LungLife AI, Inc (AIM: LLAI)

Company Summary

June 2022

Investment Profile

1. Addressing unmet clinical need for early detection of lung cancer
2. Proprietary and patented diagnostic technology based on simple blood draw
3. Pilot study completed, with larger multi-centre validation study in progress
4. Commercialisation via its CLIA licensed laboratory. FDA approval not required for commercialisation but being pursued

Share Information

Ticker	LLAI
Share Price	145p
Shares in issue	25.5m
Market Cap	£36.95m

(Source: The London Stock Exchange, June 2022)

Latest Company Presentation

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Major Shareholders (as of June 2022)

Name	%
Simon Raab	16.3
Icahn School of Medicine at Mt Sinai	9.7
Octopus Investments Ltd	7.7
Unicorn Asset Management	6.9
Syno Ventures Master Fund LP	6.6
Frederick W Gluck	6.0
Livzon Pharmaceutical Group Inc	5.3
Investec Wealth & Investment Ltd	6.3
Lombard Odier	4.9
Killik & Co	4.4
Accord Data Holdings Limited	3.7

Company Overview

LungLife AI, based in California, US, is a developer of clinical diagnostic solutions designed to make a significant impact in the early detection of lung cancer, the deadliest cancer globally. Using a minimally invasive blood draw, the Company's LungLB® test is designed to deliver additional information to clinicians who are evaluating indeterminate lung nodules found as a result of CT scans.

LungLB®

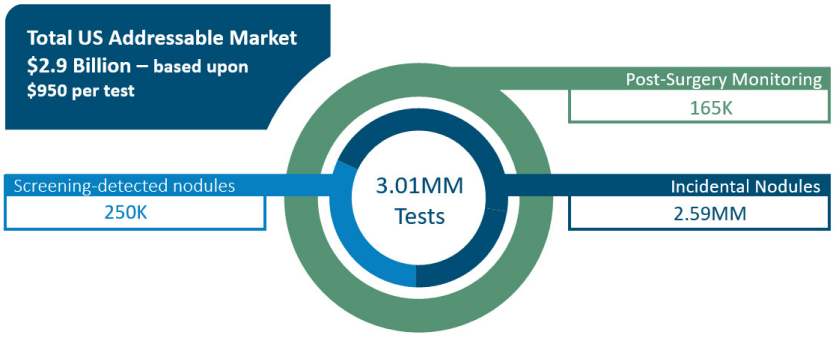
Lung nodules are abnormal growths found by CT scan, either through lung cancer screening, or most often for a CT scan ordered for another medically necessary reason. They are rarely cancerous. However, they are often called "indeterminate" because at the time of discovery it is uncertain what they are. They can be caused by infections with viruses, bacteria, or fungi, they could be scar tissue, or they could be cancer. It is believed over 1.5M indeterminate nodules are found every year in the United States, a number that will likely rise as additional screening is performed, and their prompt and careful evaluation is critically important because it can aid the early dectection of lung cancer.

The current standard of care when such nodules are found is either biopsy or the "wait and see" pathway, asking the individual to return for another CT scan some months later. Neither is optimal – some 40% of biopsies return a false positive result. There is currently no accurate means of detecting at this early stage whether such nodules are lung cancer.

The Company's LungLB® test, based on a simple blood draw, is intended to help physicians faced with this situation. LungLife's test result will help physicians in their assessment of the next steps. It is hoped this will reduce the number of unecessary biopsies and reduce delays in treatment.

The Company concluded a pilot study in 2021 and is now in the process of concluding a larger validation study, for which enrolment is expected to be concluded by end of Q1 2023.

In parallel the Company will seek FDA approval for its test. This is not necessary for commercialisation but the rigours required ensures the highest quality standards are being applied throughout, and if awarded would be a competitive advantage.



For more information email: LungLifeAI@walbrookpr.com
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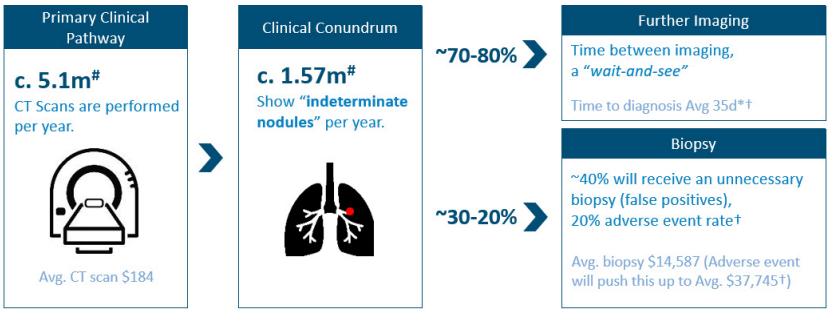
Underserved medical need

According to the World Health Organisation, over 2.2 million new cases of lung cancer were diagnosed in 2020 and approximately 1.8 million deaths from lung cancer were recorded in 2020 globally. Nearly 80% of all lung cancers in the United States are diagnosed in later stages when survival rates are low because the options for curative treatment are then limited.

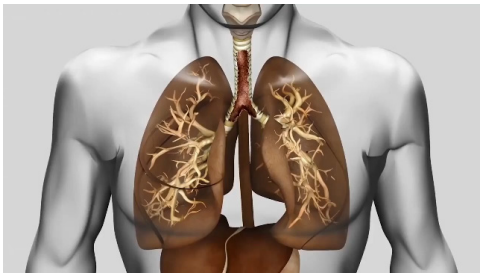
This is in part due to the lack of effective early detection solutions and the fact that lung cancer largely develops asymptomatically. CT scans produce high false positive rates, with the current 'gold standard' clinical pathway running at a high diagnostic cost, and often resulting in significant harm to patients. The LungLB® technology is intended to add certainty and reduce healthcare costs.

Current clinical pathway



High-Performance Image Analysis

LungLife is developing the LungLB® test to utilise an image analysis algorithm in order to more accurately identify and count circulating tumour cells (CTCs), with the aim of reducing operator hands-on time and increasing test performance, which requires access to large and specific sets of data inputs. The Directors believe that the quality and quantity of cells derived from the Company's pilot and validation studies will provide the necessary breadth of sufficiently detailed data to allow its algorithms to be developed, validated and improved in a timely and cost-effective manner.



About LungLife

Click image to play video

Find more information about lung cancer, LungLife and its technology here

Collaboration with Mount Sinai

The Company has entered into various agreements with Mount Sinai, an international leader in medical and scientific training and biomedical research, and part of the Mount Sinai Health System, a large integrated healthcare provider in the US. The Mount Sinai Health System has approximately 6,600 associate physicians, eight hospitals, more than 300 community locations throughout the New York metropolitan area and receives approximately 4 million outpatient visits per year.

Management Team

CEO, Paul Pagano, has over 15 years of experience in the sciences covering chemistry, engineering, and cancer biology. Paul has held positions at Cynvenio Biosystems Inc (formerly known as CytomX LLC) where he developed and patented a microfluidic platform for circulating tumor cell enrichment and analysis, and at Amgen Inc. in quality analytical laboratories. Paul was trained at UCLA in translational lung cancer research and has multiple publications spanning early disease pathogenesis and resistance to targeted lung therapy.

CFO, David Anderson, is a UK chartered accountant and member of the Institute of Chartered Accountants of England and Wales with over 25 years' experience of senior finance roles. He qualified with Stoy Hayward (now BDO LLP) and from 1998 to 2009 was an audit partner in their London office before becoming an audit partner with Crowe Clark Whitehill (now Crowe UK LLP) from 2010 to 2012. Since then he has held senior finance roles with Strategic Minerals Plc, Hakkasan and C|T Group. He is currently consultant CFO of Verici Dx Plc. David received a BSc(Econ) from the London School of Economics.