



fusion**antibodies**

Antibody Development services for the Pharma and Diagnostics Sectors

Interim Results Presentation

For the 6 months ended 30 September 2019

Disclaimer



This presentation is the sole responsibility of the directors of Fusion Antibodies plc (the “Company”). Allenby Capital Limited (“Allenby Capital”), which is authorised and regulated by the Financial Conduct Authority, is acting as the nominated adviser and broker to the Company. This presentation does not constitute a recommendation regarding the shares of the Company nor a representation that any dealing in those shares is appropriate. The Company accepts no duty of care whatsoever to the reader of this presentation in respect of its contents and the Company is not acting in any fiduciary capacity. The information contained in the presentation has not been verified by Allenby Capital Limited, nor does this presentation purport to be all-inclusive or to contain all the information that an investor may desire to have in evaluating whether or not to make an investment in the Company.

This document (including its contents) is confidential and is for distribution in the United Kingdom only, to persons who are authorised persons or exempted persons within the meaning of the Financial Services and Markets Act 2000 or any Order made thereunder, or to persons of a kind described in Articles 19 or 49 or 50 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) and, if permitted by applicable law, for distribution outside the United Kingdom to professions or institutions whose ordinary business involves them in engaging in investment activities. It is not intended to be distributed or passed on, directly or indirectly, to any other class of persons.

No offer or invitation or solicitation of any offer to acquire securities of the Company is being made now nor does this presentation constitute or form part of any invitation or inducement to engage in investment activity under section 21 of the Financial Services and Markets Act 2000. No reliance may be placed for any purpose whatsoever on the information contained in this presentation or any assumptions made as to its completeness and no warranty or representation is given by or on behalf of the Company nor its directors, employees, agents, Allenby Capital and advisors as to the accuracy or completeness of the information or opinions contained in this presentation and no liability is accepted by any of them for any such information or opinions, provided that nothing in this paragraph shall exclude liability for any representation or warranty made fraudulently. The information and opinions contained in this presentation are provided as at the date hereof.

The contents of this presentation are confidential and must not be copied, published, reproduced, distributed or passed in whole or in part to others at any time by recipients. This presentation is being provided to recipients on the basis that they keep confidential any information contained herein or otherwise made available, whether oral or in writing, in connection with the Company.

In particular, this presentation should not be distributed, published or reproduced in whole or in part or disclosed by recipients to any other person or entity and, in particular, should not be distributed to United States residents, corporations, or other entities, US persons (as defined in Regulation S promulgated under the United States Securities Act of 1933 (as amended)), persons with addresses in the United States of America (or any of its territories or possessions), Canada, Japan, the Republic of Ireland, the Republic of South Africa or Australia, or to any corporation, partnership or other entity created or organised under the laws thereof, or in any other country outside the United Kingdom where such distribution may lead to a breach of any law or regulatory requirement. Notwithstanding the foregoing, the Company can distribute this document to US Persons (as defined above), persons with addresses in the United States of America (or its territories or possessions), United States residents, corporations or other entities if the Company is satisfied that an applicable exemption applies. Distribution of this document in the United States of America in the absence of such an applicable exemption may constitute a violation of United States securities law.

Highlights for the 6 months ended 30 September 2019



Operational

- Increase in orders and revenues in H1 FY2020 over H1 FY2019
- First commercial projects of the new RAMP™ service
- Continuing development of Mammalian Antibody Library, on track for delivery in 2020

Highlights for the 6 months ended 30 September 2019



Financial

- Continued improvement in revenues for H1 FY2020 of £1.75m (H1 FY2019: £0.66m)
- Continued reduction in loss for H1 FY2020 of £0.47m (H1 FY2019: £0.74m loss)
- Cash position at 30th September 2019 was £1.31m (31 March 2019: £1.98m)
- Trading for the year ending 31 March 2020 to date has been in line with market expectations

Summary Income Statement



£'000	6 months to 30 September 2019	6 months to 30 September 2018	Year to 31 March 2019
Revenue	1,753	658	2,182
Gross profit	739	113	804
	42%	17%	37%
Overheads	(1,054)	(741)	(1,881)
EBITDA	(315)	(712)	(1,077)

Summary Financial Position



£'000	6 months to 30 September 2019	6 months to 30 September 2018	Year to 31 March 2019
Non current assets	3,051	2,876	2,937
Inventories	231	96	243
Receivables	1,239	663	1,079
Cash and cash equivalents	1,313	2,803	1,984
Current payables	(704)	(556)	(796)
Non current payables	(190)	(46)	(93)
Total equity	4,940	5,836	5,354

Summary Statement of Cash Flows

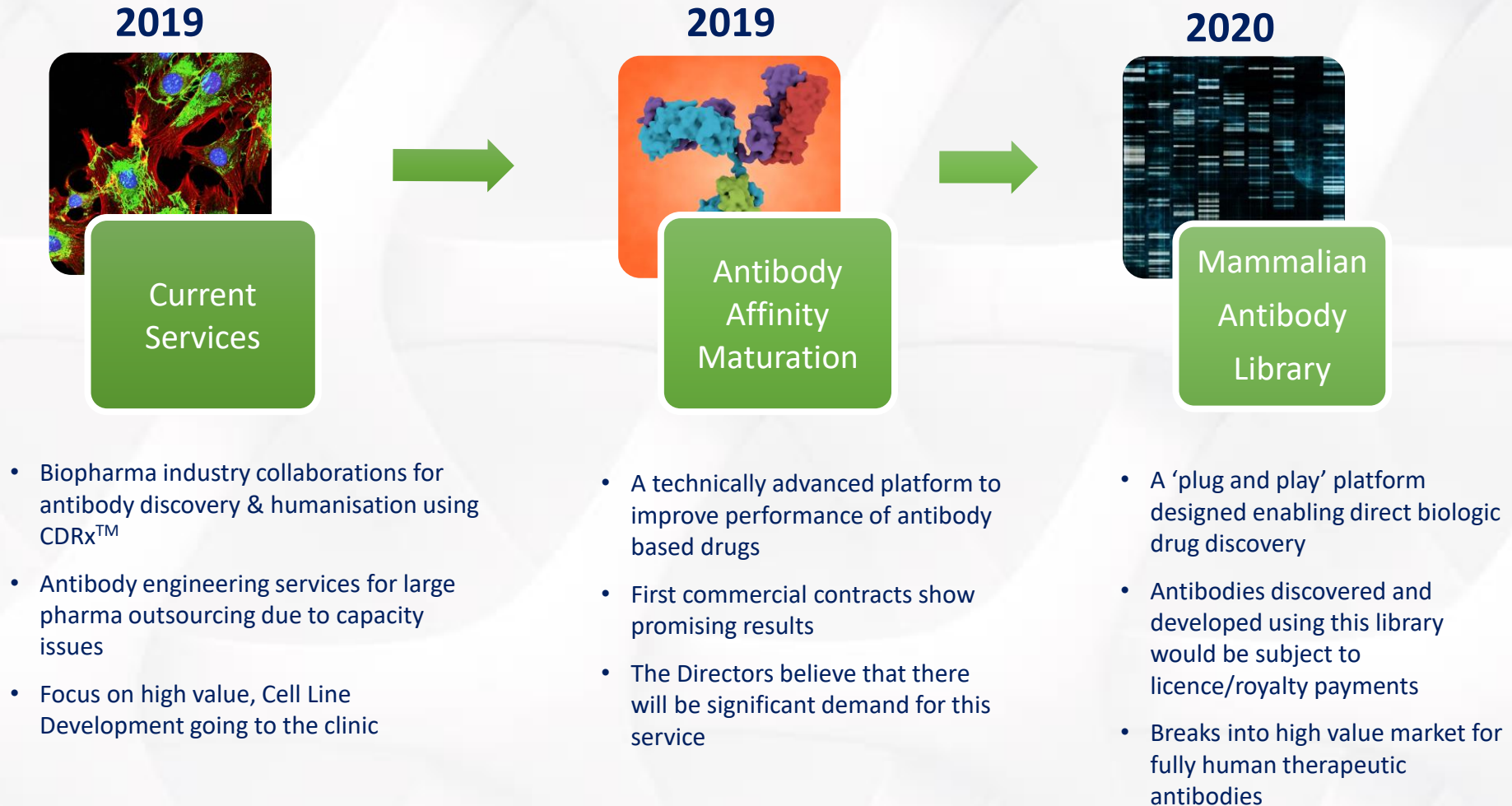


£'000	6 months to 30 September 2019	6 months to 30 September 2018	Year to 31 March 2019
Net cash used in operations	(551)	(445)	(1,098)
Purchase PPE	(44)	(1,232)	(1,381)
Financing	(76)	(11)	(28)
Net decrease in cash	(671)	(1,688)	(2,507)
Cash at period end	1,313	2,803	1,984

Strategy for Growth



Organic growth plus addition of new, high value, market differentiating services



Strategy for Growth



- Maintain order level growth from existing core services in FY2020
- Augment revenues with new orders from RAMP™ services
- Integrate senior management team
- Continue to seek new commercial partnerships, distributors and commercial alliances
- Continue to seek milestone and/or royalty payments in customer contracts where possible
- Invest in development of Mammalian antibody library for introduction in 2020
- Continue to refine services to stay at the cutting edge for our customers

Summary



- Strong recovery of order intake and revenues over H1 FY2019
- Cash position at 30 September 2019 was £1.31 m (31 March 2019: £1.98m)
- Improvement in revenues has been achieved by
 - addressing competitive pressures in H1 FY2019
 - introducing RAMP™
 - strengthening the Business Development (BD) & Marketing function
- First commercial revenues from RAMP™
- We continue to seek results dependent future milestones where appropriate
- Mammalian antibody library on track for delivery in 2020
- FY2020 trading to date is in line with market expectations

