

Diaceutics PLC

Final Results FY 2021

March 2022

Diaceutics
Better Testing, Better Treatment

Agenda – FY21 Results



Introduction to Diaceutics – Peter Keeling

A Transformative Year – Peter Keeling

Why we are winning – Peter Keeling

Financial Review – Nick Roberts

Growth Outlook – Peter Keeling

Q&A

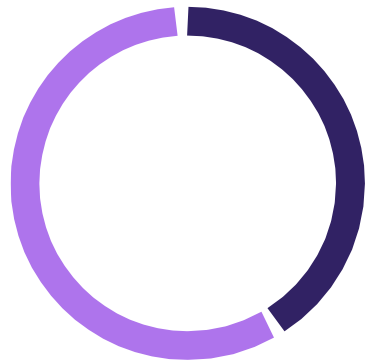
Founder & CEO
Peter Keeling



CFO
Nick Roberts



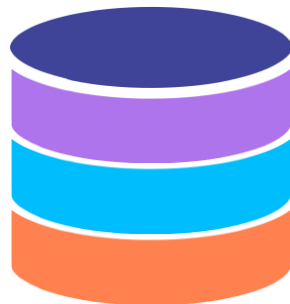
Resolving the challenges with diagnostic testing within Precision Medicine



30% of all FDA approvals between 2018-2021 were for therapies dependent upon patients being pretested to determine their eligibility – Precision Medicine (1)



Up to **50%** of eligible patients don't get access to our customers drugs due to testing hurdles (3)



Creating a **\$3bn Market** For Diagnostics by 2030 (2)



Pharma will invest up to **\$15m per therapy** on data and services to fix this (4)

Sources

1. https://www.personalizedmedicinecoalition.org/Userfiles/PMC-Corporate/file/Personalized_Medicine_at_FDA_The_Scope_Significance_of_Progress_in_2021.pdf
2. Company estimates
3. PMC Publication targeting JCO Journal of Precision Oncology (data on file)
4. Based on customer ordering patterns



Healthtech data and services: Diaceutics operational snapshot

Unique focus on diagnostic commercialisation for Precision Medicine

Blue-chip customers: 56 pharma therapy brands: All top 10 pharma are customers: 3 Diagnostic Companies



Global platform network

546 labs online (end 2021)
20% of mid-term target



Revenue
£13.9m
(2020: £12.7m)

Revenue growth
(18% constant
currency)



Platform revenues
60%
(2021 target was 20%)



Innovative products

16 tailored products
+ 4 in 2021



Gross margin
77%
(2020: 75%)



Adj. gross margin
89%
(excluding intangible
amortisation)



Unique data powered insights

490m+ real world patient
data

AI enabled algorithms:
78% oncology 22% non oncology



Adjusted EBITDA
£2.3m
(2020: £0.5m)



Operating cash flow
£0.5m
(2020: £0.3m)



Investment in platform
£5.2m
(2020: £6.4m)



Net Cash
£19.7m

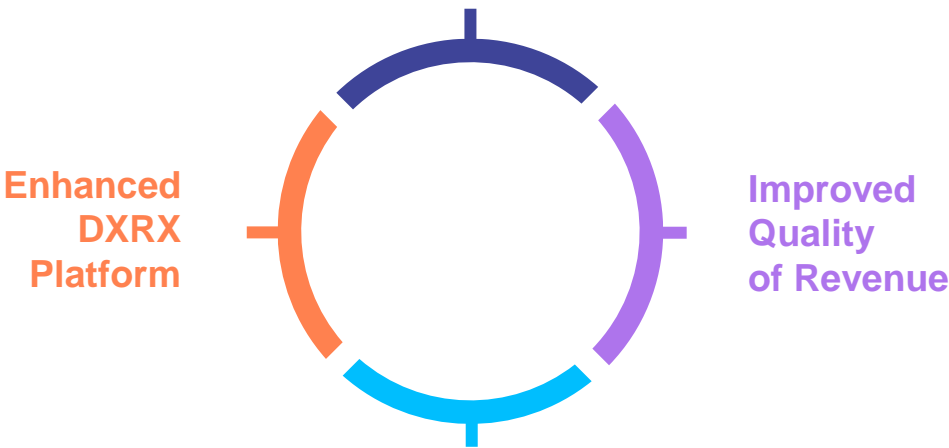


2021 – A transformative year

Foundations laid to capture opportunity and deliver growth

Added 125m patient records, now 490m
Added 28 AI-enabled disease pathways, now 77
Added 5 data scientists, now 10 experts
API-CRM automated customer feeds now live

Growth of Data



Added 4 new products, now 16 in total
Added 485 labs, now 20% of way to mid-term target
Contracted now with 13 service partners
Commenced 30 collaborations
Invested additional £3m in platform development

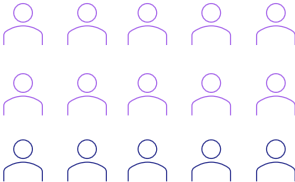
Enhanced
DXRX
Platform

Improved
Quality
of Revenue

Platform revenues 60%
2021 target was 20%: 2020 was zero
Gross margin improved 200 bps (now 77%)
First multi year contracts signed
First 3 non Pharma clients
15% of revenues outside of oncology

Expanded Sales and Marketing

Before
3 client managers
at Jan 2021



Now
12 client managers
4 Operational support
3 product verticals led by ExCo
New Head of Sales and Marketing
New CRM fully integrated

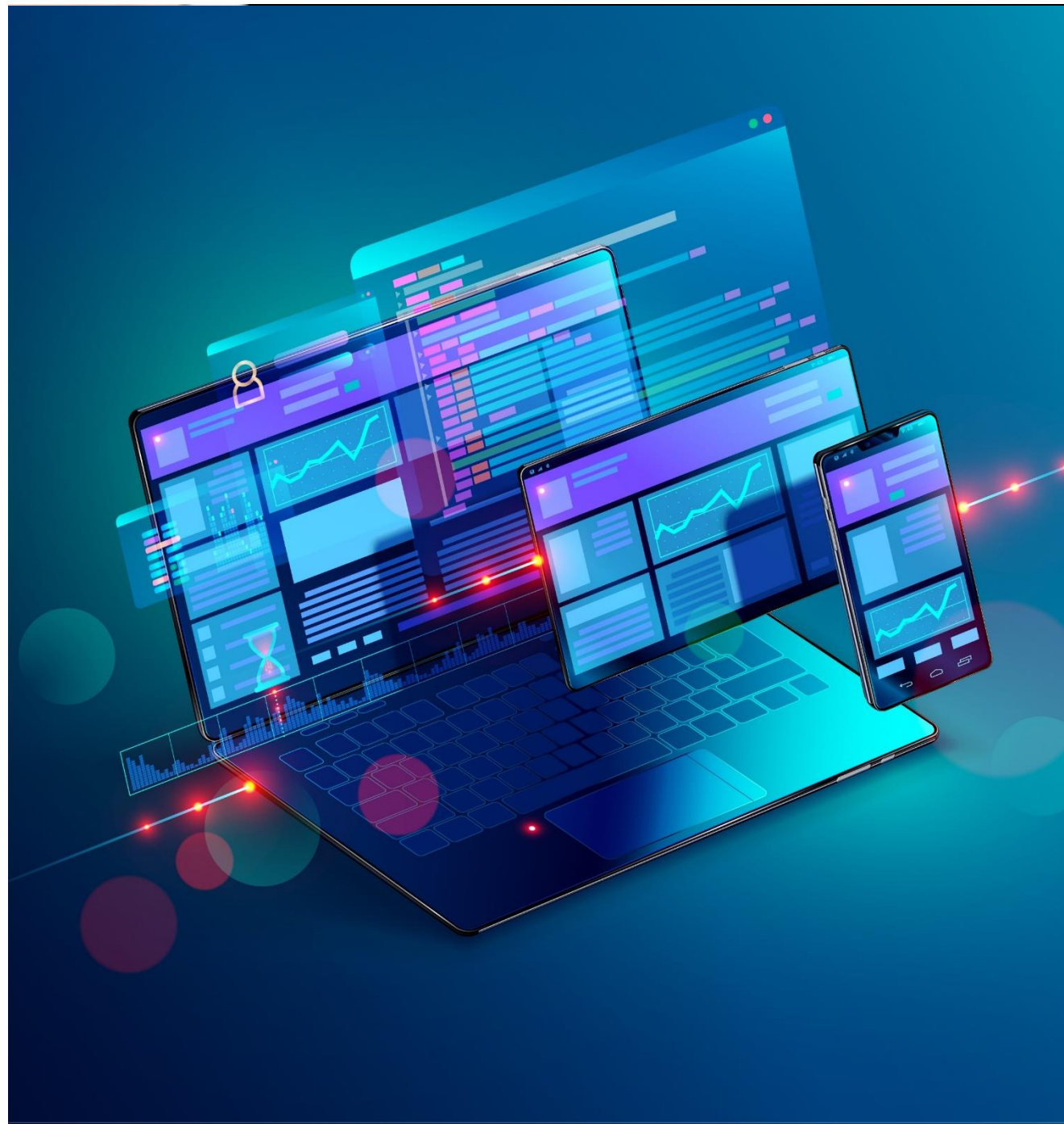


Material progress made on our strategic roadmap

		Then Building the value proposition	Now DXRX first full year transitioning proposition	Future Enterprise license revenues embedded within ecosystem
		15+ years	2021	2022+
Value drivers	Products	<ul style="list-style-type: none"> Consulting-led Identified the unmet need 	<ul style="list-style-type: none"> Platform data and services led Pharma realising the scale of unmet need 	<ul style="list-style-type: none"> Collaborative marketplace platform Critical part of rapidly growing TAM (est.\$3bn by 2030)
	Data	<ul style="list-style-type: none"> Building critical mass 300+m patients and 49 AI-enabled pathways (2020 comparative) 75% revenue one-off data projects (2020 comparative) 	<ul style="list-style-type: none"> 490m patients and 77 AI-enabled pathways Data subscriptions switched on Weekly data feed to US customers 	<ul style="list-style-type: none"> Increased frequency of data feed to customers in top 15 countries 60/40 oncology non oncology split Novel data products derived from DDPs
	Platform	<ul style="list-style-type: none"> £6.4m invested (2020) Launched Oct 2020 	<ul style="list-style-type: none"> 546 labs online 13 Partners Beginning of network effects 	<ul style="list-style-type: none"> 2,000 labs online in mid term Switching on Physician communication via Labs
	Business Model	<ul style="list-style-type: none"> Consultancy, offline offering @65% Margin 	<ul style="list-style-type: none"> Platform enabled offering 60% platform revenues 89% Margin (pre amortisation) 	<ul style="list-style-type: none"> Enterprise license, highly recurring tech-led offering



Why we are **Winning**



Our customers have key needs

Addressing these needs drives 60-fold return for our clients ¹



Pre-launch

450 Precision Medicines in Development

- Can I find patients for my clinical trials
- What is the testing landscape in key markets
- How many labs can run my test
- What are the key adoption hurdles
- Can I map Physicians to labs



Launch

Approx. 25+ new PM therapy launches per year across top 15 markets

- What should my testing forecast be
- How do I drive test adoption
- How many patients are testing positive
- How do Drs segment via testing approach
- How can I optimise testing quality
- How can support labs educate Physicians



Lifecycle Mgt

120+ PM therapies already on the market Approx. 25+ new indication extensions per year

- How does testing differ in this new indication /country
- How many patients are leaking from treatment
- How do I track testing in all the markets
- How can I pay for testing

¹ Diaceutics' Pharma Precision Medicine Readiness Report 2019

Strategy

R&D

Partnering

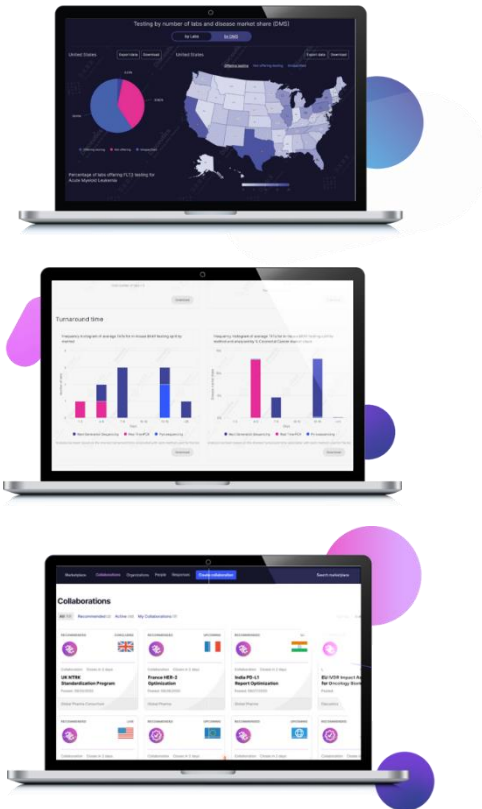
Sales and
Marketing

Access



Our platform provides global reach

DXRX Platform



Customer Imperatives

- Direct critical investment areas to address patient leakage
- Deliver intelligence to multiple internal departments (access/sales/R&D/regions)
- Redirect patients onto the right therapy just in time

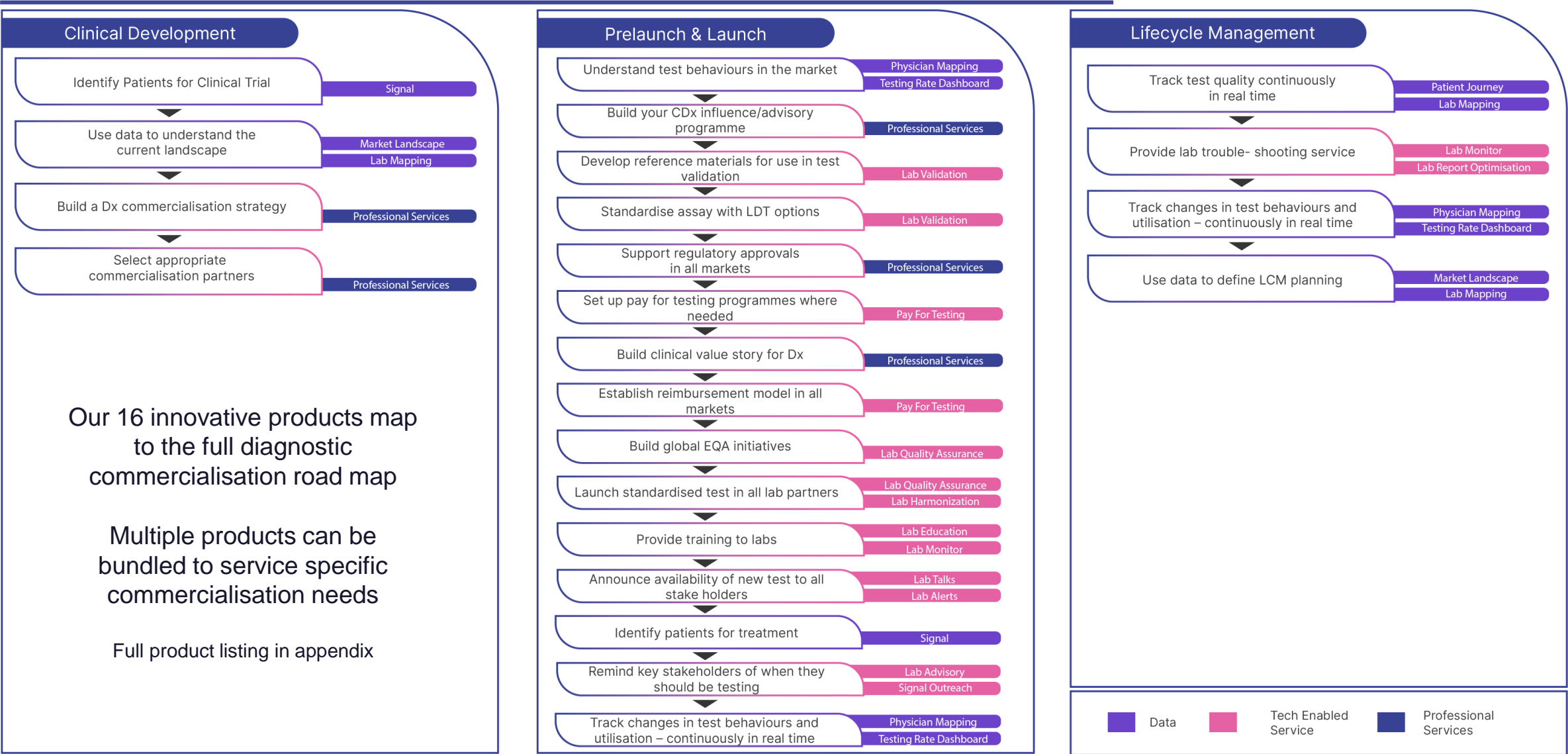
Unique Service

- Real time – high quality – actionable insights from Physicians, Labs, Payers
- Multi tenant platform organising the Dx ecosystem
- Online global reach to Labs at the front line to fix issues rapidly
- Productised analytics and services
- Unique tailored interventions with clear patient impact
- Delivery integration via CRM – API + Custom delivery

We believe DXRX is the only end to end diagnostic commercialisation platform for precision medicine



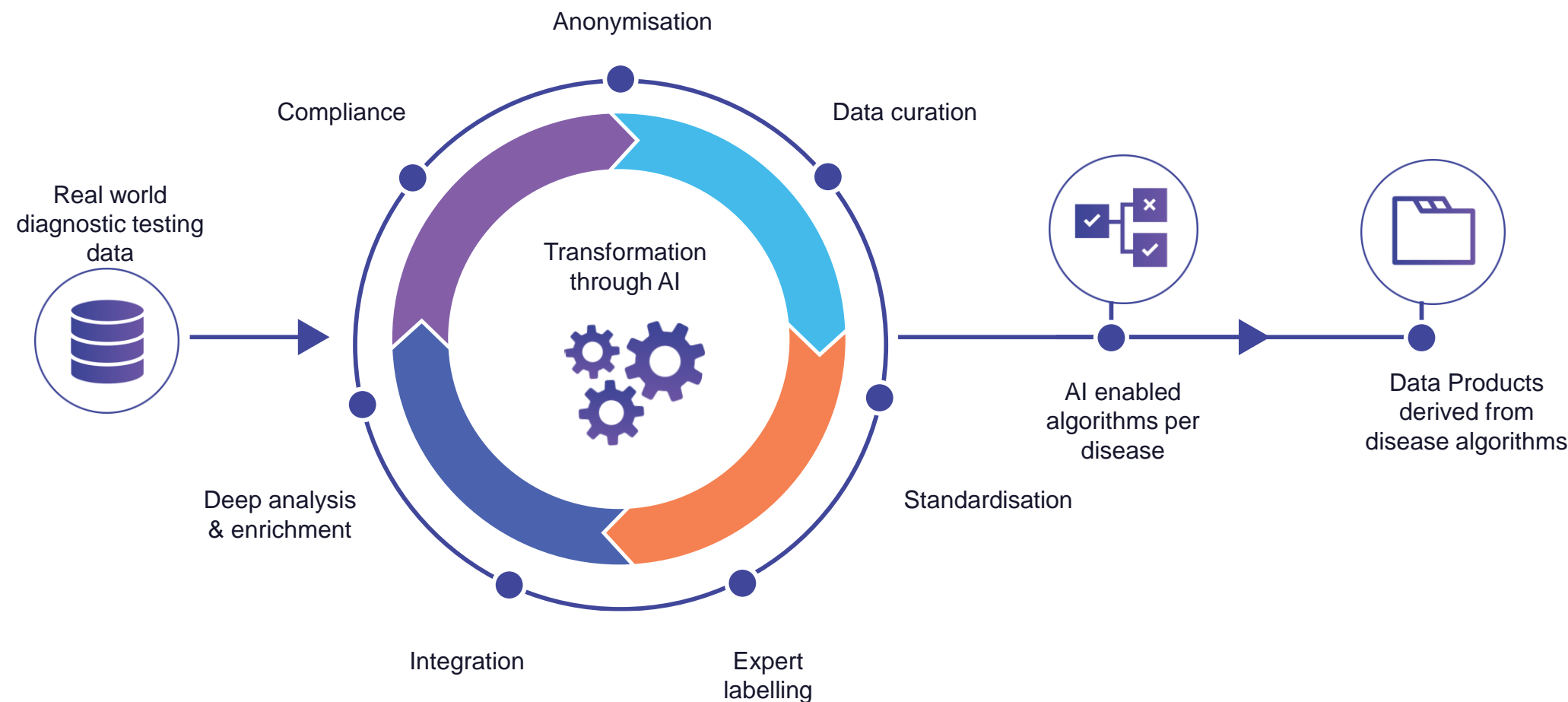
Our products cover the full diagnostic roadmap



All steps in the PM development and commercialization process are supported by Professional Services Key Capabilities



Our data powers our insights



490+ million patient Dx journeys	9 Years longitudinal history	77 Disease specific AI algorithms	AI enabled algorithms: 22% non oncology 78% oncology	Weekly USA API Updates to Customers	 11
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Why Diaceutics Wins: Customer Examples



Product Used

Signal

- Delivering AI enabled subscription weekly data feed of patients by zip code for pharma sales force
- Client Impact: Identifying hundreds more treatable patients, rapidly in the US



Product Used

Lab Education

- Established collaboration with 75 influencer labs in 14 countries to replace a new testing scoring system
- Client impact: Improved number of patient positives by 15%



Product Used

Strategy and Planning

- Provided customers with a foundational strategy and multi year road map to execute in step with new gastric cancer therapy - utilising real world 360-degree partner selection data
- Client impact: Can improve drug forecast – increased their partnerships



Product Used

Market Landscape

- Established a customised data feed with a 5-year renewal to provide testing and performance rates of all key biomarkers via real time tracking across all key US labs
- Client impact: Real time competitor tracking seamlessly integrated to their CRM

“Working with Diaceutics is a true partnership. They share our passion to leave no stone unturned when it comes to overcoming barriers in a patient’s treatment journey and enable the rapid identification of patients that may be eligible for one of our clinical trials. By partnering with Diaceutics, we have been able to integrate genomic testing data on a patient’s tumor from the laboratory to the physicians, and ultimately into a clinical trial. The insights from Diaceutics into the extensive genomic data being generated has been invaluable in helping to ensure that every suitable patient gets the treatment they deserve.”

**Amy C. Cavers, VP Medical Affairs,
Elevation Oncology**



ESG : A strategic target for the business

Diaceutics' goal, working alongside other healthcare stakeholders, is ultimately aimed at providing earlier and more accurate diagnosis for patients, accelerating patients' reach to precision medicines which, in turn, leads to better patient healthcare outcomes



**Women in
workforce 59%**



**Culture ambassador
team 11**



**Employees Invested
56%**



**Charities
supported 3**



**Training Academy
Graduates 5**



**Internal training
delivered 6,500
hours**



Environmental (Planet)

- New headquarters at Kings Hall, Belfast, a green building with an “A” rated energy certificate
- Environmental Policy statement adopted, providing a set of clear objectives encompassing aimed at reducing the Group's environmental impact and engaging with suppliers who share our vision and ambitions



Social (Community & People)

- Training Academy developed for student placements and graduates, aiming to support the local community and affording the opportunity of careers advice
- Charity Working Group formed for 2022 with the aim of targeting local and global charities and providing a structured means for the Group to support causes most closely linked to Diaceutics and its employees.



Governance

- As a leading provider of health data we are dedicated to having robust governance protocols and procedures throughout all aspects of our business to manage risk, operate high standards of conduct and to protect and grow the business for the benefit of shareholders and other stakeholders



Financial Review



Financial KPIs summary



Revenue

£13.9m

(2020: £12.7m)



Gross margin

77%

(2020: 75%)



Adjusted EBITDA

£2.3m

(2020: £0.5m)



Investment in platform

£5.2m

(2020: £6.4m)



Platform revenues

60%

(2021 target was 20%)



Adj. gross margin

89%

(excluding intangible
amortisation)



Operating cash flow

£0.5m

(2020: £0.3m)



Net Cash

£19.7m

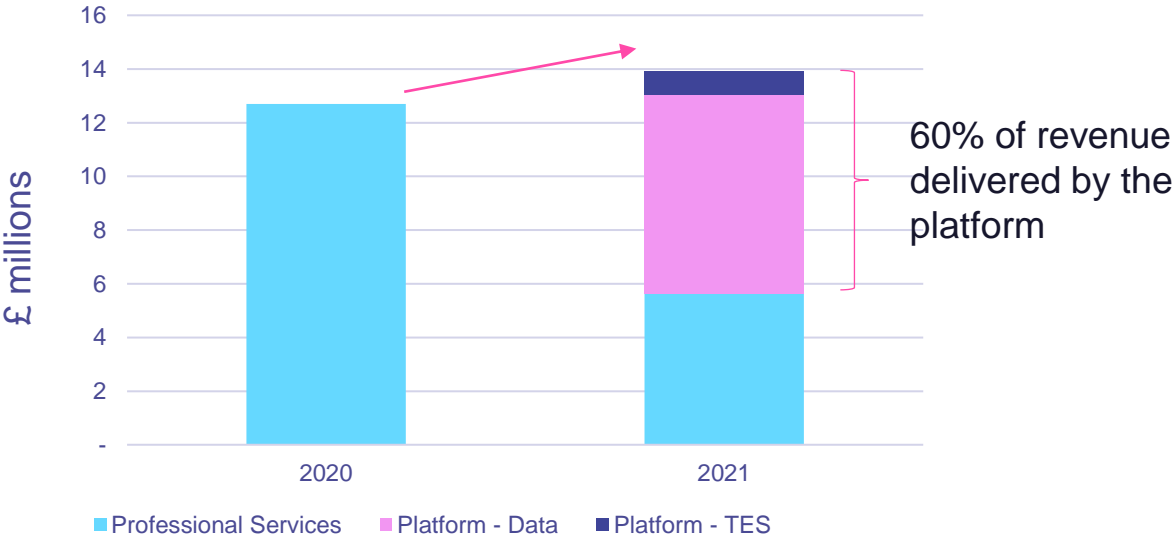
(2020: £25.3m)



Transition to platform business delivers revenue and margin growth

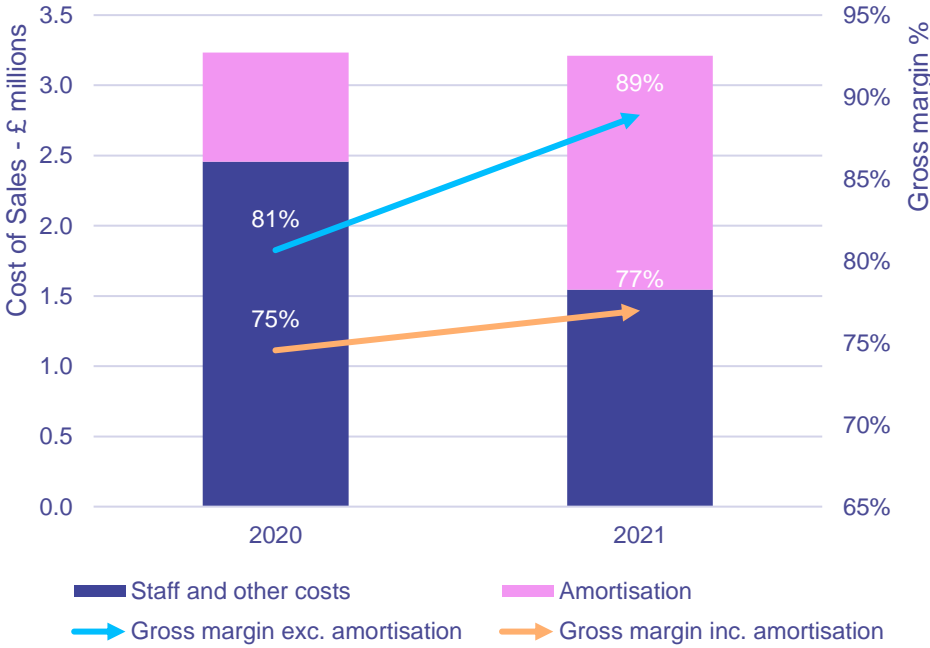
Revenue growth

10% growth (18% constant currency basis)



Enhanced margins

Overall direct costs remain static, margins are enhanced



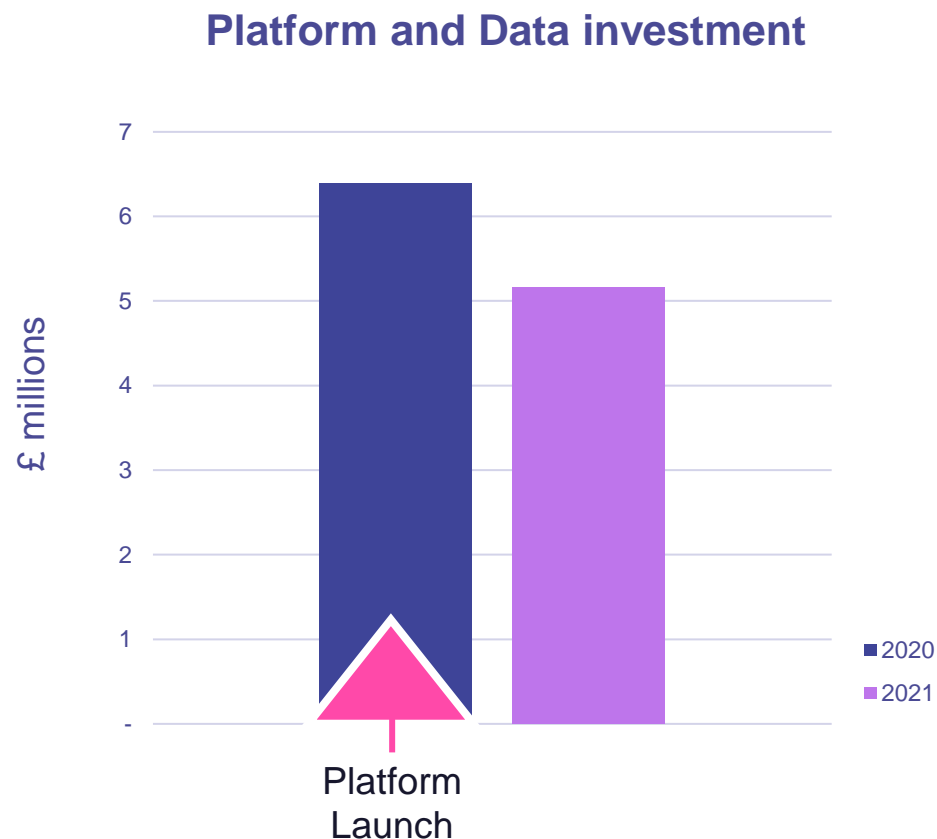
Income statement

£m	2021	2020
Revenue	13.9	12.7
Gross Profit	10.7	9.5
Gross margin %	77%	75%
Gross profit exc. Amort	12.4	10.2
Gross margin exc. Amort%	89%	81%
Admin costs	10.4	10.0
Exceptional costs	nil	0.4
Adj EBITDA	2.3	0.5
Adj EBITDA %	16%	4%
Profit before tax	0.5	(0.7)

- **Solid revenue growth:** revenue grew 10% (18% on CC basis) through a key period of business transition to the platform.
- **Enhanced margins:** revenues leveraged through the platform data and products and greater customer engagement (56 brand teams).
- **Gross margin excluding amortisation:** 52% (£1.7m) of direct costs derived from amortisation of the platform and data asset (2020: 24% and £0.8m). Gross margin exc. Amortisation at 89%.
- **Investing for the future:** the Company has invested in people to facilitate future growth.
- **No exceptional costs:** restructuring undertaken in 2020 positioned the Company as platform based – no exceptional costs in 2021.
- **Profitable:** Adj EDITDA increased to £2.3m (16% margin) as the business transitions to the platform. Profitable before tax.
- **Operating cash generative:** £0.5m of cash inflow generated from operating activities.



Strong cash position supports investment in future growth



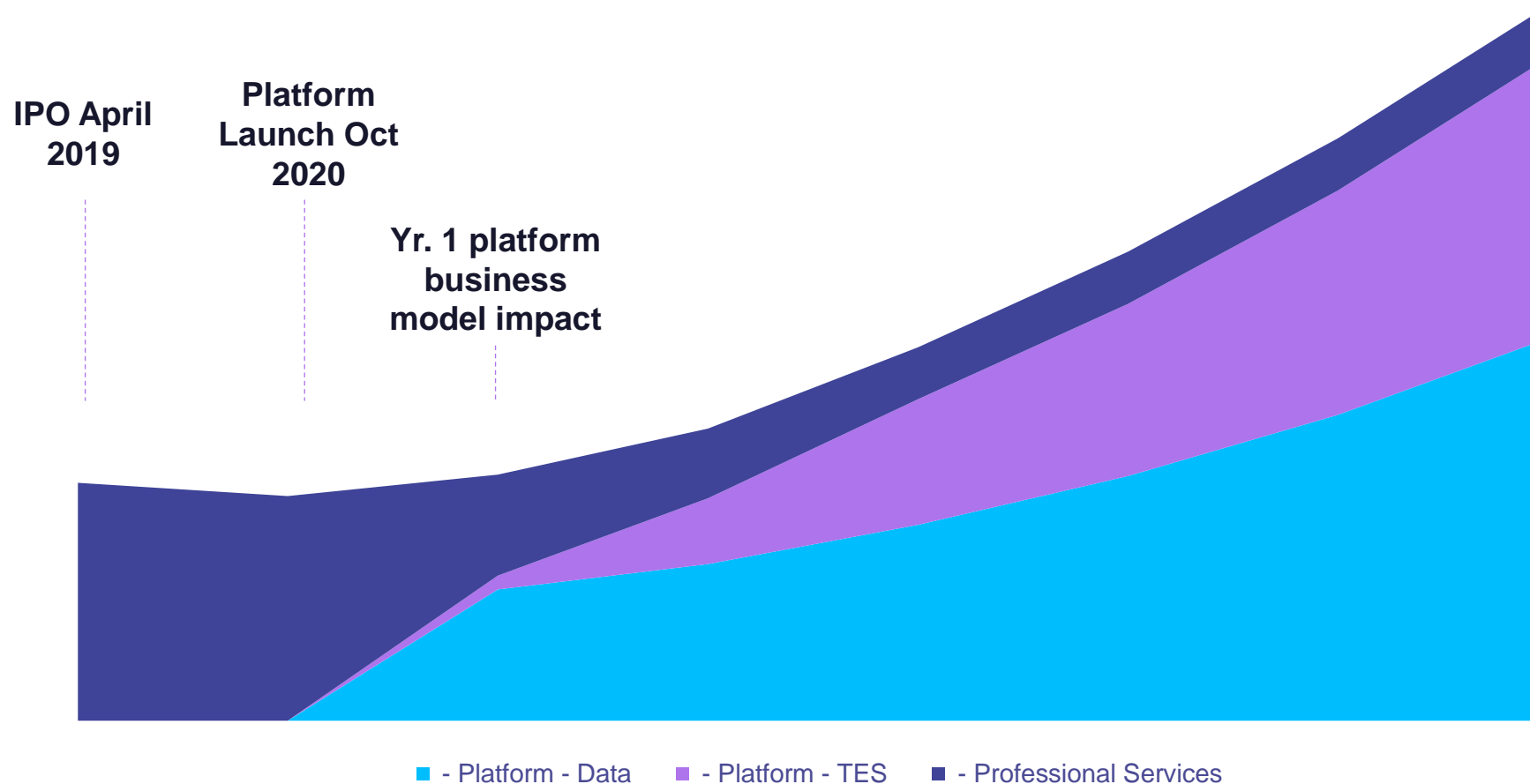
£m	2021	2020
Adj EBITDA	2.3	0.5
Operating cash flow	0.5	0.3
▼		
Net cash	19.7	25.3
▼		
Platform and Data investment	5.2	6.4
Headcount (no.)	129	125

- **Operating cash flow:** improved to £0.5m with an additional £1.4m R&D tax credit received post year end (Jan-22)
- **Investment in the platform network, platform data and platform products** continued investment to maintain first-mover advantage. Investment intensity is reducing as the business transitions to growth phase.
- **Strong cash position** maintaining future investment in the platform data, products and people.
- **People** uplift in 2022 headcount largely secured



Business model: Transition to platform business

Illustrative platform revenue build up



- **Migration:** to annual and multi-year customer subscription contracts
- **High margin:** leveraging the platform to scale revenues and margins
- **Upselling Tech Enable Services:** pursuing additional therapy team wallet through upselling products

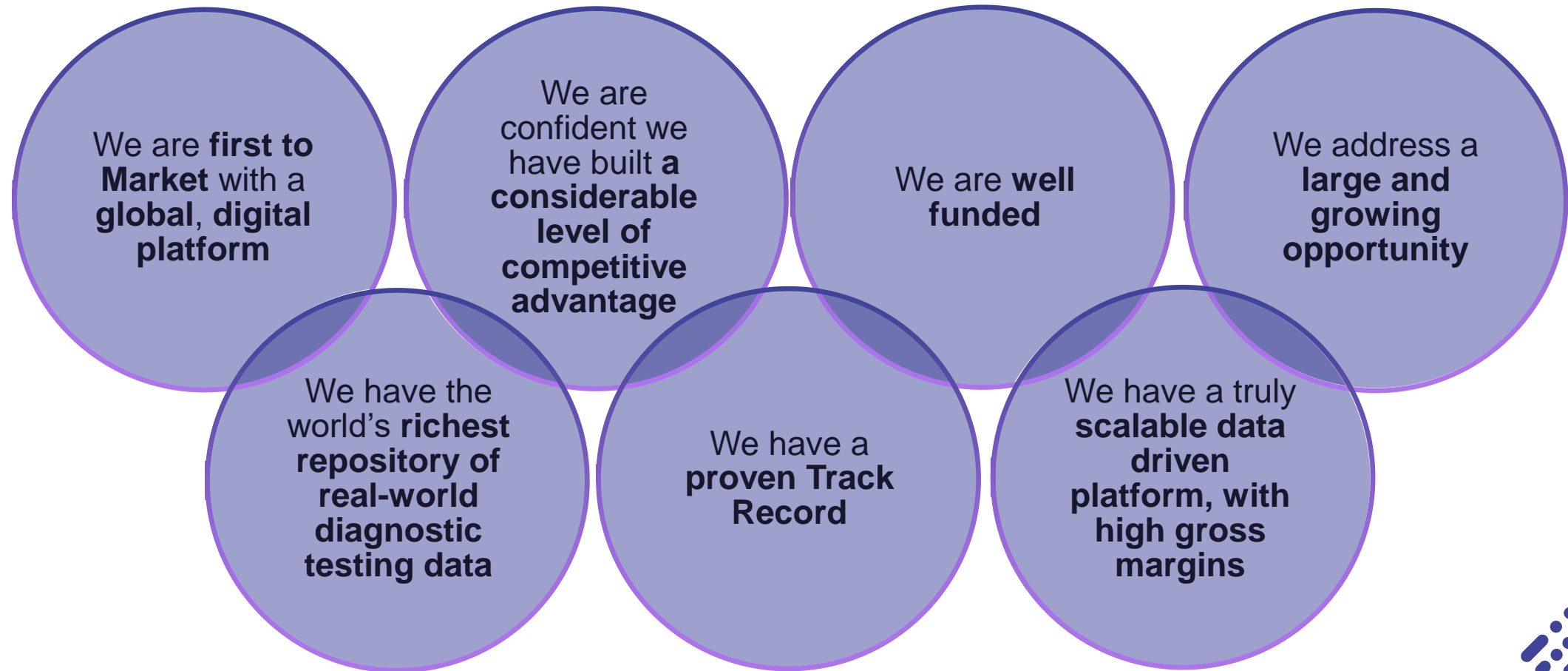


Growth **Outlook**

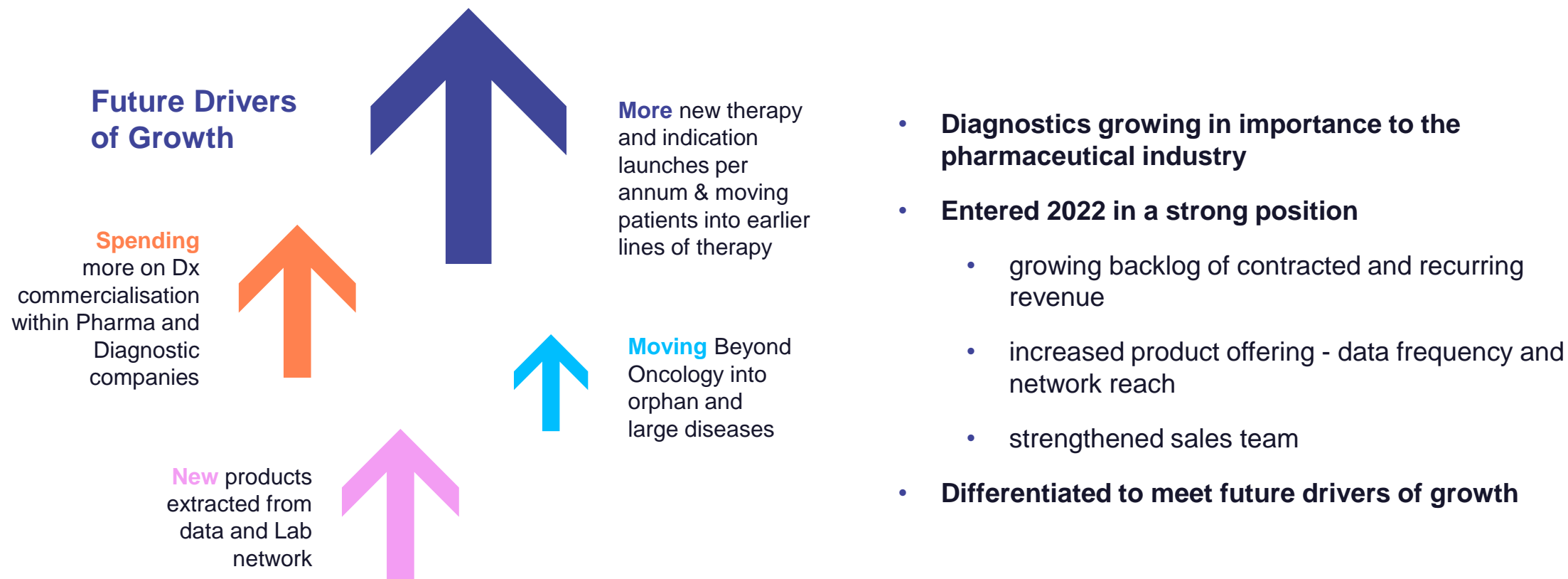


Why invest in Diaceutics

Precision Medicine has arrived, with each requiring companion diagnostics.
DXRX helps connect diagnostics to treatment — to get patients the medicine they need.



Positive outlook



“With the current business momentum, we continue to see improved revenue growth in 2022. Alongside our investment in platform, product, data innovation and people we expect continued modest growth in our EBITDA”



Q&A



Appendices



Enhanced Leadership Team

New to
the team

Enhanced EXCO Team

Founder & CEO
Peter Keeling



Founder & CIO
Ryan Keeling



CFO
Nick Roberts



**Chief Precision
Medicine Officer
(Pro Services)**
Susanne Munksted



**Chief Commercial
Officer (Data)**
Jordan Clark



**Chief Growth
Officer (TES)**
Stefan McDonald



**Chief Operating
Officer**
Julie Browne



New OPCO Members

Corporate Counsel
Zarina Bibi



**Head of Sales
and Marketing**
Jillian Beggs



**Head of Data
and Platform**
Scott Gamester



**Head of Data
team**
Marieke Hoefsmit



**Head of
TES team**
Catarina Veiga



**Head of
ProS team**
Bethany Slifko



Product Listing and description

Signal	Real-time eligible patient finder
Market Landscape	Testing landscape analysis
Lab Mapping	Tracker of lab testing behaviour
Physician Mapping	Tracker of physician testing behaviour
Patient Journey	Leakage analysis in patient diagnostic journey
Lab Validation	Service to streamline biomarker testing to drive adoption
Pay for Testing	Integrated pharma-sponsored reimbursement program
Lab Quality Assurance	Accredited EQA training & assessment for labs
Lab Harmonization	Service to standardize testing performance across different assays
Lab Education	Lab training and education to improve testing
Lab Report Optimization	Review support to optimise and standardize reporting
Lab Talks	Virtual bitesize talks to drive test adoption
Lab Alerts	Lab targeting broadcast service for educational messages
Lab Advisory Board	Virtual meeting of KOLs to gain expert insights
Lab Monitor	Peer to peer review of lab testing
Testing Rate Dashboard	Biomarker testing rate dashboard



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