Full proof of concept work will begin in Q4 2022.



# Universal Biosensors

## Highlights

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### UBI:

- Is well-funded and has **\$33m in cash reserves**.
- In Market sales for Sentia are growing strongly.
- Three new Sentia products to be launched during Q4 2022 / Q1 2023.
- Our new Xprecia Prime coagulation product to be launched Q4 2022.
- Direct sales for Xprecia products growing.
- Termination of Siemens contract expected to have positive impact on Xprecia sales during 2023.
- More than \$9m (**non-recurring**) to be invested during 2022 in development of:
  - ✓ Fructose,
  - ✓ Titratable Acidity,
  - ✓ Acetic Acid,
  - ✓ Xprecia Prime (our next generation coagulation testing product),
  - ✓ Petrackr (our blood glucose biosensors for animals), and our
  - ✓ Tn Antigen Cancer Biomarker.
- UBI expect cash spend on Development Assets for FY23 to be materially lower (\$5m +/-) than FY22.
- UBI expect to have enough cash to fund all Development Asset investments and day-to-day operations.

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# Appendices



# Results

## Profit and Loss Summary (H1 2022)

\$m	H1 2022	H1 2021
<b>Biosensors</b>		
Coagulation testing products	1.78	1.99
Wine testing products	0.58	0.58
Total revenue	2.36	2.57
<b>Cost of goods sold</b>	1.05	1.41
Biosensors gross profit (\$)	1.31	1.16
<b>HRL</b>		
Coagulation testing services	0.73	0.82
Total revenue	0.73	0.82
<b>Cost of services</b>	0.79	0.62
HRL gross profit/ (loss) (\$)	(0.06)	0.20
<b>Other expenses</b>		
Depreciation & amortization	1.39	1.07
Development expenses	4.49	1.61
Research expenses	1.84	1.21
Selling, general & administrative	4.71	2.54
Total expenses	12.43	6.43
<b>Other income/ (expense)</b>		
R&D tax incentive income	1.98	1.26
Other	0.02	0.60
Total other income	2.00	1.86
<b>Net loss</b>	<b>(9.18)</b>	<b>(3.21)</b>

Sales of Xprecia Stride were down slightly due to the timing of Siemens' orders and Siemens running existing stock levels down to zero.

Sales of Sentia for H1 2022 were in line with H1 2021.

HRL sales down because HRL had a 6-week shutdown as it moved premises and commissioned a new laboratory and new equipment.

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# Cash Flow

## Explained

The following is a summary of the cash invested in Development Assets. During H1 2022 UBI invested: \$4.49m (non-recurring) was invested into the following (intangible) Development Assets.

- \$2.47m in the veterinarian blood glucose product
- \$2.02m in clinical and development trials for our Xprecia Prime, Tn Antigen and Sentia products

\$1.12m (non-recurring) was invested into the ongoing development of our oncology, fertility and COVID biosensors.

Total amount to be invested during FY 2022 in “Development Assets” (non-recurring) is tabled below.

\$m	H1 2022	H2 2022	Total 2022
Petrackr	2.47	1.80	4.27
Xprecia Prime	0.82	1.19	2.01
Sentia	0.69	0.36	1.05
Tn Antigen Cancer Biomarker	0.51	1.23	1.74
<b>Total</b>	<b>4.49</b>	<b>4.58</b>	<b>9.07</b>

# Cash Flow

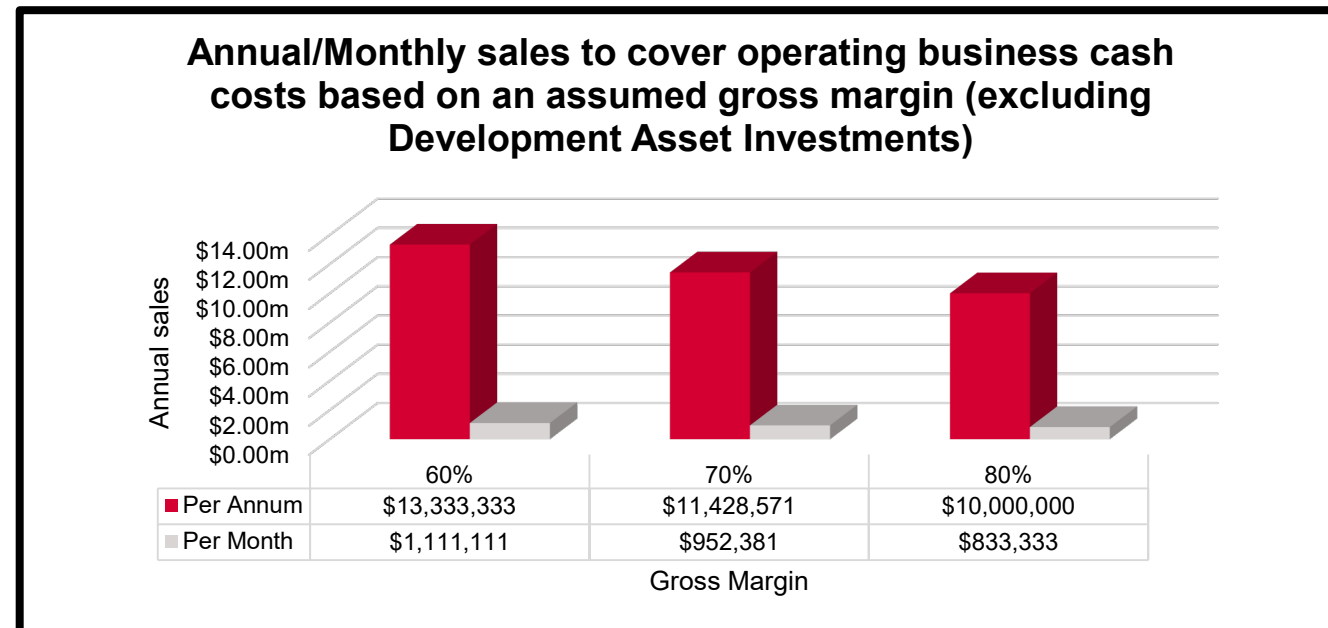
## Explained

The purpose of Figure 1 is to illustrate the sales required by UBI on a monthly and annual basis to cover operating cash costs (excluding the investment in Development Assets).

**Figure 1**

This is for illustration purposes only and is based on the following assumptions:

- three different gross margins achieved from the sale of products;
- excludes cash invested in Development Assets as detailed on slide 14;
- assumes current cash operating expenses at \$8m pa.



# END