Clever Culture Systems Ltd
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QUARTERLY ACTIVITIES & CASHFLOW REPORT
QUARTER ENDED 30 JUNE 2026

Adelaide, Australia, 30 July 2026: Australian medical technology company Clever Culture Systems Ltd (ASX: CC5) (**CCS** or the **Company**), a leader in microbiology automation using artificial intelligence, is pleased to release its Appendix 4C – Quarterly Cashflow report and business update for the quarter ended 30 June 2026 (the **Quarter**). All financial results are in Australian dollars and are unaudited.

Key Highlights

- **FY26 delivers expanded global customer base**: APAS® Independence has now been placed with eight large global pharmaceutical companies, double the number compared to FY25, in addition to other new pharmaceutical customers and established clinical laboratory customers
- **Existing customers underpin growth potential:** FY26 sales strategy to add new global pharmaceutical customers establishes a solid base of existing customer relationships for expected sales growth
- **FY27 sales expectations strengthened**: existing customers to gain momentum and underpin sales, supplemented by additional qualified customer sales opportunities
- **Pipeline:** The Company's eight large global pharmaceutical customers alone represent an estimated medium-term opportunity of up to 100 instrument sales. This is in addition to approximately 80 instrument opportunities across new qualified pharmaceutical customer pipeline
- **Annual Recurring Revenue growth:** high-margin predominantly software licenses exceeds $1.3m p.a.
- **Cash:** 30 June 2026 cash balance of $1.7 million, and $3.4 million in known/committed cash inflows expected over the next two quarters

Regarding the Quarter, Brent Barnes, CEO and Managing Director said:

"FY26 saw an effective 'Land' campaign, doubling the number of large global pharmaceutical manufacturers with APAS® Independence. The growth in our customer base represents a significant direct opportunity, as we now look to expand APAS® deployments across these customer organisations over the coming 12 months. Our additional new qualified customer sales opportunities further underpin expectations of sales growth opportunities. We are excited to be moving into the sales expansion phase starting in FY27 and beyond."

Sales delivery and execution

Sales Progress Summary – Land & Expand in pharmaceutical market continues to build momentum

	Q4 FY26	Q3 FY26	Q4 FY25
Large Global Pharmaceutical Customers[1]	8	6	4
Instruments Installed Base[2]	34	30	24
New Orders Received in the Quarter[3]	3	3	1
Instruments under evaluation	3	2	1

APAS® Independence placements with two new large global pharmaceutical customers

The Company completed installations with two new large global pharmaceutical customers. In June, Australian medical technology leader CSL Behring (**CSL**) placed a 5-year lease order for an APAS® Independence instrument. The instrument

[1] Refers to the largest top-30 global pharmaceutical customers based on their annual reported revenues
[2] APAS® instruments have been fully purchased and installed (Pharma & Clinical), excludes instruments under evaluation with a return option
[3] All orders received and committed within the Quarter (Pharma & Clinical), including orders received by Thermo Fisher. Instruments may not be installed.

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was installed at CSL's Broadmeadow facility in Melbourne in June 2026, where they will commence an initial evaluation of the technology, to assess the suitability for broader standardisation across their manufacturing network.

Further, the Company also completed the placement of an APAS® Independence instrument with another new large global pharmaceutical customer (name not disclosed for commercial reasons) who will commence a 6-month paid evaluation of the technology. Similar to the CSL placement, this order will also assess the performance of the technology against agreed performance criteria, for broader use within their global sterile drug manufacturing network.

A further order was received from a smaller manufacturer based in the United States, that represents a single-site APAS® Independence sale. This order reflects a growing awareness and acceptance of the APAS® technology within the industry and an expansion of the current addressable market opportunity beyond the targeted large global pharmaceutical manufacturers.

APAS® Discovery Day – APAS® technology showcased at AstraZeneca centre of excellence facility in the UK

In June, the Company hosted its inaugural APAS® Discovery Day event at AstraZeneca's centre of excellence facility in Macclesfield, United Kingdom. The event brought together new and existing customers, spanning 10 countries, with presentations from AstraZeneca, Pfizer and CCS. Participants experienced hands-on demonstrations of the APAS® Independence instrument automating plate reading and reporting of results.

The event was arranged to coincide with the Company's first in-person APAS® Expert User Group meeting. This group was initiated and formed by existing APAS® large global pharmaceutical customers to share insights and collaborate on the integration of APAS® within their businesses. There are currently six large global pharmaceutical customers as members, who are expected to meet 3-4 times annually. The group has the potential to act as a collective voice to industry and regulators on the benefits that APAS® and automation brings to pharmaceutical quality control process.

Financial & Corporate:

Financial stability maintained – $1.7 million cash balance, plus $3.4 million in known or committed cash inflows expected over the next two quarters, plus new APAS® sales anticipated

The Company remains in a solid financial position underpinned by $1.7 million in cash at 30 June 2026, together with expected cash inflows of at least $3.4 million in the next two quarters, comprising:

- $1.8 million in receivables at 30 June 2026, including the sale to the US based single-site customer and the non-refundable deposit from global pharmaceutical company (name not disclosed during evaluation)
- $0.7 million estimated FY26 Research and Development Tax Incentive claim; and
- $0.9 million in committed inflows from customers.

The majority of cash inflows, up to $2.6 million, is expected to be received in the first quarter. In addition to the above, the Company has several advanced sales opportunities that are expected to progress to firm sales commitments over the next two quarters.

For the Quarter, the Company had total net cash outflows of $0.3 million, represented by:

- Net cash outflows from Operating and Investing activities of $1.7 million, which included:
    - $0.6 million in cash inflows from customers;
    - $2.3 million in cash outflows from expenditures comprising our usual quarterly cost base of $1.6 million, together with $0.2 million in manufacturing costs (finishing the Quarter with 3 completed instruments in ending inventory), $0.3 million timing of the GST refund and $0.2 million relating to the timing of payroll and supplier payments.
- Net cash inflows from Financing activities of $1.4 million, largely being the $1.5 million proceeds received under a short-term debt agreement, with a further $0.1 million received 1 July 2026, taking the total to $1.6 million.

The short-term debt agreement was established to assist with the management of near-term working capital requirements, including the timing of customer receipts and inventory purchasing to meet expected future sales demands and the working capital impact of alternative customer acquisition models, including instrument leasing. The Company considers this short-term debt to be a capital efficient means of funding the business during this period of its 'Land and Expand' sales strategy. The interest cost is based on an annual rate of 10%, together with 16,000,000 unlisted options. These options were issued on 1 July 2026 with an exercise price of $0.033 and expire 30 June 2028. An amount of $1,680,000 is due for repayment on 31 December 2026, inclusive of interest. The short-term debt is unsecured.

The Company continues to carefully manage the balance between inventory, long-lead-time component parts, and expected future sales.

While full year FY26 results are not yet published, the Company has completed 11 instrument placements with customers throughout FY26, consistent with FY25, while doubling the number of large global pharmaceutical customers from four to eight. During FY26, six of these placements resulted in full sales recognition in FY26, two placements resulted in partial sales recognition for non-refundable deposits (whilst the customers undertake an evaluation), one instrument was placed under a lease revenue model and two placements to clinical customers through Thermo Fisher (using the last of their inventory). All of these 5 placements are expected to add to the Company's sales prospects for FY27 as the evaluations to progress to full sales, lease income is received and any additional clinical sales now requiring an instrument purchase from CCS.

Cashflows for the Quarter include related party payments of $125,000 to Directors, comprising the Managing Director's salary and Non-Executive Directors' fees.

Outlook

Sales growth expected in FY27, driven by existing customers and new customer qualified pipeline

Having established a customer footprint across eight large global pharmaceutical companies, plus an expanding pipeline of new qualified customers, the Company enters FY27 with a materially broader base from which to pursue increased instrument sales, recurring software revenue and validation-services revenue.

The existing large global pharmaceutical customers alone represent a potential opportunity of up to 100 instrument sales, equivalent to approximately $50 million in upfront sales and $10 million in annual recurring revenue. Every large global pharmaceutical customer is expected to purchase multiple instruments at different speeds and quantities, but the important point is that as each customer purchases additional instruments, the Company begins to benefit from the multiplier power of the 'Expand' phase of the Company's sales strategy.

There are an estimated 80 instrument sales opportunities with new, qualified customers, at various stages of the sales process. The main friction point in converting these sales is the prioritisation of internal customer resources required to embed automation like APAS® into a highly regulated, sterile drug manufacturing process. This is why establishing a wider number of qualified customers has been a key priority over the past two years, which together with the opportunity within existing customers, lays a strong foundation for the Company's FY27 sales growth expectations.

Development of validation services capability – broadens APAS® revenue and service offering

Supporting customers to complete their evaluation and validation processes is a key step towards accelerating implementation to routine use and setting the base for the 'Expand' opportunity. Through recent sales and market experience, the Company has developed a program to support customers through this process, providing more certainty on success and ultimately shortening the time to complete the process. As the sales delivery grows, this service provision is expected to deliver a growing contribution towards future revenues. In June, CCS recruited a dedicated resource, based in UK, to lead this service activity with key customers and the Company will seek to further build this service offering as sales grow.

APAS® technology to be showcased at key conferences in Australia, Europe, United Kingdom and United States

In October and November, the Company will showcase APAS® Independence at four major conferences in Australia, Europe, United Kingdom and United States. These are the Company's most significant conferences for the year and are key for brand awareness, new sales leads and establishing CCS as a technology leader. The Company will have a booth to showcase the technology and has been accepted to present oral presentations on the validation and use of artificial intelligence within pharmaceutical manufacturing environments.

Investor Conference Call

The Company will hold a conference call at **11.30am AEST on Monday, 03 August 2026** to discuss the Company's activities, financial results for the Quarter and the business outlook. The Company's CEO and Managing Director, Brent Barnes, will host the call.

All attendees must register to attend the call. Please register using the link below. After registering, you will receive a confirmation email about joining the webinar including options to attend via computer or telephone.

https://us06web.zoom.us/webinar/register/WN_VKV4olKGTzOYGokt8jNEWw

A Q&A session will be held at the end of the conference call; to participate in this, you will need to join the conference via a computer. A recording of the call will be available on the Investor Centre section of the Company's website for 60 days after the call.

Approved for release by the CCS Board.

– ENDS –

About Clever Culture Systems

Clever Culture Systems (CCS) provides intelligent automation solutions to microbiology laboratories. Based in Adelaide, South Australia, the Company has developed a best-in-class technology, the Automated Plate Assessment System (APAS® Independence), using artificial intelligence and machine learning software to automate the imaging, analysis and interpretation of microbiology culture plates. The technology is the only US FDA-cleared artificial intelligence technology for automated culture plate reading. The product is currently being sold to microbiology laboratories in the pharmaceutical manufacturing sector for the reading of environmental monitoring culture plates and to clinical laboratories as an in vitro diagnostic for infectious diseases. Thermo Fisher Scientific, Inc is exclusive distributor of the APAS® Independence to clinical customers in the United States and selected countries in Europe.

INVESTOR ENQUIRIES

Clever Culture Systems
Brent Barnes Chief Executive Officer & Managing Director Tel: +61 8 8227 1555 E: info@cleverculturesystems.com

Appendix 4C

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

Name of entity

Clever Culture Systems Ltd

ABN	Quarter ended ("current quarter")
95 107 670 673	June 2026

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	551	4,897
1.2	Payments for		
	(a) research and development	(26)	(252)
	(b) operating costs & manufacturing	(938)	(3,577)
	(c) advertising and marketing	(75)	(254)
	(d) short term leases		
	(e) staff costs	(1,080)	(3,767)
	(f) administration and corporate costs	(115)	(666)
1.3	Dividends received (see note 3)		
1.4	Interest received	20	42
1.5	Interest and other costs of finance paid	(16)	(66)
1.6	Income taxes paid		
1.7	Government grants and tax incentives	-	1,071
1.8	Other		
1.9	**Net cash from / (used in) operating activities**	**(1,679)**	**(2,572)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment	(6)	(9)
	(d) investments		
	(e) intellectual property	-	(466)
	(f) other non-current assets		

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 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**	**(6)**	**(475)**

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	48	3,247
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings	1,500	1,500
3.6	Repayment of borrowings	-	(975)
3.7	Transaction costs related to loans and borrowings	(77)	(77)
3.8	Dividends paid		
3.9	Other (Repayment of lease principal)	(54)	(216)
	Other (Repayment of share placement facility)		
3.10	**Net cash from / (used in) financing activities**	**1,417**	**3,479**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	1,955	1,265
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,679)	(2,572)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(6)	(475)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,417	3,479
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**1,687**	**1,697**

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 $A'000**	**Previous quarter $A'000**
5.1	Bank balances	1,607	1,875
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (term deposits)	80	80
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**1,687**	**1,955**

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	(125)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

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.

Item 6.1 relates to Cash remuneration paid to the Directors, including remuneration paid to the Managing Director.

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.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	1,600	1,500
7.2	Credit standby arrangements	50	21
7.3	Other (please specify)		
7.4	**Total financing facilities**	1,650	1,521

7.5	**Unused financing facilities available at quarter end**	129

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.

<u>Item 7.1</u> On 30 June 2026, the Company entered into a number of loan agreements to provide total funding of $1,600,000 to assist with short term working capital requirements. The loans are unsecured. As part of the loan agreements, the Company agreed to issue 16,000,000 unlisted options. These options were issued on 1 July 2026. The options have an exercise price of $0.33 and expire 30 June 2028.

Loan proceeds of $1,500,000 were received during the quarter ended 30 June 2026, with the remaining $100,000 received on 1 July 2026.

An amount of $1,680,000 is due for repayment on 31 December 2026, comprising the loan amount of $1,600,000 together with interest of $80,000.

<u>Item 7.2</u> is a corporate credit card facility which is paid off in full each month.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,679)
8.2	Cash and cash equivalents at quarter end (item 4.6)	1,687
8.3	Unused finance facilities available at quarter end (item 7.5)	129
8.4	Total available funding (item 8.2 + item 8.3)	1,816
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	1.08

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

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

8.6.1 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: The Company expects to have improved net cash operating inflows over the near term. In particular, the Company has expected inflows of $3.4m in the next two quarters, including: $1.8m debtors at 30 June 2026, an expected F26 R&D Tax Incentive claim of $0.7m and other known committed cash inflows from customers of $0.9m.

8.6.2 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: In June 2026, the Company raised short term debt of $1.6m to assist manage short-term working capital requirements. The Company considers this to be a capital efficient means of funding the business during this period of its ‘land and expand’ sales strategy. The need for such short-term funding will be re-evaluated as the Company continues to move through this ‘land and expand’ period.

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

Answer: The Company expects to be able to continue its operations and to meet its business objectives based on the answers provided to items 8.6.1 and 8.6.2 above.

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

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 July 2026

Authorised by: the Board of Directors
(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.