



ASX Announcement

January 30th 2025

Quarterly Activity Report Q2 FY25

Highlights

- **Atomo secures an order worth \$440k for supply of HIV Self-Tests in Australia.**
- **Atomo executes a \$2.44M CRC-P Grant with the Australian Federal Government** to complete development of a novel Pascal based test to detect active syphilis.
- **Revenue: \$1.2m (unaudited)** revenue in Q2 FY25 and bringing total H1 revenue (unaudited) to ~\$2.1m.
- **Cash receipts:** Cash receipts from customers during the quarter were \$1.7m, with a further \$753k received from Government R&D rebate and initial payment of \$485k received for commencement of the CRC-P active syphilis grant.

SYDNEY Australia, 30 January 2025 – Atomo Diagnostics Limited (ASX: AT1) (**Atomo**) is pleased to release its Appendix 4C and quarterly activity report for the three months ended 31 December 2024 (Q2 FY25).

HIV Self-Test Business Growth

Atomo continues to see growth in its HIV Self-Test business in developed markets where it enjoys improved margins (when compared to earlier adoption in global health markets).

During the quarter Atomo received a significant order worth ~\$440k for supply of tests for deployment in Australia through the NAPWHA run online portal; <https://hivtest.au/>. The first batch of product under this order was delivered in December. This free-to-user test distribution program is funded by the Australian government and represents further evidence of the increasing adoption of self-testing in public health procurement policy.

During the quarter, Atomo onboarded a further 41 new pharmacies in Australia and progressed launch activities for New Zealand with commercial launch through a leading national pharmacy chain scheduled for April this year.

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The company has supported various state level implementation partners tasked with scaling national vending machine access to free tests, with a material step up in ordering through this channel anticipated in the coming quarter as installed machines now become operational.



Newfoundland Brand Atomo Test on a UK retail shelf



NSW Health HIV Vending Machine

Post quarter end, Atomo announced the renegotiation of its relationship with its European partner Newfoundland Diagnostics, rebalancing the agreement into a long-term commitment. Under the agreement which runs until 30 June 2030 and is worth A\$5.44m, Atomo is building a long-term channel in the rapidly emerging pharmacy/retail rapid test market.

Newfoundland's direct to consumer channel, which includes access into Boots Pharmacies and Tesco Supermarkets in the UK and others in Europe, could be used as an established channel for additional Atomo and Atomo partner products, including the rapid Syphilis test that Atomo is currently developing.

Active Syphilis Test – Development Funded through a Government grant:

Atomo executed a \$2.44 million Cooperative Research Centres Projects (CRC-P) grant with the Commonwealth Government during the quarter, receiving an initial grant payment of \$485k in December. Funds will enable Atomo, in partnership with the Burnet Institute and IDE Group, to complete the development of a novel rapid test for syphilis being developed on the Pascal cassette. Development of the assay on Pascal enables the test to be also used as a self-test as well as by clinicians, significantly expanding the addressable market for the product.

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Atomo anticipates completing a Commercialisation Agreement with the Burnet Institute in this current quarter and remains excited about the opportunities for this unique product across global markets.

Liver function test (ALT) – During the period, Atomo supplied the Burnet Institute with a batch of 20,000 Pascal devices to be used to deliver a rapid test to monitor liver function in a US clinical trial being conducted by a large pharmaceutical company. The parties continue to work together to explore the larger market opportunities for an easy-to-use rapid test for liver health monitoring.

New Product Initiatives

Atomo continues to work on adapting the company's proven capabilities and existing IP to seek to address new markets and expand the adoption of Atomo rapid test technology that we believe can help address unmet needs in adjacent markets.

- **Florey - Clip in blood test device (under development):** This device, which is still under development, incorporates Atomo's blood collection and transfer system with its proprietary blister delivery technology to provide improved levels of usability and accuracy to a standard rapid blood test.



Unlike Pascal, which incorporates the existing test strip directly into the cassette, Florey is designed to accept a standard cassette and allows the test to be completed by the Atomo device. By not having the test directly onboard the device itself, Florey could become an accessory to the approved standard test. This makes it suitable for adoption by tests already approved and commercialised in market, as the regulatory barriers to adoption of Atomo's technology are significantly reduced.

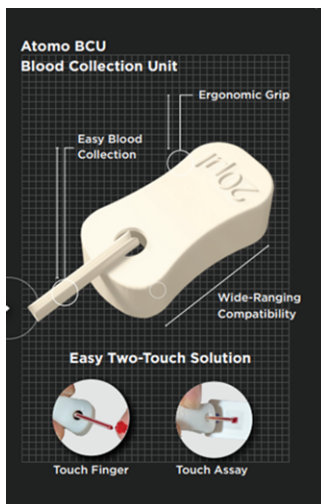


Because the existing test cassette used with Florey can subsequently be removed, this solution supports tests that need to be read in a desktop reader (representing a significant advantage, particularly in the US market where readers are very common in professional settings to support traceability for reimbursement).

- **Blood Transfer Device (under Development):**

Atomo has taken its proprietary blood collection functionality as integrated into its existing Galileo and Pascal cassettes and is redesigning the ergonomics to solve for a common problem in rapid blood testing – the accurate delivery of a controlled volume of fingerstick blood to a standard test cassette or test element.

Existing inverted cup and blow moulded pipettes used in these applications typically have delivered volume variability and are not easy to use. Atomo's Blood Collection Unit (BCU) concept utilises the existing design from its devices to collect and deliver the sample to a separate test cassette upon contact. This functionality makes a standalone blood transfer device suited for common test procedures.



Financials

Total revenue (unaudited) of \$1.2m for Q2 FY25, comprising \$790k for HIV test sales, and Pascal (OEM) sales of \$370k, with the remaining amount from development & grant fees, bringing total revenue for H1 FY25 to ~\$2.1m.



Operating costs for H1 FY25 were \$3.4m (unaudited) compared to equivalent costs of \$3.7m for H1 FY24, representing a reduction of 7% in Operating costs for the comparative period, and reflecting the company's continued focus on managing costs.

Cash receipts during the quarter were ~\$3m, made up of \$1.72m from customer receipts, \$753k for R&D rebate program and further \$485k from the initial grant payment of the CRC-P active syphilis test.

Atomo finished the quarter debt-free and with **cash on hand of \$2.9m**. This compares with a cash balance of \$2.6m at quarter-end 30 September 2024.

In accordance with ASX Listing Rule 4.7C.3, Atomo advises that an amount of \$195k was paid during the quarter to Atomo Directors in salary and director's fees.

Key Company Priorities 2025:

Grow HIV Sales Channels:

- Continued support for existing resellers in Australia and distributors internationally.
- Expand distribution partners in certain geographies in Europe and South America
- Launch the Atomo test in New Zealand via a leading Pharmacy chain.
- Secure new private sector channel partners in key LMIC (Global Health) markets.
- Lobby for HIVST- PrEP confirmation testing in Australia.

Progress Pascal Syphilis Program:

- Complete Syphilis test product development activities and commence Clinical trials
- Seek funding to progress clinicals trails that support product registrations in markets outside of ANZ & EU – targeting the US (FDA) and LMIC (WHO PQ equivalent).
- Secure go to market channels partners and supply agreements in advance of regulatory approvals to help de-risk product commercialisation.



Grow OEM Sales Channels:

- Establish market demand for customer interest for Pascal in US pending anticipated CLIA waiver of Lumos's FebriDx rapid test on Pascal
- Complete internal development and validate usability for Florey Clip-in sleeve device – establish customer pipeline in parallel with product development. Engage with potential customers to progress technical development to establish performance with a broader set of existing tests in market.

For more information, please contact

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This announcement was authorised by the Board of Directors.

About Atomo

Atomo is an Australian medical device company supplying unique, integrated rapid diagnostic test (RDT) devices to the global diagnostic market. Atomo's patented devices simplify testing procedures and enhance usability for professional users and untrained self-testers. The Company has supply agreements in place for tests targeting infectious diseases including COVID-19, HIV, viral vs bacterial differentiation and female health.

See more at www.atomodiagnostics.com.

Forward looking statements

This announcement may contain forward-looking statements which may be identified by words such as "believes", "considers", "could", "estimates", "expects", "intends", "may", and other similar words that involve risks and uncertainties. Such statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of Atomo or its Directors and management and could cause Atomo's actual results and circumstances to differ materially from the results and circumstances expressed or anticipated in these statements. The Directors cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of Entity

Atomo Diagnostics Limited

ABN

37 142 925 684

Quarter Ended ("current quarter")

31 December 2024

Consolidated statement of cash flows	Current Quarter A\$'000	Year to date (6 months) A\$'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1,723	2,888
1.2 Payments for		
(a) research and development	(51)	(84)
(b) product manufacturing and operating costs	(1,174)	(2,103)
(c) advertising and marketing	(88)	(91)
(d) leased assets	-	-
(e) staff costs	(868)	(1,748)
(f) administration and corporate costs	(489)	(864)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	16	37
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	1,239	1,239
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	308	(727)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(20)	(32)
(d) investments	-	-
(e) intellectual property	(7)	(7)
(f) other non-current assets	-	

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current Quarter A\$'000	Year to date (6 months) A\$'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(27)	(39)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(44)	(90)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(44)	(90)
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,608	3,688
4.2	Net cash from / (used in) operating activities (item 1.9 above)	308	(727)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(27)	(39)

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current Quarter	Year to date
		A\$'000	(6 months) A\$'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(44)	(90)
4.5	Effect of movement in exchange rates on cash held	51	65
4.6	Cash and cash equivalents at end of period	2,896	2,896

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		Current Quarter	Previous Quarter
		A\$'000	A\$'000
5.1	Bank balances	2,896	2,608
5.2	Term deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,896	2,608

6. Payments to related parties of the entity and their associates		Current Quarter
		A\$'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	195
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Quarterly cash flow report for entities subject to Listing Rule 4.7B

7. Financing facilities

Note: the term "facility" includes all forms of financing arrangements available to the entity.

Add notes as necessary for an understanding of the sources of finance available to the entity

7.1 Loan facilities

7.2 Credit standby arrangement

7.3 Other (please specify)

7.4 **Total financing facilities**

	Total facility amount at quarter end A\$'000	Amount drawn at quarter end A\$'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangement	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-

7.5 **Unused financing facilities available at quarter end**

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7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

8. Estimated cash available for future operating activities	A\$'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	308
8.2 Cash and cash equivalents at quarter end (Item 4.6)	2,896
8.3 Unused finance facilities available at quarter end (Item 7.5)	-
8.4 Total available funding (Item 8.2 + Item 8.3)	2,896
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	Cashflow Positive - NA

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: Not applicable.

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: Not applicable.

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Not applicable.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 January 2025

Authorised by:The Board
(Name of body or officer authorising release see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the *[name of board committee – eg Audit and Risk Committee]*". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.