



# Annual Shareholder Meeting

September 24, 2024



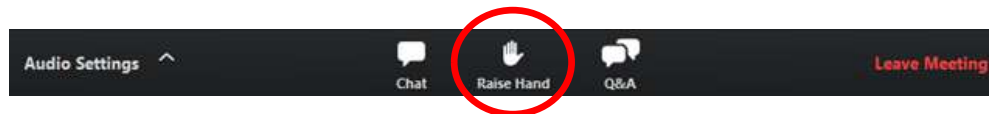
# Agenda

1. **Welcome**
2. Management presentation
3. Resolutions  
*Meeting ends*
4. Environmental product demonstration

# Instructions for Online Attendees

## Asking a Question - Voice

1. In the Zoom control panel, attendees will see an option to raise their hand. This panel may be in a different location depending on the device you are using to connect to the event, but it is usually at the bottom of the window.



2. The facilitator will unmute the shareholder who has requested to speak and the shareholder will get a prompt to confirm if they want to unmute or stay muted. Please note that while unmuted shareholders can be heard, they cannot be seen due to limitations of the Zoom webinar platform. The name of the person speaking will be highlighted.

## Asking a Question - Text

1. Questions can be submitted through the Q&A section on your screen.



2. The facilitator will pass the question on to the relevant person to answer the question, who will read aloud the name of the shareholder, the question and then proceed to the answer. Individually submitted questions will not be seen by other shareholders.

# Agenda

1. Welcome
2. **Management presentation**
3. Resolutions  
*Meeting ends*
4. Environmental product demonstration

# FY24 Financial Results

## FY2024 Financial Summary – P&L

NZD	FY2023	FY2024	B/(W)
Total Revenue	\$17.3m	<b>\$26.2m</b>	\$8.9m
Gross Profit	\$5.3m	<b>\$12.7m</b>	\$7.4m
Gross Margin (%)	34%	<b>48%</b>	13%
Sales & Mktg, PD, Admin	\$13.4m	<b>\$13.2m</b>	\$0.2m
Other Operating Expenses	\$7.4m	<b>\$9.3m</b>	(\$1.9m)
Finance Costs	\$0.7m	<b>\$1.2m</b>	(\$0.5m)
Significant Impairment	\$2.5m	-	\$2.5m
NPBT	(\$18.2m)	<b>(\$10.4m)</b>	\$7.8m

### Comments

- Instrument Revenue of \$16m, increase of 82%
- Service Revenue of \$10.2m, increase of 20%
- Sales & Marketing, PD, and Admin net decrease driven by:
  - \$1.2m cost reduction in Product Development
  - \$0.9m increase in Sales and Marketing costs
- Other Operating Expense increase driven by:
  - \$1.1m increase in Depreciation & Amortisation
  - \$0.8m increase in FX losses
  - \$0.6m increase in Professional Services (EC M&A, Convertible Note costs)
  - \$0.6m decrease in Employee Share Scheme costs
- No impairment in FY24. FY23 Impairment relates to development costs





## Cost Reduction Initiatives – FY23 – FY25

- Backing out all non-cash and non-recurring expense year over year, the cost actions we have taken over the past two years will yield the following results:
  - Product Development – 49.4% Decrease
  - Admin & Other – 11.1% Decrease
  - Sales & Marketing – 6.0% Decrease
  - Total Operating Expenses – 27.8% Decrease
  - Production Labour – 28.8% Decrease

## FY2024 Financial Summary – Balance Sheet

NZD	FY2023	FY2023	Mvmt	Comment
Working capital	(\$0.5m)	<b>\$7.2m</b>	(\$7.7m)	<ul style="list-style-type: none"> <li>Working capital decrease primarily driven by:                             <ul style="list-style-type: none"> <li>Current debt increase - \$4.1m (\$3.1 O/D; \$1m net increase in current portion of term loan)</li> <li>Trade payables increase - \$3.1m</li> <li>Net current lease liability increase - \$0.3m</li> <li>Inventory decrease - \$0.8m</li> </ul> </li> </ul>
Non-current assets	\$29.4m	<b>\$29.5m</b>	\$0.1m	<ul style="list-style-type: none"> <li>FY23 restated for Deferred Tax Asset write-off</li> </ul>
Non-current liabilities	\$8.5m	<b>\$5.2m</b>	(\$3.3m)	<ul style="list-style-type: none"> <li>\$2.1m Term Loan moved to Current</li> <li>\$1.0m in Non-current lease liabilities moved to current</li> </ul>

CONFIDENTIAL

# History





## *A perspective on the challenges*

- FY23 saw investment for growth
  - Ampersand investment for Life Sciences and to support existing business
    - App Development of Life Sciences-specific compliance software
  - Product Improvement for semiconductor to meet customer expectations
    - Stability, sensitivity and selectivity
  - Platform consolidation into a single product
- However, downturn in semi caused customers to hold buying decisions
  - 80% of revenue from 2 major customers, but expectations of sales remained high
  - Syft continued to invest in product development
  - Over-invested in long lead-time parts which led to slower-than-planned production inventory reductions

## Reset

- FY24
  - Restructure for lowered expectations
  - Capital raise – convertible note
  - Life Science product launch November 2023, production-ready early CY 2024
- Revenue diversity improved significantly, however sales remained substantially below expectations
  - Revenue up 50% to \$25.6
  - Still overweight in inventory
  - Board met weekly to review cashflow and pipeline
  - Life Sciences proved difficult to displace incumbents as this market experienced funding challenges
  - Most major public instrument companies, e.g. Thermo Fisher, Agilent, Waters provided negative revenue results

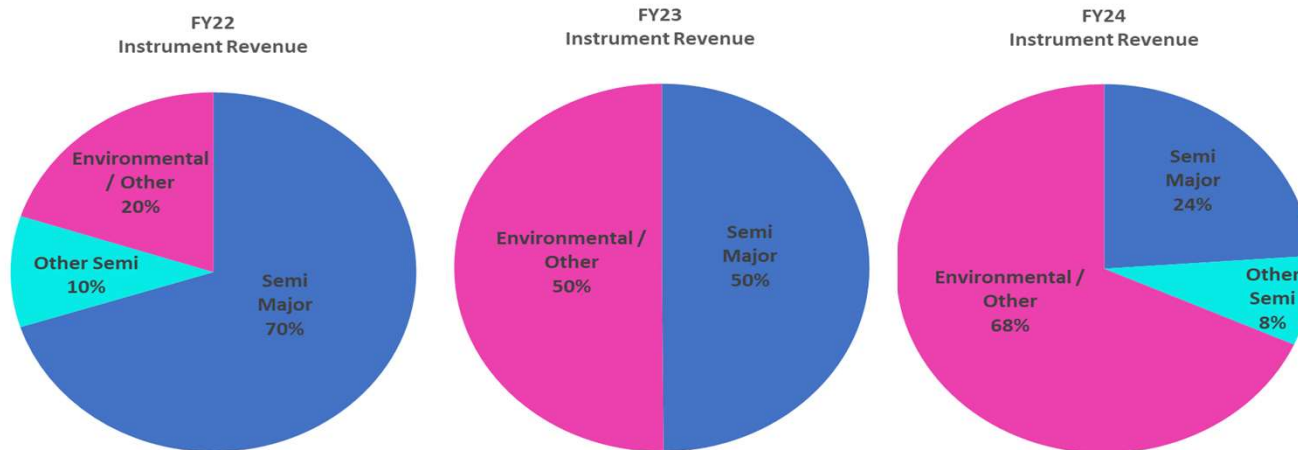
## Reset 2

- FY25
  - Cost base being set for downside revenue scenario
    - Overweight inventory working through
    - Sub-lease part of ChCh facility
    - Strong focus on expense management across the company
  - Semicon and Environmental and Air Quality priority target market focus; Life Science early adopter cultivation in a tougher-funded segment
    - Since mid CY 2022-Present a nearly unequalled nadir in biopharma VC, IPO and follow-on funding - Major Pharma has compressed R&D CAPEX funding
  - Service and support revenue continuing to increase providing annuity revenues
  - Capital raise needed for short-term working capital
    - Board and exec commitment to ensure the company builds and protects shareholder value underpinned by conservative revenue projections.

## Summary

Many large public instrument providers have been transparent that their mass spec system sales were down double digits in 23 V 22 and their 1H 24 results had mass spec sale down mid double-digits V 23 (a poor comp).

In this environment Syft grew 50% in FY 24 and seeks to regain FY 22 sales levels with more diverse revenues, a leaner fixed cost base, ensuring cash generation at baseline conservative levels



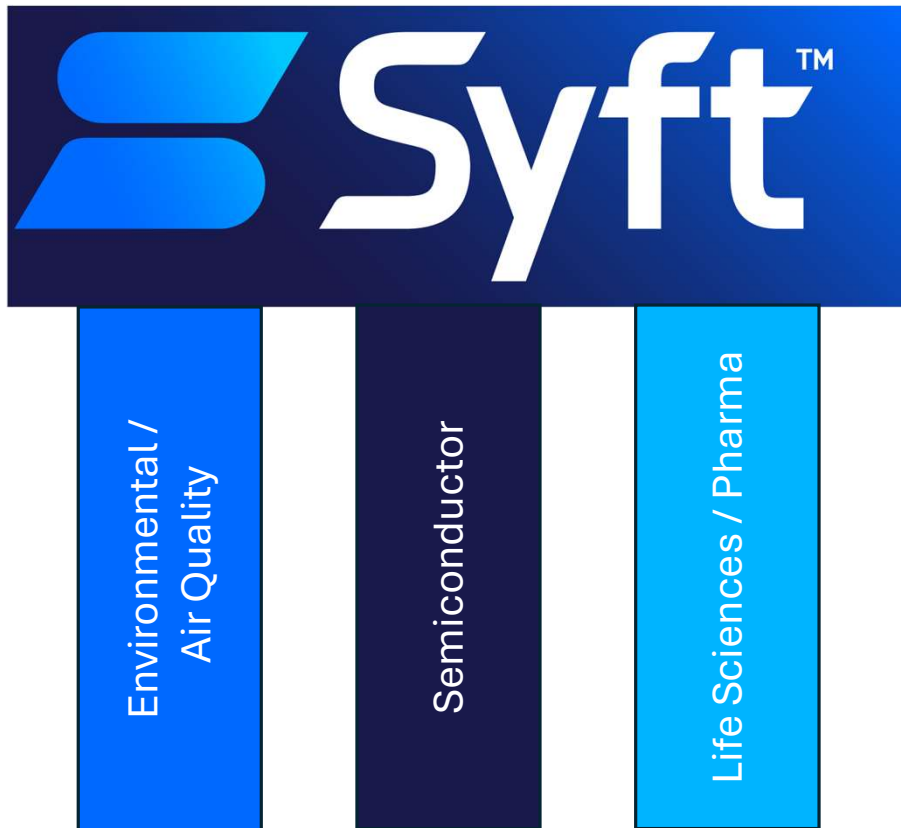
CONFIDENTIAL

# Target Markets





## *Syft's three pillars*



Our three key pillars are important to balance organizational risk and diversify our revenues.

They are at 3 different stages of maturity

- Environmental and Air Quality – added as a key pillar - established in a niche, expanding globally
- Semiconductor – established solution with over 130 instruments installed
- Life Sciences – initial development complete – seeking beachhead customers

***Be the market leader in the markets we choose to serve***



## *Key Strategic Moves*

1. Secure **the US Environmental Reference**, as a basis to leverage global brand credibility and awareness
2. Be the **leading AMC monitoring solution** for Samsung and Micron
3. Develop a **key Semi channel partner** in the US to build brand presence and penetrate the market
4. Secure **Life Sciences beachhead customers**, via a **Top-Down** sales approach into the sector

## *Environmental and Air Quality*

**Building upon our success in Korea we have traction in the US with key opinion leaders in global air quality monitoring.**

**We will leverage our key reference customer relationship to drive both horizontal adoption (in Europe and other places) as well as adoption into regional US authorities and commercial users.**





# *Environmental and Air Quality – Targets and sub-markets*

## **Industrial Environmental Monitoring**

This is Syft's primary market. It includes monitoring toxic emissions that are hazardous to the environment or human health. Syft has a history of success here and the system design and sensitivity make these assays robust.

This includes stationary and mobile systems to respond to emergency events, conduct fence-line monitoring, monitor odour complaints, and support environmental justice. Our users are both regulators and emitters.

We will target national governing bodies and those private companies contracted to do that work, plus local government authorities.

## **Land Remediation**

This is the secondary market with an expected growth potential that includes superfund sites where environmental analysis is needed to maintain safety of workers and conduct characterisation work.



## ***Semiconductor - Current Situation***

- We are still in a stable position with current Semi customers but with increasing competitive pressure.
- Syft intends to defend its position in major accounts, penetrate new accounts in new geographies, pursue channel partnerships, and build recurring revenue via service contracts
- Recent sales into Japan and demonstrations in Taiwan and Japan attest to the success of this strategy
- We have tech refresh and new fab build opportunities with existing customers .....but we will need continued product improvement
- We are seeking a channel partner to penetrate the US market

## *Semiconductor - Target Markets and Adjacencies*

- Our Semi target market is majority cleanroom dominated defined as an Airborne Molecular Contamination (AMC) solution, excluding fence line and wastewater monitoring (environmental app).
- AMC cleanroom is the combination of where our technology solves their problems and where there are large installs. <25nm track size, Memory vs Foundry
- Expansion plan for Semi market also includes **adjacent cleanroom applications**; display and battery manufacturing.



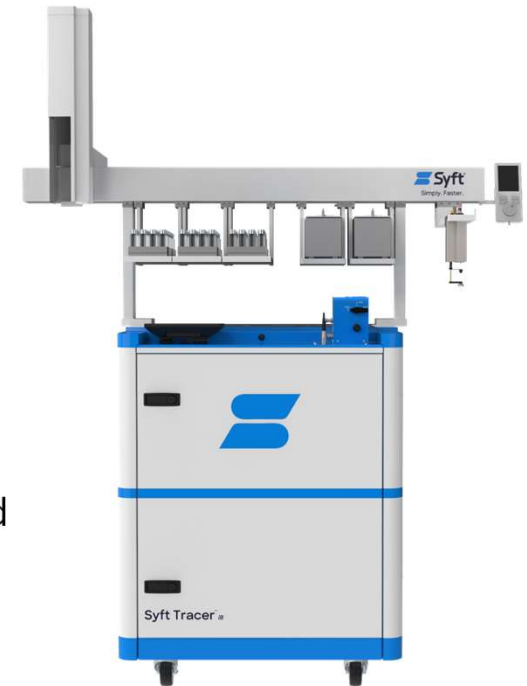
## Life Sciences

We have focused Life Sciences on Pharma and CDMO (Contract Development and Manufacturing Organizations), where the use cases for many customers share similar needs.

It is a developing market due to incumbent kit/CAPEX investments and a high justification bar to displace existing methods

This is exacerbated by the transitory pharma/biopharma funding challenges

Priority is to engage with senior executives as they have the influence to drive uptake despite these concerns. These conversations will also help us better understand our value proposition and look for the easiest place to get a toe-hold.



CONFIDENTIAL

# Product update and progress





# Product

Three key areas of focus:

- **Stability**
- **Sensitivity**
- **Selectivity**

## History of Delivery – FY 2023

Main points:

- “One stable flexible platform”
- Stabilising the semiconductor relationships.
- Initial entry point of a USP approved RSA application with a non-21CFR11 compliant product.



One stable flexible platform  
2022

<b>Initiative</b>	<b>Date Completed</b>	<b>Description</b>
Platform Consolidation	June 2022	All products build from one core technology simplifying the product and Operations.
Platform Stability (T1/2)	May 2022 and March 2023	Critical improvements to achieve “One stable flexible platform”.
Semiconductor App Development	Ongoing, significant in 2022.	Land current customers as happy customers. Updates to customer method, improvements to customer software.

## History of Delivery – FY 2024

Main points:

- Commercialising “one stable flexible platform”
- Launched our 21CFR11 compliant product for Life Sciences/pharma

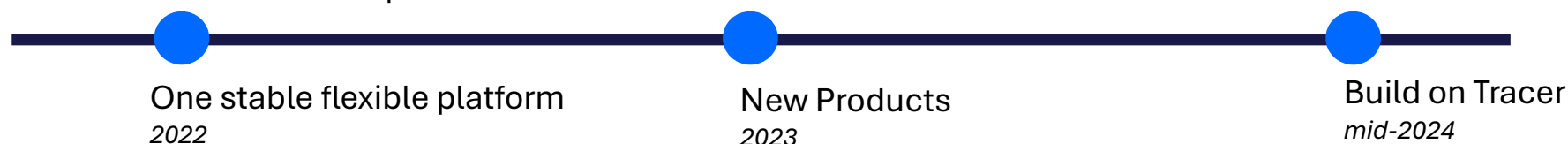


Initiative	Date Completed	Description
Tracer	August 2023	Commercialising significant core technology development in a customer product with new brand.
Tracer Pharm11	September 2023	Launched our first 21CFR11 Life Sciences product. Major CDMO collaboration
SafetySure/ ContainerSure	November 2023	Re-launched our ContainerSure product that includes an Analyser targeting Health and Safety applications.

## History of Delivery – FY 2025

Main points:

- Continue to launch new products targeting Sales expansion.
- Increase cadence of Applications release.
- Secure our future tech platform.



Initiative	Date Completed	Description
Syft Explorer	April 2024	Mobile Tracer product with onboard facilities.
Platform Assembly	May 2024	Simplification of BoM to reduce Operational complexity.
Customer Demo	July 2024	Onsite demonstration of the HPA.
SyftEnviro	August 2024	Our first dedicated Environmental product that geospatially maps SIFT-MS results.
Nitrosamines – stage 1	August 2024	Proof of concept applications development to show we can complete nitrosamines analysis.
HON/NESHAP	August 2024	Applications development to prove we can complete an EPA regulated workflow.

# Summary - What have we done in FY 25?

## Markets

Renewed focus on Environmental and Air Quality

- SyftEnviro software with geospatial mapping
- HON Applications development

Exploring partnerships in Semiconductor in US

Engaged Life Sciences Commercial exec to drive top-down engagement

## Products

Next Generation hardware development

- Improved sensitivity and selectivity
- High Performance Analyser (HPA) under development
- New sampling products

## Operations and Finance

Operational efficiency

- Hired new CFO
- Cost reduction focus
- Inventory reduction focus
- Sub-lease of premises

# Q&A

# Agenda

1. Welcome
2. Management presentation
3. **Resolutions**  
*Meeting ends*
4. Environmental product demonstration

## Resolution #1

***“That the continuation in office of PricewaterhouseCoopers as auditor of the Company be recorded and that the Board be authorised to fix the auditors fees and expenses for the period from 1 April 2024 to 31 March 2025.”***



## Resolution #2

***“That Michael Bushell, who retires by rotation and has offered himself for re-election, be re-elected as a Director of the Company.”***

## Resolution #3

***“That Kathryn McGrath, who retires by rotation and has offered herself for re-election, be re-elected as a Director of the Company.”***

## Resolution #4

*“That Bevan Hugh Wallace be appointed as a Director of the Company.”*

# Thank you

Simply. Faster.

