18 April 2023

Microsaic Systems plc

("Microsaic" or the "Company")

DeepVerge plc ("DeepVerge") debtor

Further to yesterday's announcement by DeepVerge[1], Microsaic (AIM: MSYS) notes that material sums are owed by DeepVerge group companies to Microsaic, totalling approximately £1.4 million as at today's date which largely relates to the supply of goods and services recognised as revenues for the financial year ended 31 December 2022 ("FY22"). The balance outstanding has reduced from approximately £1.5 million at 31 December 2022 following receipt of certain payments from DeepVerge.

A settlement plan has been proposed by DeepVerge to Microsaic, the terms of which are substantially agreed subject to clarification in respect of suitable potential security for the balances due. DeepVerge has made an initial payment in line with that plan, the value of which exceeds £0.1 million. In addition, Microsaic has continued to supply services to DeepVerge during 2023, and all amounts arising during the current financial year continue to be received by Microsaic under normal 30-day terms, in line with commercial agreements between the two parties.

Microsaic has cash of £0.8 million as of 17 April 2023 and is due to receive R&D tax credits in respect of 2021 and 2022 totalling circa £0.5 million, as well as the outstanding DeepVerge balance of £1.4 million. Although the first quarter of trading in the current year has started slowly, Microsaic has a growing sales pipeline currently worth in excess of £2 milllion, over 90% of which is from customers or distribution channels other than DeepVerge. This reflects the continual sales effort to cultivate and expand the Company's relationships with current customers, while also actively pursuing new business opportunities. A mixture of prospective repeat sales and new revenue streams are therefore expected to support Microsaic's continuing sales progress in 2023 and beyond.

Microsaic expects to release its audited financial results for the year ended 31 December 2022 (the "FY22 Results") during the first half of May 2023. The phasing and quantities of receipts from DeepVerge in relation to this historic commercial debt will be subject to further discussion with the Company's auditors, and appropriate disclosures will be included within the FY22 Results.

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Market Abuse Regulation (MAR) Disclosure

This announcement contains inside information as stipulated under the UK version of the market abuse regulation no 596/2014 which is part of English law by virtue of the European (withdrawal) act 2018, as amended. On publication of this announcement via a regulatory information service, this information is considered to be in the public domain.

About Microsaic Systems

Microsaic floated on AIM in 2011 to develop and commercialise micro-engineering chip-based mass spectrometry equipment. Having invested c. £30m over 20 years of development, Microsaic has a robust and innovative patent portfolio in cutting-edge technology designed and developed for "Industry 4.0" application. Microsaic serves markets in Human Health, Environmental Health and Diversified Industries. Microsaic's system solutions enable analytical detection and characterisation at the point-of-need, whether within a conventional laboratory setting, or within a bioprocessing facility for continuous MS detection data at multiple steps in the process workflow.

Microsaic's products and systems are commercially available through global markets via a network of regional and local partners, targeting its core laboratory, manufacturing and point of need applications.

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[1] https://www.londonstockexchange.com/news-article/DVRG/2022-revenue-update-revision/15917630

information, please contact rns@lseg.com or visit www.rns.com.

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