



Combining good science, proactive management and smart investment to deliver returns for shareholders

30 June 2021 Interims Update

October 2021



Disclaimer (1 of 2)



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Presentation

- Introduction to NetScientific (NSCI)
- Strategy & Portfolio
- Business & Progress
- Half- year KPIs
- Highlights and Actions
- Way Forward
- **Summary & Q&A**

Combining good science, proactive management and smart investment to deliver returns for shareholders



NetScientific Plc is an active holding company.

It invests in, develops, commercialises and aims to realise returns from life sciences/healthcare, sustainability and technology companies

The Group leverages trans-Atlantic relationships and global opportunities to deliver shareholder value.

New Team in 2020

Effective Corporate Governance



John Clarkson, Executive Chairman

- ex-PWC Legacy Partner in Charge, Developing Services Consultancy (incl. strategy & performance improvement)
- CEO of US start ups and development projects
- *Vice-Chairman at Laura Ashley Inc.* Restructuring & Turnaround;
- Chairman of Technology Co., with Multiplier Growth
- *Qualified accountant and MBA*



Dr. Ilian Iliev, CEO

- Founder and MD of EMV Capital, a VC in technology and healthcare
- Experienced investor, negotiator, strategist & hands-on manager
- NED at portfolio companies in UK, US, Israel
- IP commercialisation at CambridgeIP
- Previous work in energy, industrials, healthcare
- PhD Cambridge University Judge Business School



Prof. Stephen Smith, Non-Executive Director, Chair of Remuneration and Nomination Committees and Advisory Group

- Senior academic roles in University of Cambridge, Imperial College London and internationally e.g. Australia, Singapore and Saudi Arabia
- Recent Chairman of NHS Trust and NED of other Companies
- Founded GNI Group, Tokyo-listed Cambridge Univ. spin-out



Clive Sparrow, Non-Executive Director, Chair of Audit Committee

- Fellow of ACCA, a Chartered Public Finance Accountant
- NED & Audit Chair London Community Healthcare NHS Trust
- Director at HM Treasury, Change Programme
- Director at Grant Thornton and senior role PwC



Stephen Crowe, CFO

- Qualified chartered accountant, CAANZ
- Broad based CFO/Director, with 20+ years' experience in financial institutions incl. AXA and Source (sold to Invesco)
- Commercial finance leader with extensive skillset

Supported by expert advisors and consultants

Focus on execution, controls & scalable processes:

- Pro-active, commercial management
- Extended, balanced portfolio, with support tailored for each company,
- Carefully structured “capital light” investment approach, with syndication to fund across the company’s life cycle
- Increased revenue sources & positioned for growth:
enhanced by post-Covid opportunities
- Multiple options for significant returns, exits and liquidity events

BUILD & REALISE SHAREHOLDER VALUE

Portfolio of 17 companies in US, UK, Israel



A robust balanced portfolio with a consistent focus, logical growth paths and risk mitigation

**Disclaimer: Portfolio comprises of equity investments and exposure to companies through carried interest, realisable on exit*

Thank you to Shareholders for support and funding

= now accelerating growth strategy

Portfolio

- **Subsidiaries:** driving projects, commercialisation, operations and delivery
- **Direct investments:** judicious selection and progressing opportunities
- **Capital Under Advisory:** further growth and strong deal pipeline for fees & returns

Development

- **Platform Infrastructure:** Reinforcement of team, systems and regulatory for scale up
- **Trans Atlantic “Bridges” & International:** Exploiting potential and expanding footprint

Combining differentiated capabilities for enhanced performance

Real momentum and delivery:

Turnaround: largely complete

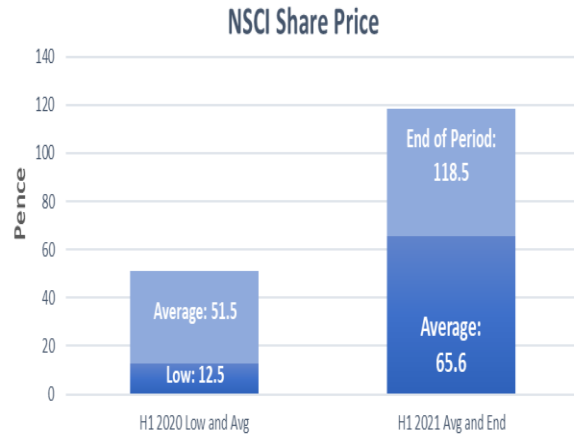
Consolidation & structured growth: with stronger platform

Selected priorities: for deeper ownership, targeted investment, greater involvement and best returns

Enhanced portfolio: balanced risks, focussed on potential and realisation

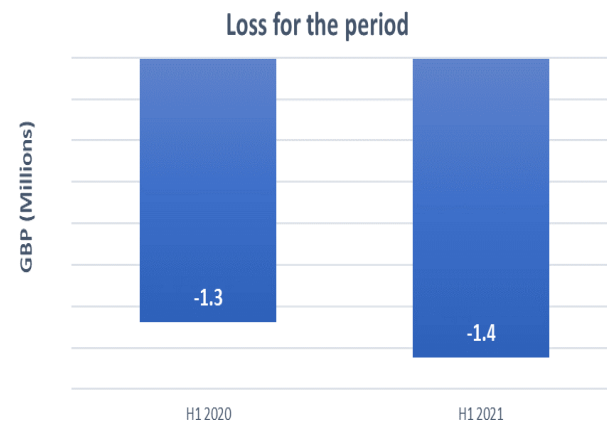
**Continued strong progress,
exemplified in good half-year results**

Highlights and KPIs of Half Year 2021



Share price has increased from the relative low point of 12.5p in early 2020 to an average of c. 66p

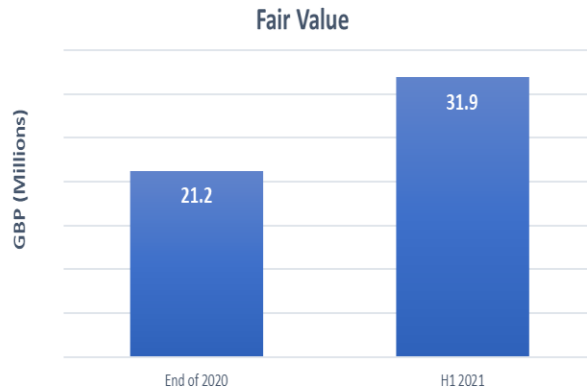
End of period share price: 118.5p



In line with expectations, losses at £1.4m slightly up on £1.3m in H1 2020

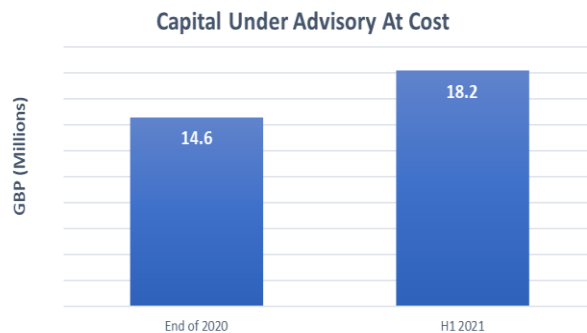
Reflects investments, active management, development, growth and infrastructure platform,

Highlights and KPIs of Half Year 2021



Increase in **fair value** (unaudited Directors estimated value) of direct investments by c. 50% from £21.2m to £31.9m at 30 June 2021

Focus on driving progress and value in existing assets, with further growth anticipated



Capital Under Advisory increased by c. 25% to £18.2m

Expected growth in Capital Under Advisory through further funding and new projects

* Note: NetScientific acquired EMVC Capital Under Advisory on 25 August 2020

Pipeline of further deals/transactions for rest of 2021 and beyond

ProAxis, UK (Respiratory diagnostics, 100% owned):

- Grant successes: now commercialising 5 novel/improved products due for launch Q1 2022
- Clients' clinical trials postponed, but expanding markets, building infrastructure to increase capacity and new staff to drive revenue
- Signed global in-licensing agreement with Astra Zeneca for COVID antibody test, continuing with validation and commercial plans

PDS Biotechnology Corp, USA NASDAQ (Immuno-oncology phase 3 Phase 2 trials & vaccines, 4.7% share):

- Positive data around Phase 2 NCI trials, further Phase 2 results expected; COVID-19 Vaccine project in Brazil
- NSCI invested \$500k in June 21 at \$8.50 pps as part of wider \$52m fundraise
- End of period fair value at £12.2m at \$12.55 pps (PDS market cap at \$356m)

Glycotest, USA (Liver cancer and related diagnostics, 64% owned):

- Enrolment and good progress in the clinical trial, with productive sites delivering valuable samples and data
- HCC Panel clinical validation study and algorithm training set delayed by technical issues, now being worked through

...ongoing pro-active management delivering

SageTech Medical, UK (anaesthetic capture and recycle; 24% managed + direct)

- EMVC led £2.9m round with NSCI £200k participation; new strategic framework
- Launching cannister capture in hospitals, successful NHS pilots, commercialisation push

PointGrab, Israel (AI-based Smart Sensors for commercial space, 23% managed + direct)

- Machine vision IoT SaaS platform with growing revenues; 18k sensors installed across blue chip client base
- EMVC advised on financial and strategic restructuring, and £3.4m investment round with £70k NSCI investment

Sofant Technologies, UK (Antenna for Satellite and 5G, 26% managed + direct)

- Significant product development and corporate collaborations progress in rapidly growing Satcoms industry
- EMVC syndicated CLA of c.£900k with NSCI and British Business Bank support

Vortex Biosciences Inc., US-UK (Circulating Tumour Cells-based liquid biopsy platform), 96% managed

- Continued turnaround and incubation support: now positioned for growth
- Added Cambridge presence, multiple placements with academic and pharma clients, product improvements

Capital-light investment, support and strategic development



High-quality proprietary deal flow – access to attractive Deeptech companies

EMV Capital co-led with £1m a £12m investment into Cambridge-based Martlet Capital with an established Deeptech portfolio, with opportunity for further selective investments

EMVC 40% stake in follow-on/co-investment funding vehicle Marquity, with Saranac Partners and Martlet

NSCI providing line of credit up to £1m to Marquity, to operate quickly and decisively

...Adding to strong future pipeline...

Exploit NS relationships, portfolio synergies, add value on both sides of the Atlantic

US: Managed East Coast shared cost-effective shared lab, facilities and services

- Glycotest: lab and services for commercial roll-out
- ProAxis: US lab, manufacturing & sales capability to expand market access, supply chain optimisation
- Vortex: US sales, lab and service centre as part of proposed facilities

UK/EU: Utilise existing facilities and capabilities for US company expansions into UK/Europe

- Vortex: delivered setup of UK ops, Cambridge R&D partner, supply chain, funding and sales
- Use ProAxis as “Bridgehead”: enhanced base, facilities, presence
- UK/EU partnerships to provide US companies access to UK/EU

...platform for international growth

- Utilise and leverage underlying asset base, PLC Brand and harness group synergies
- Performance driven plans
 - Focus on value inflection points, investment returns exit opportunities and liquidity events
 - Clear milestones, quarterly KPIs, rolling 12 months actions, 3-5 year planning horizon
- Targeted investments
 - Focus on high-growth opportunities in post-COVID environment
 - Effective and pre-emptive risk management and controls
 - Realise profits and maximise value
 - Evaluating new opportunities

Combine good science, commercial management and smart investment to deliver returns for shareholders

Transformed business: *Right asset base, right space, right time and right platform*

- Alignment of underlying (and increasing) asset value with market cap
- Progressive, selective, development of portfolio and new growth potential
- Multiple opportunities to generate, grow and realise shareholder returns
- Management commitment to deliver

**Good half year results leading to
successful completion of 2021 and exciting growth trajectory**

Thank you! Q&A

Appendices

Portfolio Summary – Fair Value & Capital Under Advisory



Increase in “fair value” (unaudited Directors’ estimated value) of direct owned stakes by c. 50% from £21.2m to £31.9m

Increased Capital Under Advisory by c. 25% from £14.6m to £18.2m

Portfolio companies	Sector and description (further detail set out below)	Fully diluted Group Interest %	Consolidated Statement of Financial Position value	Fair Value of stake		Capital Under Advisory (At Cost to Third Party)	
				31-Dec-20	30-Jun-21	31-Dec-20	30-Jun-21
Subsidiaries							
EMV Capital Ltd	Venture Capital Investment Company	100.0%	£2.2m	£3.5m	£3.5m	-	-
ProAxis Ltd	Respiratory and other diagnostics. Sales	100.00%	£0.3m	£3.5m	£3.5m	-	-
Glycotest, Inc.	Liver cancer diagnostics - Late stage clinical	64.0%	£0.2m	£11.0m	£11.0m	-	-
Sub Total			£2.7m	£18.0m	£18.0m	-	-
Owned Portfolio							
PDS Biotechnology Corporation	Immuno-oncology (NASDAQ quoted), Phase 2 clinical	4.7%	£12.2m	£2.0m	£12.2m	-	-
CytoVale, Inc	Medical biomarker diagnostics - late stage clinical	1.0%	£0.4m	£0.4m	£0.4m	-	-
Epibone, Inc.	Regenerative medicine - Late stage clinical	0.80%	£0.3m	£0.3m	£0.3m	-	-
G - Tech Medical, Inc.	Waerable medical diagnostics - Early stage clinical	3.80%	£0.3m	£0.4m	£0.4m	-	-
Longevity Biotech, Inc.	Therapeutics - Early stage clinical	\$250k convertible loan note	-	-	-	-	-
QuantalX Neuroscience	Medical diagnostics of the brain - Late stage clinical	0.4%	-	£0.1m	£0.1m	-	-
Sub Total			£13.2m	£3.2m	£13.4m	-	-
Advised Portfolio							
Sofant Technologies Ltd	Semiconductors—Satellite and 5G wireless communications. Development	25.7%	£0.1m	-	£0.1m CLA	£2.3m	£2.8m
Q-Bot Limited	Robotics and automation in the construction industry. Sales	12.3%	-	-	-	£2.3m	£2.3m
SageTech Medical Equipment Limited	Hospital equipment - capture & purification of anaesthetic gases. Pilots	23.8%	£0.3m	-	£0.3m	£1.1m	£2.7m
PointGrab, Inc.	Machine vision for smart building automation. Sales	21.3%	£0.1m	-	£0.1m	£3.6m	£4.1m
Vortex Biosciences, Inc.	Liquid biopsy and oncology. Sales	96.0%	-	-	-	£2.4m	£3.0m
Wanda Health, Inc.	Digital health - Remote Patient Monitoring. Sales	74.7%	-	-	-	£1.3m	£1.7m
Nanotech Industrial Solutions, Inc.	Material science and chemistry. Sales	-	-	-	-	£0.7m	£0.7m
Insight Photonic Solutions, Inc.	Semiconductors—Akinetic Swept Source Laser. Sales	\$1.25m Warrants	-	-	-	£0.9m	£0.9m
Sub Total			£0.5m	-	£0.5m	£14.6m	£18.2m
TOTAL			£16.4m	£21.2m	£31.9m	£14.6m	£18.2m