

ASX: LBT COMPANY UPDATE

Proven AI technology disrupting microbiology

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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 INDEPENDENCE



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 revenue⁵⁻¹
- US\$1m cost per event for failed product⁵⁻¹

Traceability & data integrity. Highly regulated industry

- 116% increase in regulatory observations to drug establishments⁵⁻²
- 86% warning letters cite data integrity issues⁵⁻²

Efficiency. High demand on Microbiologists

- 2 Microbiologists read every environmental monitoring plate
- Inefficient resource use >98% plates have zero growth⁵⁻³



APAS[®] PharmaQC: Customer value proposition

Technology uniquely positioned in large market

AI technology improves quality of results



- “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

A hand wearing a blue nitrile glove holds a clear petri dish containing several streaks of white bacterial cultures on a yellow agar medium. The background is a blurred laboratory setting with blue lighting.

AU\$2.8bn⁷⁻¹ addressable market for Biopharmaceutical Quality Control

~14,300 FDA registered drug manufacturing facilities worldwide⁷⁻¹

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

Top 20 Pharma Companies operate ~600 manufacturing facilities globally⁷⁻³

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 [®]	AI Software Licence	ARR	25%
APAS Service [#]	Support and maintenance services	ARR	15%
Implementation Services	Instrument connectivity, technical data and validation support	One-off	10%

* Typical revenue over 5 years (expected initial contracted term)

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 – bioMérieux (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[#]



APAS[®] PharmaQC

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

Customer will take plates from their existing incubators and bulk load them into APAS[®] for automated reading and reporting.

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



Clever Culture Systems. Wholly owned by LBT Innovations.

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[#] Daily capacity assumes industry standard 5-day incubation

Global partners and customers established

Extensive scientific data published

APAS® has successfully analysed >5 million plates¹⁰⁻¹ globally

Used routinely by customers for the reporting of >1.5 million¹⁰⁻¹ results annually, and growing



* CCS Scientific Library and Internal company calculations of partner data

Cornerstone partner

APAS[®] PharmaQC selected for automation¹¹⁻¹:

- ~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

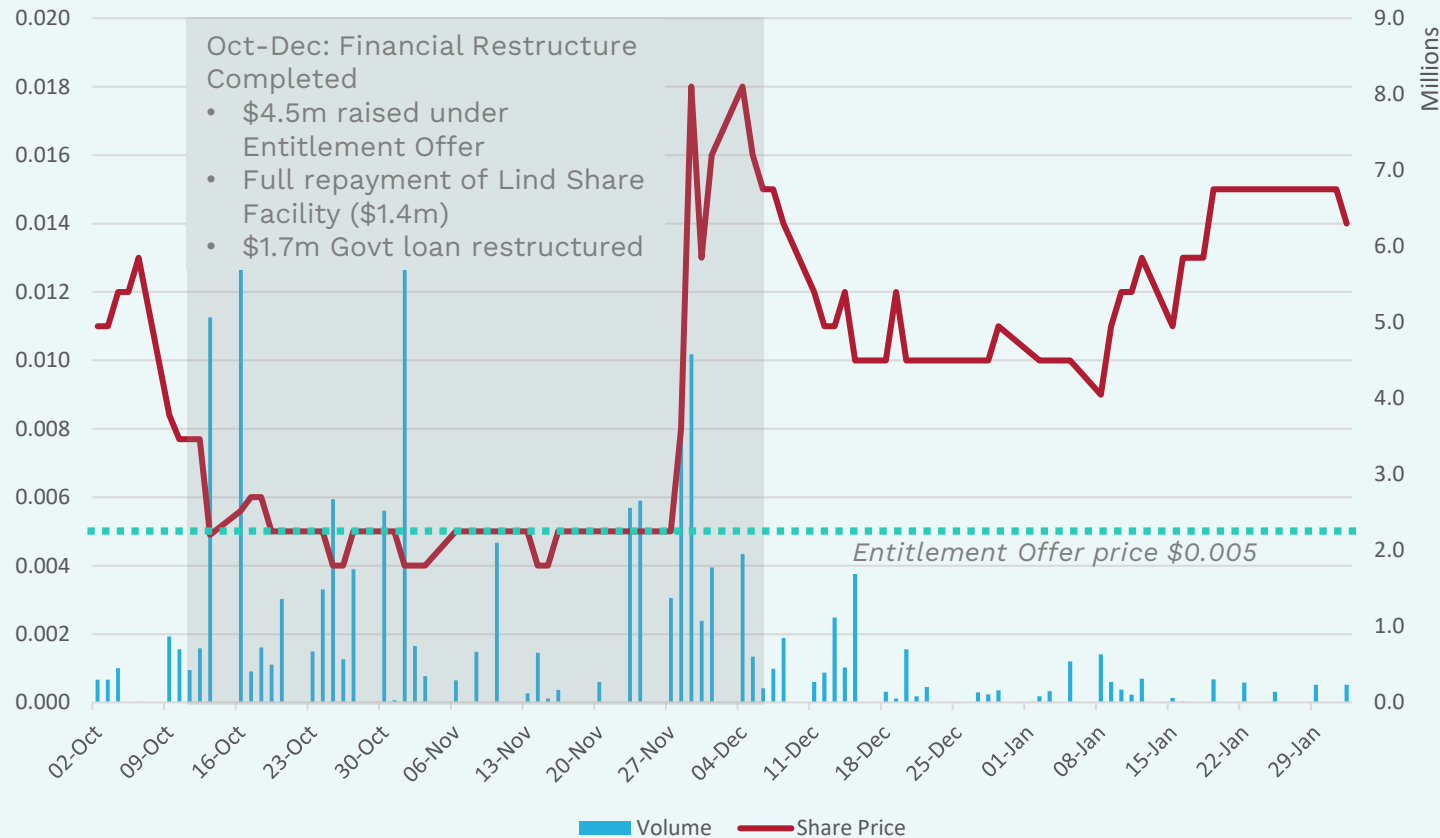


Ray Ridge
CFO and
CoSec, AU



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 898 million

- LBTO 449m options, expiring 15-09-24 at \$0.005
- LBTOA 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:

⁵⁻¹ 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>

⁵⁻³ <https://www.lbtinnovations.com/automated-reading-of-agar-plates-using-ai/>

Slide 7:

⁷⁻¹ *Global Pharmaceuticals & Medicine Manufacturing; IBISWorld Industry Report C1933-GL; Eva Koronios; June 2021*

(https://www.contractpharma.com/contents/view_blog/2018-02-02/an-interactive-global-map-of-pharma-manufacturing-sites/) +

internal company analysis and estimate of 25% of total permits relating to sterile sites of a sufficient size to justify automation

⁷⁻² <https://www.fda.gov/about-fda/economics-staff/fda-glance>

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

¹⁰⁻¹ Internal Company calculations based on customer data and internally generated data

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

