

Full Year Results Presentation

For the year ended 31 March 2021

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AGENDA

- **Introduction and highlights**
- Financial Performance
- R&D Platform and Pipeline
- Summary

From
discovery to
clinical
supply

About Fusion Antibodies



We are experts in pre-clinical antibody development covering Discovery, Engineering and Supply. We are dedicated to getting our customers to the clinic as quickly as possible with the best possible molecule against their target.

Discovery | **Optimization** | **Preclinical** | **Clinical**



Discovery

- Hybridoma generation
- B cell screening
- Tailored antigen design



Engineering

- CDRx™ Humanization
- Antibody formatting
- Sequence optimization
- Affinity maturation



Supply

- Transient expression
- Stable cell line development
- Antibody characterization

We work with:

- Drug Discoverers
- Biotech
- Virtual Companies
- Diagnostic Companies
- Large Pharma
- Research Institutions

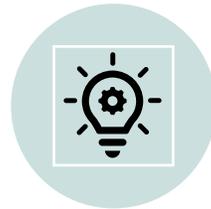
Accelerating the Customer Journey



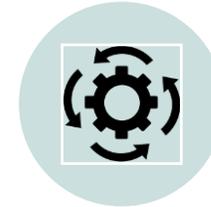
We accelerate the journey to the clinic by applying world-class scientific expertise, rapid methodologies and next-generation technology that deliver the best possible antibody against a given target.



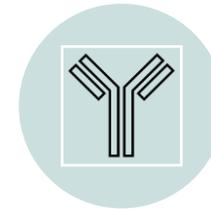
Team of internationally respected scientists, with decades of experience in bispecific and multispecific antibody design and development



Extensive knowledge and expertise, with which to de-risk development and production to accelerate program delivery



Efficient, integrated approach, ensuring every decision strategically serves your end goals



Comprehensive portfolio of antibody services, spanning discovery, engineering, and supply

Strong Progress Made in FY 2021



- Delivered revenue marginally ahead of market expectations despite the strong headwinds from the global COVID-19 pandemic
- Continued commercial traction of our existing services as well as increasing uptake of our new RAMP™ technology service platform
- Continued growth in international markets including North America, Europe, Japan, India and Korea
- Continued our strategy of investing for growth with a successful raise of £3M to expand the R&D programs
- Continued focus and investment into the R&D pipeline of new service offerings with focus on progressing Library (OptiMal™)
- Maintained a strong cash position

Key highlights for twelve months ended 31 March 2021

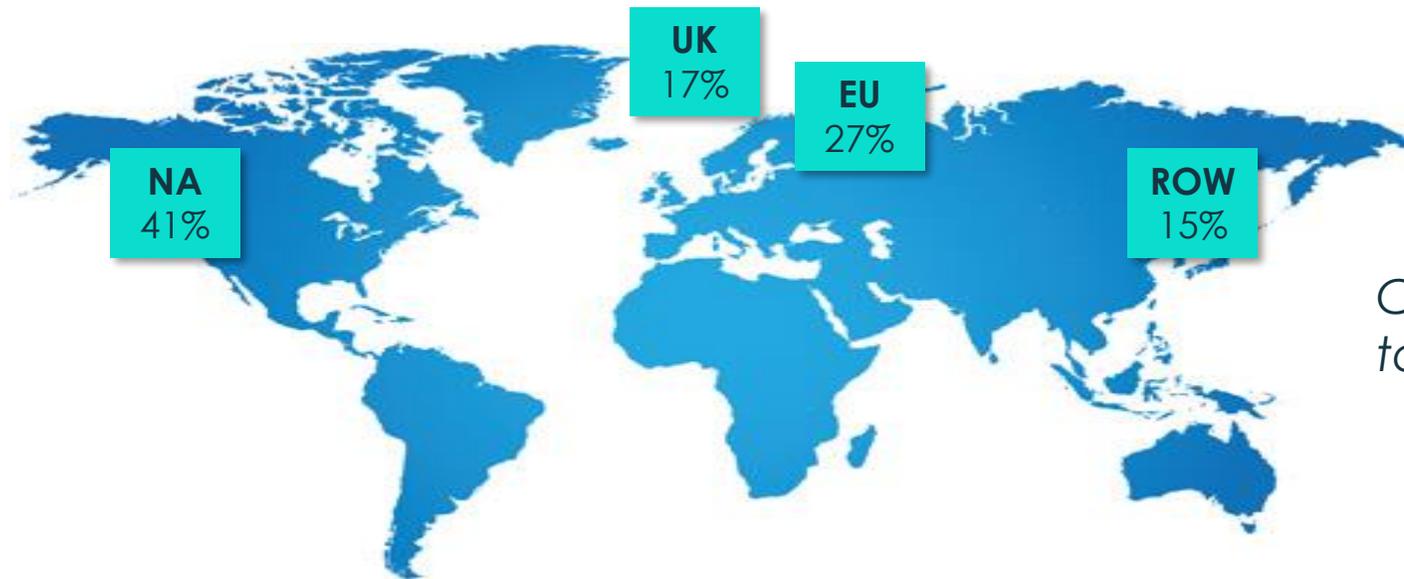


- 7% growth in revenues: FY2021 £4.2 million (FY2020: £3.9 million)
- Covid-19 programme introduced as part of the Mammalian Antibody Library development project
- 57% increase in R&D expenditure from previous year
- Write off of Deferred Tax Asset of £1.8 million. £9.0 million of taxable losses remain available to offset future profits
- £3.0 million equity fundraise completed in April/May 2020
- Cash position at the period-end £2.7 million (31 March 2020: £1.5 million)

Commercial Operational Highlights 31 March 2021



- Delivered FY 2021 revenues of £4.2m representing a 7% growth vs PY. Growth seen in both 1H and 2H
- Key growth came from expansion of existing services: discovery, engineering and supply, plus uptake in our RAMPT™ service platform with a number of successfully completed client projects.
- Increased number of active clients and average value per order
- Continued revenue growth in international markets



*Contribution by region
to total revenue*

- Progress being made by our distributor partners: BioTickle (India), GW Vitek (S Korea), Bizcom (Japan)



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Income Statement extract



£'000	Year to 31 March 2021	Year to 31 March 2020	Year to 31 March 2019
Revenue	4,165	3,895	2,182
<i>Revenue growth</i>	<i>+7%</i>	<i>+78%</i>	
Gross profit	2,024	1,772	804
<i>Margin</i>	<i>49%</i>	<i>46%</i>	<i>25%</i>
EBITDA	(535)	(439)	(1,079)

Summary Financial Position



£'000	Year to 31 March 2021	Year to 31 March 2020	Year to 31 March 2019
Non current assets	1,125	3,238	2,937
Inventories	480	340	243
Receivables	1,539	925	1,089
Cash and cash equivalents	2,686	1,537	1,984
Current payables	(996)	(989)	(796)
Non current payables	<u>(87)</u>	<u>(239)</u>	<u>(93)</u>
Total equity	<u>4,747</u>	<u>4,812</u>	<u>5,354</u>

Summary Statement of Cash Flows



£'000	Year to 31 March 2021	Year to 31 March 2020	Year to 31 March 2019
Cash used in operations	(1,136)	(160)	(1,098)
Investing activities	(362)	(103)	(1,368)
Financing activities	2,647	(184)	(41)
Movement in period	1,149	(447)	(2,507)
Closing cash balance	2,686	1,537	1,984



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Mammalian Antibody Library Programme - OptiMAL™



- Development programme is proceeding in line with plans, includes a Covid-19 antibody discovery arm and PD-1 and TIGIT immuno-oncology arms. Control selections on Herceptin have worked successfully.
- Covid-19 antigens have been designed, expressed and validated with multiple variants to be used to pan the library for specific antibody producing cells, including the delta+ variant.
- Three Library proof-of-concept projects underway: all are at the antibody sorting stage to select high affinity lead candidates.
- Expansion of the R&D Team continues with additional resource recruited in molecular biology
- Exploring commercial opportunities both for supply of antigens to diagnostics groups and for the antibodies arising from the Library proof-of-concept work.

Other R&D Activities



- A Scientific Advisory Panel of leading industry and academic experts is being put in place this year to review the R&D programmes and give foresight on trends in the market.
- Process development to increase our service capabilities in order to reduce outsourcing costs and increase margins.
- The NICADA project in collaboration with Queens University Belfast (QUB) continues to progress well. Antibodies are being screened for potential as therapeutic candidates and further development.
- Additional small research projects ongoing into therapeutic antibody and bispecific antibody development.
- Completion of the Knowledge Transfer Program (KTP) software development project with QUB to further optimize the Antibody Workbench for humanisation, and therefore increase productivity and standardisation.



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Strategy for Continued Growth



- Continuing to expand/drive successful commercial performance, building on the existing core services as well as driving uptake of RAMP
- Continue to seek new commercial partnerships, distributors and commercial alliances in order to generate additional revenues
- In addition to current 'Fees for Service' revenue model, look to enter into collaboration agreement structures in order to share in downstream commercial successes and unlock the intrinsic value that our service platforms provide to clients
- Continue to progress the R&D pipeline of new service offerings and prepare for the successful launch of OptiMal, the Mammalian Antibody Library as a new discovery service



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