

3 November 2023

**Microsaic Systems plc**  
("Microsaic" or the "Company")  
**Funding and operational update**  
**Intention to delist**

The Company announced on 26 and 29 June 2023 that it was likely that the Company would need to raise further working capital in Q3 2023. On 25 September 2023, Microsaic further announced that it was evaluating alternatives including discussions with several parties about strengthening the balance sheet with the aim of concluding a fundraising within its extended runway to mid-November.

Despite a number of expressions of interest, none of the discussions have reached a successful conclusion with the current cost base. The Company has therefore begun a very significant cost reduction exercise, including regrettably a consultation period with employees which is likely to result in all staff being made redundant with effect from 3 December 2023.

The cost reduction process is, however, expected to result in the Company remaining as an operating business, with access to sufficient resources (including external contractors) to maintain production of the current mass spectrometer machines and the continuation of existing trading relationships. Ongoing activities are expected to include recently redesigned ProteinID technology which has undergone internal testing ahead of commercial field trials, and which the Company now expects to bring to market through a partnership approach in 2024.

The cost reduction plans include the Company's intention to cancel admission to trading of its shares on AIM ("Delisting"), subject to shareholder approval at a general meeting, notice of which is expected to be published as soon as reasonably practicable. This action is being taken to minimise costs and preserve cash resources in the continuing business. The Company will continue to meet its obligations under the AIM Rules for Company until cancellation has taken effect. The Company is also exploring alternative 'matched bargain facilities' to enable investors to trade in its shares following the intended Delisting, although the timing for implementation and details of operation of such a facility are not yet known, and the facility could, if implemented, be withdrawn in future at the Company's discretion.

Microsaic expects that the cost reductions being made will enable it to publish its annual report and accounts for the year ended 31 December 2022 ("FY22") on a going concern basis, although the timing of this is imprecise and remains subject to audit sign-off. As a result of this uncertainty and the additional costs associated with concluding the FY22 audit and with publishing interim accounts to June 2023 as a publicly quoted company, the Company does not currently consider that it will be in a position to seek reinstatement to trading of the Company's shares on AIM in before the Delisting occurs.

The Company will continue to seek additional capital as a private company, both to support working capital needs and potentially also to support growth initiatives. To the extent possible, Microsaic would consider mechanisms to allow existing shareholders to participate in such fundraising event(s). Alternate transactions including business combinations, joint ventures and licensing arrangements would also be considered.

As at 1 November 2023, the Company has cash in the bank of approximately £160k with no debt, and continues to meet its obligations as they fall due. Further information on the effects of the proposed Delisting on the Company and its implications for shareholders will be provided in the circular being prepared to give notice of the general meeting ("GM") required to give effect to the Delisting (the "Circular").

Bob Moore, Executive Chairman, commented: *"The decision to embark on these radical cost reductions has been very difficult, but is the only way to ensure the continuation of the Company and seek to return any value in the future from the significant investment of time and money since the Company was founded. The Board is grateful for the contribution that all staff have made to the development of the Company and our new technologies and services, particularly during the current difficult period."*

Further announcements will be made as appropriate.

The following indicative timetable for cancellation should be taken as a guide, with confirmation of expected dates to follow in the Circular.

Publication of the Circular online (and posting in hard copy)	8 November 2023
GM to approve the Delisting	24 November 2023
Effective date of cancellation from Admission via Dealing Notice	4 December 2023

Executive Chairman

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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 Union (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. The above-named director takes responsibility for the release of this announcement.*

#### **About Microsaic ([www.microsaic.com](http://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. Microsaic is an innovative company. Most recently the Company has developed an Acrylamide detector for use in the food industry and a ProteinID detector for the biopharma industry that will greatly reduce the manufacturing wastage costs by early detection of expensive product failure throughout the biopharmaceutical drug manufacturing process. For environmental monitoring, Microsaic has developed a method to analyse perfluoroalkyl- and polyfluoroalkyl (PFAS) substances, otherwise known as 'forever chemicals' using its mass spectrometer. This equipment can analyse water samples and determine whether PFAS concentrations are above legal thresholds with novel mobile testing capability. All of these new products are at the final stage of development and expect to be released to the market in 2024.

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