

Advanced analytics. Intelligent insights

2019 Results

Giulio Cerroni, CEO

Grant Nash, CFO

AIM: IXI

4th December 2019

Disclaimer



- NOT FOR DISTRIBUTION OR RELEASE, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OR ANY OTHER JURISDICTION IN WHICH THE DISTRIBUTION OR RELEASE WOULD BE UNLAWFUL.
- The information contained in these slides and the presentation is strictly confidential, and is supplied on the understanding that it will be held in confidence, and not copied, reproduced, distributed, published or disclosed to third parties without the prior written consent of IXICO PLC ("IXICO", which term any and all of its wholly-owned subsidiaries). The recipient agrees that on request from IXICO it will return or destroy all copies of these slides.
- These slides and the presentation have been prepared for information purposes only and for no other purpose. The slides and the presentation do not constitute or form part of a prospectus relating to IXICO nor do they constitute or contain any offer or invitation to purchase, sell or subscribe for, or any solicitation of any such offer to purchase, sell or subscribe for, any securities in IXICO nor shall the slides or presentation or any part of it, or the fact of its distribution, form the basis of, or be relied on in connection with, any contract or commitment.
- No reliance may be placed, for any purposes whatsoever, on the information contained in these slides or the presentation or on its completeness and these slides or the presentation should not be considered a recommendation by IXICO, Cenkos Securities ("Cenkos") or any of their respective affiliates in relation to any purchase of or subscription for securities of IXICO. No representation or warranty, express or implied, is given by or on behalf of IXICO, Cenkos or any of their respective directors, partners, officers, employees, advisers or any other persons as to the accuracy, fairness or sufficiency of the information or opinions contained in these slides or the presentation and none of the information contained in these slides or the presentation has been independently verified by Cenkos or any other person. Save in the case of fraud, no liability is accepted for any errors, omissions or inaccuracies in such information or opinions. Neither IXICO nor Cenkos or are under any obligation to update or amend the information contained in these slides as circumstances change.
- The slides and the presentation have not been approved by a person authorised under the Financial Services and Markets Act 2000 ("FSMA") for the purposes of section 21 FSMA. The slides and the presentation are directed solely at: (i) persons having professional experience in matters relating to investments being investment professionals as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the "FPO"); (ii) high net worth bodies corporate, unincorporated associations and partnerships or trustees of high value trusts falling within Article 49(2) of the FPO; and (iii) persons to whom they may otherwise lawfully be communicated (together "Relevant Persons"). Any investment or investment activity to which these slides or the presentation relate is only available to, and will only be engaged by IXICO with, Relevant Persons. Any person who is not a Relevant Person should not act or rely on these slides or the presentation or any of their contents on the basis that the slides and the presentation are directed solely at Relevant Persons exempt from the general restriction on the communication of invitations or inducements to engage in investment activity and it is a condition of your receiving these slides or attending the presentation that you have confirmed to IXICO and produced evidence satisfactory to IXICO that you are a Relevant Person.
- It is possible that the information contained in these slides or the presentation may constitute inside information for the purposes of the Criminal Justice Act 1993 or the Market Abuse Regulation (EU) No. 596/2014. Consequently, recipients of such information must not deal or encourage another person to deal in any investment in IXICO nor should they base any behaviour on these slides and/or the presentation in relation to an investment in IXICO or any connected company which would amount to either insider dealing or market abuse until after such information has been made generally available to the public.
- The distribution of these slides and the presentation in other jurisdictions may be restricted by law and the persons into whose possession these slides or the presentation comes should inform themselves about, and observe, any such restrictions.
- These materials may not be published, distributed or transmitted by any means or media, directly or indirectly, in whole or in part, in or into the United States or to any US person (as defined in the U.S. Securities Act of 1933, as amended (the "Securities Act"). These materials do not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Securities may not be offered or sold in the United States absent (i) registration under the Securities Act or (ii) an available exemption from registration under the Securities Act. The securities mentioned herein have not been, and will not be, registered under the Securities Act and will not be offered to the public in the United States.
- Neither these slides nor the presentation nor any copy of either may be (i) taken or transmitted into or distributed in Canada, Australia, the Republic of Ireland or the Republic of South Africa or to any resident thereof, or (ii) taken or transmitted into or distributed in Japan or to any resident thereof. Any failure to comply with these restrictions may constitute a violation of the securities laws or the laws of any such jurisdiction.
- IXICO is at a relatively early stage and, in common with many other companies in the healthcare and technology sectors, its development may be subject to a number of major uncertainties, including the availability of funding and its ability to enter into partnerships with other companies. Although IXICO is active in establishing a strong intellectual property base, technology is an area where patent positions and disputes can materially affect individual companies.
- Forward looking statements – Statements other than those of historical results and events may constitute forward-looking statements. Certain statements including management's strategic vision, aims and objectives, the conduct of research and development work, trials and the expected timing of registration, regulatory approval or launch of products, the expected market for products, the effect of competition, the overall market and exchange rates are forward looking in nature. By their nature, such statements involve risks and uncertainties that could cause the actual outcome to differ substantially from management's view.
- All logos, graphics and trademarks contained in these slides are recognised and remain the property of the respective organisation. IXICO's word mark is a trademark of IXICO, where the term trademark means the word or mark however represented, including stylised representations, all associated logos and symbols and combinations of the foregoing with another word or mark.
- Cenkos is authorised and regulated by the Financial Conduct Authority and is acting only for IXICO in connection with this presentation and is not acting for or advising any other person, or treating any other person as its client, in relation thereto and will not be responsible for providing the regulatory protection afforded to clients of Cenkos or advice to any other person in relation to the proposals.
- IXICO PLC is incorporated in England with registered number 3131723 and registered address 15 Long Lane, London, EC1A 9PN.

AI Data Analytics in Neurological Diseases

2019 Results

Giulio Cerroni, CEO

AIM: IXI

5 point growth strategy



01

Focus on delivering scale and operational excellence

02

Accelerate penetration of clinical trials market; diversify into new indications

03

Target early phase to grow into later clinical phases

04

Innovate: AI machine-learning data analytics

05

Enhance organic growth through selective partnerships and M&A



... to deliver sustained double digit profitable growth

Leadership Team



Grant Nash
(April '19)
Chief Financial Officer



Giulio Cerroni
(Feb '17)
Chief Executive Officer



Alison Howie
(Jun '18)
Chief Product Officer



Marcus Thornton
(Jun '18)
Chief Operating Officer



Robin Wolz
(Mar '14)
SVP Science & Innovation



Lammert Albers
(Oct '19)
Chief Business Officer



Investment case



01

Strong trading & future revenue visibility from contracted order book

02

Scalable business model operating in an attractive market

03

Proven, adaptive Innovation

04

\$31Bn CNS R&D spend
Lower risk investment in Pharma pipeline

05

Management with a proven track record of delivering growth



Intelligent insights to improve clinical development



01

Consultancy:

Optimising biomarker selection

02

Early Phase:

Defining and validating biomarkers for safety and efficacy

03

Late Phase:

Deploying AI and site management at scale for standardised regulatory-compliant data outputs

04

Post-Marketing:

Providing biomarker assessment to support safe and reliable market access

Imaging biomarkers

We offer an extensive range of analysis tools for neuroimaging, used in patient selection/clinical trial enrichment and assessment of eligibility, safety and efficacy.

Digital biomarkers

Working with leading providers of wearable biosensor technology, we develop, validate and deploy novel, disease-specific algorithms to measure and monitor a range of key symptoms in clinical studies.

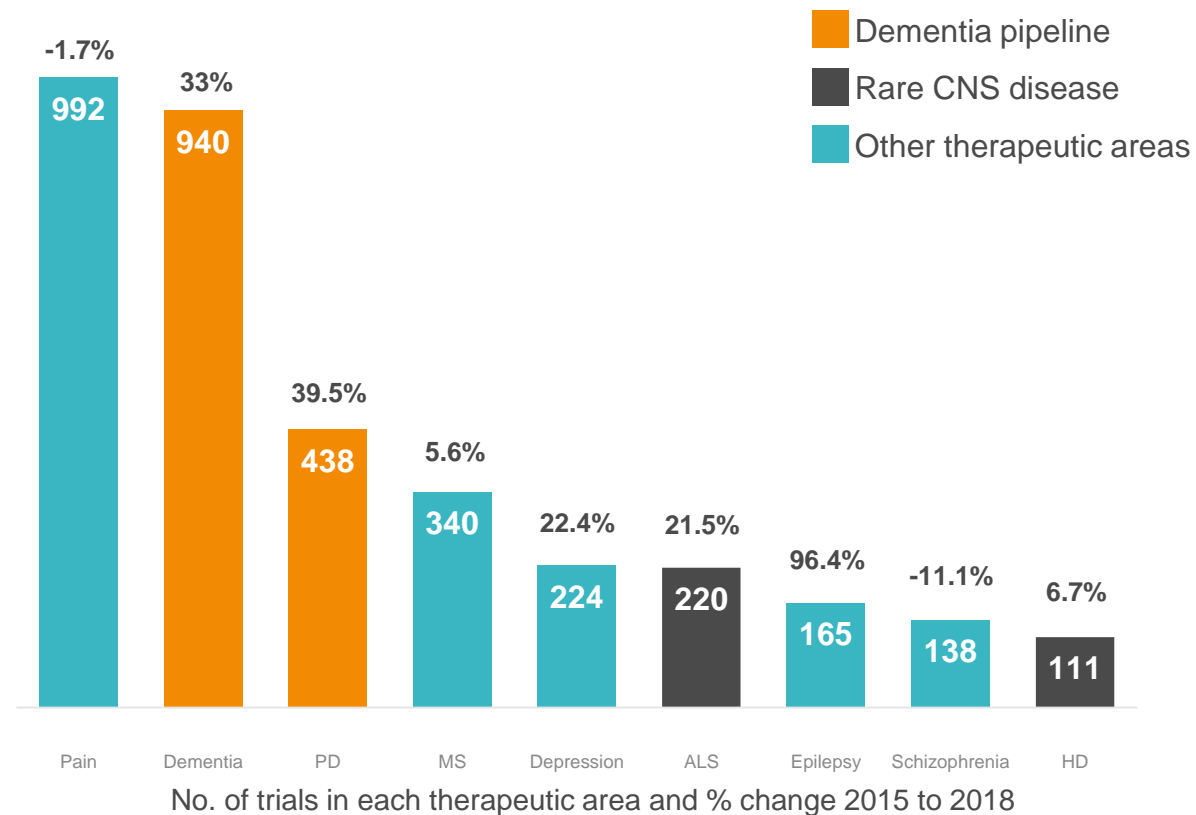
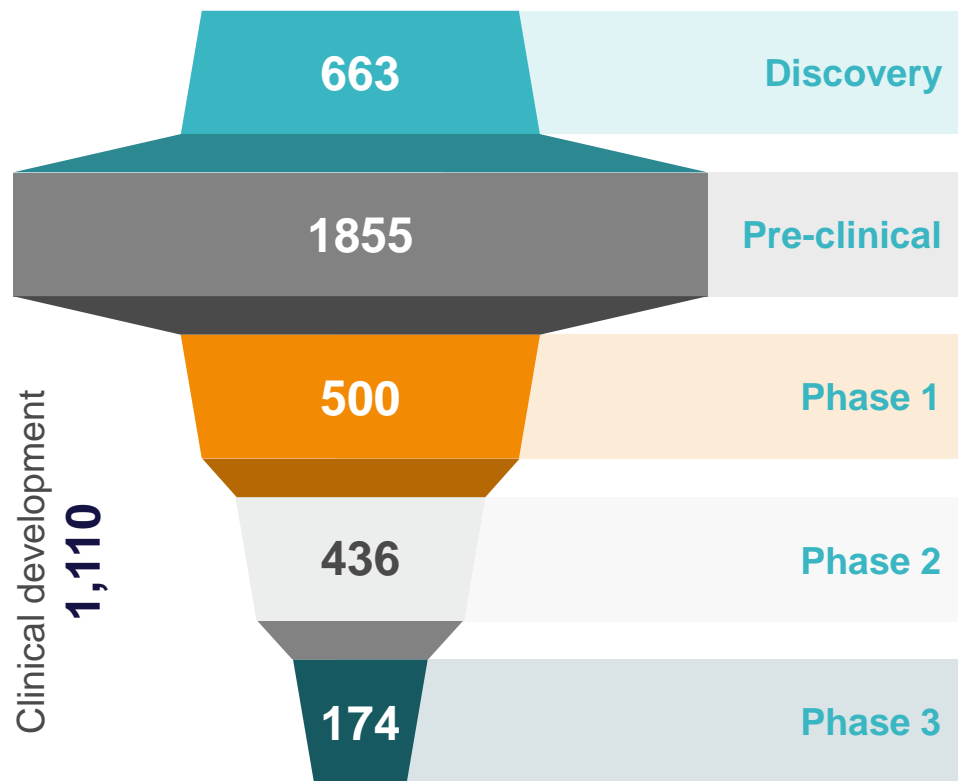
Data platforms

IXICO's TrialTracker data management platform provides the infrastructure to collect, check, store and analyse imaging and biosensor data from clinical trials.

IXICO's Assessa™ clinical decision support tool provides a secure online digital platform to enable a geographically diverse patient population to benefit from centralised expert neuroradiology.



Unmet clinical need: investment in CNS is increasing



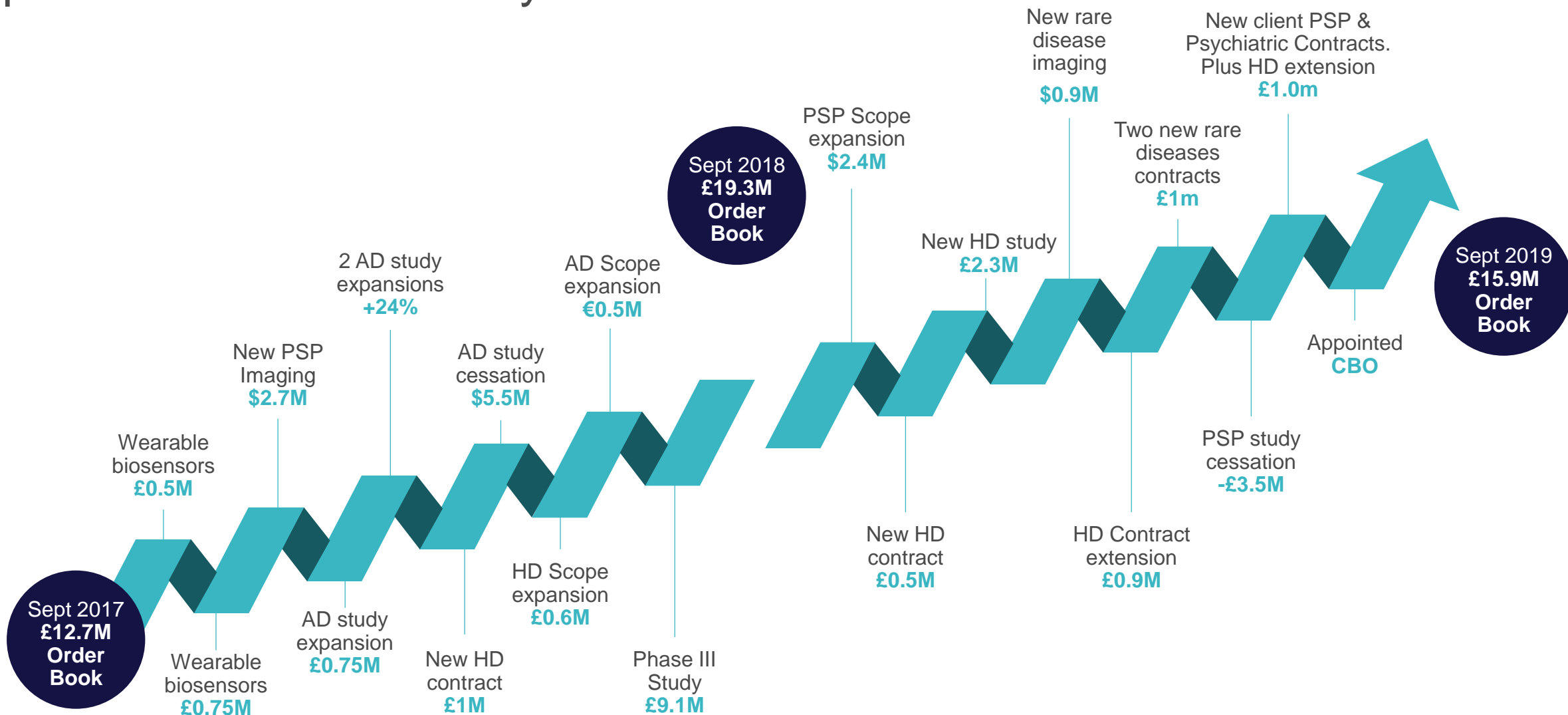
Continued investment in CNS pipeline, driven by new therapeutic approaches, an ageing population and new types of data which improve the understanding of CNS disease

Biopharma is investing in neuro; emerging biotechs are fuelling early pipeline growth

	Early Phase	Late Phase
Dementia	AbbVie, Biogen, Boehringer Ingelheim, Lilly, Novartis, Roche, Sanofi, Takeda, UCB, AC Immune, Alkahest, Araclon, Axon, Denali, Oryzon, Sunovion, United Neuroscience, Vivoryon, Vaccinex...	Roche, Lilly, AbbVie, Biogen, Novartis, Green Valley
Rare Neuro	Biogen, Novartis, Roche, Takeda, UCB, Asceneuron, Biohaven, Uniqure, Vaccinex, Voyager, Wave Therapeutics,	Roche, Biogen
Psychiatry & Mental Health	Biogen, Boehringer Ingelheim, MSD, Otsuka, Roche, BioXel, Concert pharma, Sunovion...	Roche, UCB, J&J



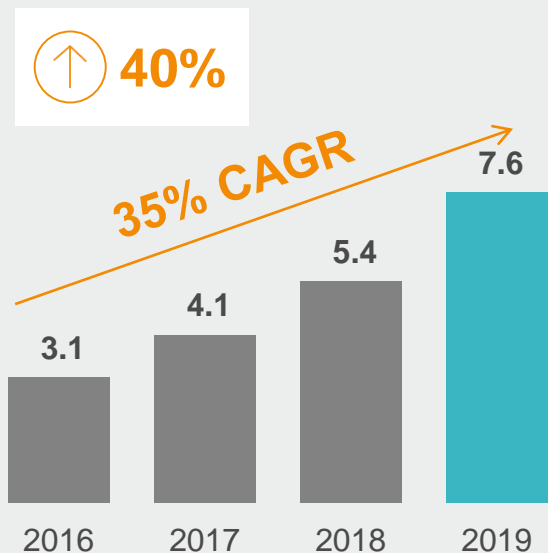
Long term client relationships provide revenue visibility



Financial Results

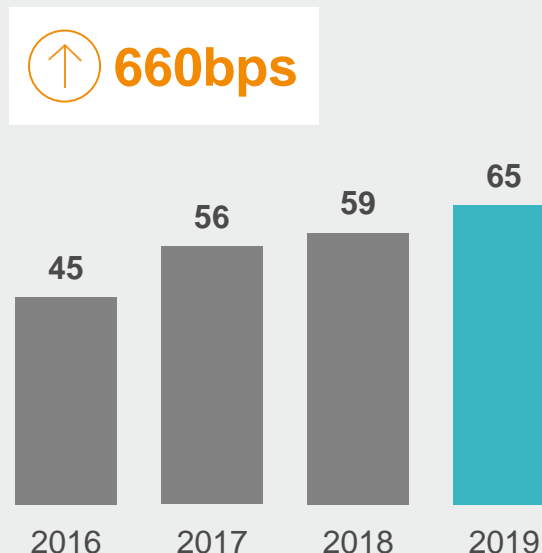
Grant Nash, CFO

Financial performance



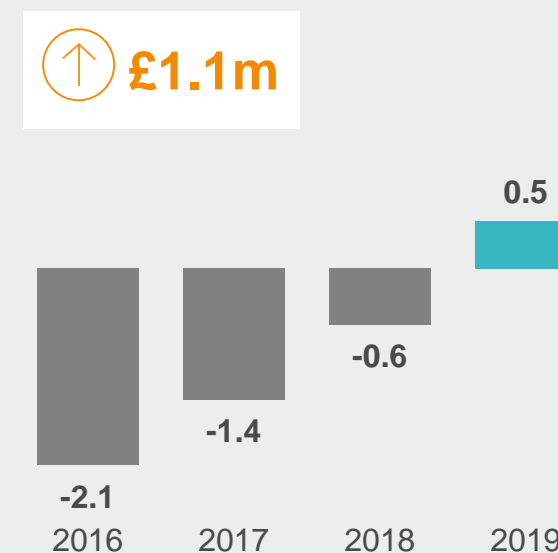
- FY19 +40%
- FY18 +32%
- FY17 +34%

Revenue growth (£m)



- Growing margins
- Operating leverage
- Increasing data analytics

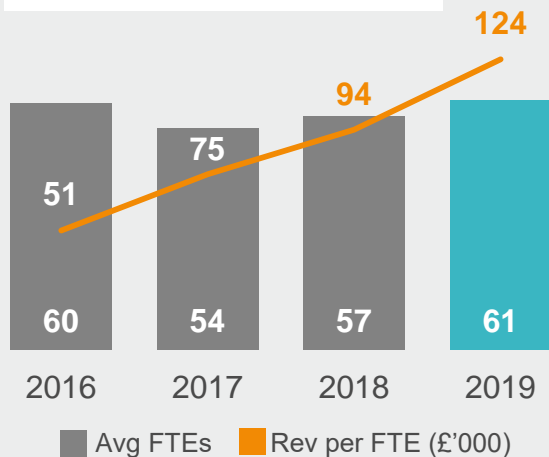
Gross Margin (%)



- Accelerated profitability
- 6% EBITDA margin
- Ahead of market expectation

EBITDA (£m)

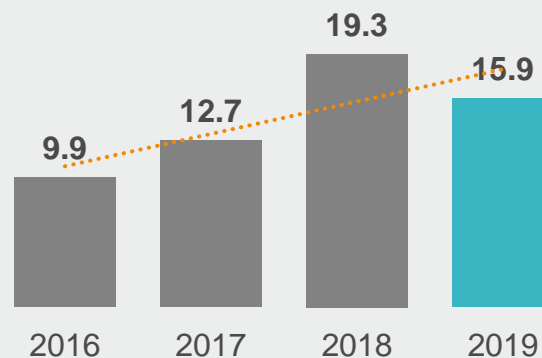
Productivity



- Increased operational leverage
- Increased proportion of automated analysis

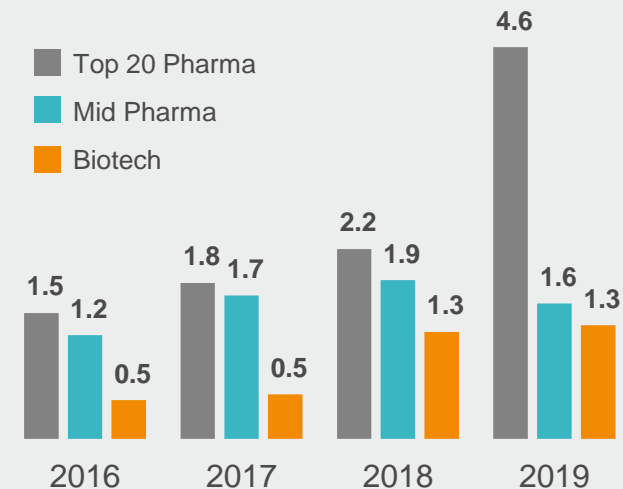
Revenue per FTE (£'000)

£3.4m



- 2018 benefited from PIII HD study
- Growth trend absorbs 35% revenue CAGR
- Growth absorbs FY19 £3.5m study cancellation

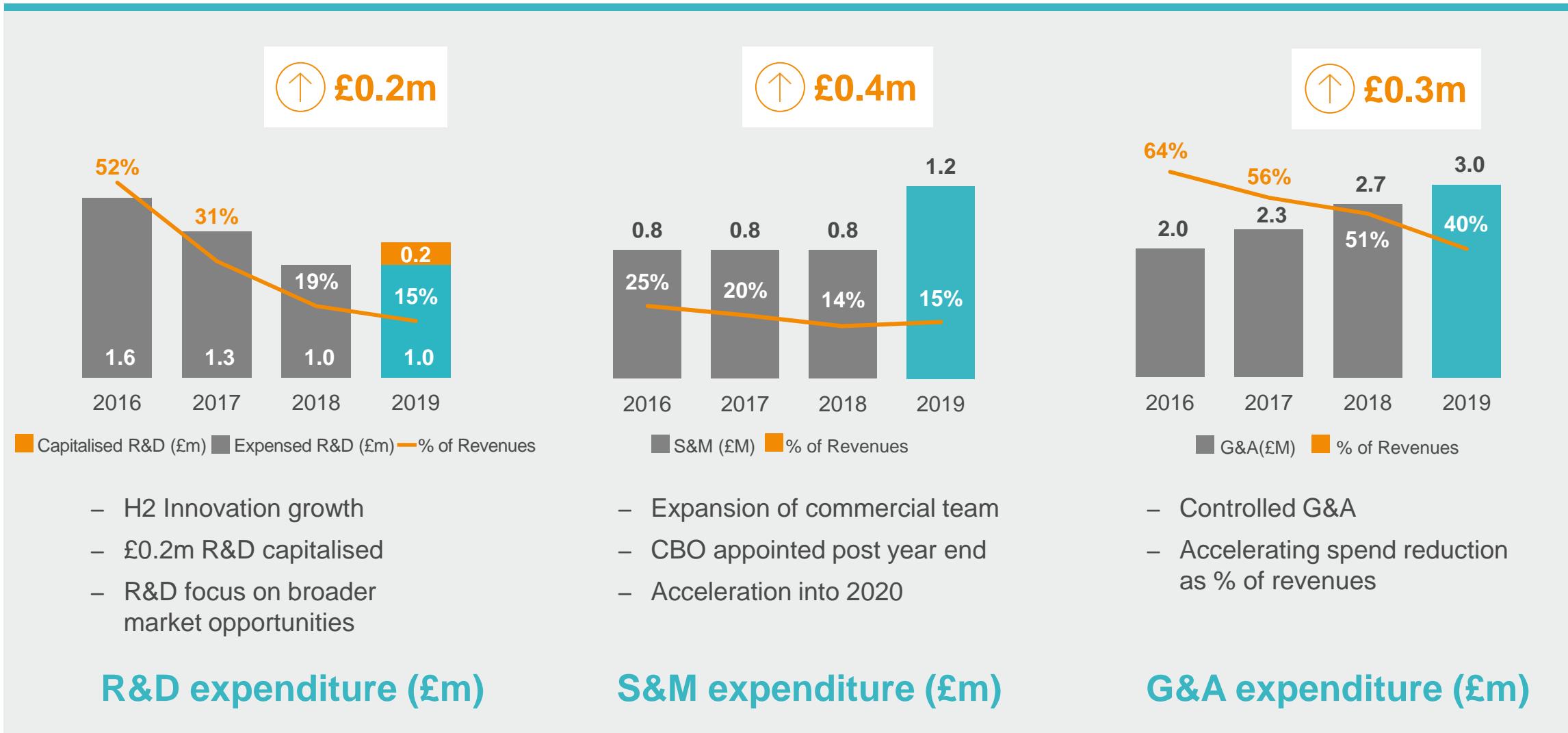
Closing Order Book (£m)



- Strong adoption of IXICO services by Top 20 Pharma across 2019
- Continuing pipeline of Mid-Pharma and Biotech service agreements
- Impact of PIII HD trial

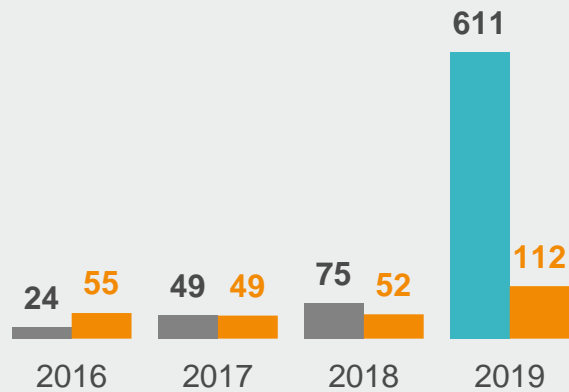
Revenue by client type

Investing for future growth; controlling costs



Strengthening Balance Sheet

↑ £0.5m



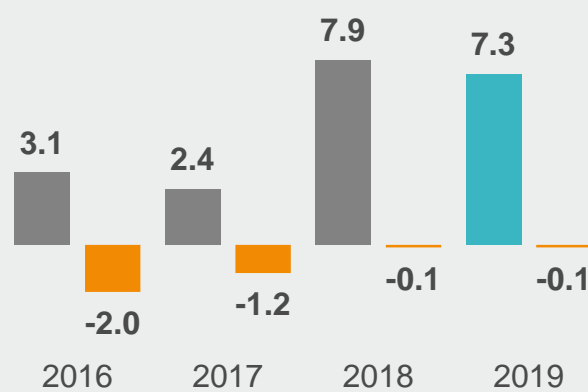
■ Capex (£,000) ■ Depr. (£'000)

- Infrastructure
- Scalability
- Innovation

Capex* -vs- Depr. (£'000)

*Excludes IP

↓ £0.6m

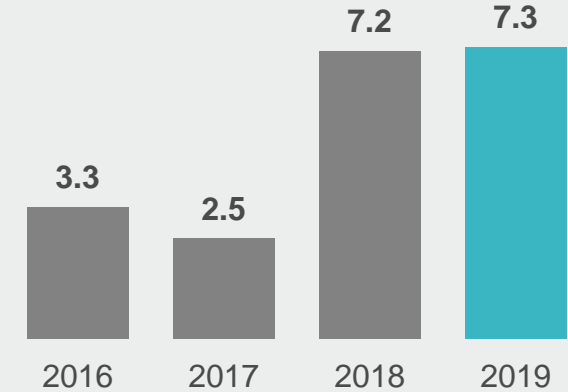


■ Cash (£m) ■ Op Cashflow (£m)

- Stable operating cash
- Capital investments
- Sufficient cash for organic growth plans

Cashflows (£m)

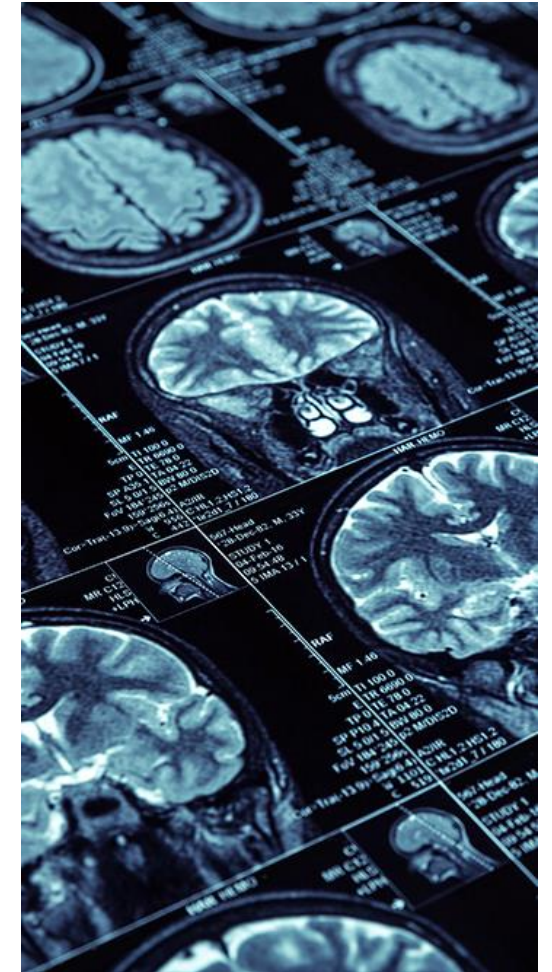
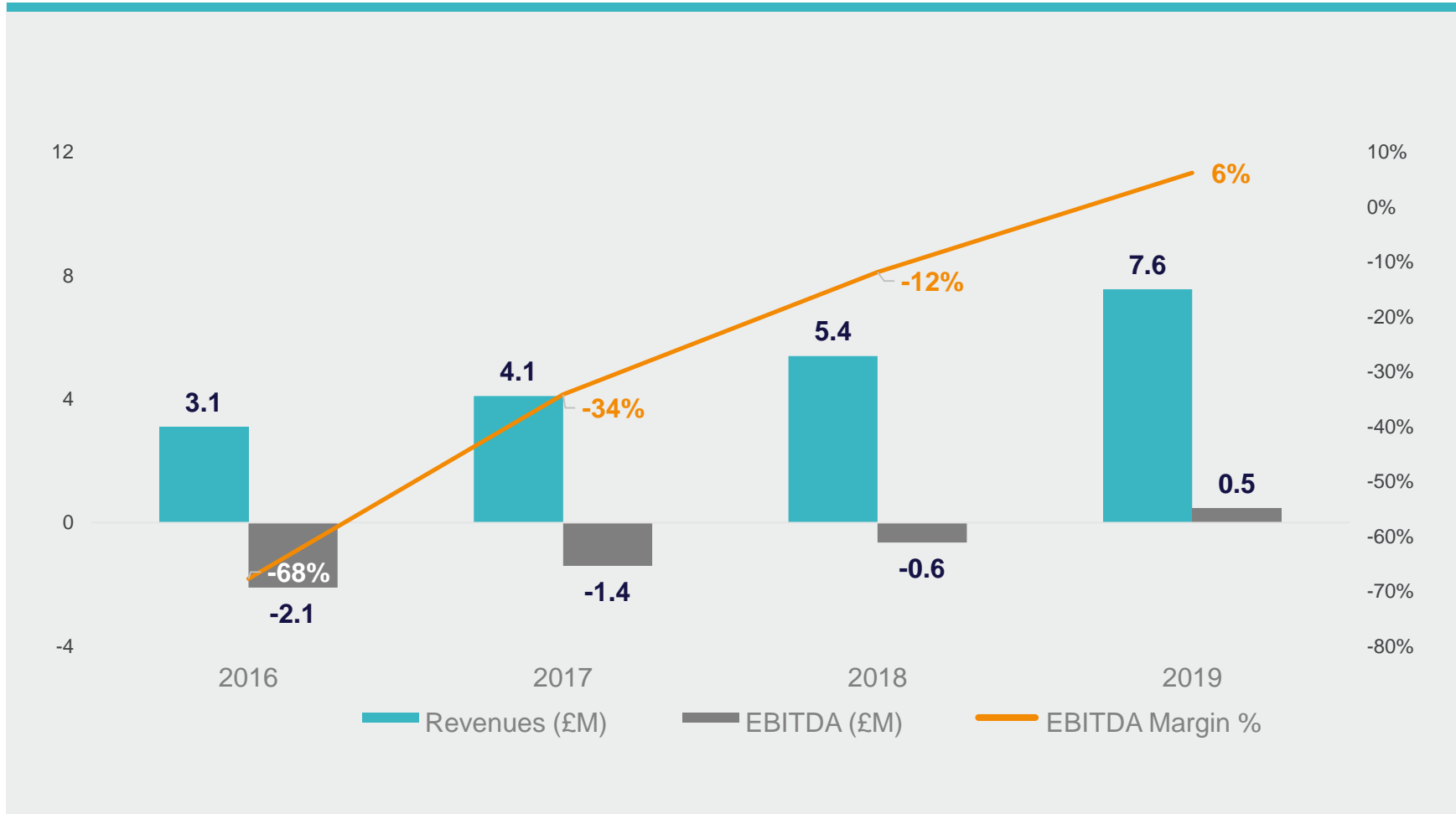
↑ £0.1m



- Growing working capital
- Cash investment offset by reduced liabilities
- Debt free

Working Capital (£m)

3 Year Track Record



Scaling our AI Technology Platform

Giulio Cerroni, CEO

Artificial Intelligence is not new



Artificial Intelligence

Any technique which enables computers to mimic human behaviour



1950's

1960's

1970's

1980's

1990's

2000's

2010's

Machine learning

AI techniques that give computer the ability to learn without being explicitly programmed to do so



Deep learning

A subset of ML which make the computation of multi-layer neural networks feasible



AI has experienced a recent "boom" due to increases in computing power and the availability of large datasets

Leveraging AI is not a differentiator but an essential when dealing with data analysis

Domain know-how and data can create unique value

Unique capabilities combining to create a scalable technology services model

Neuroscience domain knowledge

Dementia



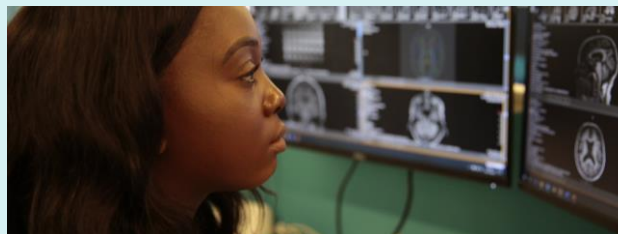
Rare disease



Psychiatry & Mental Health



State of the art technology



AI

Data Platform

Contextualised data

Past and present trials

**Scientific partnerships
Natural history studies**

IXICO-sponsored studies

Future opportunities through investment in AI development & data acquisition

Neuroscience domain knowledge

State of the art technology

Contextualised data

Faster algorithm development cycles allow the ingestion of more data and testing of more hypotheses



Days to hours to test new approach

Greater accuracy through improved models allowing development of more complex biomarkers



25% increase in usable data

Process automation to reduce costs; improving margin and offering greater service levels to clients



New fully automated pipelines in production

Increasing data volumes and diversity



Unique assets to generate greater disease insights and fuel future product development

Summary & Outlook

Giulio Cerroni, CEO

Ready to scale



01

Sixth consecutive reporting period reporting +20% revenue growth.

02

Expanding franchise with blue-chip biopharma client base, driving quality earnings

03

Visibility to future revenues from large contracted order book & strong pipeline

04

Delivering operational gearing and executing operational efficiencies

05

Profitable & well capitalised; continued delivery of sustained, profitable growth



Investing to scale the business for long term value

Appendix

Over a decade of successful commercial application in Pharma

Neuroscience domain knowledge

State of the art technology

Contextualised data

Dementia

- LEAP technology initially developed for AD assessment and established with academic Key Opinion Leaders
- Well-established as automated analysis tool in AD trials
- Reinvigorated pipeline driven by Alzheimer's disease



Rare disease

- Leading position in Huntington's disease trials through early engagement in natural history studies
- Commercial collaboration to develop unique biomarkers for Progressive supranuclear Palsy (PSP) supported later leading position
- Model now being applied to create data and technology assets in other rare diseases



Psychiatry & Mental Health

- Large and growing market with increasing applications for wearable biosensors
- IXICO digital biomarker algorithms successfully deployed on client studies and academic collaborations
- Building new data assets to support technology development



Growth underpinned by 4 pillars of strength



01

A growing portfolio of innovative AI applications

Proven AI technology platform for measuring disease biomarkers



Brain scans analysed

100,000+

02

Adaptive technology in an attractive market

Diverse range of CNS therapeutic areas; across all phases of clinical trials



IXICO qualified imaging sites

2,000+

03

Established central model with global reach

Data analytics model drives automation, scale & operational leverage



Across

50+ countries

04

A decade of delivery

Trusted partner with robust and regulatory compliant operations



Eligibility & safety reports delivered

20,000+

Strategic priorities



01

Build scale

02

International
expansional

03

Market traction

Deepen and broaden
the application of
our technology by
biopharma

04

Innovation

Further develop our
AI technology to
improve clinical
outcomes

05

Collaborations

Leveraging our
biopharma client
access & data
analytics technologies



....to deliver sustained double-digit,
profitable growth

New Institutional Shareholders

Shareholder	Date acquired	No. of Shares	Percentage allocation
BGF Investment Management	May-19	9,354,000	20%
Octopus Investments	May-18	6,708,400	14%
Gresham House	May-18	5,357,100	11%
Canaccord Genuity Group	May-19	5,118,149	11%
Amati Global Investors	May-18	5,031,300	11%
Total major shareholding:			67%



2019 Summary Income Statement:

Revenue growth, margin accretion and profitable



Income Statement	2019	2018	Variance
	£'000	£'000	£'000
Revenues	7,561	5,394	2,167
YoY% Growth	40%	32%	
Gross Profit	4,942	3,173	1,769
Gross Margin %	65%	59%	660bps
Other Income	588	562	26
R&D	986	1,033	(47)
S&M	1,154	754	400
G&A	3,026	2,745	381
Total Opex (ex Depreciation)	5,165	4,532	633
Operating Profit (Loss)	364	(797)	1,161
Net Profit (Loss)	432	(668)	1,100
EBITDA	475	(645)	1,120

Revenue growth

- Broadening range of neurological disease areas
- Across all phases of clinical development
- With leading biopharmaceutical companies

Strengthening gross margin

- Operational leverage & service mix

OPEX

- Increased Opex - investment in building scale & capabilities to drive growth

Overview

- Profitable, tech driven Company, with order book to continue to meet market expectations

2019 Summary Balance Sheet:

Investment in non-current assets and strengthened working capital position



Income Statement	2019	2018	Variance
	£'000	£'000	£'000
Fixed & intangible assets	608	109	499
Current assets	2,829	2,369	460
Cash	7,264	7,861	(597)
Current liabilities	(2,782)	(3,013)	231
Total working capital	7,311	7,217	94
Total net assets	7,919	7,326	593
Share capital and reserves	18,452	18,404	48
Accumulated losses	(10,533)	(11,078)	545
Total Equity	7,919	7,326	593

Fixed & Intangible assets

- Investments in infrastructure, scale and innovation
- Capitalisation of R&D driving commercial growth

Current assets

- Growing revenues driving increases in trade debtors

Current liabilities

- Increased trade payables and accruals
- Reduction in deferred revenues

Overview

- Strengthened balance sheet and working capital position with cash reserves sufficient to fund accelerated investment plans

2019 Summary Cashflow: Capitalised to fund growth



Cashflow	2019	2018	Variance
	£'000	£'000	£'000
Cashflow from operating	(130)	(68)	(62)
Cashflow from taxation	-	423	(423)
Cashflow from investing	(513)	(71)	(442)
Cashing flow from financing	48	5,164	(5,116)
Movement in cash	(595)	5,448	(6,043)
Opening cash	7,861	2,414	5,447
Effect of FX	(2)	(1)	(1)
Closing cash	7,264	7,861	(597)

Closing cash

- £7.3m cash held to support organic growth

Operating cash flows

- £0.1m outflows 2019 aligned with outflows from 2018

Investing cash flows

- Increase in investment in scale & capabilities to drive growth
- Acceleration on investment planned, whilst sustaining and growing EBITDA profitability

Financing activities

- £5.2m Capital raise in 2018 (net of expenses) to drive organic growth
- No further capital required to deliver organic plans