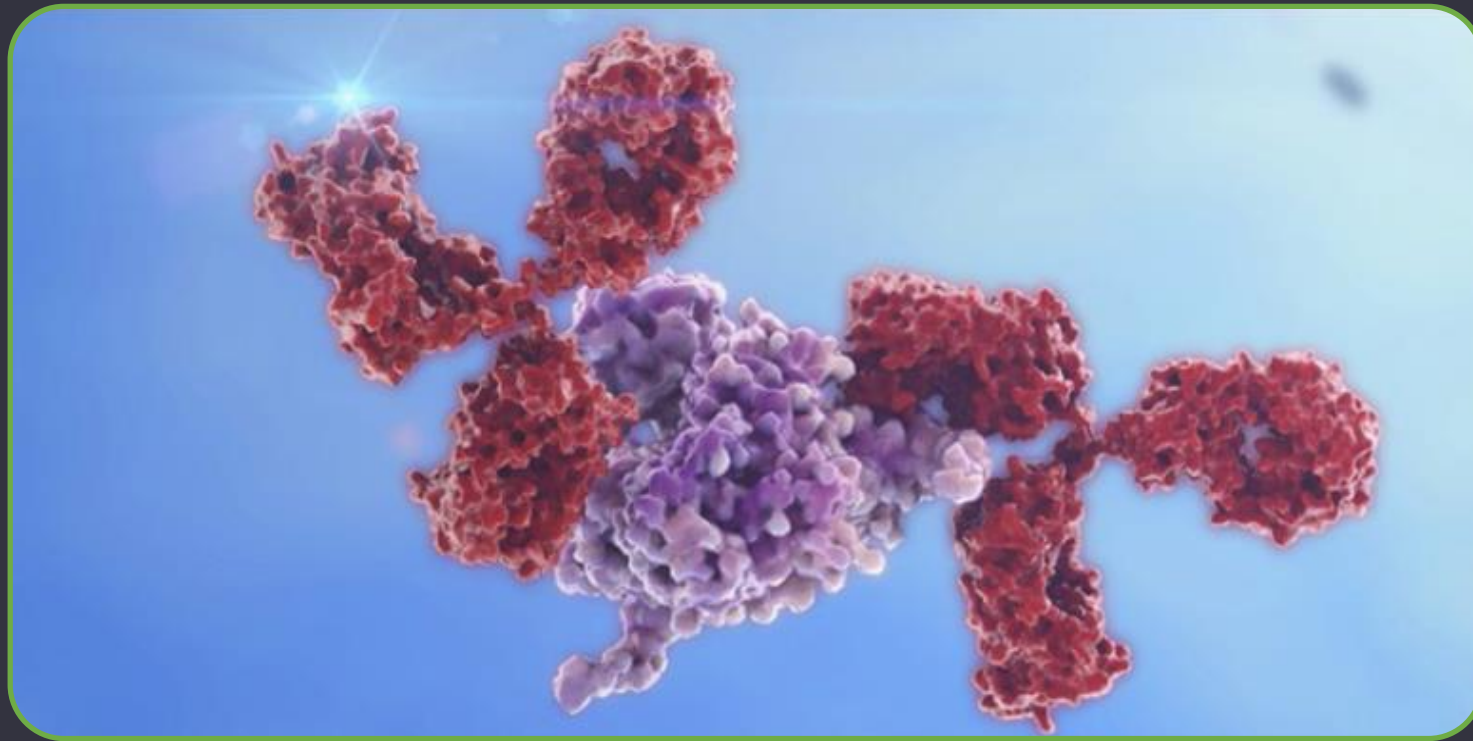




ANTIBODY DEVELOPMENT SERVICES FOR THE PHARMA & DIAGNOSTIC SECTORS



INTERIM RESULTS PRESENTATION
for the 6 months ended 30 September 2018

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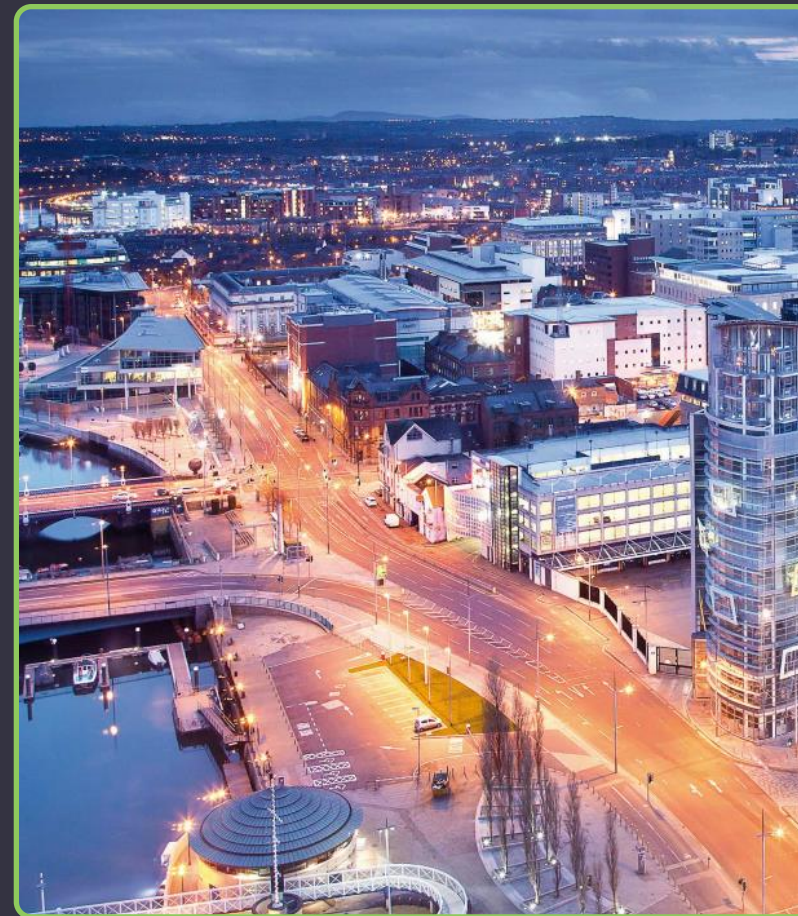
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Highlights for 6 months ended September 2018



Operational

- Planned facilities and technical capacity expansion completed on time and within budget
- Affinity maturation service (RAMP™) on schedule to launch in December 2018
- New contract signed with MAB Discovery GmbH
- Orders and revenues in the six months to 30 September 2018 (“H1 2019”) below prior expectations, as announced in August 2018
- Mammalian antibody library on track for delivery in 2020

Highlights for 6 months ended September 2018



Financial

- Revenues of £658k (H1 2018: £1,414k)
- Loss for the period of £742k (H1 2018: £166k)
- Cash and cash equivalents at 30 September 2018 of £2,802k (31 March 2018: £4,490k)

Post-period end

- Patent application covering affinity maturation filed in October 2018
- Strong recovery in order levels seen in October and November 2018

- H1 revenues substantially below prior market expectations, as previously announced
- Building expansion of the facility in Belfast has been completed
- Good progression on new Rational Affinity Maturation Platform (RAMP™) -to be introduced December 2018
- Expansion of the Business Development team following grants from Invest NI
- MAB Discovery GmbH new contract signed
- Patent filed on the RAMP™ platform

Summary Income Statement

£'000	6 months to 30 September 2018	6 months to 30 September 2017	Year to 31 March 2018
Sales	658	1,414	2,691
Gross profit	113	817	1,483
	17%	58%	55%
R&D	(85)	(20)	(69)
Overheads	(741)	(673)	(1,282)
Adj EBITDA	(713)	124	132
IPO costs		(241)	(773)
EBITDA	(713)	(117)	(641)

Summary Financial Position

£'000	6 months to 30 September 2018	6 months to 30 September 2017	Year to 31 March 2018
Non current assets	2,876	1,472	1,703
Inventories	96	103	82
Receivables	664	830	933
Cash and cash equivalents	2,802	189	4,490
Current payables	(556)	(702)	(570)
Non current payables	(46)	(81)	(63)
Total equity	5,836	1,811	6,575

Summary of Statement of Cash Flows

£'000	6 months to 30 September 2018	6 months to 30 September 2017	Year to 31 March 2018
Net cash (used in)/generated from operations	(445)	51	77
Net cash used in investing activities	(1,232)	(137)	(445)
Financing	(11)	(11)	4,573
Net increase/(decrease) in cash	(1,688)	(97)	4,205
Cash at year end	2,802	189	4,490

Expansion of capacity

Increasing laboratory and office space from 10,000 sq ft to 26,000 sq ft (1,120m² to 2,600m²)

Building work finished on time and **below** budget



Update on current trading

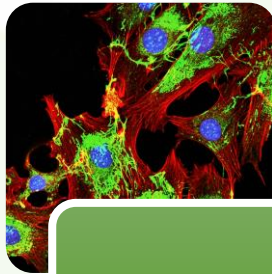
- Revenue performance for H1 has been impacted by intense competition in the antibody engineering market
- Revenues substantially below the Directors' original expectations
- Board believes the Company can still achieve modest revenue growth in FY 19
- Laboratory expansion completed on time and within budget
- Affinity maturation project on schedule for launch in December 2018
- The Company continues to build its sales and marketing capability internationally

- Recruitment of more staff focussing on the geographical expansion of customer base
- Recruitment of marketing specialists to enhance market intelligence
- Further growth potential in existing antibody engineering services such as humanisation, stable cell line development and Antibody Developability by Design (ADD™).
- Continue to seek commercial partnerships where commercially advantageous
- Introduce the new RAMP™ service in December 2018

Future growth & product development

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

2017



Organic growth

- Further Biopharma industry collaborations for antibody discovery & humanisation using CDRx™
- Antibody engineering services for large pharma outsourcing due to capacity issues
- Focus on long term, high value, high volume supply agreements with diagnostic companies

2018



Antibody Affinity Maturation

- A technically advanced platform to improve performance of antibody based drugs
- The Directors believe that there will be significant demand for this service

2020



Mammalian Antibody Library

- A 'plug and play' platform designed enabling direct biologic drug discovery
- Antibodies discovered and developed using this library would be subject to licence / royalty payments
- Breaks into high value market for fully human therapeutic antibodies

Summary

- Strong recovery of order intake and pipeline of opportunities following disappointing first 6 months
- Development of services to differentiate our CDRxTM humanization platform from new entrants
- Expand the sales team for global reach
- Seek new partnerships to add the CDRxTM humanization to B-cell repertoire clients
- Launch the Rational Affinity Antibody Platform (RAMPTM) in December 2018
- Continue to seek milestone and / or royalty payments in customer contracts where possible

Appendix

Experienced Board



Dr Paul Kerr
Managing Director

Over 20 years business experience in Life Sciences. PhD from Queens University Belfast. Fusion CEO since 2011.



Dr Richard Buick
Chief Technical Officer

Over 19 years in commercial science. CTO since 2011, responsible for all custom research and production services.. PhD from Queens University Belfast



James Fair FCA
Chief Financial Officer

Qualified accountant for 25 years and has held senior management roles in practice, and commercial sector. Has worked with Fusion for 9 years.



Dr Simon Douglas FRSA
Chairman

25 years in Life Sciences with Amersham, ICI Zeneca and several VC backed Biotech Companies as CEO or Chairman



Dr Alan Mawson
Non-Exec Director

MSc, MIT Boston, PhD Chemistry



Sonya Ferguson
Non-Exec Director

Senior Director Global Head Customer Liaison Team at Q2 Solutions, a Quintiles company



Tim Watts
Non-Exec Director

Over 25 years' experience in the Pharma & Biotech sectors including Gp Financial Controller of Zeneca Pharmaceuticals, CFO of Arcimedes Pharma & Oxford BioMedica



Colin Walsh
Non-Exec Director

CEO of Crescent Capital: 28 year's experience in Venture Capital investments and listed companies

Why antibodies?

Since the development of biologic drugs such as human growth hormone and insulin several decades ago, drug targets have increased exponentially with the discovery of new genetic information and a better understanding of disease processes.

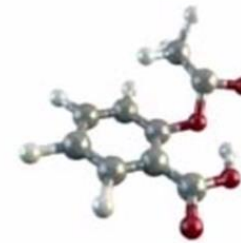
With a better understanding has come the need for more targeted therapies.

Monoclonal antibodies are specialised in targeting a very specific structure on a cell surface.

For example when used in cancer therapy, they bind selectively to the receptors of cancer cells, making it possible to mark and fight specific abnormal cells.

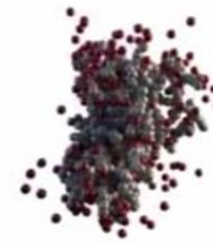
Healthy cells are usually not attacked in this process, so that biologics often cause fewer side effects than classic chemotherapy.

SMALL MOLECULE DRUG



Aspirin
21 atoms

SMALL BIOLOGIC



Human Growth Hormone
~ 3000 atoms

LARGE BIOLOGIC



Monoclonal antibody
~ 25,000 atoms

Images not in scale

High quality client base



International client base which includes a number of the top ten ranked global biopharma and diagnostic companies by revenue.