

September 29, 2026

KEEPING STOCK

Stock code:	CC5 AU
Price:	A\$0.017
Market cap:	A\$37m
Average daily turnover:	A\$0.02m
Index inclusion:	N/A

Price performance

(%)	1M	3M	12M	3Y
Absolute	6.3	-26.1	-50.0	127.2
Rel ASX/S&P200	10.8	-24.5	-48.8	104.1



Source: IRESS

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Analyst(s) own shares in the following stocks mentioned in this report:

– Clever Culture Systems

Clever Culture Systems

Land and Expand strategy gathers momentum

- FY26 saw CC5 execute the “Land” phase of its strategy. CC5 delivered 11 APAS® Independence placements, eight of them to leading pharmaceutical manufacturers and taking the total installed base to 37 instruments. FY26 revenue was A\$4.7m, including A\$2.9m in instrument sales.
- Novo Nordisk ordered two additional instruments. CC5 enters FY27 with A\$1.3m of ARR, and its strongest pipeline to date at 180 qualified opportunities, 100 of which are with existing customers.

Event

- FY26 result and purchase order from Novo Nordisk for two additional APAS® Independence instruments.

Operating update

- CC5 has secured a purchase order from Novo Nordisk for two additional APAS® Independence instruments, taking Novo’s installed base to three following a successful 12-month evaluation. The instruments will be installed at a site in Denmark for formal global validation, which CC5 describes as the final technology performance milestone ahead of potential broader deployment. The order also includes integration between APAS and Novo’s global LIMS, embedding APAS in routine workflows, and underpinning the recurring revenue that drives long-term economics.
- Revenue from customers was A\$4.3m (A\$5.5m FY25), reflecting customer mix (pharmaceutical vs clinical) and instruments sold for evaluation or under a lease arrangement, rather than sold outright. This is consistent with the Land phase of the strategy, prioritising securing customers over near-term instrument revenue. Recurring revenue from software and services grew to A\$1.3m (A\$0.7m in FY25).
- CC5 finished FY26 with A\$1.7m in cash and expects at least A\$3.4m of known or committed inflows over the next two quarters (end of CY26).
- Management noted that eight existing customers alone represent an estimated opportunity of over 100 instruments, reflecting a multi-year global-site pipeline. CC5 enters FY27 with a total pipeline of over 180 qualified opportunities, with management guiding to a step change in sales growth primarily driven by the existing customer base, as revenue per customer improves.

R&D update

- The company’s contact plate analysis module (55mm), launched in August 2025, has had strong adoption, with 100% of new APAS Independence instruments sold in FY26 electing to purchase both plate modules. The added capability has been a key driver in sales conversion and has led to improved ARR.
- CC5 received strong customer advocacy throughout the year. AstraZeneca, Bristol Myers Squibb and Pfizer presented positive APAS Independence data at international conferences, and AstraZeneca’s implementation won the Professor Wallhäußer 2026 Pharmaceutical Technology Innovation Award in Germany.

Product description

- CC5’s Automated Plate Assessment System APAS uses AI to automate and improve the reading and reporting of microbial growth on culture plates.
- A traditional Microbial Quality Control lab is largely manual and prone to human error, with high volume testing required by regulators. CC5’s product streamlines the entire process, improving operational efficacy, quality of results and data integrity. In essence, ~98% of plates are negative (have zero microbial growth), and APAS® automatically removes >90% of plates, which streamlines validation and investigation of successful plates.
- CC5’s installed base of APAS® Independence instruments sits at 37 units (+ plus 2 units under evaluation). As the installed base grows the recurring revenue will increase.

Catalysts

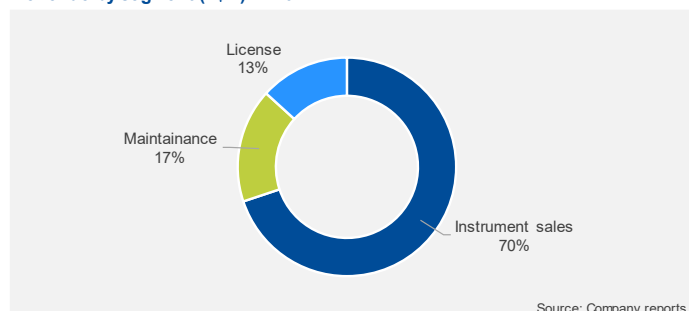
- Successful completion of the validation process for Novo Nordisk, converting into multi-site deployment.
- Additional orders from the eight existing big-pharma customers.
- 1Q27 results in late October 2026.

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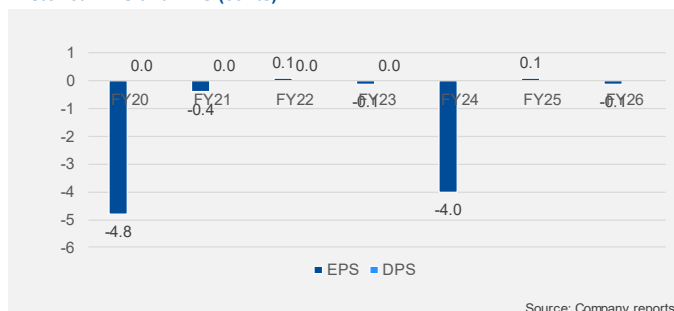
Price (A\$):	0.017	Industry:	IT Services
Market cap (A\$m):	37	Index inclusion:	N/A

CC5 provides intelligent automation solutions to microbiology laboratories and pharmaceutical manufacturing facilities. The technology known as Automated Plate Assessment System (APAS®) is FDA-cleared and uses AI to automate the imaging, analysis and interpretation of microbiology culture plates.

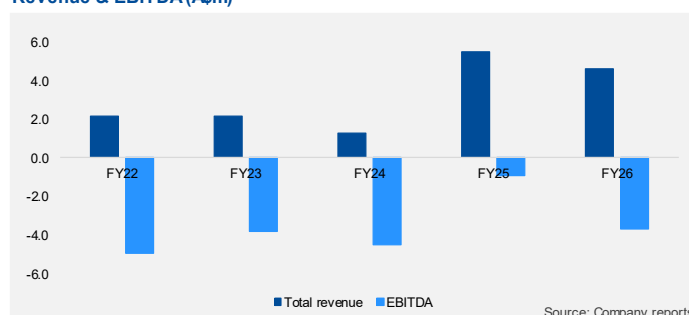
Revenue by segment (A\$m) FY26



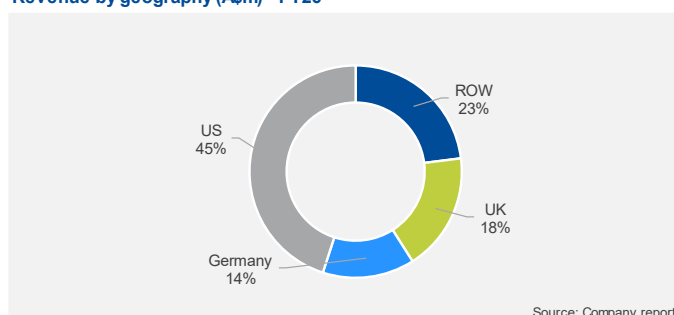
Historical EPS and DPS (cents)



Revenue & EBITDA (A\$m)



Revenue by geography (A\$m) - FY26



Bull points



Focus on biopharma market

CC5 has pivoted to focus on the biopharma market. The company has completed the development of its APAS PharmaQC analysis module for the automated reading of settled plates used in pharmaceutical environmental monitoring.

Addressable market significant

CC5 estimate the top 20 pharmaceutical companies operate ~600 manufacturing facilities, which can potentially use CC5's instrumentation. It is estimated that this potential could translate to 10,000 instruments representing an addressable market of \$5bn.

Bear points



Shift to pharmaceutical market

Given the slower than expected sales in the clinical market CC5 is focussing on the pharmaceutical market which may take time to penetrate.

Funding requirements

Funding the growth initiatives may put further strain on the cash reserves.

Source: Morgans

Figure 1: Financial history & consensus expectations

Historical data	FY22	FY23	FY24	FY25	FY26	Period	FY22	FY23	FY24	FY25	FY26
Income Statement (\$m)						Profitability					
Total revenue	2.1	2.1	1.3	5.5	4.6	Operating Margin	-371.2	-334.9	-377.4	-21.5	-95.4
Growth (%)	89.5	0.2	-41.1	334.8	-15.4	Net Margin	-312.1	-1,056.5	-297.8	30.8	-48.5
Gross Income	-6.3	-5.6	n.a.	0.7	-2.0	Return on Assets	-19.8	-115.8	-48.9	18.0	-18.4
Growth (%)		n.a.	n.a.	n.a.	364.7	Return on Equity	-28.7	-212.2	-322.7	41.7	-34.0
Gross Margin (%)	-294	-264	n.a.	14	-43	Return on Invested Capital	-25.0	-169.7	-99.8	26.2	-27.7
EBIT						Coverage (x)					
Growth (%)	-27.3		33.6	75.2	-275.2	Net Debt/EBITDA	0.0	0.0	0.0	0.0	0.0
EBIT Margin (%)	-371.2	-334.9	-377.4	-21.5	-95.4	Valuation					
EBITDA						Sales per Share	0.0	0.0	0.0	0.0	0.0
Growth (%)	-30.6	22.6	-17.1	78.9	-292.7	EPS (diluted)	0.0	0.0	0.0	0.0	0.0
EBITDA Margin (%)	-233.5	-180.3	-358.4	-17.4	-80.7	Growth (%)	14.1	-214.5	91.6	0.0	-237.5
Net Income						Dividends per Share	0.0	0.0	0.0	0.0	0.0
Growth (%)	8.5	-239.2	83.4	0.0	-232.9	Growth (%)	0.0	0.0	0.0	0.0	0.0
Balance Sheet (\$m)						Book Value per Share	0.0	0.0	0.0	0.0	0.0
Cash & STI	2.8	2.0	2.3	1.3	1.7	Growth (%)	-22.5	-100.4	0.0	105.1	7.8
Total Assets	31.5	7.4	7.9	10.8	13.5	Shares					
Total Debt (x-lease)	2.5	1.7	1.7	0.8	1.6	Diluted Shares	435.8	471.2	938.4	2,124.8	2,052.2
Net Debt	1.5	1.4	0.8	0.8	1.3	Ratios (x)					
Total Liabilities	10.2	7.5	5.5	5.1	6.0	Price / Sales	11.2	4.6	11.2	6.2	10.2
Total Shareholders' Equit	21.3	-0.1	2.4	5.6	7.5	Price / Earnings	-	-	-	16.0	-
Cash Flow (\$m)						Price / Book Value	1.2	-100.0	9.6	5.0	6.7
Net Operating Cash Flow	-4.9	-1.4	-3.7	1.2	-2.6	Price / Tangible Book Value	4.8	0.0	9.6	8.8	10.0
Capital Expenditures	-0.7	-0.3	0.0	-2.3	-0.5	Price / Cash Flow	-4.8	-7.1	-3.8	29.3	-18.4
Net Investing Cash Flow	-1.2	-0.3	0.0	-2.3	-0.5	Price / Free Cash Flow	0.0	0.0	0.0	30.0	0.0
Net Financing Cash Flow	-0.6	0.9	4.0	0.1	3.5	Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0
Free Cash Flow	-5.0	-1.4	-3.7	1.1	-2.6	Dividend Payout Ratio (%)	0.0	0.0	0.0	0.0	0.0
						Enterprise Value / EBIT	-3.3	-1.6	-5.1	-24.7	-11.7
						Enterprise Value / EBITDA	-5.3	-3.1	-5.4	-30.6	-13.8
						Enterprise Value / Sales	12.4	5.5	19.2	5.3	11.1
						EBIT / Interest Expense	-76.0	-15.2	-12.2	-14.7	26.5
Consensus data			FY27	FY28	FY29						
EPS			-	-	-						
						Cash Flow (M)					
Income Statement (M)											
Sales	-	-	-	-	-	Capital Expenditures					
Cost of Sales	-	-	-	-	-	Free Cash Flow					
Gross Income	-	-	-	-	-	Cash Flow from Operations					
SG&A Expense	-	-	-	-	-	Cash Flow from Investing					
Selling & Marketing Expense	-	-	-	-	-	Cash Flow from Financing					
Research & Development	-	-	-	-	-						
EBITDA	-	-	-	-	-	Valuation					
Depr. & Amort.	-	-	-	-	-	Price/Earnings (x)					
EBIT	-	-	-	-	-	Price/Sales (x)					
Net Income	-	-	-	-	-	Enterprise Value/Sales (x)					
						Enterprise Value/EBITDA (x)					
						Enterprise Value/EBIT (x)					
						Dividend Yield (%)					
Balance Sheet (M)						Consensus valuation					
Cash and Cash Equivalents	-	-	-	-	-	# brokers					
Total Assets	-	-	-	-	-	High					
Net Debt	-	-	-	-	-	Low					
Total Liabilities	-	-	-	-	-	Mean target price					
Shareholder Equity	-	-	-	-	-						

Source: Factset Consensus. Valuation data as of 28-Sep-26



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