



*Enabling Innovation:*

**Creating a Market Leader in  
Molecular Biology**

**Annual General Meeting  
July 5, 2018**

# Disclaimer

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This document is intended for prospective investors, partners and media audiences and no statements made here should be considered as claims for the success of our products, which are currently in the development phase. This document also may contain projections and/or estimates about and descriptions of plans and objectives relating to our future operations, products, or services; future financial results; or assumptions underlying or relating to any such statements. These statements are forward-looking and are subject to risks and uncertainties, many of which are beyond our control and are not to be regarded as guarantees of future events.

Actual results could differ materially depending on a number of factors, including the timing and effects of regulatory actions, the results of product tests, the Company's relative success developing and gaining market acceptance for any new products, and the effectiveness of patent protection.

There can be no guarantee regarding the results of the product tests or other on going studies with our products. There can be no guarantee that our products in development will be approved for marketing in a timely manner, if at all.

The Company disclaims any intent or obligation to update these forward-looking statements or the factors that may affect the Company's future results, performance or achievements, even if new information becomes available in the future.

# Agenda

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- Corporate Vision and Strategy
- SYGNIS: Milestones 2017
- Growth Opportunities and Technologies
- Selling our Products
- Report on Consolidated Financial Statements 2017
- 2018 Outlook and Q1/2018 Quarterly Report
- TGR Biosciences
- Company Name
- Corporate Information and Summary

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# Corporate Vision

- Become a market leading innovator enabling:
  - Advances in medical science
  - Advances in patient care
- By developing products and services built on proprietary technology, which:
  - Accelerate and simplify bio-molecular research
  - Enable biopharmaceutical and diagnostic products and solutions



# Strategy

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- **Innovation driving organic growth**

Develop and sell clever and easy to use products and services that our customers want to use

- **Scale driving profitability**

Acquire complementary technologies which further enhance

- Growth
- Economies of scale and
- Profitability

- **Maximise shareholder value**

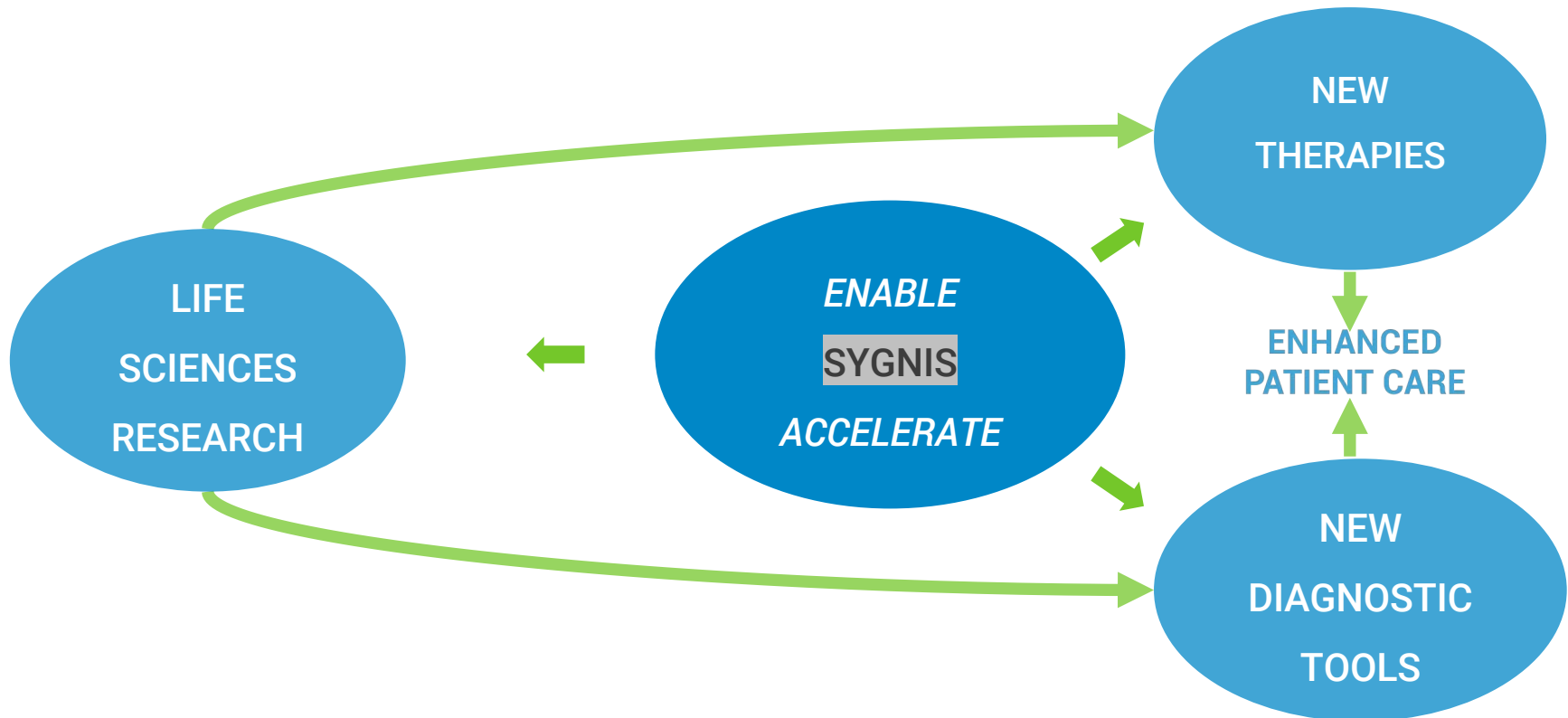
Create a market leader with high profitability through innovation and scale

# Strategy: Executing Grow, Buy & Build

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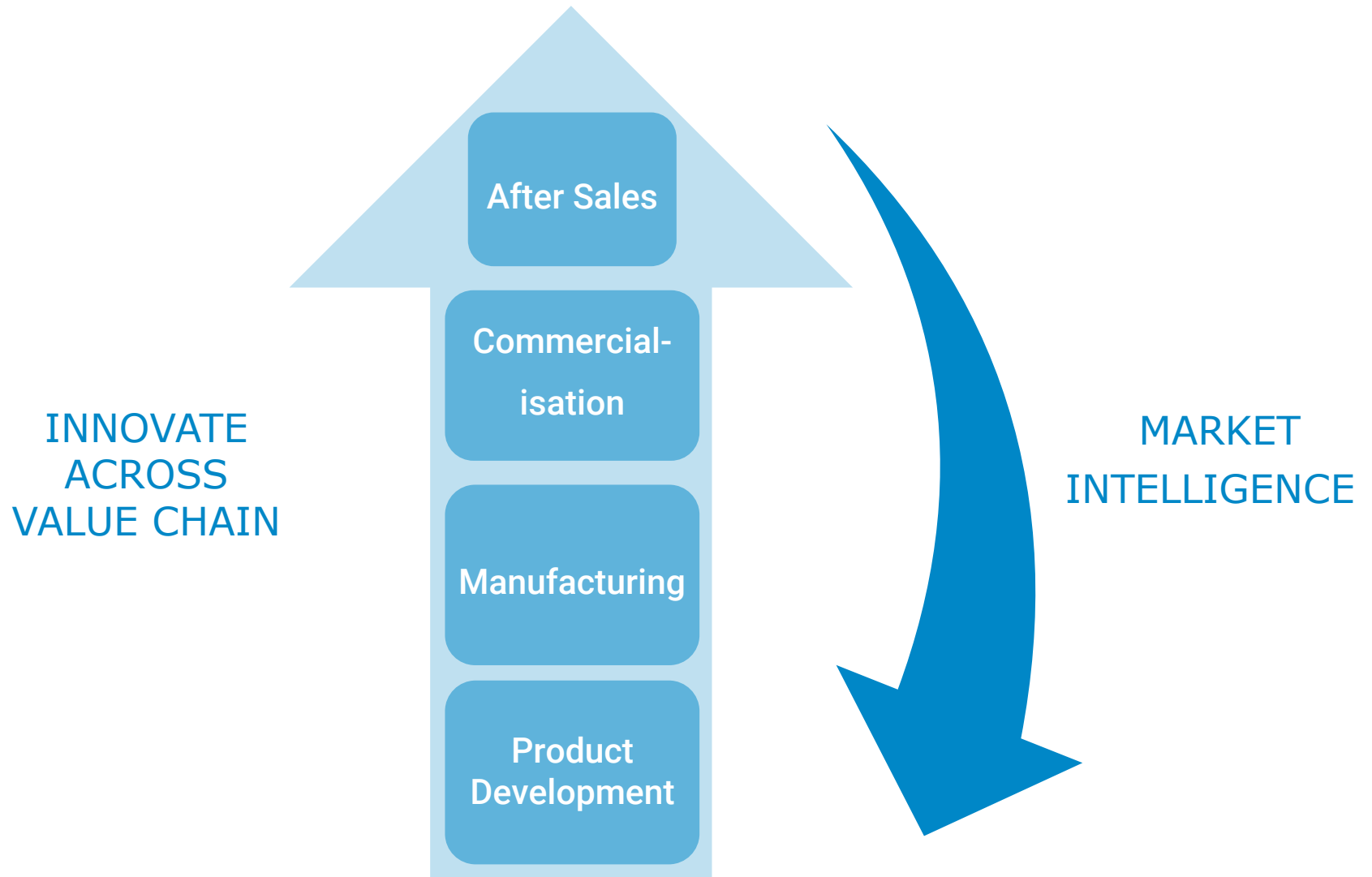
- Enabling through Innovation
- Vertical Integration
- Scale

# Enabling Through Innovation

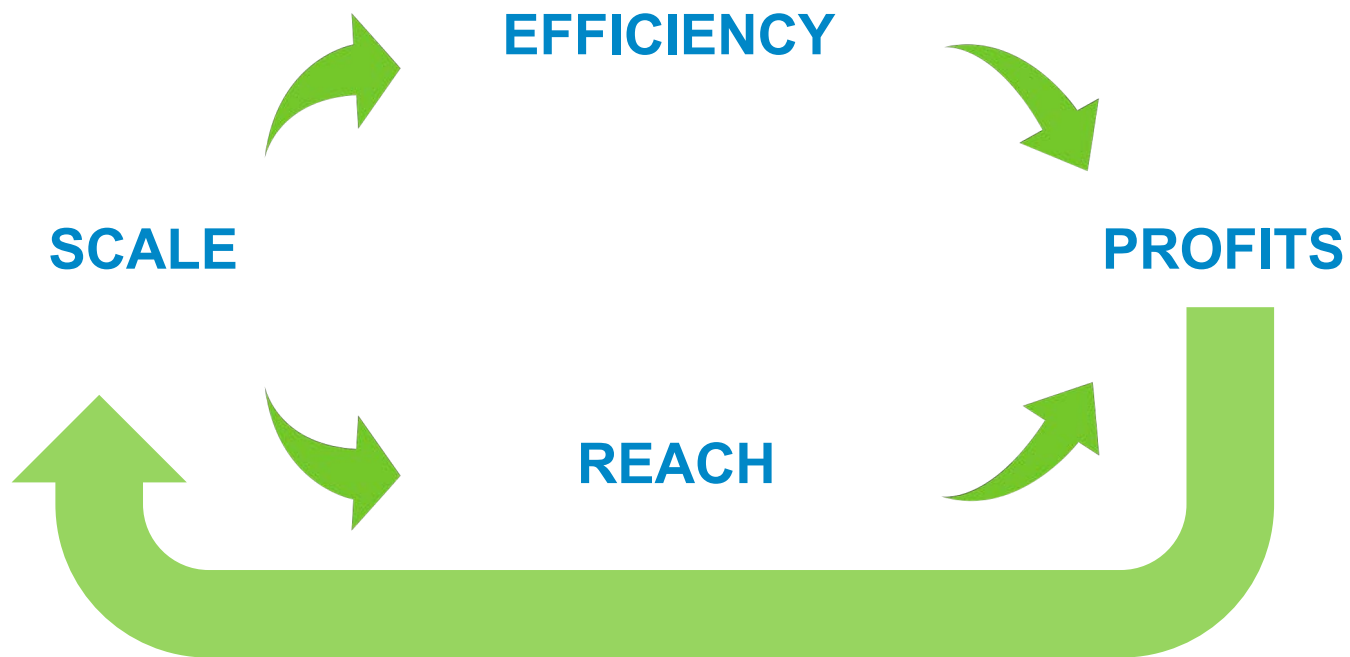




# Vertical Integration



# Scale



# Summary Grow, Buy & Build

## Grow

- Efficiently expand portfolio, technology and sales channels for all key markets
- Leverage growth by infrastructure synergies

## Buy

- Accelerate growth to establish a leadership position
- Acquisition of profitable, debt-free, innovative companies with high growth rates

## Build

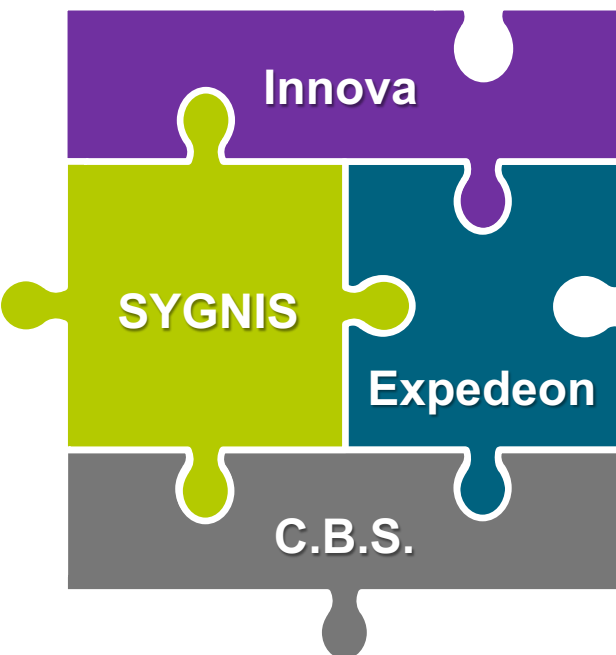
- New products, services & technologies for genomics, proteomics and immunology research
- Nurture high value clinical applications

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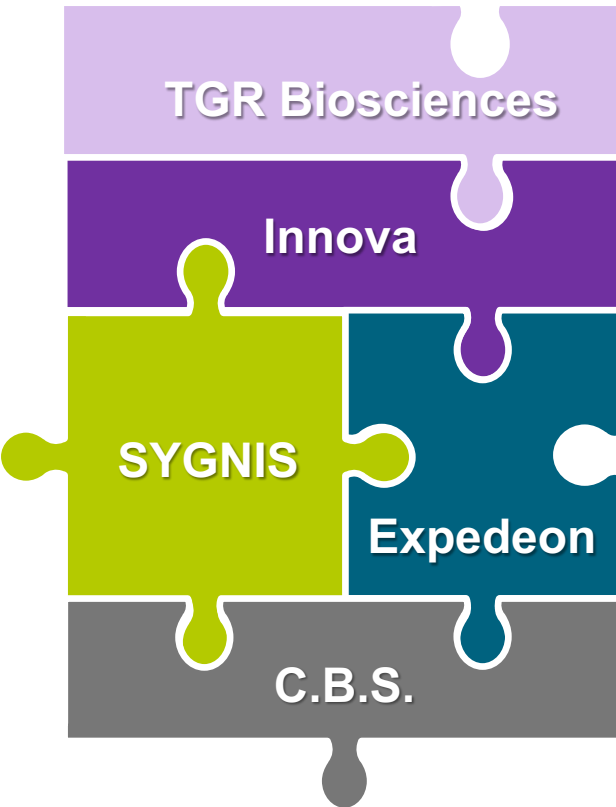
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# Year 2017: Milestones



- **Significant commercial transactions**
  - Major OEM deal with Chinese partner TANON (Apr.)
  - Partnership with Abingdon Health (Nov.)
  - Supply agreement with US Biological (Nov.)
- **Acquisition of Innova Biosciences**
- **New services, tools and kits:**
  - TrueHelix (Feb.)
  - TrueAdvance™ amplification service (Mar.)
  - Universal lateral flow assay kit (Oct.)
  - TruePrime™ apoptotic cell free DNA amplification kit for liquid biopsy (Dec.)
- **Capital measures:**
  - Oversubscribed rights offering and private placement with gross proceeds of EUR 10 million (May)
- **Financial performance:**
  - Q4 operational cash flow positive, Q4 EBITDA break-even; 300% revenue growth 2017 vs 2016
  - 24% like for like organic growth

# Year-to-date 2018: Milestones



- ✔ **Extended OEM agreement with leading global research tools supplier**
  - Provide customers with improved access to research tools
  - Worldwide sales and distribution channels
- ✔ **Successful integration of products and services**
  - Innova Biosciences, Expedeon Holdings and C.B.S. Scientific fully integrated
  - All products and companies operate under one brand name, Expedeon
- ✔ **Completion of Sales and Marketing team restructuring**
  - Support continued strong revenue growth
  - Cost leverage
- ✔ **EUR 6.2 million raised in a private placement and debt issues**
  - Funds used to acquire Australian research reagents company TGR Biosciences in May 2018
- ✔ **Financial performance:**
  - Q1 EBITDA positive; 67% revenue growth vs Q1/2017

# Innova Biosciences Transaction Rationale



## Products & Services

- New, innovative portfolio of products with strong IP
- Best-selling labeling products supporting customers all along the workflow
- Complementing SYGNIS' proteomics and genomics portfolio
- Complementary customer base



## Capabilities

- Complementary sales and marketing channels
- Strong expertise in e-marketing and advertising complementing SYGNIS' salesforce
- Fee for service business: Development of customised products



## Financials

- Contribution: EUR ~3 million in revenues, EUR ~0.6 million in net profit
- Consolidate UK operations: Move Innova Biosciences to SYGNIS Cambridge facility
- Exploit local synergies in G&A, R&D, marketing and sales
- Economies of scale: Leverage cost of sales for revenue growth

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# Product Portfolio

## Genomics

## Proteomics

## Immunoreagents

DNA/RNA  
Sample  
Enrichment



DNA/RNA  
Analysis



Protein  
Purification



Protein  
Fractionation



Protein  
Quantitation



Protein Analysis



Antibody &  
Protein  
Labeling



Assays and  
Reagents

[TruePrime®](#)

QualiPhi®  
Mutants

[SunScript®](#)

SensiPhi®

Double Switch

[Amintra Affinity  
Resins](#)

[Proteoloc](#)

[AbPure/  
AbSelect](#)

[Instant Blue](#)

[RunBlue™](#)

[GelFree 8100](#)

[VersaWave](#)

[Bradford](#)

[BCA](#)

[Nvoy Technology](#)

[PolyMAC](#)

[Western Blot](#)

Lightning-Link®

Thunder-Link

InnovaCoat®  
GOLD

Immunogen Kits

Check&Go!

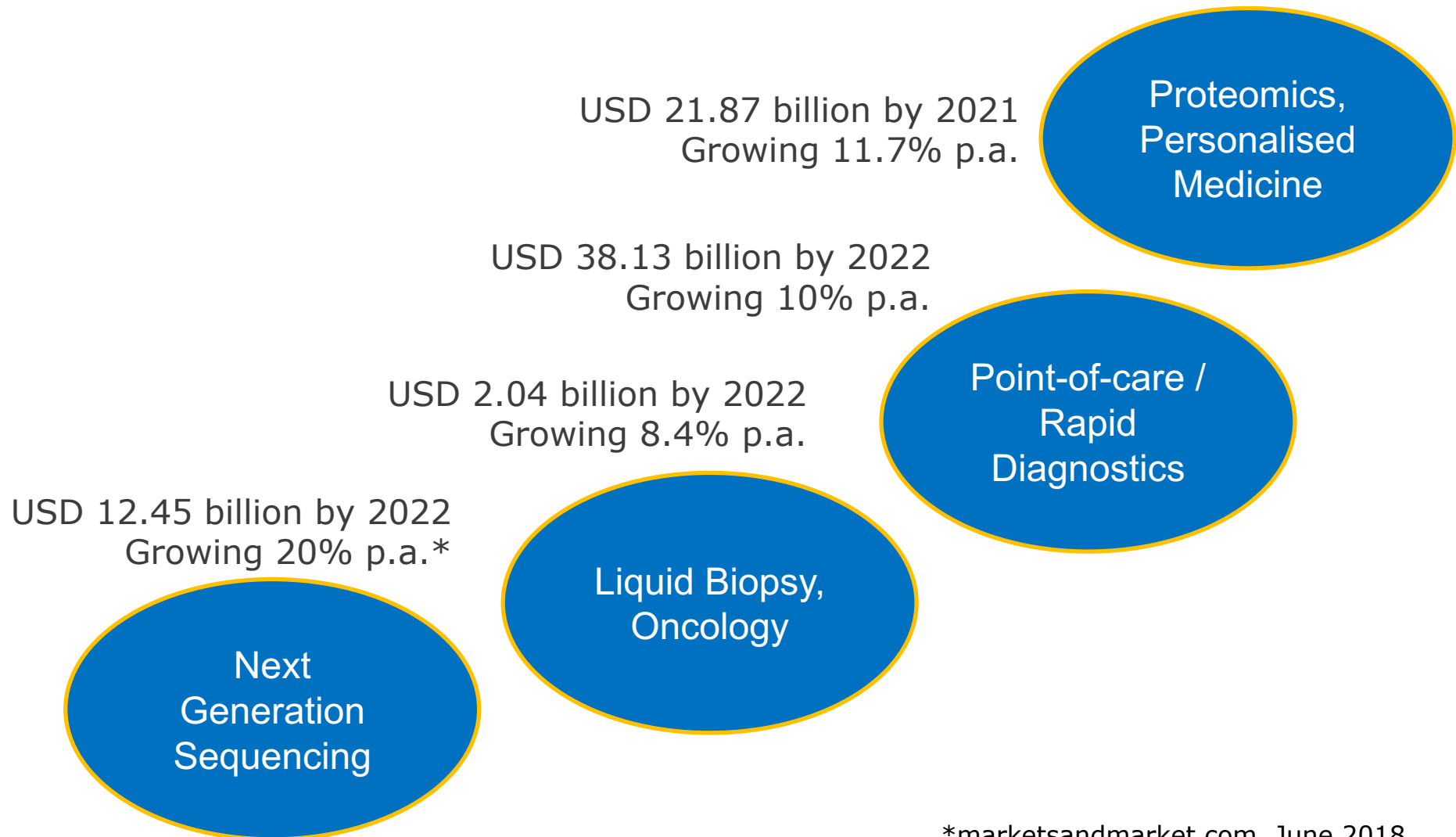
CaptSure™

SureFire®

ATP/GTPase Kits

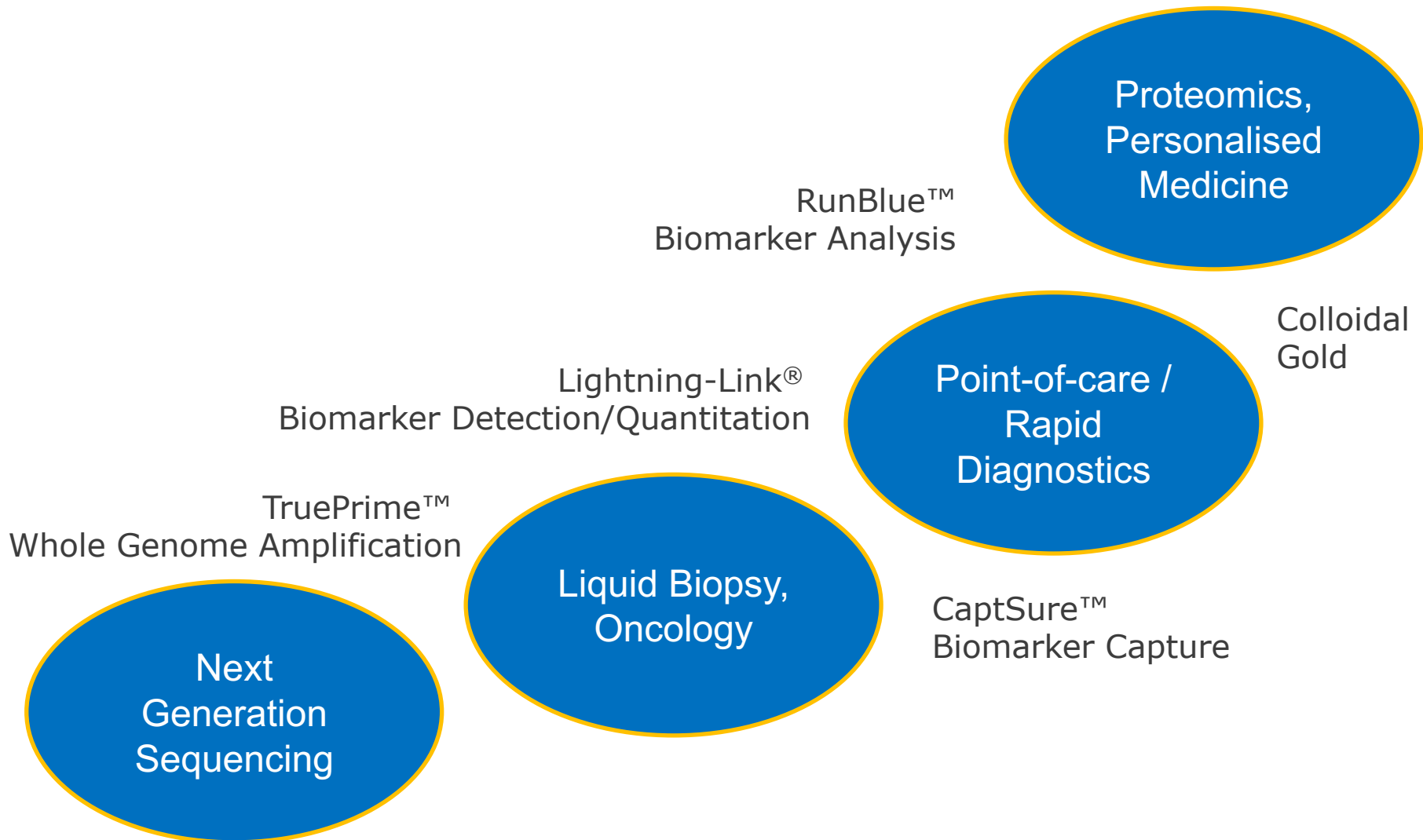
[C.B.S. Scientific: PCR workstations, electrophoresis](#)

# Growth Markets



\*marketsandmarket.com, June 2018

# Key Technologies

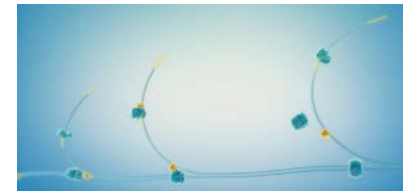


# Key Technology: TruePrime™

- **Whole Genome DNA Amplification (copying DNA molecules)**

- **USPs:**

- Sensitive
- Accurate
- Complete genome coverage



- **Core Applications:**

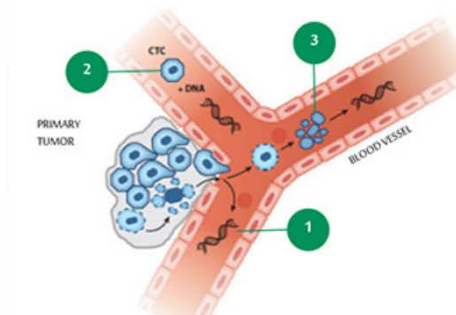
- Next Generation Sequencing workflows
- Applications with low amounts of available DNA
  - Liquid biopsy
  - Single cell analysis

- **Core markets:**

- Oncology research
- Clinical diagnostics

- **Market Size:**

- WGA kits for R&D: USD 100 million p.a.
- Liquid biopsy/diagnostics: USD multibillion potential



**Tumor biomarkers in blood**

1. Cell-free DNA (cfDNA)
2. Circulating tumor cells (CTCs)
3. Exosomes & micro vesicles

# Key Technology: RunBlue™ Electrophoresis

- **Separation and purification of DNA/Proteins**

- **USPs:**

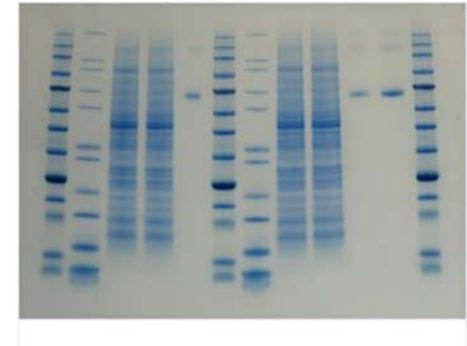
- Resolution/separation power
- Quality & reproducibility
- Ease of use, speed

- **Core Application: Life Science Research**

- Antibody workflows
- Mass spectrometry workflows
- Fundamental life science research

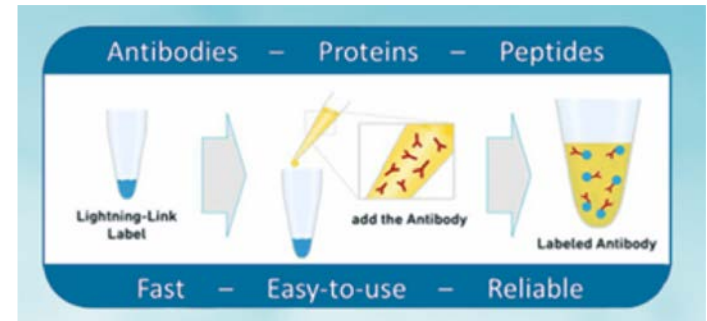
- **Market Size:**

- R&D Equipment: USD 1.5 billion
- R&D Reagents: USD 1 billion



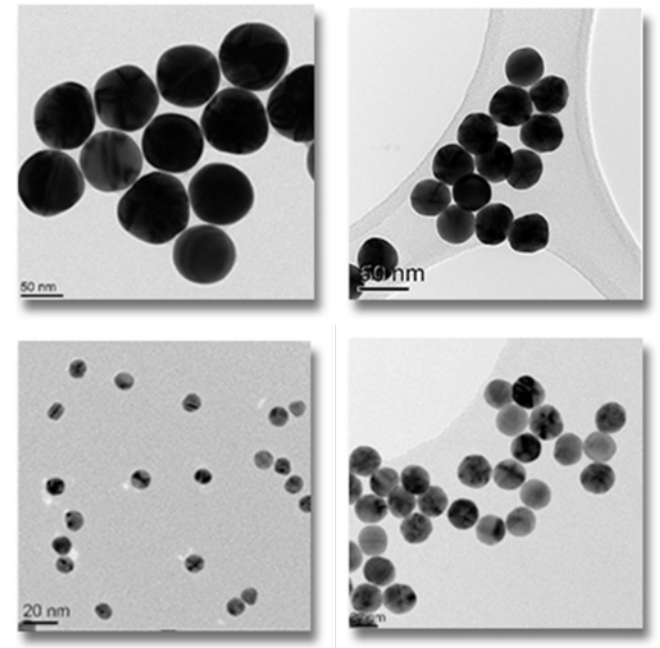
# Key Technology: **Lightning-Link®**

- Single step labeling technology for biomolecules
- USPs: Fast, easy to use, highly reproducible and scalable
- Core Applications:
  - Research
    - Antibody-based workflows
      - Flow cytometry
      - ELISA
      - Western blotting
  - Diagnostics
    - ELISA
    - Lateral flow assay
- Market Size:
  - R&D Kits: USD 200 million
  - Diagnostics: USD multibillion



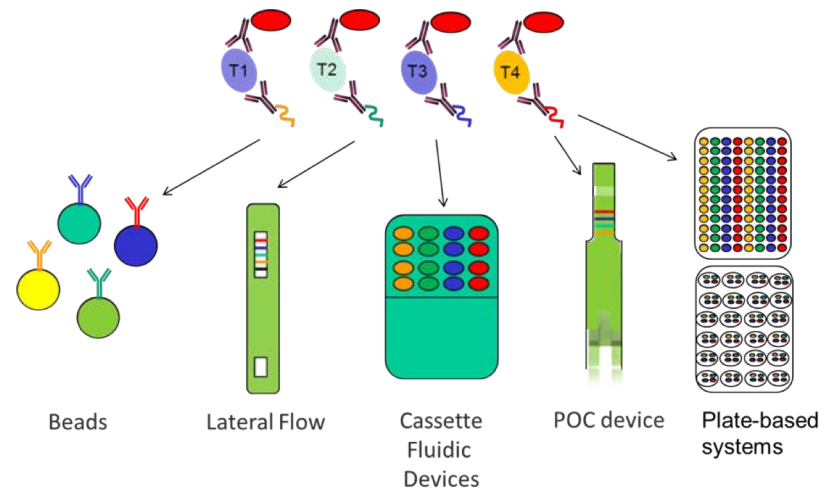
# Key Technology: Colloidal Gold

- Ultra high quality gold nanoparticles; proprietary coating technology enabling wide variety of conjugation chemistries
- USPs: production of extremely uniform spherical particles with a very narrow size distribution
- Core Applications:
  - Research
    - Microscopy
  - Diagnostics
    - Lateral flow
- Markets Size:
  - USD 5 billion by 2023
  - 17% annual growth



# Key Technology: CaptSure™

- Single step Antibody Capture technology
- USPs: Fast, easy to use, scalable, low amount of antibody required
- Core Applications:
  - Research
    - Antibody-based workflows
      - Plate-based assay
      - Bead-based assays
      - Western blotting
      - Multiplex
  - Diagnostics
    - ELISA
    - Lateral flow assay
- Markets Size:
  - R&D Kits: USD 200 million
  - Diagnostics: USD Multibillion





# Case Study of a Lateral Flow Test

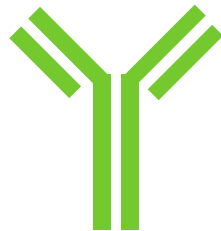


# Case Study of a Lateral Flow Test

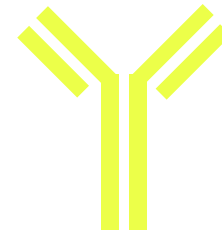


Biomarker

Capture Antibody



Detection Antibody



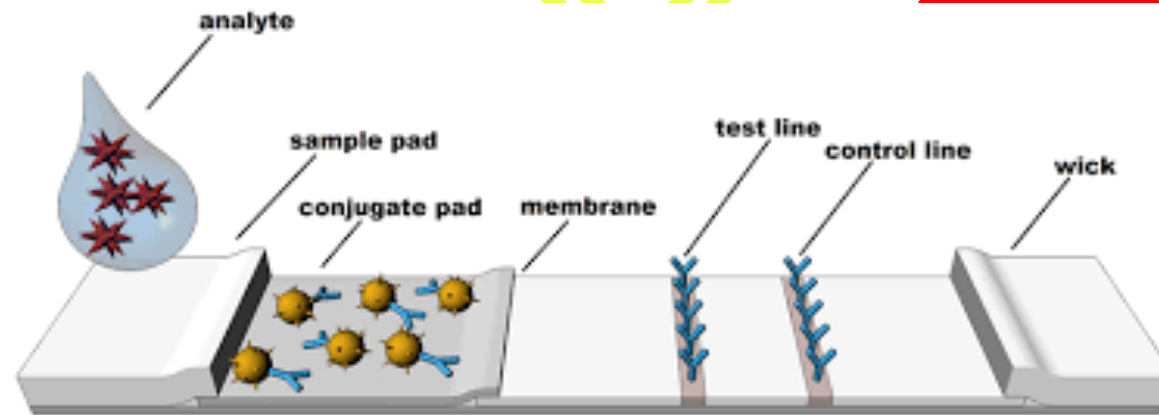
# Case Study of a Lateral Flow Test



Detection Antibody

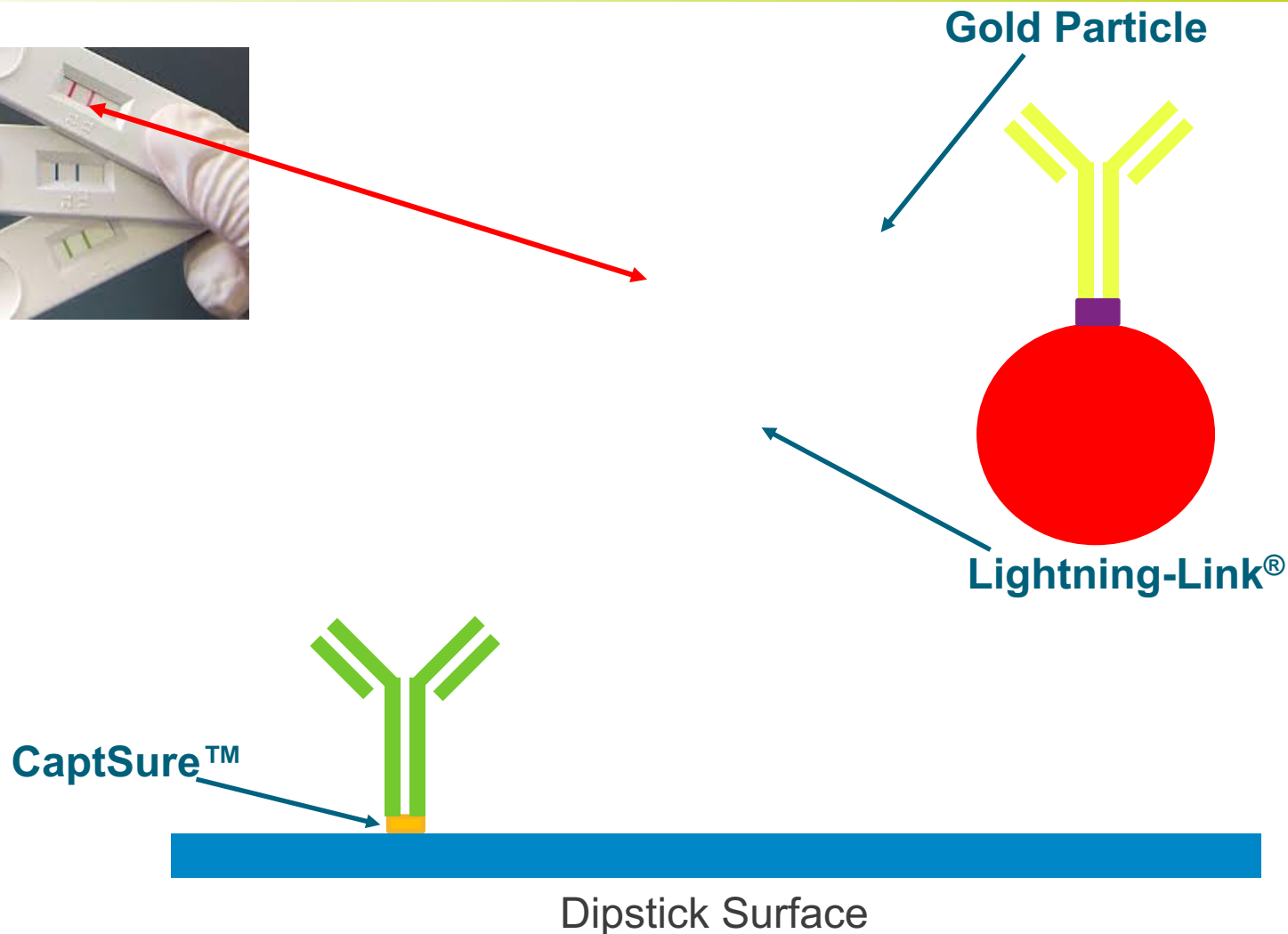


 **CaptSure™**



Dipstick Surface

# Case Study of a Lateral Flow Test



US9778252  
US9476874  
US9261500  
US9176125  
US9086407  
US8877892  
US0299637  
US0295641  
UK2446088  
NZ581699  
NZ568386  
JP6118560  
JP529186  
JP518535  
GB2478359  
EP2566845  
EP2171457  
EP1968641  
CN2008025932  
CH2566845  
CH2171457  
CH196841  
CA6118560  
CA2688646  
CA2630399  
AU2011222742  
AU2008263586  
AU2006324488

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# Sales and Marketing Model

## Direct Sales (40%)

- Worldwide
- Higher margins
- Customer feedback
- End-user database → marketing

## Distribution (40%)

- Local distributors: Europe, Far East
- Global distributors
- Wider reach

## OEM and Supply Agreement (15%)

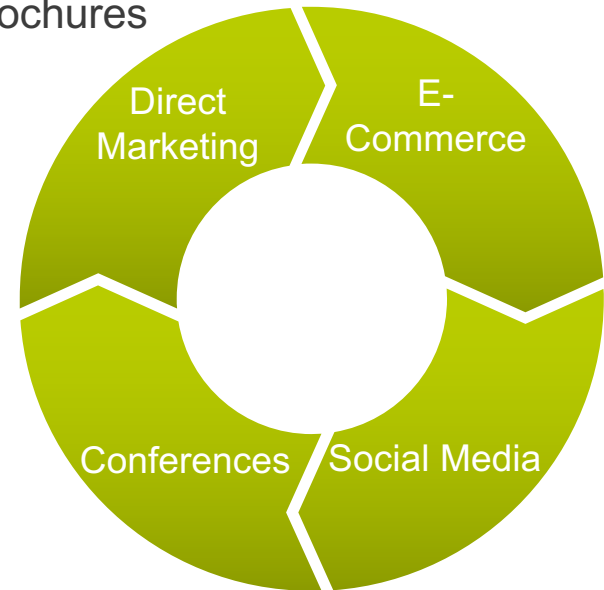
- Global reach
- Lower margins
- Economies of scale

## Licensing (5%)

- High margin
- Small proportion of the value chain

## Marketing Approach

- Intelligence
- Rich content website
- driven direct mail
- SEO, Web shop
- Brochures



- Local exhibitions
- Twitter
- International events
- Facebook
- Product video feeds

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# Key Observations Annual Accounts 2017

- ✔ Revenue growth of 300%
  - Revenues guidance of EUR 7-8 million met
  - Innova Biosciences and C.B.S. Scientific successfully integrated after acquisition
  - Product range extends across immunology, proteomics and genomics
- ✔ Q4 Operating cash flow guidance met
  - Group achieved significant progress in cash generation
- ✔ Results reflects acquisitions of Innova Biosciences and C.B.S. Scientific
  - Income statement includes EUR 1.6 million of non-cash PPA charges
  - Balance reflects goodwill, customer lists and patents capitalised on acquisition



# Key Financial Milestones

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- EBITDA positive Q4
- Operating cash flow positive Q4
- Organic like for like annual revenue growth of 24%

# FY 2017 Financials: Selected Balance Sheet Data

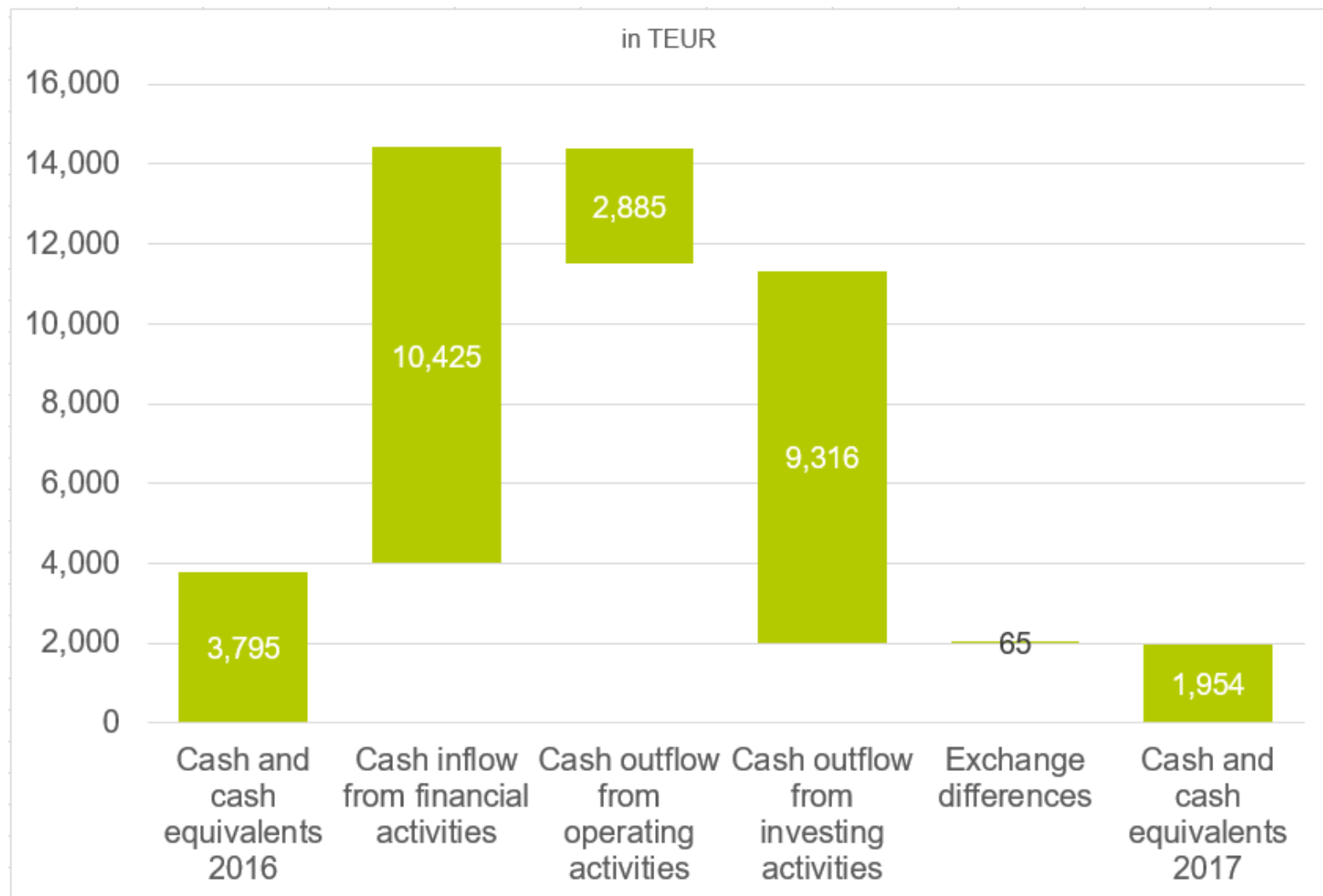
In EUR million	31.12.2017	31.12.2016	Change in %
<b>Assets</b>			
Non-current assets	44.0	31.7	39
thereof goodwill	30.7	23.8	29
thereof other intangible assets	11.3	6.9	63
Current assets	6.0	6.3	(5)
thereof cash and cash equivalents	2.0	3.8	(49)
<b>Total assets</b>	<b>50.0</b>	<b>38.0</b>	<b>31</b>
<b>Equity and liabilities</b>			
Shareholders' equity	40.0	31.4	28
Non-current financial liabilities	3.9	2.3	73
Current liabilities	4.6	3.2	44
<b>Total liabilities</b>	<b>50.0</b>	<b>38.0</b>	<b>&gt; 100</b>

# FY 2017 Financials:

## Statement of Comprehensive Income

In EUR million	2017	2016	Change in %
<b>Revenues</b>	<b>7.8</b>	<b>1.8</b>	<b>333</b>
Cost of sales	(2.9)	(1.0)	(190)
Selling and marketing expenses	(1.9)	(0.9)	(111)
Administrative expenses	(6.3)	(2.8)	(125)
Research and development expenses	(0.8)	(1.2)	(33)
Other operating income	0.1	0.1	-
Other operating expenses	(0.1)	-	-
<b>EBT (earnings before taxes)</b>	<b>(4.2)</b>	<b>(4.1)</b>	<b>(2)</b>
EBIT (reported)	(4.1)	(4.0)	(2)
PPA non-cash charges	(1.6)	(0.7)	(129)
EBIT (before special factors)	(2.5)	(3.3)	24
<b>Net loss for the year</b>	<b>(4.7)</b>	<b>(4.0)</b>	<b>(18)</b>

# Cash Flow



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# Outlook 2018

Continue to expand and consolidate the product portfolio; generate ongoing growth through strong organic products sales and acquisition

## Outlook on financials

Revenues:            2018: EUR 13-14 million  
                             Ongoing upside potential in 2019

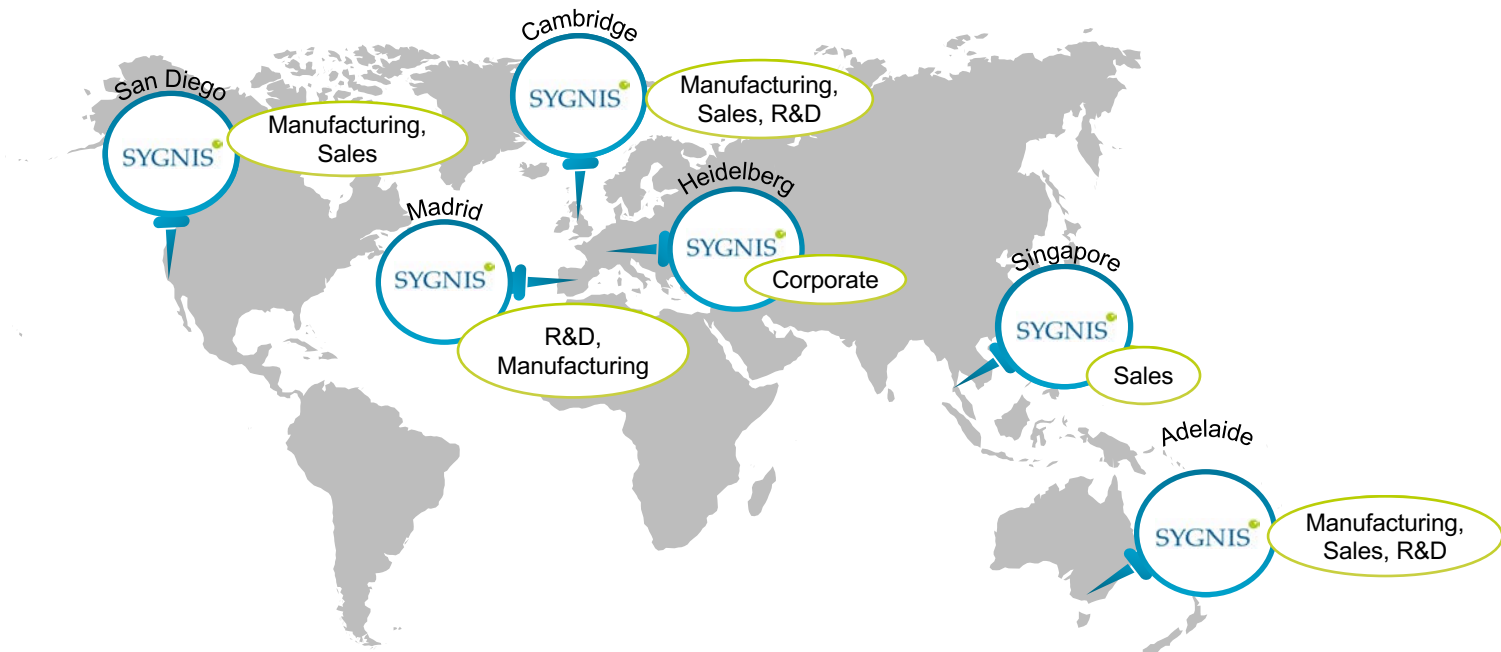
EBITDA:              EBITDA positive

Cash Flow:           Become cash flow positive during 2018

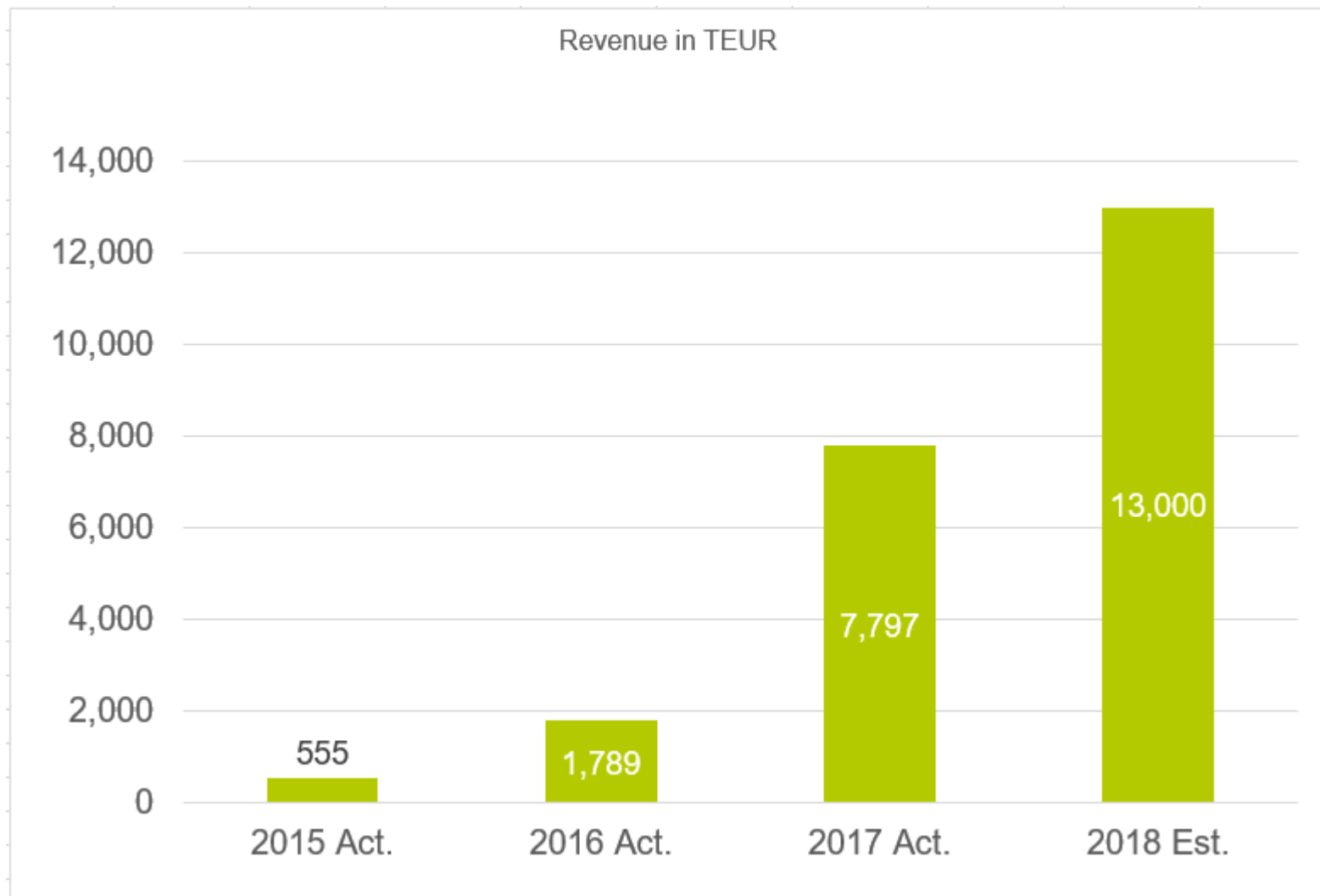
**The goal of the Company is to become increasingly profitable through a combination of organic growth and growth by acquisitions.**

# Group Overview

- ~110 staff across six countries
- Global sales team, business development and marketing in Cambridge
- US-focused sales team in San Diego
- R&D centered in Madrid and Cambridge
- Manufacturing in San Diego, Cambridge, Madrid and Adelaide

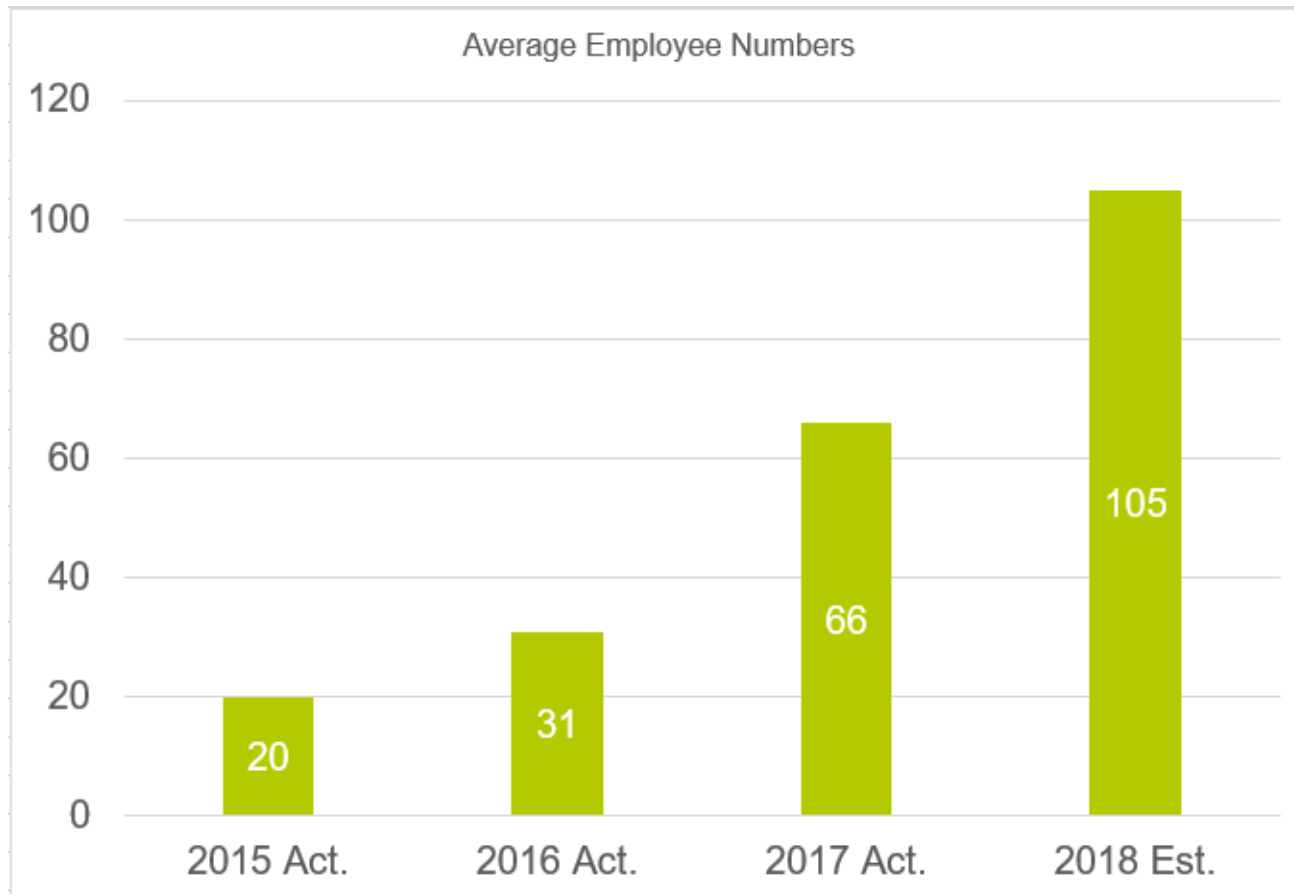


# Company Trends

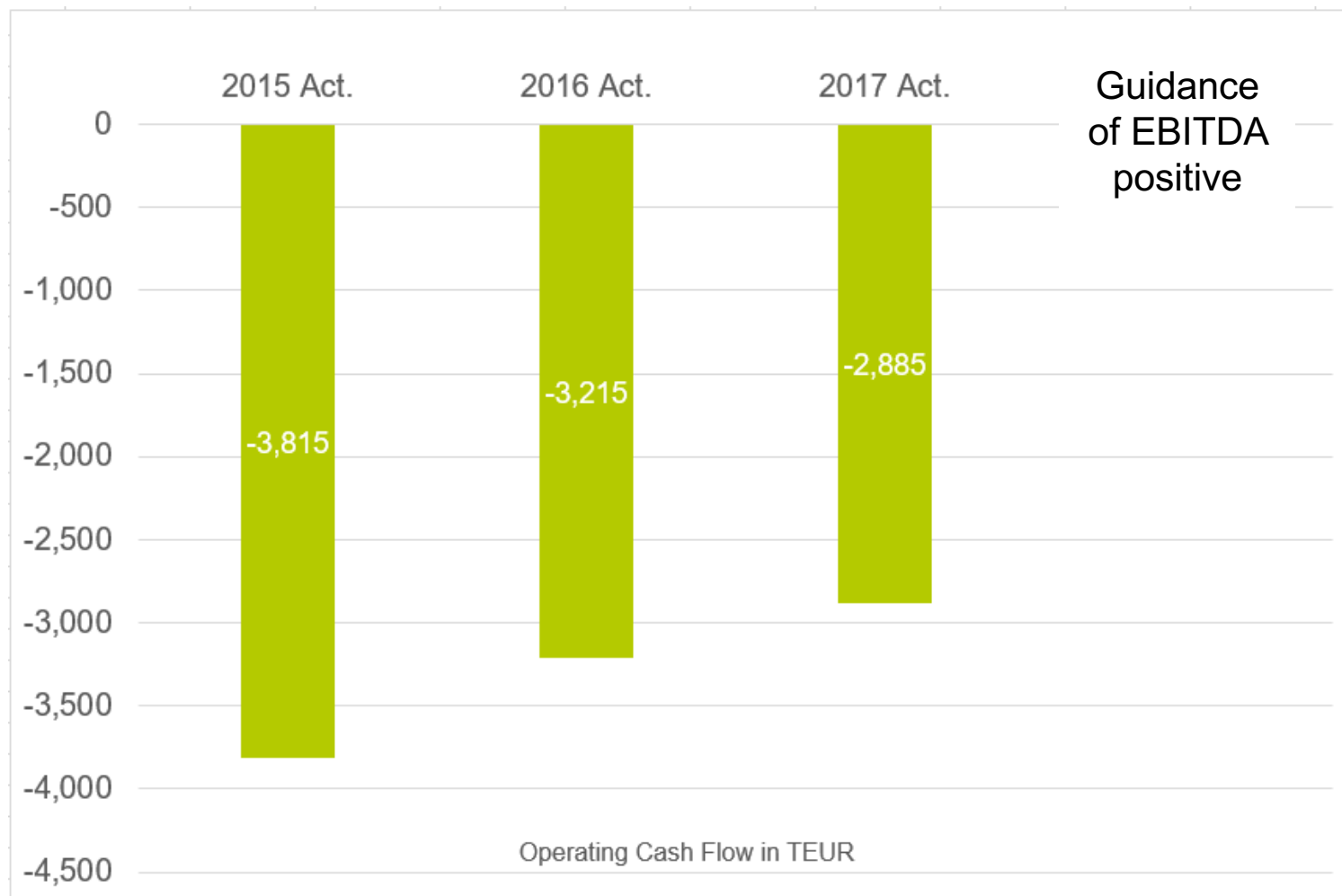




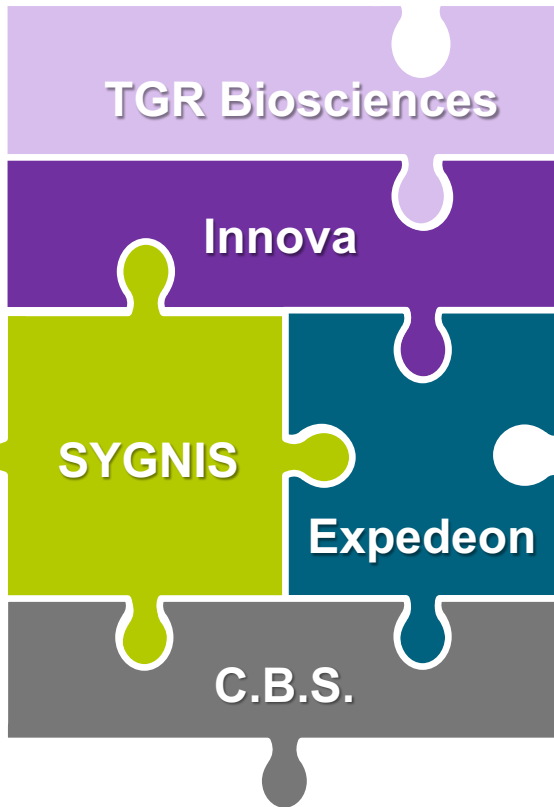
# Company Trends



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# Year-to-date 2018: Milestones



- **Extended OEM agreement with leading global research tools supplier**
  - Provide customers with improved access to research tools
  - Worldwide sales and distribution channels
- **Successful integration of products and services**
  - Innova Biosciences, Expedeon Holdings and C.B.S. Scientific fully integrated
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- **Completion of Sales and Marketing team restructuring**
  - Support continued strong revenue growth
  - Cost leverage
- **EUR 6.2 million raised in a private placement and debt issues**
  - Funds used to acquire Australian research reagents company TGR Biosciences in May 2018
- **Financial performance:**
  - Q1 EBITDA positive; 67% revenue growth vs Q1/2017

# Q1/2018: Statement of Comprehensive Income

In EUR million	Q1/2018 (Jan 1 – Mar 31, 2018)	Q1/2017 (Jan 1 – Mar 31, 2017)
<b>Revenues</b>	<b>2.3</b>	<b>1.4</b>
Cost of sales	(0.7)	(0.9)
Selling and marketing expenses	(0.6)	(0.3)
Administrative expenses	(1.2)	(1.3)
Research and development expenses	(0.2)	(0.2)
Other operating income	(0.0)	(0.1)
<b>EBIT</b>	<b>(0.4)</b>	<b>(1.3)</b>
EBT	(0.4)	(1.3)
<b>Net loss for the period</b>	<b>(0.3)</b>	<b>(1.2)</b>
<b>EBITDA</b>	<b>0.1</b>	<b>(0.6)</b>

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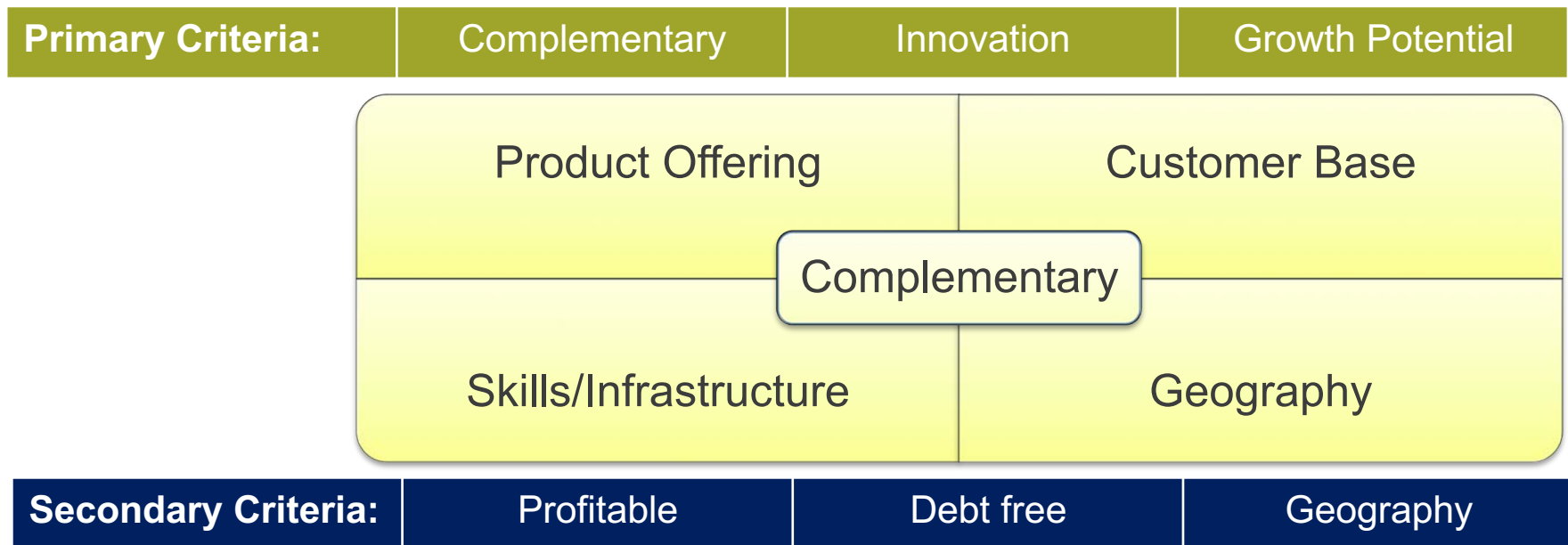
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# Acquisition Strategy

## Objectives:

- ✓ Accelerate growth to establish a leadership position
- ✓ Acquire innovative companies with high growth rates and complementary products

## Target Criteria:



# TGR Biosciences: Commercial and Financial

✓ **Blue Chip OEM customers**  
Technology included in market  
leading pharma platform

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✓ **Established Production  
and R&D**  
12 full time staff

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✓ **Strong technology  
overlap**

✓ **Strong Growth**  
Revenues EUR ~3.6 million  
(2017e)  
Annual growth: ~20% (3yr)

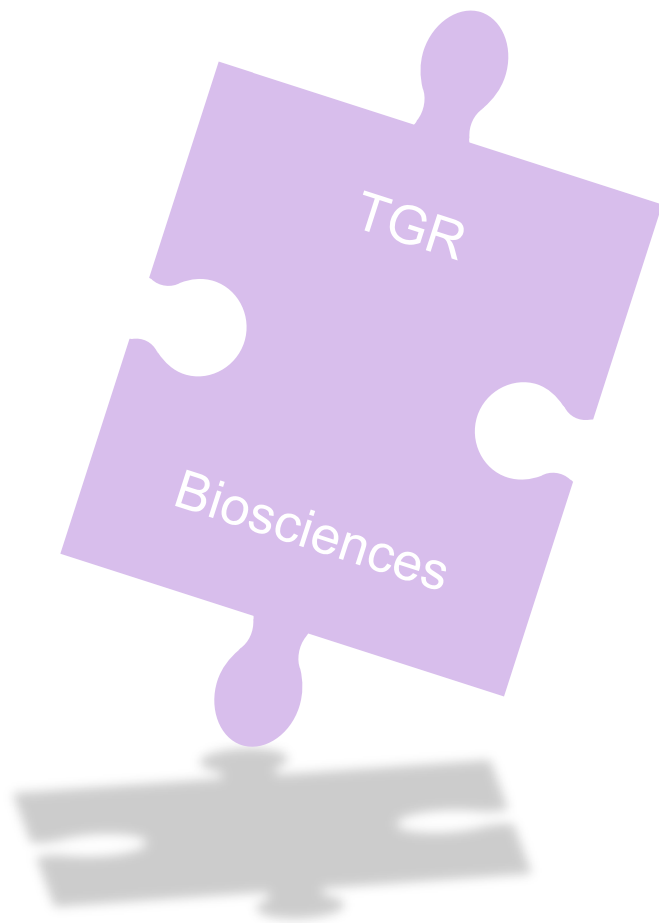
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✓ **Profitable**  
EBIT: EUR ~1.3 million (2017e)

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✓ **Debt-free**

# TGR Biosciences: Key Technology



- Leading player in ELISA assay development
  - Drug discovery tool for detection and screening of molecules-of-interest in a no-wash, highly sensitive, quantitative assay
  - Fast easy single wash high performance ELISA focusing on cell signaling pathways
  - Multi-Target immunoassays
  - Multiplex, universal target capturing technology for use on plates, beads or microfluidics channels
- Multiplex capabilities
- Protected IP position
- Uses SYGNIS technology



# TGR Biosciences Acquisition: Deal Structure

- **Total deal value: EUR 10.3 million**
  - Upfront cash: AUD 10 million / EUR 6.3 million
  - Loan note: AUD 2 million / EUR 1.3 million (12 months, 3.5% p.a.)
  - Earn-out: AUD 5 million / EUR 3.25 million
    - SYGNIS AG shares: AUD 5 million – EUR 3.25 million converted at EUR 1.50/share (2 million shares)
      - Year 1 earn-out target: 1 million shares provided revenue grows by 15%
      - Year 2 earn-out target: 1 million shares provided revenue grows by 15%
  - AUD 1 million / EUR 0.65 million on balance sheet at closing
- **Transaction closed beginning of May 2018**

# TGR Biosciences Transaction Rationale



## Products & Services

- Best-in-class technology for protein capture
- Leading player in ELISA assay development
- Multiplex capabilities
- Complementing SYGNIS' immunology portfolio
- Protected Intellectual Property



## Capabilities

- Strong embedded sales through OEM channels
- Opportunity to leverage products through direct and distribution channels
- Product development opportunities through combined technologies
- Efficient manufacturing and product development in Australia



## Financials

- Contribution: EUR ~3.6 million in revenues, 40% EBITDA
- Compound annual revenue growth over three years of 20% and more
- SYGNIS further strengthens position in high gross margin reagents business

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## Company Name

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[www.expedeon.com](http://www.expedeon.com)

# Company Name

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- All products sold and marketed under the Expedeon brand name
- Highly recognisable to our customers and so intend to realign the corporate and product identity
- Relaunch of the corporate website under Expedeon

# Corporate Branding

*Innovative tools & reagents for life sciences & diagnostics*



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# SYGNIS Current Stock Information (27 June 2018)

Ticker symbol:	LIO1 (Xetra)LIOG1.DE (Reuters Instrument Code)
ISIN:	DE000A1RFM03
WKN:	A1RFM0
Issued shares:	50,372,557
Listing:	Germany: Deutsche Börse (Prime Standard) (Major Stock Exchanges)
Free float:	~ 79%
Key shareholders (more than 3%):	Deutsche Balaton: 6.3%; Alpenfels Family Trust: 6.0%; Fernandez Trust: 5.7%; Dr Heikki Lanckriet: 3.3%
Market Cap:	EUR ~70 million
Analysts:	GBC AG (Cosmin Filker; BUY: EUR 3.30)



# Overall Summary

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- Strong revenue growth securing EBITDA break-even in Q4/2017
- Successful acquisitions of Innova Biosciences and TGR Biosciences further strengthening the position of the Group
- Continued revenue and EBITDA growth during 2018 with overall positive cash flow to be achieved during the year
- Continued opportunity to expand the product portfolio and marketing positioning of the Company

# Thank You for Your Attention

For more information, please contact:

## **SYGNIS AG**

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# AGM Agenda Items

1. Presentation of the annual accounts and the consolidated financial statements as approved by the Supervisory Board, the management report and the Group management report and the report of the Supervisory Board, each for the financial year 2017
2. Resolution on the discharge of the members of the Supervisory Board for the financial year 2017
3. Resolution on the discharge of the members of the Management Board for the financial year 2017
4. Election of the auditor for the financial year 2018
5. Resolution on the amendment of the resolutions of the Annual General Meeting of 7 July 2017 regarding agenda item 5 (Stock Option Plan 2017) and the creation of a new conditional capital (Conditional Capital 2018/I) for the fulfilment of the Stock Option Plan 2017; Amendment of Articles of Association
6. Resolution on the (partial) cancellation of the Conditional Capital IV
7. Resolution on the cancellation of the authorization to issue convertible bonds and to exclude subscription rights in accordance with the resolutions of the Annual General Meeting on 20 June 2016 and on a new authorization to issue convertible bonds, bonds with warrants and profit participation rights with or without conversion or subscription rights(s) and to exclude subscription rights
8. Resolution on the partial cancellation of the Conditional Capital V and on the creation of Conditional Capital 2018/II and corresponding amendment to the Articles of Association
9. Resolution on the cancellation of the remaining existing authorized capital pursuant to Sec. 4 para. 4 of the Articles of Association (Authorized Capital 2017) and on the creation of a new authorized capital in the amount of EUR 25,561,278.00 (Authorized Capital 2018); authorization of the Management Board to exclude subscription rights of shareholders with the consent of the Supervisory Board and corresponding amendment to the Articles of Association
10. Resolution on an amendment to the Articles of Association regarding the name of the Company