



Lumos Diagnostics Holdings Limited FY2023 Results Presentation

August 2023

www.lumosdiagnostics.com

Confidential. This document and supporting materials contain confidential and proprietary business information from Lumos.

ersonal use only

Disclaimer and Important Information



This presentation (Presentation) has been prepared solely for informational purposes by Lumos Diagnostics Holdings Limited (Company).

The information contained in this document ("Document") has been prepared by Lumos Diagnostics Holdings Limited (referred to as "Lumos" or "Company"). This Document is current as at the date of this Document and should be read in conjunction with other Lumos periodic and continuous disclosure announcements filed with the Australian Securities Exchange (ASX), available at www.asx.com.au.

The information in this Document is not intended to form the basis of any investment decision in relation to the Company or its assets and should not be considered as a recommendation to the Recipient to acquire securities in the Company. This Document is not a prospectus, profile statement or disclosure document and does not constitute an offer or invitation to acquire securities or otherwise invest in the Company, and no agreement to subscribe for securities will be entered into on the basis of this Document.

No representation or warranty, expressed or implied, is or will be made, and no responsibility or liability is or will be accepted by the Company, any of their respective officers, servants, agents or advisers (collectively "Limited Parties") as to or in relation to the accuracy, reasonableness, completeness or reliability of the information in this Document or any other written or oral information made available to any Recipients or their advisers. Any liability therefore is hereby expressly disclaimed. In particular, no representation or warranty is given as to the achievability or reasonableness of any future projections, management estimates or plans, prospects, returns or forecasts.

To the fullest extent permitted by law, the Limited Parties will not have any responsibility or liability for any loss or damage (whether foreseeable or not), however arising (including as a result of negligence), in relation to or in connection with the provision of this Document, the Recipient's or any other person's purported reliance on this Document, the failure to provide information of which any of the Limited Parties becomes aware or any errors in or omissions from this Document.

None of the Limited Parties makes or gives any representation, warranty or guarantee, express or implied, that the information in this Document is accurate, current, reliable or complete, has been or will be audited or independently verified, or that reasonable care has been taken in compiling, preparing or furnishing it. Various statements in this Document constitute statements relating to intentions, future acts and events including forecast financial information ("Forward Looking Statements"). Forward Looking Statements involve subjective judgment and analysis, known and unknown risks, uncertainties and other important factors that may cause those future acts, events and circumstances to differ from the way or manner in which they are expressly or impliedly portrayed herein.

The Limited Parties do not make or give any representation, warranty or guarantee, express or implied, that any Forward Looking Statements will be achieved or proven correct, or that any assumptions or projections on which the Forward Looking Statements are based are reasonable. No historical financial information, forecast financial information, estimates or projections contained in this Document or any other financial information derived from that information, can be relied upon as a promise or representation, as to the past, present or the future. Past performance is not necessarily a guide to future likelihood of achievement or reasonableness of any Forward Looking Statement, forecast financial information or other forecast. The Limited Parties do not undertake any obligation to (and expressly disclaim any obligation to) provide the Recipients with access to any additional information or to correct any inaccuracies herein which may become apparent or to disseminate any updates or revisions to any Forward Looking Statements in this Document to reflect any change in expectations in relation to any such statements or any change in events, conditions or circumstances on which any such statement is based.

This document also contains statistics, data and other information relating to markets, market sizes, market shares, market positions and other industry data pertaining to the Lumos business and markets. Such information is generally based on independent market and industry data or research. Lumos has not independently verified and cannot give any assurances as to the accuracy and completeness of the information sourced from market and industry data or research contained herein. Accordingly, the accuracy and completeness of such information is not guaranteed. There is no assurance that any of the forecasts or projections contained in the independent market and industry data or research will be achieved. Forecasts and projections involve risks and uncertainties and are subject to change based on various factors. You should note that market data and statistics are inherently predictive and subject to uncertainty and not necessarily reflective of actual market conditions.

Neither the receipt of this Document by any person nor any information contained in it or supplied with it or subsequently communicated to any person in connection with a proposed investment in the Company constitutes, or is to be taken as constituting, the giving of investment or financial product advice (or any other advice) to any such person. Each such person should make their own independent assessment of the merits or otherwise of investing in the Company and should seek their own professional advice in respect of any future investment opportunity and not act on the basis of any matter contained in this Document. In providing this Document, the Company has not considered the objectives, financial position, taxation situation or other needs of any particular Recipient.

The distribution of this document in jurisdictions outside Australia may be restricted by law. Persons who come into possession of this document who are not in Australia, should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. In particular, this document does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States.

Non-IFRS financial measures

Recipients should note that certain financial data included in this Document is not recognised under the AAS and is classified as 'non-IFRS financial information' under Regulatory Guide 230 'Disclosing non-IFRS financial information' published by ASIC. The Company believes that this non-IFRS financial information provides useful information to users in measuring the financial performance and condition of Lumos. The non-IFRS financial measures do not have standardised meanings under AAS, and therefore may not be comparable with similarly titled measures presented by other entities, nor should these be interpreted as an alternative to other financial measures determined in accordance with AAS. Investors are cautioned not to place undue reliance on any non-IFRS financial information, ratios and metrics included in this Document.

FY23 Summary

“

The opportunity that Lumos has with its technology, know-how and expertise in the development and production of point-of-care diagnostic tests and its unique reader platform remains as compelling as it was when I decided to join the Company, if not more so.

I feel that we have now turned the corner and are finally in a great position to capitalise on those opportunities. I see a very exciting future ahead for Lumos.

Doug Ward
Chief Executive Officer
Lumos Diagnostics



US\$10.5 million total revenue in FY23



US\$10.2 million Commercial Services revenue in FY23 ▶ 9% increase vs FY22



Reduced operating cash burn to average of <US\$1.0 million per month for FY23



Completed reorganisation reducing headcount by >60% & consolidated operations to single site



Secured FDA clearance to market FebriDx in the United States at end of FY2023



Established and expanded strategic partnership with leading women's health company Hologic

ersonal use only

Company Overview

A horizontal bar composed of several colored segments: yellow, blue, purple, red, and orange.

Company Snapshot



Lumos is a fully-integrated developer and manufacturer of connected, rapid, point-of-care tests for the diagnostics and healthcare industries

- Led by Doug Ward, industry veteran with over 30 years experience in diagnostics
- Comprehensive offering from concept design to clinical to commercial production
- Proprietary reader platforms providing connected use in different clinical settings
- Development and manufacturing facility located in Carlsbad, California
- Strategic relationship with US-based women's health leader Hologic
- Two POC tests cleared in certain markets available for commercial sale or licensing
- Distributor of other women's health and sexual health products



Board of Directors



Sam Lanyon

Non-Executive
Chair



Doug Ward

CEO and
Managing Director



Bronwyn Le Grice

Non-Executive
Director



Lawrence Mehren

Non-Executive
Director



Catherine Robson

Non-Executive
Director

ersonal use only

Lumos has a compelling and highly competitive offering



1. Fully-integrated—from design to manufacturing



3. IVD development and manufacturing expertise



2. Proprietary reader platform for use in different settings



4. Clinical validation, trial management, and regulatory



Lumos' POC diagnostic test development engine



REVENUE
STREAMS

Contract Fees
from services

Margin
from manufacturing

Sales & license payments
from own & other products

Favourable industry structure and key trends

Robust underlying category growth forecast

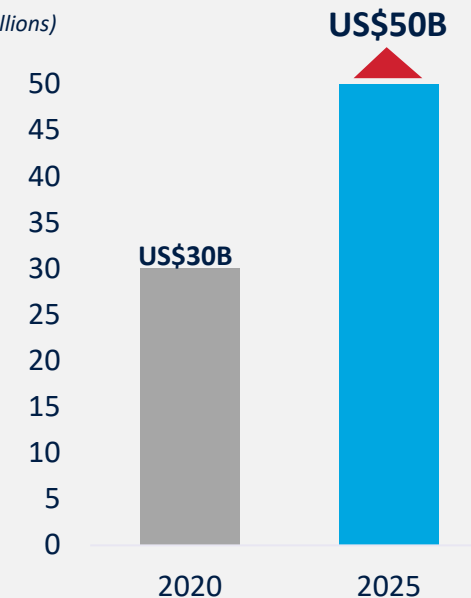
- Significant growth anticipated from growing role of diagnostic tests in healthcare
- Rapid, point-of-care tests increasingly being used – common in US settings
- POC tests increasingly critical for enabling real-time provision of healthcare
- Growing demand for next generation diagnostics which incorporate state-of-the-art reader systems that can move lab-based tests closer to the patient and physician

Significant opportunity for diagnostic tests development and manufacturing services

- Current industry is highly fragmented—dominated by specialist niche players
- Few providers with expertise across development, clinical, regulatory and manufacturing
- Major players increasingly relying on external providers—cost effective access to technology
- Requirement for connected POC tests able to interface with Electronic Medical Records

GLOBAL POC DIAGNOSTIC TEST SALES

(US\$ in billions)



11.5% 5-year CAGR for North America & Europe

SOURCE: MarketsandMarkets Report, 2021

Strategic partnerships are a key pillar of Lumos' growth plan



Lumos provides a compelling service offering for leading diagnostics companies

- **Fully-integrated offering**—from concept-to-clinic-to-commercial production
- **Proprietary reader platform**—integrate POC testing with electronic medical records
- **Track record**—successful delivery of products to recognised industry leaders

Strategic partnerships will underpin long-term and durable revenue growth for Lumos

- **Multiple projects**—reduced transaction costs with repeat business
- **Project extensions**—as products migrate through stages of the development process
- **New projects**—creating and developing new products for strategic partners
- **Next gen products**—extending commercial life of partner's products as market evolves
- **Manufacturing**—ongoing revenue stream from commercial-stage products



Commercial Services - FY23 Operational Summary



CARLSBAD, CA USA

- Lumos commercial services revenue of US\$10.2 million – an increase of 9% from FY22
- Completed major reorganisation which included reduction of headcount by over 60%
- Closed Sarasota FL facility and consolidated operations to single site in Carlsbad CA
- Established strategic partnership with leading women's health company Hologic that included multiple programs
- Expanded and diversified pipeline of commercial services projects beyond infectious disease applications

Lumos has established a strategic partnership with Hologic



- **Hologic is a recognized global leader in women's health based in Massachusetts**
 - NASDAQ: HOLX, Market Capitalization US\$20 billion
 - FY2022 revenue of US\$4.2 billion with net income of US\$1.3 billion
 - Diagnostic products account for >50% of Hologic's revenue
- **Lumos is working with Hologic at multiple levels**
 - Multiple services contracts signed during FY2023
 - Existing, marketed product
 - Development of a new, rapid point-of-care test product
 - Other programs and opportunities currently under consideration
 - US\$4.2 million in non-dilutive funding through sale and leaseback agreement



ersonal use only

Lumos Products - FY23 Summary



- Product sales of \$0.3 million vs \$2.2 million in FY2022 – reduction due to absence of \$1.7 million in pandemic-related sales of CoviDx™ and lower sales and marketing investment
- Secured FDA clearance to market FebriDx® test in the United States at the end of FY2023 following submission of a new 510(k) application
- Initial orders for FebriDx shipped to new markets during FY2023 and Henry Schein expanded distribution coverage to include Spain, Portugal and the Netherlands in Q1 FY2024
- Commenced establishment of US sales channel targeting urgent care and relevant physician offices
- Secured distribution rights for cleared, point-of-care products for women’s health, STIs and infectious diseases from Binx and three other US organisations
- Continued to progress regulatory application for ViraDx™ through EUA pathway in the United States

ersonal use only

ersonal use only

FY23 Results



FY23 – Result Highlights*



“

While Lumos went into FY2023 facing a number of challenges, I am extremely happy with the successes we achieved during the financial year and believe that we have now put the Company on a firm trajectory for long-term growth.

Doug Ward
Chief Executive Officer
Lumos Diagnostics



Revenue \$10.5 million (\$11.6 million FY22, incl. CovidX \$1.7m), revenue from services up 9%



Gross profit margin for FY23 of 56%, an improvement of 12% over FY22



Significant reduction in cost base with OPEX for FY23 \$11.9 million, versus \$22.8M in FY22



Significant reduction in loss after tax to \$9.0 million (\$45.7 million loss in FY22)



Significant reduction in cash usage for the year, to \$11.6 million (\$23.6 million cash usage in FY22)



Completed capital raise of A\$5.4 million in July 2023



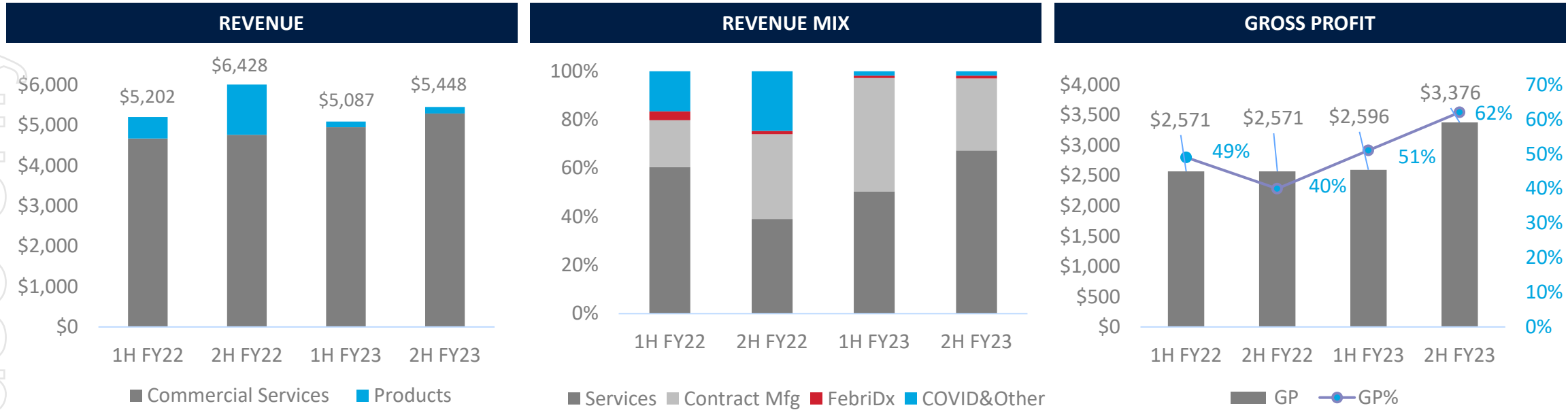
Repaid all Convertible Notes, A\$1.58 million in August 2023

* All amounts are in US\$ unless stated otherwise

Revenue & Gross Profit



(US\$ in thousands)



COMMENTARY

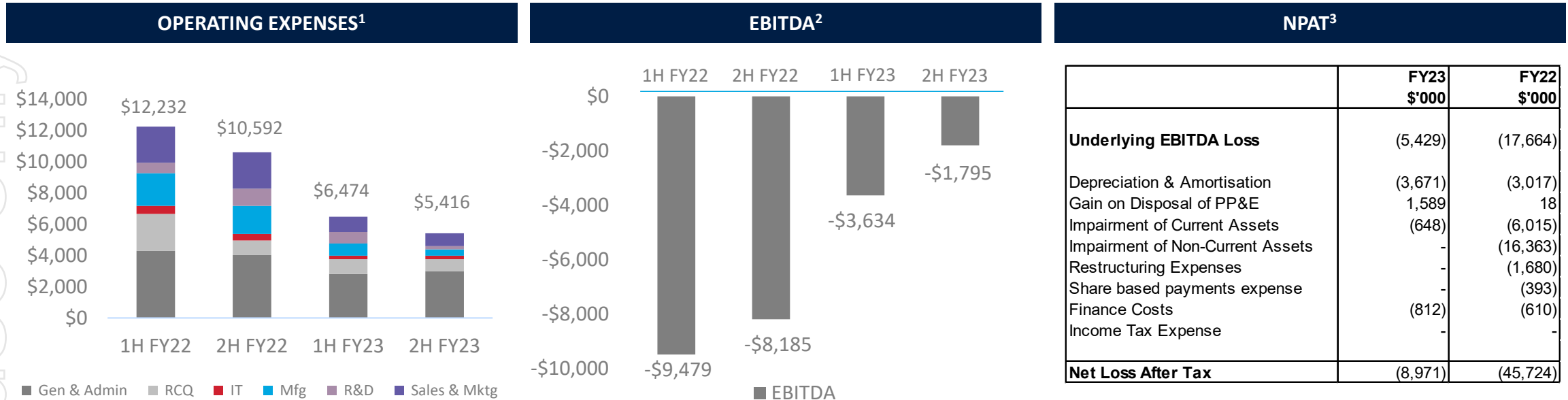
FY23, a period of consolidation & stabilization:

- Revenue of \$10.5M, down 9% from FY22 of \$11.6M. Up 6% on FY22 excluding CoviDx sales of \$1.7M in prior FY
- Services revenue up 9% from \$9.4M to \$10.2M
- Gross profit margin of for FY23 of 56%, recovered from the drop in 2H FY22, and up 12% on FY22
- Services revenue of \$10.2M from both contract development and manufacturing services
- Commercial Services revenue driven by 12+ ongoing development programs in various phases
- Product revenue of \$0.3M, down from \$2.2M in FY22 (which included CoviDx sales of \$1.7M) driven by FebriDx sales outside of U.S, and Reader sales

OPEX & EBITDA



(US\$ in thousands)



COMMENTARY

FY23, realizing the cost savings from restructure:

- Benefits from restructure and rightsizing the business now flowing through
- Operating expenses reduced to \$11.9M in FY23, down by 48% from FY22 of \$22.8M
- Underlying EBITDA loss of \$5.4M for FY23, 69% lower than FY22 EBITDA loss of \$17.7M
- Increased amortization for the FY23 due to commencing amortization on additional IP in use (FebriDx and Reader Platform)
- One impairment booked in FY23, related to inventory (from expiry on some FebriDx items)
- Gain on sale of PP&E primarily relates to sale & leaseback agreement, and return of some equipment to a supplier under warranty
- NPAT loss for the FY23 is \$9.0M, a significant improvement over the \$45.7M loss reported in FY22

¹ Operating Expenses prior to impairments & non-recurring costs.

² Underlying EBITDA loss before impairments & non-recurring costs.

³ Statutory NPAT per FY Report.

Cash Flow



(US\$ in thousands)

OPERATING			INVESTING			FINANCING & CASH BALANCE		
	FY23 \$'000	FY22 \$'000		FY23 \$'000	FY22 \$'000		FY23 \$'000	FY22 \$'000
Cash flows from operating activities			Cash flows from investing activities			Cash flows from financing activities		
Receipts from customers	6,985	12,456	Payments for plant and equipment	(125)	(2,523)	Proceeds from issue of convertible notes	2,615	-
Payments to employees and suppliers	(15,846)	(30,337)	Payments for clinical trials and development	(30)	(1,832)	Proceeds from issue of shares, net of costs	-	7,870
Proceeds from government grant	-	15	Proceeds from disposal of property, plant & equipment	4,462	-	Payment of proceeds from sell-down of shares	-	(17,583)
	(8,861)	(17,866)	Net cash from/(used in) investing activities	4,307	(4,355)	Costs of issuing convertible notes	(134)	-
Interest received	21	2				Payment of lease liabilities	(1,829)	(1,206)
Interest and other finance costs paid	(798)	(172)				Net cash from/(used in) financing activities	652	(10,919)
Net cash (used in) operating activities	(9,638)	(18,036)				Net increase/(decrease) in cash	(4,679)	(33,310)
						Cash at the beginning of the financial year	7,978	44,890
						Effects of exchange rate changes on cash	(284)	(3,602)
						Cash at the end of the financial year	3,015	7,978

COMMENTARY

FY23, realizing the cash savings from restructure:

- Benefits from restructure and rightsizing the business now flowing through to the cash flow
- Operating cash outflow for FY23 \$9.6M, versus an outflow of \$18.0M in FY22
- Limited spend on PP&E, or product development. Proceeds from disposal of PP&E includes the sale & leaseback completed with Hologic
- Payment of lease liability includes the payout for surrender of Sarasota facility, \$0.3M
- Total cash usage (operating, capital expenditure, lease payments) was \$11.6M, versus \$23.6M in FY22
- Cash at 30 June was \$3.0M, which increased to \$6.3M after the capital raise completed in July of A\$5.1M (net of costs)
- Payout of convertible notes in August was A\$1.575M, leaving a “pro-forma” cash balance of \$5.2M at 1 July 2023

Balance Sheet

(US\$ in thousands)

ASSETS			LIABILITIES			EQUITY		
	FY23 \$'000	FY22 \$'000		FY23 \$'000	FY22 \$'000		FY23 \$'000	FY22 \$'000
Assets			Liabilities			Equity		
Current assets			Current liabilities			Issued capital	92,468	92,139
Cash and cash equivalents	3,015	7,978	Trade and other payables	2,882	4,115	Reserves	(678)	280
Trade and other receivables	1,489	1,890	Convertible notes	1,346	-	Accumulated losses	(82,292)	(74,534)
Inventories	1,063	2,526	Lease liabilities	692	968	Total Equity	9,498	17,885
Prepayments and other assets	397	1,048	Employee benefits	1,540	1,087			
Total current assets	5,964	13,442	Contract liabilities	1,714	6,659			
Non-current assets			Total current liabilities	8,174	12,829			
Plant and equipment	611	3,495	Non-current liabilities					
Right-of-use assets	7,953	7,476	Lease liabilities	7,747	6,226			
Intangibles	10,891	12,527	Total non-current liabilities	7,747	6,226			
Total non-current assets	19,455	23,498	Total Liabilities	15,921	19,055			
Total Assets	25,419	36,940	Net Assets	9,498	17,885			

COMMENTARY

FY23, clean balance sheet and new capital in July:

- Benefits from restructure and rightsizing the business now also flowing through to the balance sheet
- Reduced investment in inventory
- ROU Assets is property leases, and sale & leaseback. Intangibles is reader platforms and IP
- Reduction in contract liabilities as projects now delivered
- Convertible note balance at 30 June is the combined balance of the host debt & embedded derivate (face value at 30 June 2023 was A\$2.55M)
- After conversions in July and August, the convertible notes were fully paid out in August for a cash outlay of A\$1.575M

Promising Outlook



“

We have come out of FY2023 a much stronger and more focused company with an exciting pipeline of opportunities in front of us.

I believe in that the foundations we established over the last year will will enable Lumos to accelerate the building and growth of its business.

Doug Ward
Chief Executive Officer
Lumos Diagnostics



Expand and diversify pipeline of commercial services projects and recurring revenue



Continue to build foundation for long-term growth through strategic partnerships



Monetize the Lumos approved POC test products through sales, licenses and partnerships

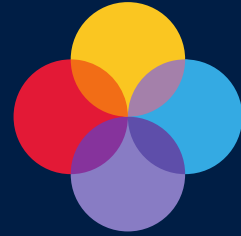


Improve operating cash flow through growing revenue and ongoing cost management



Strong underlying fundamentals from increasing use of rapid point-of-care diagnostic tests

ersonal use only



LUMOS
DIAGNOSTICS

www.lumosdiagnostics.com