



LBT INNOVATIONS

# Using AI to disrupt the \$5.3bn clinical microbiology market

*Early commercialisation - Global launch*

ShareCafe  
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ASX code: LBT

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# Clinical microbiology: US\$3.9bn global market\*

Exciting market opportunity - growing at 6.5% per annum



## **Rising incidence of infectious diseases**

>150 million UTI infections per yr



**Outbreak of epidemics** - Huge demand on clinical resources driven by COVID-19



**Technology advancements** - New products needed to meet growing testing demand



**Increasing investment** from public and private sector



\* Market Research Report, marketsandmarkets.com (Oct 2020): Clinical Microbiology Market by Application (Food, Pharma, Manufacturing, Chemical, Environment), Disease (Respiratory, Std, Uti), Product (Instrument, Analyzer, Reagent), End User (Hospital, Diagnostic Lab, Academia) - Global Forecast to 2025

# Challenges facing microbiology laboratories

Culture plates reading remains a highly manual process



**High Volume** - >6.5 million culture plates read per day and growing



**High Cost** - Requires highly trained scientists to interpret results



**Limited Resources** - Declining workforce with high vacancy rates (6% in US)



**Patients** rely on rapid and accurate test results to inform treatment

# Cutting edge AI technology for microbiology

APAS® Independence - **First** and **only** automated culture plate reader

 **Innovative** platform technology  
One product – multiple laboratory tests

 **Patent** protected  
4 issued patent families

 **Clinically proven**  
10,000-patient clinical trial

 Global regulatory clearances  
**FDA, CE Mark, TGA**

 Product **launched**  
**Global sales** - US, Australia, Germany

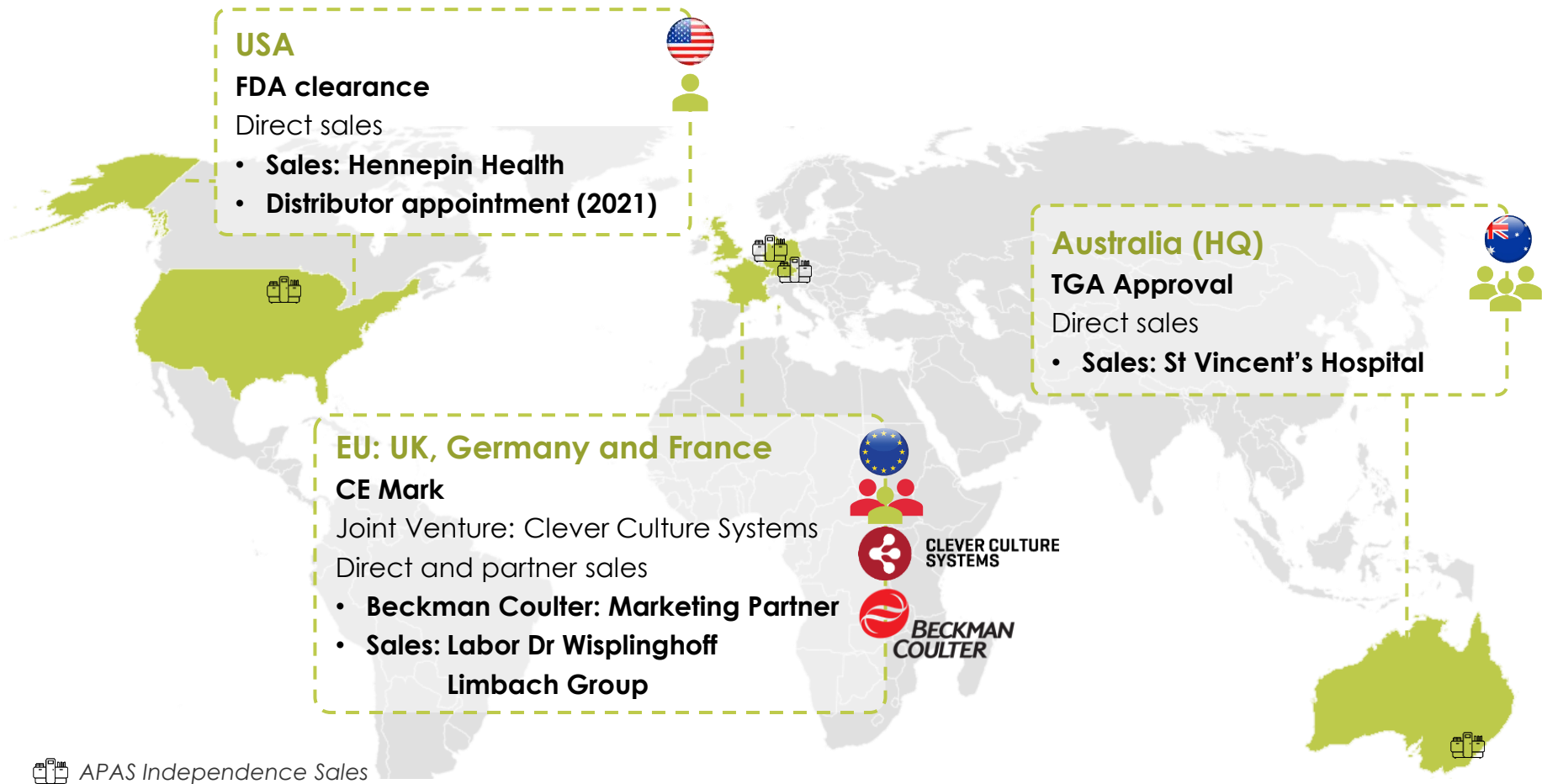
 Channel partners  
**EU Beckman Coulter; US Distribution Pending**



**APAS** INDEPENDENCE

# Global product launch

Sales achieved in launch markets. Establishing partnerships to scale



# 2020 formed key partnerships to scale

COVID-19 highlighted the need for automation in microbiology



## Global healthcare distributor

Top 4 global distributor with US\$3.6bn of sales and 12,000 staff worldwide



## EU sales and marketing agreement

Expanded sales presence Germany, UK and France



## Hybrid distribution model

Joint customer partnerships to win



## Expanded European sales presence

Germany, UK and France



## Field service and support partner



oneservice™ engineer at The Doctors Laboratory, London

# Technology adoption

Targeted sales approach focussed on early adopters



**Hennepin Health**



**Labor Dr Wisplinghoff**

## Innovators

Key Opinion Leaders

St Vincent's Melbourne (AU),  
Hennepin Health (US), Labor  
Dr Wisplinghoff (EU)



## Early Adopters

Technology Leaders

First commercial sales –  
Limbach Group (EU)



## Early Majority



*“We are very pleased to incorporate the APAS® Independence into our routine clinical workflow, where the instrument will be used daily to automate the reading of our MRSA cultures.”*  
– Prof. Hilmar Wisplinghoff



# Exciting market opportunity

**Dual strategy** of **direct** to market sales and **distributor** appointments

Number of labs globally

## Small Labs

<400 plates per day

15,000

## Medium Labs

400 - 1000 plates per day

12,000

## Large Labs

>1000 plates per day

1,000

**Total Market Opportunity 13,000**

## Market Opportunity (AU, US, EU)



**Addressable Market:** >2,000 Labs

Market penetration: 20-30%

Instrument sales: 400-600

5yr opportunity: ~US\$450k/APAS

**Sales estimate:** US\$140m-\$270m\*

**50:50 Joint Venture**  
Profits shared equally



**CLEVER CULTURE  
SYSTEMS**

\* Sales estimate includes expected distributor margin

# Corporate overview

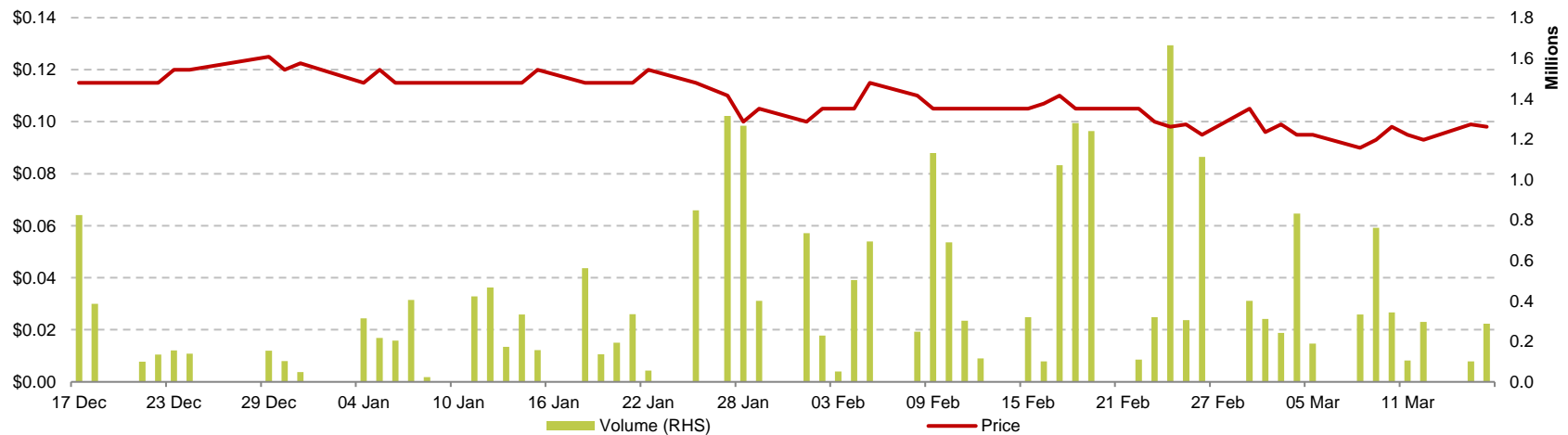
Strong balance sheet for growth - funding runway extends into 2022

## Key Statistics (Closing price on 16 March 2021)

<b>Share Price</b>	\$0.098 per share
<b>24 -month range</b>	\$0.080 - \$0.230
<b>Number of shares</b>	289.1 million
<b>Options Issued</b>	11.9 million
<b>Market Cap</b>	~\$28.3million

## Financials (AUD)

<b>Cash</b>	\$12.0 million (as at 31 Dec 20) + \$0.8 million (R&D Tax Incentive - 26 Feb 21)
<b>Cash burn</b>	~\$1.5m per Qtr (prior to sales revenue inflows and SAFA repayments)
<b>SAFA Loan Facility</b>	\$4 million - Low interest rate, 5-year term
<b>Key Shareholders</b>	Institutions (5.7%) and Industry (5.7%), Directors + Management (1.8% + Options)



# Investment highlights and outlook

No better time to be in microbiology diagnostics

## **Technology proven** - \$31.5m invested

Invented **first-in-class** technology (patent protected)

Global regulatory clearances - **FDA, CE Mark, TGA**

First sales achieved (**US, Australia, Germany**)

Partnerships to scale (**Beckman Coulter, oneservice™**)

Funded to grow - \$12m Cash + R&DTI \$0.8m received



## **2021 Commercial outlook**

Expanded technology platform

- **USA: MRSA analysis module FDA Clearance**
- **EU and Australia: VRE and Urine analysis modules**

Growing instrument sales

US channel partner appointed



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