Cyclopharm
technegas

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CYCLOPHARM ANNOUNCES RECORD FULL YEAR RESULT FOR 2024 AND US EXPANSION UPDATE

Key features of the Full Year results to 31 December 2024

- **Record sales revenue of $27.6 million, up 5% on the prior year**
- **US Revenues from the sale of Technegas™ in the USA up 131% to $827,000 from 17 operational installations at 31 December 2024**
- **Continued US sales and supply momentum with 21 additional US installations scheduled for early 2025**
- **Technegas™ awarded special 'Transitional Pass-Through' (TPT) status in the US, making clinical use of Technegas™ in the US fully reimbursable**
- **Global Technegas™ sales revenue up 5% from previous year to $15.2 million**
- **Global Third-Party distribution revenue up 4% from the previous year to $12.4 million, including an anticipated revenue rebound of 57% between the first and second halves of the year**
- **Strong balance sheet with $20.6 million net cash to support accelerating US growth**
- **Cyclopharm's Beyond PE strategy further supported by new clinical evidence**

25 February 2025 – Cyclopharm today announced a record financial and operational performance in 2024, highlighted by strong growth in emerging commercial revenues in the US from sales of its flagship Technegas™ lung ventilation imaging system.

The strong performance was driven by Cyclopharm's core Technegas™ business, and the continued expansion of its Third-Party distribution revenue stream. Global Technegas™ sales revenue increased 5% from previous year to $15.2 million. Global Third-Party distribution revenue also increased 4% from the previous year to $12.4 million, including an anticipated revenue rebound of 57% between the first and second halves of the year.

In the US, Technegas™ recorded its first commercial sales for Technegas™, with revenues surging by 131% between the first and second half year periods, supported by significant supply and sales contracts.

The USFDA-approved Technegas™ technology is already the dominant nuclear medicine ventilation imaging solution in 65 countries and is currently poised to redefine lung imaging in the US, the world's largest healthcare market. Early adoption by leading US clinicians and key opinion leaders has reinforced the Company's confidence that US revenues will eventually eclipse those generated globally, delivering sustained, recurring revenues.

During the year, Cyclopharm achieved the following milestones in the US:

- An interim sales contract with the US Veterans Health Administration (VA) finalised in October 2024, covering 120 public hospitals.

- The first purchase order from the US Department of Defense received in October 2024.
- 17 Technegas™ units made operational in the US by 31 December 2024, including key opinion leaders located at Barnes-Jewish Hospital in partnership with Washington University School of Medicine, Emory University Hospitals, Boston Medical Center, Indiana University – Methodist Hospital, Massachusetts General Hospital - Harvard Medical, Long Island Jewish Medical Center, New York Presbyterian Hospital - Weill Cornell Medicine, Stanford University Hospital and School of Medicine, University of Kansas Hospital, Yale University Research, Veterans Administration Hospital – Sacramento, Veterans Administration Hospital – Martinez and Tufts University Hospital

Since the balance date the Company has:

- Signed a major sales contract signed in January 2025 with Hospital Corporation of America Healthcare (HCA), covering more than 168 private hospitals
- Progressed the implementation of 21 installations for early 2025

Technegas™ is the preferred clinical agent of choice in 65 countries outside the US for diagnosing pulmonary embolism (PE). These milestones underscore the commercial and clinical demand for Technegas™ and highlights the expanding use of the product in conditions to include hypertension, chronic obstructive pulmonary disease (COPD), asthma, lung cancer and other respiratory diseases.

Ending FY2024 with net cash of A$20.6 million. This cash balance supports the rollout of Technegas™ in the US, continue R&D activities to develop the Beyond PE longer term growth strategy and to fund the working capital needs of the business.

The year saw an anticipated after-tax loss of A$13.2 million, compared with A$4.7 million in FY2023 which benefited from one off adjustments in the pcp. The result was driven by ongoing USFDA approval expenses, which now total A$23.41 million over 15 years, higher employment expenses predominately reflecting the ramp-up of US-based operations, and investments supporting enhanced global regulatory and manufacturing platforms.

Cyclopharm CEO James McBrayer said, “Cyclopharm is strategically placed to extend its market leadership in functional lung imaging and drive ongoing growth in both revenues and earnings. The Company enters this next growth phase from a position of strength, having delivered record 2024 sales revenues, robust sales of Technegas™ and continuing strong growth in Third-Party sales.”

Mr McBrayer concluded, “With US sales now underway, Cyclopharm is focused on rapidly expanding its presence in this key market. Given Technegas’™ proven clinical, operational, and safety advantages, the Company expects a strong market uptake in the US like that of Canada and other established markets in the medium term and beyond.”

Outlook

The US sales completed to date have provided valuable insight into the commercial and operational review process conducted by nuclear medicine groups in the US. The Company notes the evolving political landscape in the US with relation to healthcare funding and the potential new customers to extend commercial and operational review processes. As a result, we are taking a conservative approach regarding the possibility of extensions in the process of completing new contracts and, consequently, are revising our US installation target in the near term. The Company anticipates reaching a total of 250 to 300 installed Technegas™ systems in the US during the second half of 2026. There are no changes to the Company’s medium- and longer-term growth ambitions.

ENDS

This ASX announcement was approved and authorised for release by James McBrayer, Managing Director, Company Secretary and CEO.

For more information, please contact:

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Cyclopharm Limited
Cyclopharm is an ASX Listed radiopharmaceutical company servicing the global medical community. The Company's mission is to provide nuclear medicine and other clinicians with the ability to improve patient care outcomes. Cyclopharm achieves this objective primarily through the provision of its core radiopharmaceutical product, Technegas™ used in functional lung ventilation imaging.

Technegas™
The Technegas™ technology is a structured ultra-fine dispersion of radioactive labelled carbon, produced by using dried Technetium-99m in a carbon crucible, micro furnaced for a few seconds at around 2,700° C. The resultant gas like substance is inhaled by the patient (lung ventilation) via a breathing apparatus, which then allows multiple views and tomography imaging under a gamma or single photon emission computed tomography (SPECT) camera for evaluating functional ventilation imaging. Historically used in the diagnosis of pulmonary embolism, Technegas™, together with advancements in complementary technology to multimodality imaging and analytical software, is being used in other disease states to include COPD, asthma, pulmonary hypertension, Long COVID and certain interventional applications to include lobectomies in lung cancer and lung volume reduction surgery.

In the United States the Technegas™ approved indication for use for use is:
TECHNEGAS, when used with sodium pertechnetate Tc 99m in the Technegas™ Plus System, provides technetium Tc 99m-labeled carbon inhalation aerosol (Technegas™ Aerosol), a radioactive diagnostic agent for use in adults and pediatric patients aged 6 years and older is for the visualization of pulmonary ventilation and the evaluation of pulmonary embolism when paired with perfusion imaging.