



Microsaic
Systems

Transforming Detection at The Point of Need

September 2018

CEO: Glenn Tracey
FD: Bevan Metcalf



Forward looking statements

This presentation contains forward-looking statements regarding the Company's plans, expectations, estimates and beliefs. Forward-looking statements are typically identified by words such as "believes," "anticipates," "intends," "will," "may" and other similar expressions. These forward-looking statements may include, among other things, projections of the Company's financial performance, anticipated growth, characterization of and the Company's ability to control contingent liabilities, and anticipated trends in the Company's businesses. These statements are only predictions, based on the Company's current expectation about future events. Although the Company believes the expectations reflected in the forward-looking statements are reasonable, it cannot guarantee future results, performance or achievements or that predictions or current expectations will be accurate. These forward-looking statements involve risks and uncertainties.

Introductions



Glenn Tracey – Chief Executive Officer

20+ years' experience in scientific instruments, including human and environmental health. Previously at global life sciences company PerkinElmer. Joined in March 2015, appointed to the Board in December 2015



Bevan Metcalf – Finance Director

35+ years' of financial management experience in pharmaceuticals and mining, including ICI, GlaxoSmithKline and Orion Pharma, as well as AIM companies. Member of the Chartered Accountants (Australia and NZ). Appointed FD in December 2015.

Highlights

- > H1 2018 total revenues 96% higher vs H1 2017
- > Unit orders in H1 2018 equal to the total number FY 2017
- > Gross Margin expansion 43%, up from 35% FY 2017
- > Good order traction with new 4500 MiD®
- > Six new partner signings in H1, with momentum expected to continue during H2. Excellent geographic coverage.
- > Good progress with partner in bioprocessing for strategic co-development, with significant sales potential if collaboration proceeds to commercialisation
- > Key data with leading technical institute, re-enforcing our strategy in point of use mass detection in bioprocessing
- > On-target progress with manufacturing outsourcing, allowing focus on technology innovation and commercialisation
- > Exciting and revitalised product development pipeline
- > Well positioned for top line growth and partnership expansion in 2019

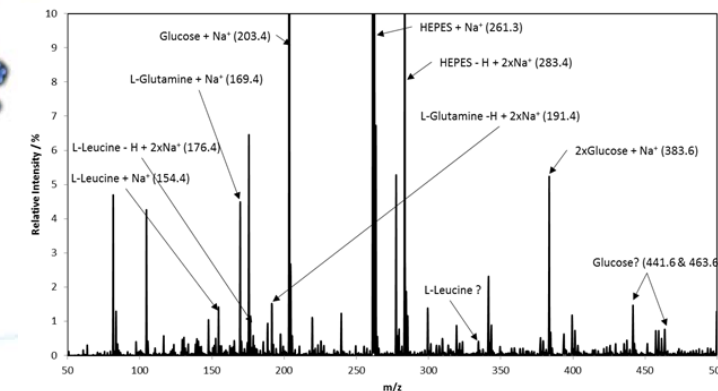
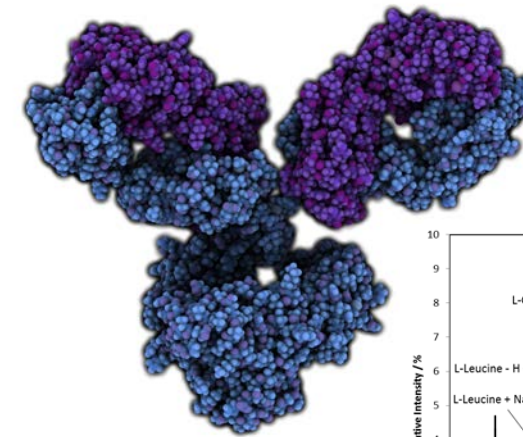
About Microsaic Systems

- > Spin-out from Imperial College, 2001
- > Compact, “Point of Need” Mass Spectrometry (MS), based on patented chip technology (>60 patents)
- > Launched 2013, >130 instruments sold to date
- > Key opportunity in high-value biologic drug manufacture (bioprocessing), plus accelerating growth in traditional markets
- > Longer-term upside in high-growth markets, such as point of care diagnostics



Progress in bioprocessing

- > Progress on-track with leading global partner in bioprocessing technology
 - > Feasibility phase, completed H2 17
 - > Currently in integration phase, target completion H2 18
 - > Final (commercialisation) phase is estimated to take approx. 18 months
- > In collaboration with leading technology institute, key data showcases our compelling opportunity in point of need MS detection in bioprocessing



Progress in Near-Term Traditional Markets

- > Existing agreement with Gilson
- > New agreements signed in H1 18 with two OEMs
 - > Knauer – Based in Germany, integration agreement for global distribution (planned launch Q4 2018)
 - > Unimicro – Founded in US, integration agreement for distribution in China (planned launch Q4 2018)
- > New agreements signed in H1 18 with distributors
 - > Rightek – Based in Taiwan, for local distribution in Taiwan
 - > Stable Arm – Based in Bangkok, for local distribution in Malaysia
 - > Amedis – Based in Slovakia, for central EU distribution
 - > Omicron – Based in UK, for UK distribution
- > Advanced discussions underway with more OEMs and distributors in NA, EU and ASIA
- > Expansion of application techniques to access more markets



Agreement signing with Knauer at Analytica Show, Germany, April 18

The MiD® 4500 in Unimicro colours, China, August 18



The MiD® 4500 in the Rightek labs, Taiwan, July 18



Class-time at Rightek, July 18



Financials – Comprehensive Income

- > Revenue increased by 96%
- > Gross margin of 43% up from 39% in H1 17
- > Other operating income of £37k from joint R&D with a third party collaborator
- > R&D represents 28% of operating expenses in H1 18
- > Operating expenses increased by 3% due to additional investment
- > Loss before tax up 2%

£000s	H1 18	H1 17
Revenue	253	129
Cost of sales	(144)	(79)
Gross profit	109	50
Gross margin %	43.3%	38.8%
Other operating income	37	51
Operating expenses	(1,614)	(1,563)
Loss from operations	(1,468)	(1,462)
Share based payments	(44)	(24)
Finance income	8	9
Loss before tax	(1,504)	(1,477)
Tax	2	-
Comprehensive loss	(1,502)	(1,477)
Loss per share	(0.79)p	(0.81)p

Financials – Financial Position

- > Cash of £7M following £5M cash injection from fundraising
- > Other current assets reduced as R&D tax credits received in H1 18
- > Total equity increases following the June fundraise; off-set by comprehensive loss £1.5M

£000s	H1 18	FY 17
Non-current assets	192	227
Cash	6,957	3,182
Inventories	490	484
Other current assets	261	480
Current assets	7,708	4,146
Total assets	7,900	4,373
Total equity	7,493	3,900
Total Liabilities	407	473
Total equity and liabilities	7,900	4,373

Financials – Cash Flows

- > Net cash used in operating activities down £390k due to tax credit and a smaller decrease in trade and other payables
- > Fundraising raised £5M net

£000s	H1 18	H1 17
Net cash used in operating activities	(1,233)	(1,623)
Net cash used in investing activities	(43)	(27)
Net cash from financing activities	5,051	-
Net increase/(decrease) in cash	3,775	(1,650)
Cash at the beginning of the year	3,182	5,728
Cash at the end of the year	6,957	4,078

Appendix

Corporate

Executive Directors

Glenn Tracey (CEO)
PerkinElmer*

Bevan Metcalf (FD)
ICI*, GSK*, Orion*

Non-Executive Directors

Peter Grant
Skypharma*, WorldPay*, Molins*,
GEC*

Christopher Buckley
Quotient, Novartis*

Andrew Holmes
Co-Founder, Imperial College

Eric Yeatman
Co-Founder, Imperial College

*former company
experience

Share Information

Share price (17/5/18)	1.4p
Market cap	6.4M
Shares in circulation (29/8/18)	456.4M
Debt	Nil

Significant Shareholders > 3% (29/8/18)

Parkwalk Advisors Funds	27.21%
Unicorn Asset Management	16.43%
Octopus Investments	9.45%
Herald Investment Management	7.49%
Walker Crips	4.05%
Fidelity International	3.79%

Other board members' bios



Peter Grant – *Non Executive Chairman*

40 years experience, half at listed company board level, covering both London main market (up to FTSE 250) and AIM, including Skyepharma PLC, WorldPay Group plc, Molins PLC and various senior positions at The General Electric Co. PLC Group.



Eric Yeatman – *Non-Executive Director*

Co-founder and former Chairman of the Board (2004-2013). Professor of Micro-Engineering at Imperial College London and Head of Department of Electrical and Electronic Engineering.



Andrew Holmes – *Non-Executive Director & Company Secretary*

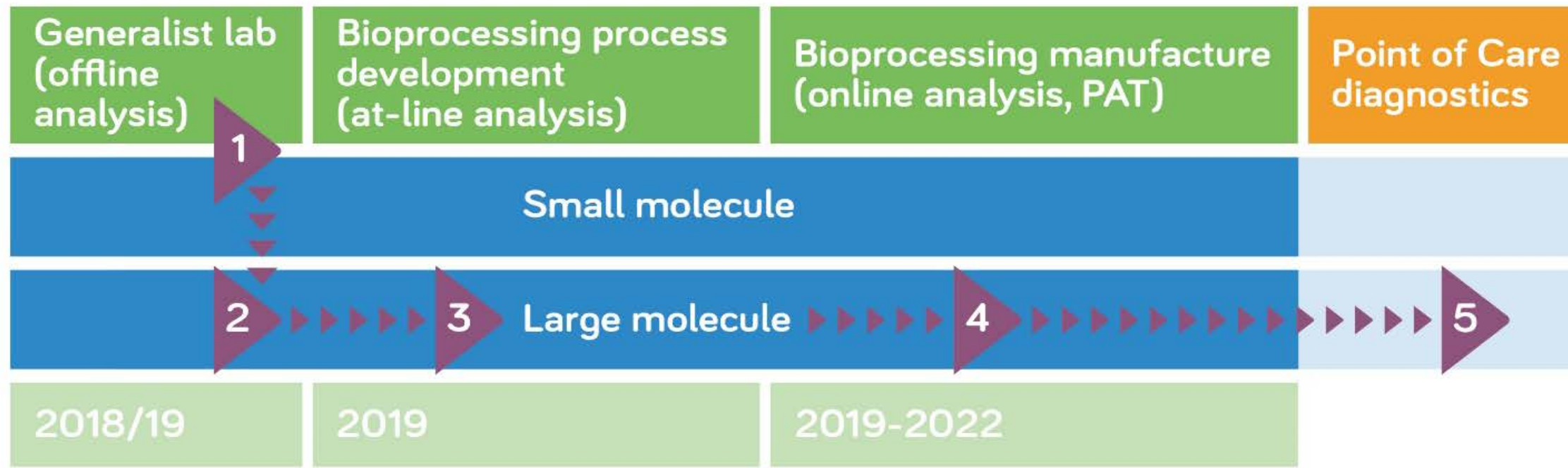
Co-founder and Professor of Micro-Electro-Mechanical Systems at Imperial College London where he specialises in microfabrication and micropower technologies.



Christopher Buckley – *Non-Executive Director*

30+ years' of international marketing and strategic management experience in the global pharmaceutical industry with a proven track record of translating scientific innovations into competitive customer-focused benefits. Most recently, Global Brand Director at Novartis.

5 Year Application Roadmap



How our technology serves current and future markets:

- 1 Enhanced workflow efficiency for small molecule synthesis and purification.
- 2 Complex biologic synthesis and purification in the lab, or at the reactor.
- 3 At-line whole biologic and metabolite analysis during biologic process development and scale up.*
- 4 Online process analysis for full-scale biologics manufacture.*
- 5 Commercialisation, partnerships and collaborations in Point of Care diagnostics.*

*Future development