Diaceutics PLC Presentation of Results

For the year ended 31 December 2020



Better Testing, Better Treatment

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Presentation Team



Peter Keeling, founder and CEO

- 30+ years' experience as a leader, entrepreneur and strategist in the pharmaceutical industry
- Led international companies and teams with a focus on novel business models and product launches, including therapies, diagnostics and FMCG products
- 11 years leading projects in both operational and strategic roles at the pharmaceutical division of the Wellcome Foundation

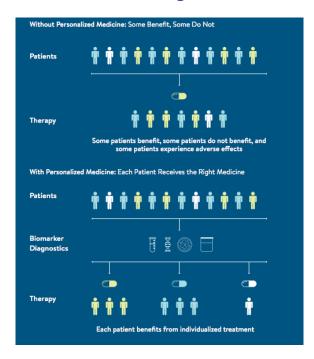


Philip White, CFO

- 16+ years' management and financial experience, and has been Chief Financial Officer of Diaceutics since 2011
- Responsibility for all financial and risk management operations at Diaceutics and works with the executive management team to develop and implement strategy

Pharma's Dependency on Precision Testing

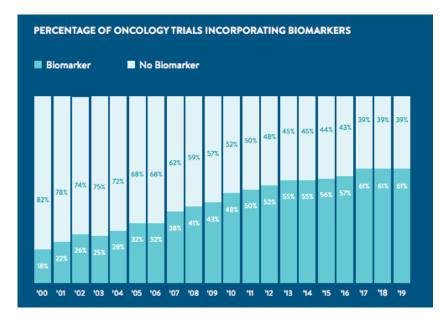
Precision Therapies Need Seamless Access to Biomarker Diagnostics



What is a Biomarker?

Biomarkers within the DNA are used to identify the patients that are most likely to benefit from a targeted therapy. This is implemented using biomarker diagnostic tests

A biomarker is a measurable indicator of the severity or presence of a disease and the effect a drug has on the body



Oncology drug pipeline dependency upon biomarkers

Pharma Companies investing in Precision Medicine and Precision Testing





What Diaceutics Does

Diaceutics is a data analytics and end-to-end services provider enabled by DXRX - our proprietary diagnostic network solution for the development and commercialisation of precision medicine diagnostics

Pharma needs:

- Routine uncomplicated patient (biomarker) testing for majority of precision therapies launched
- To ensure laboratories (globally) are test ready for their physicians and "in step" with new drug launch
- Testing that does not present an access barrier to the therapy
- Deliver high ROI for precision medicine investments

Diaceutics provides:

- A digital diagnostic network bringing together laboratories and Pharma customers
- Reduced complexity of testing
- End-to-end management of test commercialisation
- Faster ROI for Pharma clients

2020 Highlights

- Revenue £12.7m against revised guidance of £12m
- Operational restructure removing £1.9m of costs
- Adjusted EBITDA £0.5m against guidance of (£0.3m)
- Cash position £25m
- DXRX successful launch in Q4 and positive client engagement
- Provided data and services to 53 therapy brands over 29 countries

Financial review

Diaceutics

Better Testing, Better Treatment

Financial performance overview

£m	FY 20	FY 19	% Var.
Revenue	12.7	13.4	(6%)
Gross profit	9.5	10.3	(8%)
Gross margin	75%	77%	
Gross margin exc. amort.	80%	78%	
Administration costs	10.0	8.4	(19%)
Exceptional costs	0.4	1.3	
Тах	0.9	(0.1)	
Profit after tax	0.3	0.4	(34%)
Adjusted EBITDA	0.5	2.4	(77%)
Intangible asset	9.4	3.8	
Trade receivables	5.3	6.1	
Cash	25.3	11.7	

- Full year revenue disrupted by COVID-19 vs 2019
- H1 21% revenue increase vs 2019
- Improved Q4 revenue over Q3
- Data 76% (2019: 72%) Implementation services 24% (2019: 28%)
- Regional revenue
 - EU regional revenue declined 17%
 - Asia & Rest of world regional revenue declined 8%
 - US regional revenue increased by 7%
- Gross margin decreased to 75% however DXRX efficiency apparent in ex-amortisation margin through Q4
- Admin costs represent H1 headcount investment across all departments and a subsequent cost review and restructuring in Q3-Q4
- COVID-19 restrictions resulted in costs savings from travel and property offset by increased spending in legal & professional fees
- Exceptional costs relate to termination agreements
- Benefited from the R&D tax credit
- Positive adjusted EBITDA
- Investment £4.6m DXRX, £1.5m Data, Patents and Software £0.3m
- Strong cash position

2020 in Focus

H2 2020 Financial Performance

- H2 revenue decreased 19% yoy due to COVID-19 disruption
- Q4 revenue higher than Q3
- Clients focused on their key markets and priorities
- Platform amortisation commenced Q4
- Improved H2 labour efficiency

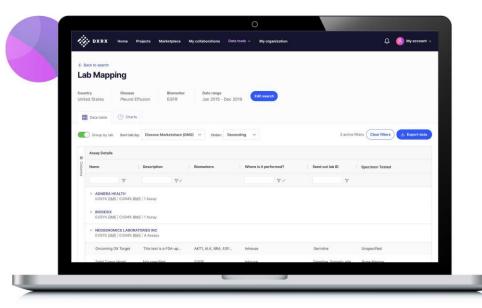
Operational Improvements

- H2 cost saving initiatives £0.4m followed by comprehensive cost review & restructure generating £1.9m savings
- Business development investment in Informa real-time pipeline tracker and Salesforce CRM to enable business development growth
- Strengthened finance and business development reporting structure and introduction of sales incentive programme
- Created significant bench strength via new & empowered leadership team under EXCO
- Supporting staff through COVID-19 through a range of wellbeing initiatives launched to the global Diaceutics village

Introduction to DXRX – The Diagnostic Network®

- October 2020 launch of DXRX our diagnostic network platform dedicated to precision medicine
- DXRX brings onto one platform our extensive patient testing data repository, the Diaceutics method [™] for test commercialisation and the required stakeholders - labs and diagnostic companies - for the successful global test adoption of precision medicine drugs
- For our Pharma clients, DXRX provides them with direct access to
 - 365m global patient testing records on one platform and access to data on over 2,500 testing laboratories
 - A marketplace where Pharma has a commercialisation-ready lab network to facilitate their commercialisation needs end-to-end
- For Diaceutics, DXRX enables a shift from a traditional consultancy delivery methodology towards a scalable platform model with auto-ingestion of testing data, inbuilt algorithms, and ability to implement change at a lab level globally:
 - An enhanced product offering to secure more of our client's precision testing investments
 - A subscription model allowing a move to better quality earnings in the longerterm
 - Ability to embed ourselves with our clients via a combination of data subscriptions, data tools (to derive data insights), technology-enabled services (delivering support in areas including training, assessments, reimbursement and regulation) and network access fees.

DXRX: Precision Testing Platform



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DXRX Platform Launch: Transforming our business model

Converging 15 Years of Data and Know-How

DXRX: the Precision Medicine Marketplace

Higher functioning product offering

Monetisation

500+ Project based learning integrated into solution design

Data on 2,500 laboratories globally

49 Diagnostic Deductive pathways (DDPs*) underpinned by over 365m patient records

6 ecosystem partners signed up to support global projects

Lab and Dx Pharma

Partners

DXRX

Data

Introduction of 12 modules to provide greater end-to-end solution, with 4 more to be introduced in 2021

On demand access to real world data and insights

Leading collaboration partners to deliver faster biomarker adoption

Supporting clients with a standardised approach to biomarker launches

Data licence

Data subscription

Data tools

DXRX network premium access

Tech enabled services

Professional services

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- Higher barriers to entry
- Global reach for global brands
- · Scalable digital solution

We are a data analytics and end-to-end services provider enabled by DXRX - a proprietary diagnostic network solution for the development and commercialisation of precision medicine diagnostics

* See slide 12



DXRX Platform Launch: Transforming our Client engagement (example project)

The Unmet Need

Two leading Pharma companies collaborating on the introduction of a new therapy brand in cancer in 2021- 22 timeframe. Brand has a complete dependency upon an existing in-market test but one which requires the introduction of an entirely new scoring / interpretation system

Data provided by Diaceutics showed that pathologists have a strong (over) confidence in their ability to discriminate between the different test scoring systems – and this will lead to significant variability between labs with potential loss of patients on treatment

A 10-month three phase change management programme has been agreed with the clients leveraging DXRX



DXRX will be used to

- Identify 60+ most relevantinfluential labs from network
- Collect data online and to measure the problem (patient loss) in real time
- Develop with DXRX KOL board, change management training materials
- Provide training via our platform partner
- Stakeholder collaboration to develop improved biomarker results scoring
- Monitor & support adoption across key labs
- Create landmark collaborative publication

Leveraging the DXRX Marketplace

60+ In network labs across 10 countries simultaneously "opting in"



Leading capabilities supported by partners including areas such as test access and reimbursement, pathology training, health economics, reference standards and EQA



Delivering Higher Function to the Client

- Client remains hands-on and with digital visibility across the project
- One stop access to leading and in-network KOLs and partners relevant to the mission
- Simultaneous solution for all the key launch markets
- Relevant new clinical data collected can be used to support regulatory and clinical affairs
- Removal of key test access risk in advance of therapy launch

Transforming Diaceutics' Business Model

- Total programme value \$750k+ in single PO
- Network access fee
- Data subscription
- Technology enabled services fees include
 - Training material development
 - Training
 - Lab recruitment
 - Professional services
- Demonstrates network value to partners and labs to support future recruitment
- Data additive to data repository

Diaceutics

DXRX Platform Traction KPI's



6

Client projects now enabled by DXRX integrated data



3

DXRX Projects won with combined value \$1.22m



6

Dx partners recruited into the marketplace



Strong DXRX labour efficiencies apparent in initial projects



20%+

of Q1 pipeline represented by DXRX



25%+

Increase in average 2021 project value over 2020



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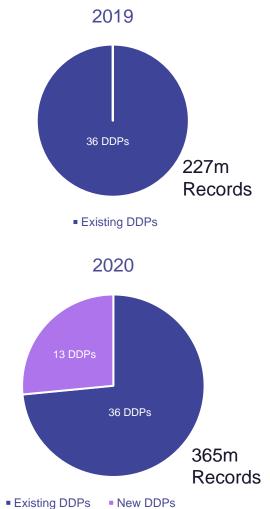
Labs registered on the platform for DXRX collaborations



DDPs*: Ongoing Development of Data Repository supply in 2020 underpinning value

Data Source	Enhancements in 2020	Impact on business
Claims data Government and commercial	 Streamlined data process Increased visibility over patient outcomes 	Previous quarter real world insights support greater number of projects
Real time lab data	 Enhanced weekly automatic data feed in key labs Increase in the number of labs providing data 	DXRX customers will now be able to access real time testing events to support their sales and marketing campaigns
Project – Primary data	Enriched with data from 150 projects supported in 2020	Expanded disease insights into 3 new therapy areas across 2020
Prescription data	 Increased visibility over treatment journey 	Ability to join Dx and Rx data to support DDP impact research
Lab demographic data	Demographic data expanded to cover 14,500+ labs globally	Oversight now of key precision testing labs globally

^{*} Diaceutics has established many years of proprietary data which informs the clinical pathway and creates a deep disease-level understanding which the Company describes as a Diagnostic Deductive Pathway TM (DDP)



Outlook

Ongoing perspective:

- Opportunity to add a significant subscription revenue model in the medium term
- Analysts predicting precision medicine market will more than double 2019-2026 growing at a CAGR of 11%

Reinstatement of guidance:

- Greater predictability returning to Pharma budgeting and positive pipeline
- Strong sales pipeline for DXRX and end-to-end client solutions
- Strengthened business operations ready for post COVID-19 scale-up
- Recognise ongoing challenges emerging from COVID-19

Reinstatement of 2021 guidance: Revenue of £13.6m and EBITDA of £2m

Summary

2020 Milestones

- Results and actions met revised targets
- DXRX launched on-time with good initial traction
- Strengthened business operations for efficient scale up in subsequent periods

2021 Outlook

- Guidance reinstated
- Well positioned with a strong balance sheet when the market returns to growth

Introduction to Diaceutics and Precision Testing

Diaceutics

Better Testing, Better Treatment

Diaceutics Market Opportunity

POTENTIAL SERVICEABLE MARKET (2021-2026)

At least 300 test-dependent therapy brands rolling out over all key treatment markets globally

c.\$10m per brand potential

Limited competition

Early mover advantage

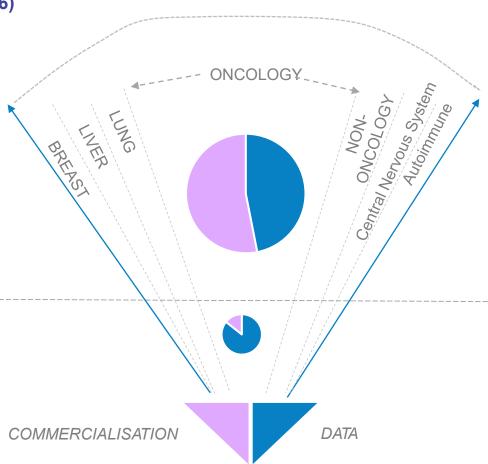
Market opportunity: \$3bn

TODAYS TARGET MARKET (2020)

>150 test-dependent therapy brands needing to eliminate testing hurdles at launch

c.\$1m-\$2m per brand potential

Market opportunity: \$0.23bn



Key statistics:

The overall precision medicine market is anticipated to double in size from 2019-2026

39% of the new molecular entities approved in 2020 by FDA are precision medicines*

^{*} Does not include precision approvals of existing drugs for new disease targets

Competitor analysis

Company	Description	Global	Extensive Pharma Client Base	Testing Data Lake	Commercialisati on platform	Top 10 Market Lab Liaison Team	Dedicated Leader enabling Pharma Dx	300+ Therapy /Diagnostic Track Record
Diaceutics	Data analytics & Implementation Services	///	///	///	///	/ / /	///	/ / /
health verity	Healthcare data clearing house – helping organisations integrate data sets	US only	√ √	11	-	-	-	-
Q ² Solutions [®] a Quintiles Quest Joint Venture	CRO and lab organisation Test data tracking limited to own tests	√ Partially US focused	///	√ Data limited to own tests	-	√	-	-
■IQVIA [™]	Multi service organisation Global Pharmacy Tracking and Clinical Trial Management	/ //	///	√	-	√	-	
prognos	50+ Person organisation Focus on Non oncology Focus on payers	US only	-	√√ Small in oncology	-	-	-	
CareSet	Claims data product base	US only	-	√ No real time data	-	-	-	

Majority done in house by large Pharma. None focus on precision medicine exclusively – most US focused only

Detailed Financials

for the year ended 31 December 2020

Diaceutics

Better Testing, Better Treatment

Income statement

	2020	2019
	£000's	£000's
Revenue	12,696	13,442
Cost of sales	(3,233)	(3,131)
Gross profit	9,463	10,311
Administrative expenses	(10,015)	(8,388)
Other operating income	282	165
Operating (loss)/ profit before exceptional items	(270)	2,088
Exceptional items	(388)	(1,348)
Operating (loss)/profit	(658)	740
Finance income	27	3
Finance costs	(51)	(246)
(Loss)/profit before tax	(682)	497
Income tax credit/(expense)	945	(99)
Profit for the financial year	263	398

Balance sheet

	2020	2019
ASSETS	£000's	£000's
Non-current assets		
Intangible assets	9,361	3,761
Property, plant and equipment	238	133
Deferred tax asset	301	56
	9,900	3,950
Current assets		
Trade and other receivables	6,107	6,635
Cash and cash equivalents	25,255	11,720
Income tax receivable	2,257	66
	33,619	18,421
TOTAL ASSETS	43,519	22,371
EQUITY AND LIABILITIES		
Equity share capital	168	139
Share premium	36,864	17,335
Translation reserve	15	20
Profit and loss account	3,191	2,638
TOTAL EQUITY	40,238	20,132
Non-Current liabilities		
Deferred tax liability	366	-
Current liabilities		
Trade and other payables	2,346	2,131
Financial liabilities	118	108
Income tax payable	451	-
	2,915	2,239
TOTAL LIABILITIES	3,281	2,239
TOTAL EQUITY AND LIABILITIES	43,519	22,371



Cash flow statement



	2020	2019
	£000's	£000's
Operating activities		
(Loss) / Profit before tax	(682)	497
Adjustments to reconcile (Loss)/profit before tax to net cash		
flows from operating activities		
Net finance costs	24	243
Amortisation of intangible assets	776	246
Depreciation of property, plant and equipment	33	38
Research and development tax credits	(247)	(157)
Decrease/(Increase) in trade and other receivables	549	(2,324)
(Decrease)/Increase in trade and other payables	(63)	825
Share based payments	290	24
Cash received/(used) in operations	680	(608)
Tax paid	(427)	(22)
Net cash inflow/(outflow) from operating activities	253	(630)
Investing activities		
Interest received	-	3
Purchase of intangible assets	(6,157)	(2,828)
Purchase of property, plant and equipment	(137)	(99)
Net cash outflow from investing activities	(6,294)	(2,924)
Financing activities		
Borrowing costs	-	(248)
Repayment of borrowings	-	(3,451)
Draw down of funds	-	106
Issuance of convertible loan notes	-	850
Issue of shares	19,614	16,036
Net cash inflow from financing activities	19,614	13,293
Net increase in cash and cash equivalents	13,573	9,739
Net foreign exchange losses	(38)	(93)
Cash and cash equivalents at 1 January	11,720	2,074
Cash and cash equivalents at 31 December	25,255	11,720
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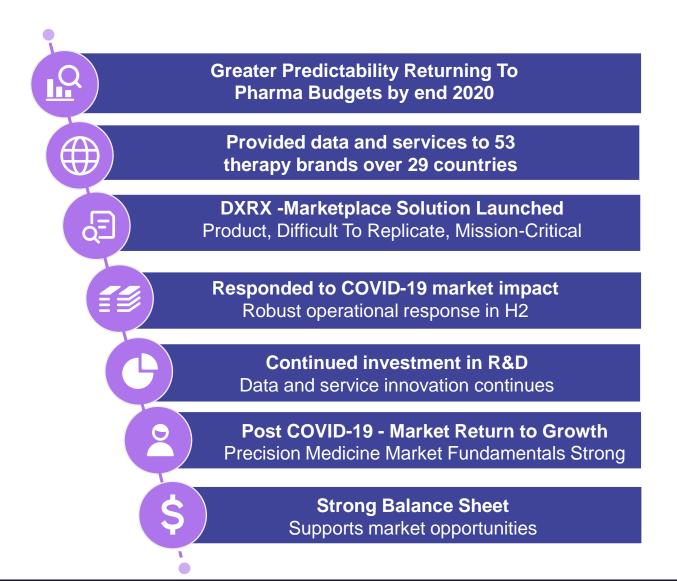
Supporting Slides

for the year ended 31 December 2020

Diaceutics

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2020 Key Milestones



Oncology Detailing at 95% of same time last year

£12.7m of Revenue 75% Gross Margin

Engagement with 19 Pharma Client teams in first 60 days

Removed £1.9m of the 2020 operational cost base

2020 Investment of £6m

\$80bn by 2026

Cash balance end 2020 £25m

25

Operational levers addressed 2020

2020 Lever	2021+ Impact
Accelerated platform - ready business operations	 Comprehensive legacy cost review and restructure, generating £1.9m savings to support platform business. With 8 new Business Development hires planned for 2021
Adopted platform contracting structures	 Introduced new data subscription and platform online membership terms. These terms can also be incorporated into existing client MSA/SOW contract structure
Leveraging new best in class BD management tools	 Invested £0.1m in BD management - Informa real-time pipeline tracker with visibility over 300+ assets moving to market 2021-2025 And Salesforce as CRM to improve integration with forecasting. Enables laser focus on business opportunities
High level regional sales focus	 Regional sales leadership from our Executive Committee ("EXCO") Appointed senior exec EXCO to develop value based pricing with smaller biotech companies – focus on E2E and new business
Incentive structure	 Mid and senior management bonus structure targeting revenue, EBITDA and business seasonality Introduction of new sales commission structure
Strengthened sales and finance team	 Reshaped financial accountability structures and hired new VP Finance and Sales operations manager to support Finance, business development and operations
Support and retain our people	 Continue to support our people through COVID-19 via wellbeing and flexible working initiatives, transparency and increased communication Introduction of global share save scheme Participated in BMS-led industry consortia to provide best practice COVID-19 response to working life for healthcare companies In our most recent survey 98% of colleagues said treated fairly and with respect and 96% would recommend Diaceutics as a place to work

