

MICRO-X

ACN 153 273 735 / ASX: MX1

FINANCIAL RESULTS & OPERATIONAL UPDATE

Financial Year ended 30 June 2024

Kingsley Hall
Chief Executive Officer
29 August 2024



ersonal use only

IMPORTANT NOTICE

SCOPE & LIMITATIONS

This Presentation has been prepared by Micro-X Limited (Micro-X or the Company) (ASX.MX1). The Presentation is a summary only and does not contain all the information about the Company's assets and liabilities, financial position and performance, profits and losses and prospects. This material in this Presentation may be supplemented with an oral presentation and/or other more detailed documents and should not be taken out of context. Although the information contained herein is based upon generally available information and has been obtained from third-party sources believed to be reliable, the Company does not guarantee its accuracy, and such information may be incomplete or condensed. The Company also refers to its filings made with the ASX Limited and the Australian Securities & Investments Commission.

FORWARD LOOKING INFORMATION

This Presentation contains forward looking and other subjective information. Such expectations, estimates, projections and information are not a guarantee of future performance and involve unknown risks and uncertainties. Actual results and developments will almost certainly differ from those expressed or implied and recipients of this Presentation should make their own assessment of the expectations, estimates, projections and the relevant assumptions and calculations upon which the opinions, estimates and projections are based. No representation or warranty, express or implied, is given as to the accuracy or completeness of the information or opinions contained in this Presentation and no liability whatsoever is accepted by the Company, or its directors, members, officers, employees, agents or advisers for any use or, or reliance placed upon, such information or opinions.

NOT AN OFFER FOR SECURITIES

This Presentation is not a prospectus, product disclosure statement or other offering document under Australian law (and will not be lodged with ASIC) or any other law. This Presentation does not constitute an offer, invitation, solicitation or recommendation with respect to the purchase or sale of any shares nor does it constitute financial product or investment advice nor take into account your investment objectives, taxation situation, financial situation or needs. An investor must not act on the basis of any matter contained in this Presentation but must make its own assessment of the Company and conduct its own investigations and analysis. Before making an investment in the Company, a prospective investor should consider whether such an investment is appropriate to their particular investment objectives and financial situation and seek appropriate advice, including legal, taxation and financial advice appropriate to their jurisdiction and circumstances.

UNITED STATES

The Company's securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the Securities Act), or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the Company's securities may not be offered or sold, directly or indirectly, within the United States or to, or for the account of benefit of, U.S. Persons (as defined in Regulation S under the Securities Act as amended). This Presentation may not be distributed within the United States or to any person in the United States.

OTHER JURISDICTIONS

This Presentation may only be accessed in other jurisdictions where it is legal to do so.

This FY2024 Results & Operational Update Presentation is approved by the Board of Micro-X Limited.



CREATING REVOLUTIONARY X-RAY IMAGING TO BETTER LIVES



OVERVIEW

Growing commercial momentum from record product sales in FY2024 and Argus launched

1

Record product revenues – reduced inventory & improved gross margin

2

Argus first sale – demonstration units in field to build sales funnel

3

Airports – contract extension up to \$21M funds through to live airport testing
Miniature baggage scanner now delivered & being tested at DHS facility

4

Head CT – first images produced with Micro-X mini tube
Human imaging trials planned for this year in 3 Australian hospitals

5

Cash and contracted payments – fund the business and Argus launch into FY2026

THE FUTURE OF X-RAY

Micro-X has created a world first technology platform that delivers transformative imaging solutions

ersonal use only



Lighter



Cold cathode



Fast pulse



Smaller



Long life



Reliable and robust



2 kg

1 kg

0.5 kg

Micro-X proprietary CNT technology

- Cold cathode emitter made of millions of nanotubes emits digitally controlled electrons
- generates high quality x-ray images

Nano Electronic X-ray (NEX) Technology tube increases portability and is more energy efficient.

Micro-X proprietary high-power generator delivers up to 160KvA enabling a wide range of applications.

FOUR INNOVATIVE APPLICATIONS

MICRO-X

Each product drives a different utilisation of Micro-X's world leading technology

Mobile Digital Radiology

Lightweight and ultra-mobile x-ray systems delivering high quality images in any treatment area – hospital, out of hospital & humanitarian uses



Argus X-ray Camera

World first high-definition bomb imaging without a separate detector – enables remote / stand-off use, keeping an operator away from the threat



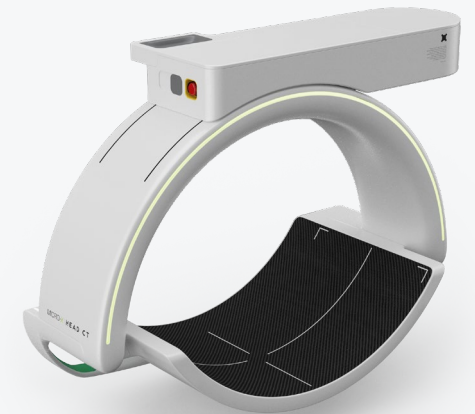
Checkpoints & Baggage Scanner

Baggage scanner for security checks in a range of environments
- Integrated airport checkpoint for passport, body and baggage scanning



Head CT

Mobile CT unit enabling out of hospital stroke diagnosis – delivering diagnostic quality images from the ambulance



ersonal use only

MICRO-X

RESULTS & HIGHLIGHTS

Financial year ended 30 June 2024

KEY FINANCIALS - FY24

Growing commercial momentum driving tangible financial results

\$15.2M

Total Revenue¹

Revenue growth driven by record Mobile DR sales

↑ \$4.6m

Net Operating Cashflows¹

↑ **42%** Increased customer receipts and reduced payments supported by increased R&D receipt.

↑ 70%

Product Revenue¹

Record **\$6.4m** revenue from Mobile DR sales (FY23 \$3.8m)

↑ 106%

Product Gross Margin²

Higher value orders and stronger price points

1. Financial results based on Annual Report lodged with the ASX on 29 August 2024.

2. Net of one-off write down of obsolete stock relating to low powered variants.

OPERATIONAL ACHIEVEMENTS

New commercialisation strategies delivering milestones

MICRO-X



Defence & Govt Orders

Ukraine military assistance package
Units for Aust Defence Forces

First Argus Sale

First Argus sale – unit delivered to the UAE
for use in national security applications

\$21m DHS Contract Ext.

US Dept of Homeland Security for Airport
Check-in to live testing

CE Mark + EU Launch

Rover & Rover Plus receive CE Mark
– approved in key global markets

Chief Sales Officer

Scott Bryant joins leadership – responsible
for global sales and accelerating Argus launch

Baggage Scanner tested

First fully functional prototype installed at US
Dept of Homeland Security test laboratory

High Power Generator

Support Argus launch, expanded Rover and
Core Technology offerings

Argus Kit Developed

Expanded Argus kit offering enables both
backscatter and transmission X-ray

First Mini-Tube images

First images with Micro-X mini tube
reconstructed using MX proprietary software

REVENUE HIGHLIGHTS – FY2024

Revenue growth by strong product sales – offsetting lumpy project income

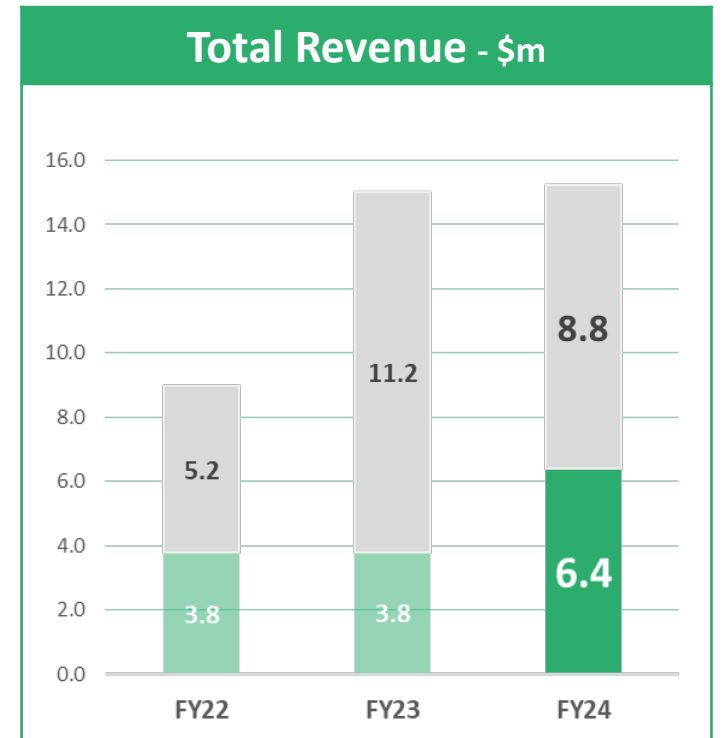
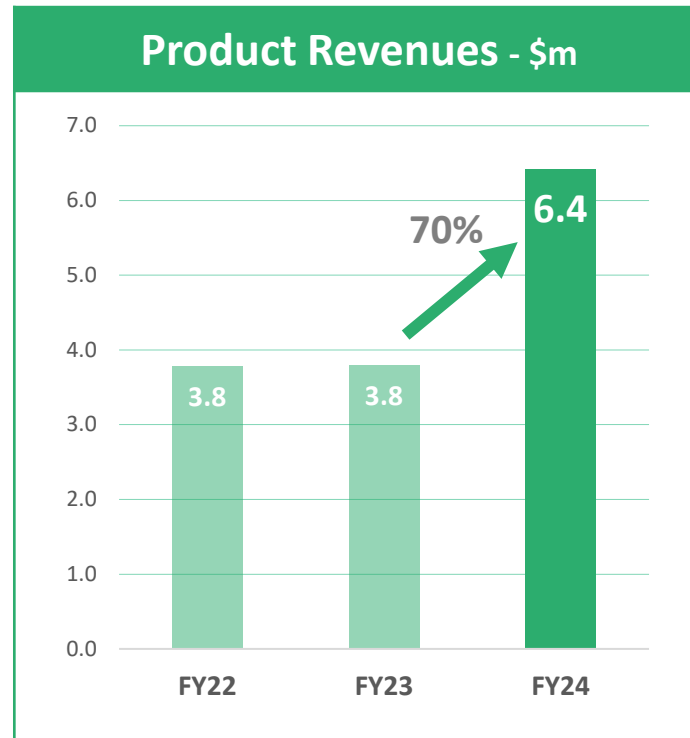
\$15.2m Total revenue

\$6.4m Product Revenue

- Australian Defence Forces
- Aust. Govt. for Ukraine Aid
- First EU sale of Micro-X Rover Plus

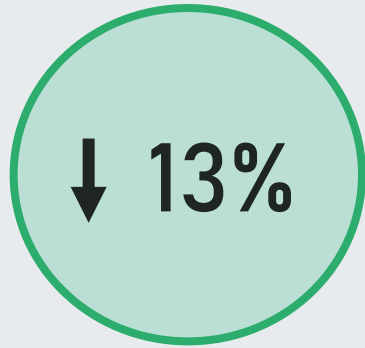
\$8.8m Project Revenue

- Funded development work on Checkpoints and Head CT products
- DHS - \$4.2m for Checkpoint + Baggage Scanner
- Varex - \$3.1m for technology transfer work
- ASA - \$1.0m for Head CT milestones
- Other - \$0.5m for Imaging chain development
- Delays in some Milestones – moved into FY25



REDUCED COST BASE

Refining a more commercial cost base



Expenditure
Reduced¹

Cash operating expenses \$23.1m² [FY23 \$26.6m]
by effectively deploying capital



Unfunded
Development Costs^{1,3}

↓ **43%** with completion of
Argus and Generator projects



Mobile DR
Inventory Reduction¹

Excess inventory converted to
cash - \$3.5M currently available

1. Financial results based on Annual Report lodged with the ASX on 29 August 2024
2. Total Expenses excluding cost of goods sold, non cash employee entitlements, depreciation and amortization.
3. Based on Research & Development calculations

ersonal use only

BALANCE SHEET

>12 months funding runway following \$5.9m capital raising

\$12.7m

FY2025 Development contracted payments (FY24 \$8.5m)¹

→ Focus on self funding operations and funding opportunities for new development activities

→ Development costs on Checkpoints and Baggage Scanner projects funded by DHS contracts – subject to timing

→ Mobile DR is self sustaining based on current customer receipts and use of Inventory

→ All Head CT development funded by ASA payments until project ends – new costs to be partner funded

→ Other payments and R&D rebate fund corporate overheads

→ \$5.9m capital raised in Q4 FY2024 (before costs)

Balance Sheet

\$000

Cash & Cash Equivalents ¹	3,228
Trade and Other Receivables ²	7,212
Inventories	5,379
Right of Use asset & Property, Plant & Equipment	6,877
Other Assets	4,199
Total Assets	26,895

Debt	0
------	---

1. \$0.7m cash received 2 July 2024 and \$2.5m Contracted payments moved from 4Q24 into FY25

FY25 - Sources of Funding

\$000

Sales of Micro-X Rover & Argus units	In addition
R&D Rebate receipt by 31 Dec 2024 ²	6,400
Contracted Project payments ^{3,4}	12,700
Sources of Funding – excluding Rover & Argus sales	19,100

2. Estimate R&D rebate is disclosed in 'Trade and Other Receivables' - relates to FY22 and FY24

3. \$2.7m of this amount is included within 'Other Assets'

4. DHS, ASA, Varex contracts subject to milestones - assumes DHS exercises optional funding

1. FY24 Development contract payments reported in 4C uploaded to ASX on 29 July 2024. Subject to successful achievement of milestones under the ASA, DHS and Varex contracts

MICRO-X

DRIVING COMMERCIAL SUCCESS

Building a business not just a technology

OUR STRATEGY

Creating a profitable business with our world class technology

01

Commercial skills - Commercially driven

Building commercial skills - prioritising commercial outcomes in all decision making.
Building a business not just a technology

02

Sweat the asset - Leverage our technology

Created significant value in our current unique technology - actively exploring ways to monetise this investment

03

Target larger and less competitive markets

Focusing on products in larger markets with limited competition - greater upside and margin opportunities

06

Create recurring revenue streams

New sales model to pivot from CAPEX only products - software, upgrades, servicing

05

Commercialise through effective partnerships

Reduce risk and cost by leveraging existing infrastructure of partners - capturing large addressable markets in Checkpoints and Head CT

04

De-risk the business - Reduce the cost base

Scaling costs to match commercial progress.
Minimising unfunded development expenditure

PARTNERING STRATEGY

De-risking market entry – focusing on Micro-X core skills as a tech innovator

ersonal use only

Our Current Partners		
Development Partner	Development Partner	Licensing Partner
		
Checkpoints - \$28m funding	Head CT - \$8m funding	Multibeam Emitters - \$15m
POTENTIAL EXPANSION OF RELATIONSHIP		
Future pre-orders if project successful	Clinical support partner	Potential manufacturer / supplier

New Partners being Sought

Checkpoints

- > Implementation / Market access
 - Existing airport or security integrators
 - Ability to offer scale to implement/service
 - Manufacturing Partners for associated equip
 - Funding or co-investment

Head CT

- > Implementation / Market access
 - Existing medical imaging multi-national
 - Existing relationships with customer base
 - Manufacturing Partners for scale / service
 - Funding or co-investment

NEAR TERM PRIORITIES

Executing on tangible operational achievements to drive commercialisation

1

Driving the **Argus commercial launch** in global defence and security markets

- Customer demonstrations to build on first sale - grow a large and repeat customer base in 12 months

2

Executing **strategic partnerships for Checkpoints and Stroke imaging** products

- Ongoing engagement with potential partners who can provide optimal market access and funding

3

Continuing to **build Micro-X Rover sales and distributor channels – self funded**

- Sales of Micro-X Rover range in all major global markets underpinned by ongoing ability to utilise excess inventory for sales

4

Advancing a **prototype stroke imaging unit – building on the ASA contract**

- Following delivery of imaging prototypes in CY2024 - developing further prototypes under current commercial MOUs





5

Maintaining **momentum on Checkpoints & Baggage scanner work – DHS funded**

- Working alongside the Dept of Homeland Security to develop and test commercial units with contracted funding

REVENUE TIMELINE

Commercialising four revenue generating product lines by 2026

Division	Sector	Products	Commercial Status	Revenue Timeline				Next major milestone
				2023	2024	2025	2026	
Mobile DR	Healthcare	 Rover / Rover Plus	\$6.4m Revenue – FY24 FDA and TGA 350+ units sold to date	First Sales in Europe Govt. & Defence sales				Growing European presence
Argus X-Ray Camera	Security & Defence	 Argus	Customer trials Launched 2024 – first unit sold & delivered	Completing development – transfer to manufacturing	Building Sales			Additional sales Marquee organisations
Checkpoints	Security & Airports	 Checkpoint Portal Baggage Scanner	Design accepted Up to \$28m DHS contract through to live testing	Checkpoint Portal Up to A\$21m Contract Extension	Baggage Scanner – TSA lab testing Checkpoint Portal – TSA lab testing	Prototype sales	Checkpoint Portal – Build 6 module lane	First Checkpoint module Delivered to DHS for testing Live US Airport testing
Head CT	Healthcare	 Brain CT Scanner	Design Accepted \$8m MRFF funding to prototype delivery	Brain images using prototype test bench	Human Imaging trials	Regulatory submission	Regulatory approval	Head CT prototype Delivered to ASA for testing

* Head CT commercialisation beyond 2024 is subject to funding

OUTLOOK FOR FY25

Key near-term operational objectives

Commercial products

Argus

> Commercial sales in security & defence

- Increase customer demonstrations with field units
- Drive adoption and expanded use case through sales to key security/police agencies
- Distribution agreements in key global markets

Mobile DR

> Sales growth in current and new markets

- Grow European presence and customers
- Expand direct sales of tubes & generators
- Continue to convert & manage inventory

Products In Development

Checkpoints

> Deliver prototypes to demonstrate capability

- Second Baggage Scanner prototype delivered
- First Checkpoint Portal prototype delivered
- Refinement of threat detection capabilities

Head CT

> Development to commence clinical trials

- CT Test bench developed and imaging approval
- Delivery of hospital prototypes
- Commence human imaging trials

Corporate & Financial

Corporate

> Build and manage resources

- Pursue partnership opportunities to support funding & market entry
- Continue to drive commercial capabilities & leverage technology
- Manage capital resources prudently

CORPORATE & FINANCIALS



\$15.2m
FY24 Revenue



\$12.7m
Contracted project payments – FY2025



\$6.4m
R&D Rebate est. Dec 2024

FINANCIALS & SHAREHOLDERS

Cash ~A\$3.2m (30 June 2024)

Revenue A\$15.2m (FY2024)

Institutions + Strategic Investors Perennial (12.2%), Varex (9.3%), Thorney (7.76%), Acorn (7.75%)

Board + Mgmt 2% + Mgmt Performance rights

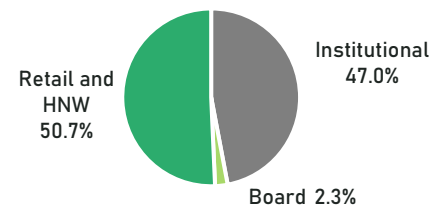
SHARE CAPITAL (27 August 2024)

Share price \$0.061 per share

Total shares on issue 581.6 million

Options (ex. 13.5c) 31.1 million
Performance rights 37.3 million

Market cap A\$35.5 million



EXPERIENCED LEADERSHIP

Commercially focused to accelerate growth



Kingsley Hall – Chief Executive
25+ years exp in senior operational and finance roles



David Knox – Non-Exec Chair
Chair Snowy Hydro, former CEO Santos



Anthony Skeats – COO
25+ years exp R&D, Program and Engineering management in high technology products



Brian Gonzales, PhD – CEO Americas
Recognised industry leader in x-ray physics, CNT technology and x-ray imaging



Ilona Meyer, Non-Exec
General Counsel Nuix, former Boehringer Ingelheim, ResMed, Medtronic



Patrick O'Brien , Non-Exec
Former Senior Exec. Macquarie Group, McKinsey and Minter Ellison



Jim McDowell, Non-Exec
Defence Deputy Sec, former CEO Nova, Former CEO of Dept Premier & Cabinet SA



Andrew Hartmann, Non-Exec
Senior VP Varex Imaging, former Phillips, Carestream and Siemens



Alexander Gosling, AM , Non-Exec
Founding Director Invetech and formerly of Capstone Partners

ersonal use only

WRAP UP

Five key take aways

1

World-class Nano Electronic X-ray technology platform unlocks innovative X-ray applications for health, security and defence

2

Record FY24 Product revenues with stronger margins – ongoing development work also funded from strong Contracted Payments for FY25

3

Building Argus pipeline following first sale– demonstration units with customers – led by newly appointed Chief Sales Officer Scott Bryant

4

Airport development work funded with DHS \$28m contract – Baggage scanner prototype completed – Checkpoint Portal prototype targeted for CY2024

5

Head CT Scanner first successful images – imaging trials planned in CY2024 – development of the final test bench then approvals prior to delivering hospital units



ersonal use only

MICRO-X

APPENDICES

Financial Statements



PROFIT & LOSS – FY2024

Key points

- Record Product Revenue achieved at a higher gross margin than FY23
- Product Gross Margin increased with higher value Govt. orders
- Project Revenue reduced due to the timing of milestone payments – significant project payments set to be received in Q1 FY25
- Total Expenses reduced by \$3.6m inclusive of \$2m annual overhead reduction from May 23
- Narrowing Statutory NPAT loss of (\$9.7m) down 12% from (\$10.8m).

	Consolidated		Change	
	30-Jun-24 \$'000	30-Jun-23 \$'000	\$'000	%
Revenues				
Product Revenue	6,410	3,795	2,615	69%
Costs of Goods sold	(5,403)	(3,505)	(1,898)	54%
Operating Revenues	15,222	15,005	217	1%
Gross Margin	1,007	290	717	247%
<i>Product Gross Margin %</i>	<i>15.7%</i>	<i>7.6%</i>	<i>-</i>	<i>106%</i>
Project Revenue	8,812	11,210	(2,398)	-21%
Expenses				
Employment expenses	15,555	15,786	(231)	-1%
Project development	3,708	6,444	(2,736)	-42%
Sales and Marketing	937	1,378	(441)	-32%
Corporate expenses	430	331	99	30%
Other expenses	2,465	2,614	(149)	-6%
Total Expenses	23,095	26,553	(3,458)	-13%
Operating EBITDA	(13,276)	(15,053)	1,777	-12%
Non Operating Income & Costs				
R&D Rebate	6,373	6,647	(274)	
Grant income and Other	367	739	(372)	-50%
Depreciation & Amortisation	(1,539)	(1,589)	50	-3%
Finance & Non-cash employee expense	(1,316)	(1,502)	186	-12%
One-Off Costs	(374)	-	(374)	N/a
Net Profit after Tax	(9,765)	(10,758)	993	-9%

BALANCE SHEET - FY2024

Key points

- Cash & cash equivalents affected by timing of project payments – additional \$2.7m received or expected in Q1 FY2025 (shown in contract assets)
- Trade and Other Receivables includes an estimated \$6.4M R&D receivable relating to the FY24 year and an amendment from FY22
- Inventory converted to cashflow - consistent with strategy to better manage business requirements and reduce holding

	Consolidated	
	30-Jun-24	30-Jun-23
	\$'000	\$'000
Assets		
Current assets		
Cash and cash equivalents	3,228	5,223
Trade and other receivables	7,212	6,996
Contract assets	2,941	1,633
Inventories	5,379	7,338
Other Assets	1,138	1,247
Total current assets	19,898	22,437
Non-current assets		
Property, plant and equipment	2,924	3,114
Right-of-use assets and lease liabilities	3,953	4,615
Intangibles	120	132
Total non-current assets	6,997	7,861
Total assets	26,895	30,298
Liabilities		
Current liabilities		
Trade and other payables	6,530	5,584
Contract liabilities	255	855
Lease liabilities	692	726
Provisions	1,156	1,153
Total current liabilities	8,633	8,318
Non-current liabilities		
Lease liabilities	3,298	3,977
Provisions	703	810
Total non-current liabilities	4,001	4,787
Total liabilities	12,634	13,105
Net assets	14,261	17,193
Equity		
Issued capital	131,933	125,396
Foreign currency translation reserve	221	14
Convertible notes	65	65
Share based payments reserve	3,815	3,852
Accumulated losses	(121,773)	-112,134
Total equity	14,261	17,193