



Proteome Sciences plc

Shareholder Questions & Answers 26 June 2020

The following questions were submitted by Shareholders prior to the Company's AGM held at 11 am on 26 June in a closed session due to COVID-19 restrictions. They have been put into appropriate categories and similar questions amalgamated.

Licenses

Q. How will the Company benefit from use of TMT[®] in COVID-19 research and clinical testing?

A. We have licensed the exclusive rights to sell TMT[®] and now TMTpro[™] reagents to Thermo Scientific. We receive payments for tag supply and royalties on subsequent sales of kits by Thermo Scientific. Whilst research into COVID-19 using TMT[®] has gained a lot of media attention, it represents a small percentage of the total global use of these reagents and we do not expect it to have a material affect on the revenues received from Thermo Scientific. If TMT[®] or TMTpro[™] are used in a commercial clinical test, the manufacturer will need to obtain specific licenses from Thermo Scientific, and Proteome Sciences will receive a percentage of the associated fees. Due to the confidential nature of our license with Thermo Scientific we cannot provide further details.

Q. When will the Randox stroke test obtain CE marking?

A. Proteome Sciences is not able to disclose confidential information relating to the development of products by its licensees. However, we are aware that all clinical trial activity other than that relating to coronavirus testing was paused during the peak of the COVID-19 pandemic and this will have delayed the completion of the stroke test trials.

Q. Can the Company provide more details on its licensing deal with Galaxy CCRO, including the level of equity received?

A. The financial terms of the license are confidential and we cannot provide specific details on the equity we received as an upfront license fee. However, we are a major shareholder of Galaxy CCRO and stand to receive multiple development milestones along with running royalties on sales of commercial tests using our stroke biomarkers.



Q. How is the Company looking to derive further value from its extensive patent portfolio?

A. We have been actively managing our portfolio, balancing commercial potential against the ongoing prosecution costs and remaining patent life. We will continue to follow this prudent approach and continue to promote our intellectual property through a range of channels including direct marketing and more generally during trade shows and conferences.

Q. Does clusterin have a role as a biomarker in Alzheimer's disease and what is the status of the clusterin assay?

A. Clusterin is a complex protein and we have identified over 40 different forms in human blood. Depending on how it is measured, clusterin levels in the blood of Alzheimer's patients can appear to increase, decrease or remain unchanged relative to healthy controls. Because of this heterogeneous performance, we selected only 8 of the 40 different forms of clusterin to develop our targeted mass spectrometry assay. We are currently assessing the test performance in a cohort of Alzheimer's and control individuals and will work with our clinical partners to finalise this and report to shareholders in due course.

Q. How has TMTpro™ performed in the marketplace since its release

A. The introduction of TMTpro™ in the summer was strongly anticipated by major TMT® users and we have seen a strong uptake in this area. The increased plexing rate and consistency of user experience have been the main drivers for switching, and puts TMTpro™ significantly ahead of similar technologies currently available. We also sense there is growing appreciation of the value of unbiased proteomics and the ability to multiplex samples using TMTpro™ is seen as an important factor in performing such experiments in large cohorts of clinical samples to enable biomarker discovery and drug development.

Biomarker Services

Q. Who are you working with in the UK and abroad?

A. We work with a wide range of businesses, predominantly based in the UK, Europe and North America. In general, we are not permitted to publicise these relationships though in the last few years we have published results from studies performed with Pliant Therapeutics and Cognition Therapeutics, both US-based pharmaceutical companies. In 2019 around three-quarters of our service business was performed with US companies with the remainder being UK/European businesses. We also have



some ongoing academic relationships funded through national and European grants, as well as academic customers. We are particularly pleased to have increased the amount of repeat business we are generating, as well as the growth in requests for quotes from new customers.

Q. What has happened to the Company's presence on social media platforms such as Twitter?

A. We have previously explored the value of different social media platforms including Twitter and LinkedIn but these were not cost-effective methods of communication based on the level of feedback we received. Managing content is labour-intensive and requires regular new material to maintain high rankings and we concluded that resources would be better allocated to more immediate business-to-business communications. We regularly review this within the Company and will look to allocate resources to it when a compelling business case is identified.

Investor Relations

Q. Can you provide a clear outline of plans for growth and engagement?

A. We have set out our plans for growth in the Annual Report & Financial Statement. In 2017 we started a process of re-focusing the business around contract services for pharmaceutical and biotechnology companies delivered through our laboratory in Frankfurt. That process was effectively completed in the first quarter of 2019 and we have seen benefits in terms of steady growth of service revenues in the last 2 years and a very positive trend in orders booked in 2019. We continue to execute this strategy with further improvements in both revenue and orders for the first five months of 2020. This growth is being driven by expansion of, and consistent reengagement with our customer base through increasing direct sales activity. Engagement with Shareholders will continue to be through appropriate trade updates and regulatory announcements such as the forthcoming interim financial report for the first half of 2020. We will also look at options for holding a Shareholder meeting later in the year, subject to this being safe and economically viable to organise.

Q. What are your plans around public relations to improve promotion of the Company?

A. We review the potential benefit to the Company of engaging external PR/IR support regularly and will continue to do so. Our goal is to invest in such services when we feel they will be of benefit to Shareholders and our wider stakeholder community. Over the last 3 years we have been focused on improving communication with our customer base and this has been successful in increasing the level of interest, orders and service revenues. We are also committed to ensuring Shareholders have timely



access to key corporate information and work with our Nominated Advisors to ensure we provide appropriate information as required by our listing on AIM.

Q. How does the Company plan to reward investors?

A. In 2019 we achieved our first profit after tax through regular operations. The Board is working to ensure this can be maintained and the level of profitability increased. The recent events around COVID-19 have significantly affected many businesses, but we have worked closely with our dedicated workforce to ensure we have been able to meet our customer needs throughout the lockdown.

Q. Are there any collaborations or interest from other companies for mergers or acquisitions?

A. We have had a long-term collaboration on the TMT[®] and TMTpro[™] reagents with Thermo Scientific. Outside of this, the Board regularly reviews options to add shareholder value through collaborations, mergers or acquisitions as appropriate.

Q. When will a new CEO be appointed?

A. We are proceeding with the recruitment of a new CEO and will update Shareholders when an appointment has been made. The process has necessarily been impacted by the COVID-19 pandemic and associated travel restrictions.