



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

“Investor Meets Company” Presentation

21 April 2021



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Presentation

- Introduction to NetScientific (NSCI)
- New Team 2020
- History
- Strategy
- Key Achievements and KPIs
- Way Forward
- Summary

Followed by Questions & Answers

Annual Report and Accounts

For the year ended 31 December 2020



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 realises 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 Division (incl. strategy & performance improvement)
- CEO of US start up and successful exit
- *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
- 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



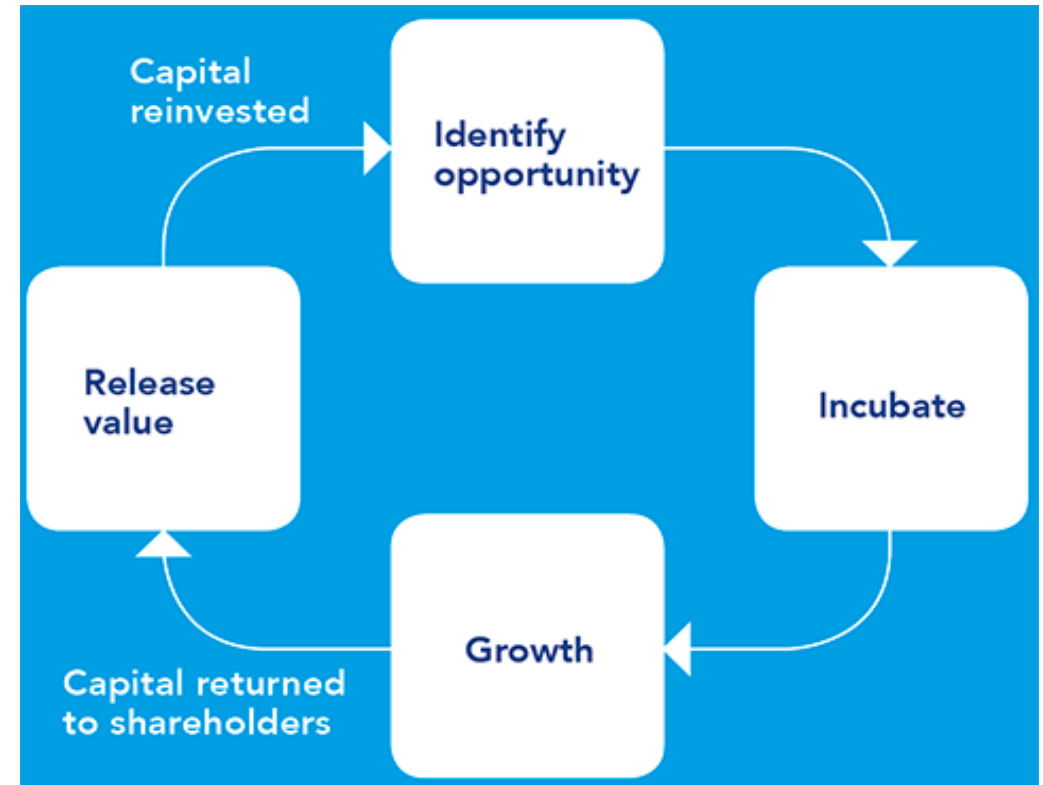
Stephen Crowe, CFO

- 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 Advisory Group and Consultants Panel

- NetScientific Plc admitted to AIM 2013, backed by Woodford
- Trans-Atlantic, Healthcare IP
- Logical initial approach
- Passive, inconsistent and high costs
- Until Q1 2020 was in run-down mode
- New team 2020

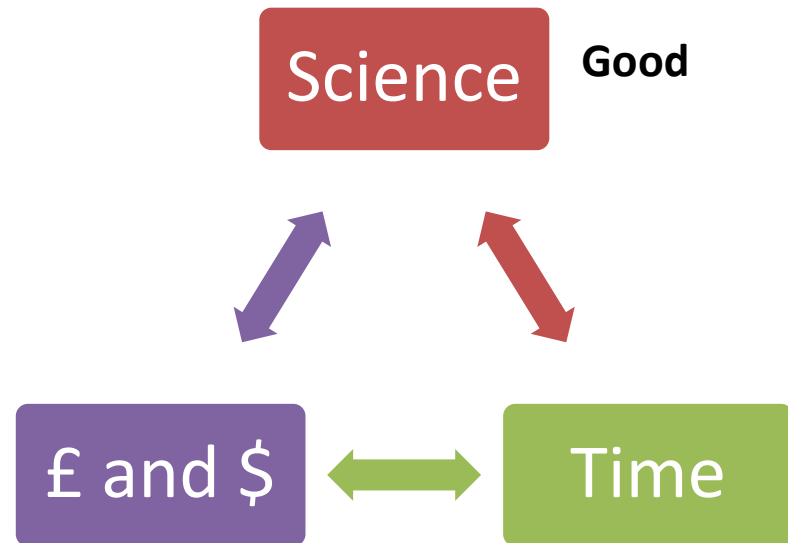
Approach



The Company had underperformed...

The market message was clear — change was essential!

NSCI lessons learned



Previously failed to deliver
Needed commercial discipline

2020 Strategic review and actions

- Fundamental management change
- Commercial development options & risk profile
- IP and target markets
- Impact of COVID pandemic, exploit new demands/markets
- Capital efficiency: Funding needs, leveraging grants, soft finance and 3rd party capital
- Investment returns: value inflection points and exit/liquidity potential

Strong underlying asset value
New strategy for shareholder returns

2020 Strategy Implementation



Summer 2020 investor presentations and shareholder circular commitments:

- Turnaround: Focus on execution, controls & scalable processes
- Proactive & performance driven management of companies to maximise returns
- Develop revenue streams
- Judicious direct investment...
 - ...to leverage existing assets with 3rd party funding and grants
- Enhanced management & resources tailored to each company's profile (e.g. cash cow vs. blockbuster)
- Realise returns through exits/liquidity events *at the right time*

TO BUILD SHAREHOLDER VALUE

Changes Implemented in 2020



Immediate stabilisation, enhanced position...

- **PDS Biotechnology Corp:** c.£1m anchor of 2 NASDAQ placements totalling c.\$32m; new board seat; share price rise from \$1.30 Feb 20 and \$2.75 in Aug 20 to c.\$5.00 now. **DELIVERED – Fair Value £4.9m**
- **ProAxis:** Took control of company and IP, new revenue, production scale-up, £1m in part-grant funded projects. **DELIVERED (Acquired 100% and action programme)**
- **Glycotest:** clinical trials good progress, management controls, time/cost savings of c.\$1m, Fosun relationship stabilised. **DELIVERED**
- **EpiBone:** CLA conversion uplift + investment option. **DELIVERED**
- **G-Tech:** Silicon Valley backed; CLA conversion uplift + investment option. **DELIVERED**
- **Longevity:** Advantageous conversion of CLA + working capital facility and funding. **IN PROGRESS**

...ongoing pro-active management delivering

Transformational transaction

Shareholder Circular detailing:

- New strategic plan
- Capital reorganisation
- Whitewash of concert parties
- All paper acquisition of EMVC
- Positioning for further growth

Approved by shareholders at EGM 24 Aug 20

Oversubscribed £2.3m placement

New & supportive investors

arch

Bloomberg



Business

NetScientific PLC acquires specialist investor EMV Capital and places £2.3m

27 August 2020, 19:24 BST

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CFO service 76.4% below market 

NetScientific PLC acquires specialist investor EMV Capital and places £2.3m

PR Newswire

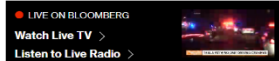
LONDON, Aug. 27, 2020

LONDON, Aug. 27, 2020 /PRNewswire/ -- EMV Capital (EMVC), the London-based investment services company with a focus on industrial high-tech, energy and healthcare, announced the completion of its acquisition by healthcare investor NetScientific PLC.

The combined group has investments in 15 portfolio companies in the US, UK, and Israel in industrial high-tech, energy and healthcare. The multi-disciplinary team of investment and sectoral professionals is led by Dr. Ilhan Iliev, now NetScientific's CEO. The combined business will have a stronger financial base with new and recurring income streams. It will leverage NetScientific's PLC standing, brand and balance sheet, and EMVC's capital-light model for investing. Their trans-Atlantic and global relationships open up opportunities for increased international growth for the group's UK and non-UK based portfolio companies.

EMVC is a fast-growing profitable venture investor, co-investing with some of the leading global corporations, and syndicating investments through its growing EIS and private investment practice.

John Clarkson, Chairman of NetScientific, said: "The Directors of NetScientific believe that the acquisition of EMV Capital will accelerate the NetScientific's commercial and investment strategy with increased potential for shareholder returns. Additional benefits include a combined portfolio with a broader balance across more sectors and stages of development, and an

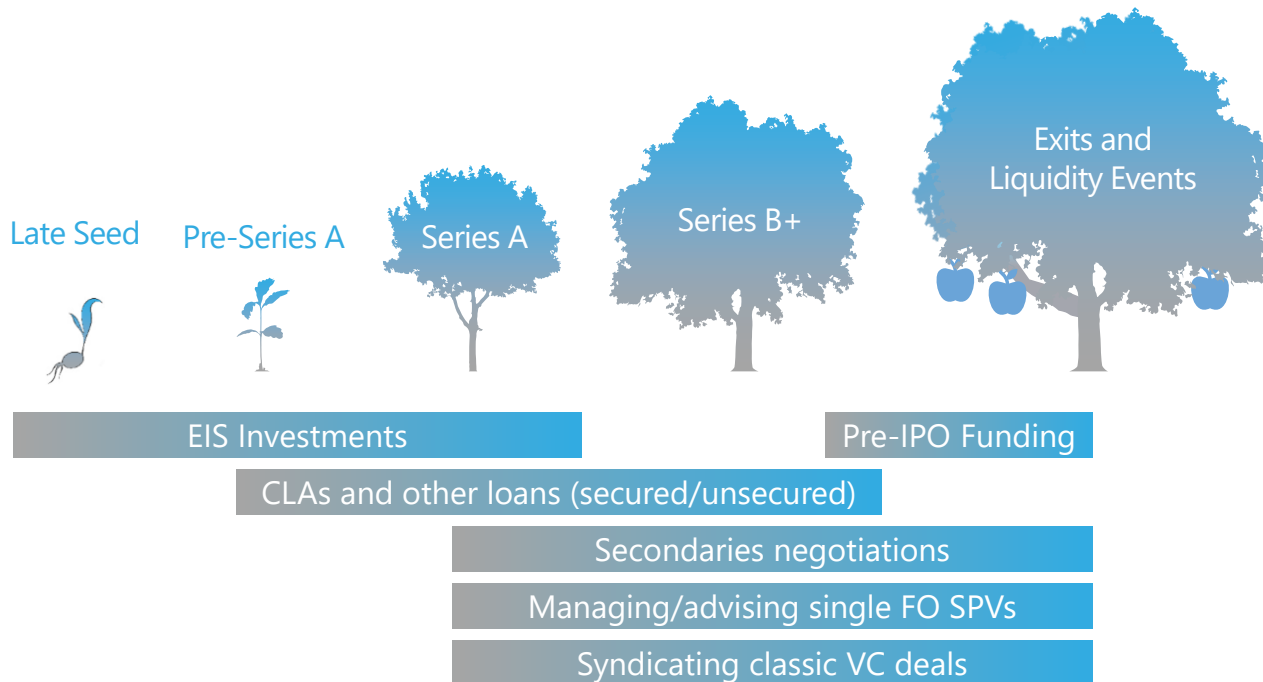

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Expanded investment and support capability



"BACKING AMBITION, INVESTING IN EXECUTION"



NetScientific gained:

- Capability to fund across company's life cycle
- Increased team/deal execution capacity
- Transaction advisory fees & carried interest returns
- Specialism in corporate partnering, incubation and IP
- Investment network – EIS practice, family offices
- Deal flow pipeline and research infrastructure

Portfolio doubled to 17 companies



+



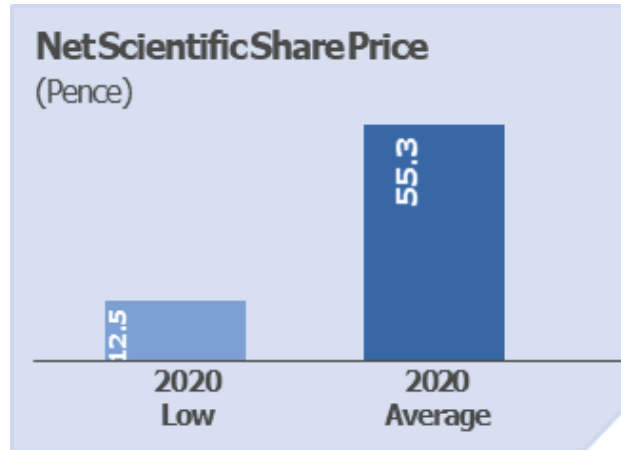
A robust balanced portfolio with a consistent focus, logical growth paths and risk mitigation

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

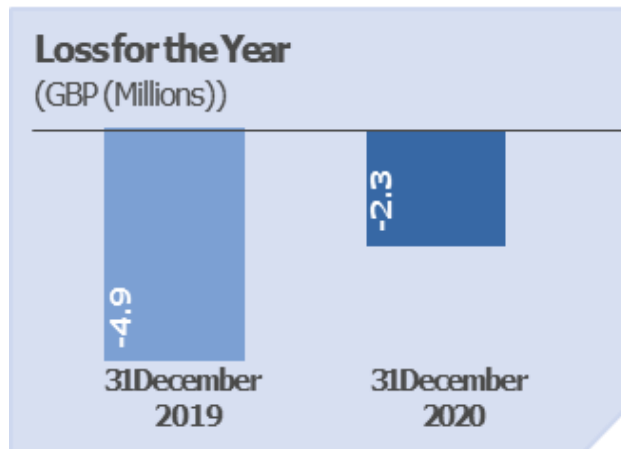
Proactive management, with commercial discipline and appropriate risk management, to drive results, protect and enhance position in portfolio companies:

- **ProAxis:** growth actions and plans, e.g. new licence University of Geneva; US distribution agreement
- **Glycotest:** site trials complete, now drive to commercialisation
- **PDS Biotech:** Brazil Government \$60m funding for COVID vaccine trials; positive pre-interim data on Phase 2 cancer therapeutics
- **SageTech and Sofant:** led successful funding rounds; substantially increased in Capital Under Advisory; facilitated various technical and commercial milestones
- **Pointgrab:** led capital restructuring, working capital facility, investment round; focus on COVID opportunities in workspace management; featured in CNN Business as 'Future of Work'
- **Vortex:** new CEO, established new UK operations, further system placements, continued investor support

Highlights and KPIs of 2020



Share price has increased from the relative low point of 12.5p in early 2020 to a year average of c. 55p



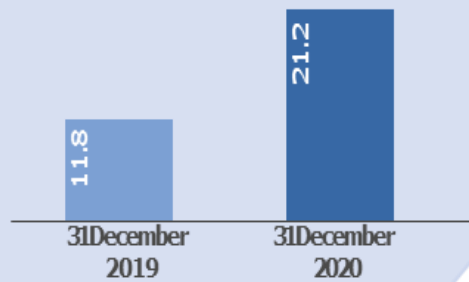
As part of turnaround, halving of previous year's losses of £4.9m down to £2.3m in 2020

Highlights and KPIs



NetScientific now has subsidiaries, directly owned stakes and interest through Capital Under Advisory (benefitting from carried interest/shared profit)

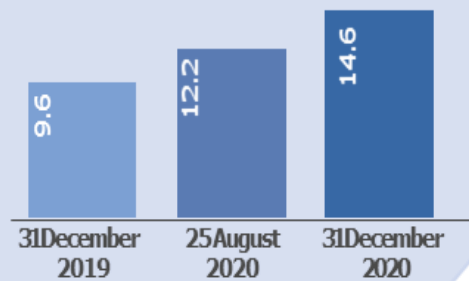
Fair Value
(GBP (Millions))



Increase in fair value of direct owned stake by c. 80% from £11.8m to £21.2m with further growth anticipated

Anticipated increase by driving value in existing assets and appropriate investments

Capital Under Advisory (At Cost)
(GBP (Millions))



Acquisition of EMV Capital leading to increased Capital Under Advisory from *Nil* to £14.6m

Expected growth in Capital Under Advisory through further funding in portfolio 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

- Stronger financial base with new/recurring income streams
- Capital-light model, with judicious direct and syndicated investments, and utilise soft funding (grants, JDAs) to produce enhanced returns
- Continue to establish the necessary resources, platform and infrastructure to deliver the strategy
- Multiple options and capital gains sources
- Trans-Atlantic Bridges – exploit relationships and global opportunities:
 - UK company expansion to US/international markets
 - US company expansions into UK/Europe & international
 - Access to capital, relationships and enhanced exit potential

- Utilise and leverage underlying asset base, PLC Brand and harness group synergies
- Focus on life sciences, sustainability and technology
- Structured robust evaluation, projections and performance driven plans with 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
- Scale 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

There are Risks and Challenges, but

- Right asset base, right space, right time to transform the business, create and grow shareholder value
- Complete turnaround and alignment of underlying (and increasing) asset value with market cap
- Progressive development of portfolio and new growth opportunities
- Multiple prospects, potential to realise shareholder returns
- Management commitment to deliver

Thank you! Q&A

Appendices

Portfolio Summary

| 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 2020 | 31 Dec 2019 | 31 Dec 2020 | 31 Dec 2019 |
| Subsidiaries | | | | | | | |
| EMV Capital Ltd | Venture Capital Investment Company | 100.0% Equity | £2.2m | £3.5m | £0.0m | - | - |
| ProAxis Ltd | Medical diagnostics - Early stage commercialisation | 95.0% Equity | £0.5m | £3.5m | £2.0m | - | - |
| Glycotest, Inc. | Liver cancer diagnostics - Late stage clinical | 51.5% Equity | £0.5m | £11.0m | £8.0m | - | - |
| Sub Total | | | £3.2m | £18.0m | £10.0m | - | - |
| Owned Portfolio | | | | | | | |
| PDS Biotechnolgy Corporation | Immuuno-oncology (NASDAQ quoted) - Early stage clinical | 5.7% Equity | £2.0m | £2.0m | £1.1m | - | - |
| CytoVale, Inc | Medical biomarker diagnostics - Late stage clinical | 1.0% Equity | £0.4m | £0.4m | £0.4m | - | - |
| Epibone, Inc. | Regenerative medicine - Late stage clinical | 0.8% Equity | £0.3m | £0.3m | £0.3m | - | - |
| G - Tech Medical, Inc. | Waerable medical diagnostics - Early stage clinical | 3.8% Equity | £0.3m | £0.4m | - | - | - |
| Longevity Biotech, Inc. | Therapeutics - Early stage clinical | \$250k convertible loan note | - | - | - | - | - |
| QuantaIX Neuroscience | Medical diagnostics of the brain - Late stage clinical | 0.4% Equity | - | £0.1m | - | - | - |
| Sub Total | | | £3.0m | £3.2m | £1.8m | - | - |
| Advised Portfolio | | | | | | | |
| Sofant Technologies Ltd | Semiconductors—Satellite and 5G wireless communications | - | - | - | - | £2.3m | £0.7m |
| Q-Bot Limited | Building automation—Robotics & artificial intelligence (“AI”) | - | - | - | - | £2.3m | £2.0m |
| SageTech Medical Equipment Limited | Chemistry & medical technology—Halocarbon capture | - | - | - | - | £1.1m | £0.1m |
| PointGrab, Inc. | Building automation—Robotics & AI | - | - | - | - | £3.6m | £3.2m |
| Vortex Biosciences, Inc. | Medical technology—Oncology diagnostics | - | - | - | - | £2.4m | £1.2m |
| Wanda Health, Inc. | AI & medical technology—Digital health platform | - | - | - | - | £1.3m | £0.6m |
| Nanotech Industrial Solutions, Inc. | Material science and chemistry | - | - | - | - | £0.7m | £0.8m |
| Insight Photonic Solutions, Inc. | Semiconductors—Akinetic Swept Source Laser | - | - | - | - | Warrants for £0.9m | Warrants for £1.0m |
| Sub Total | | | - | - | - | £14.6m | £9.6m |
| TOTAL | | | £6.2m | £21.2m | £11.8m | £14.6m | £9.6m |