

26 June 2023

Microsaic Systems plc
("Microsaic" or the "Company")

DeepVerge: debtor update

Microsaic (AIM: MSYS), notes the statement issued by its customer and partner, Deepverge plc ("Deepverge") today and provides the following update.

As announced on 18 April 2023, approximately £1.4 million of overdue trade receivables were owed by DeepVerge to the Company on that date. Following further receipt of payments and Microsaic equipment from DeepVerge, this amount has further reduced to approximately £1.35 million as at 31 May 2023.

As of the same date, the Company had not less than £0.65 million in cash and on deposit, with no bank borrowings. The Company continues to meet its obligations as they fall due and expects to notify, later this week, its accounts for the year-ended 31 December 2022 with the financial statements having been prepared on a going concern basis.

The Directors believe that, after a slower start to the year, the Company's growth plans and sales pipeline prospects offer a cautiously optimistic outlook, with the pipeline having grown substantially since the last update on 18 April 2023, excluding any prospective revenue from current DeepVerge related contracts or prospects. Notwithstanding this, the conversion of that pipeline and the speed and scale of revenue generation is uncertain, as is the timing of collection of expected R&D tax credits totalling £0.2 million. In the event of no further reduction in the debtor balance owed to the Company by Deepverge, which seems likely given their announcement made today, Microsaic will need to raise further working capital during Q3, 2023.

A further update will be provided in the results statement being issued later this week, including in relation to current trading, outlook, funding strategy and the adoption of a going concern basis for the full year accounts.

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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 (www.microsaic.com)

Microsaic listed on AIM in 2011 to develop and commercialise micro-engineering chip-based mass spectrometry equipment. Having invested £30m over the last 20 years before and after the IPO, Microsaic has a robust patent portfolio in cutting-edge technology purpose built for "Industry 4.0" which enables analytical detection and characterisation at the point-of-need, whether within a human health environment, conventional laboratory setting, or within a bioprocessing facility for continuous mass spectrometer detection and monitoring of data at any step 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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