FY2018 AGM
We delivered record results in FY2018

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenue</td>
<td>$12.4m</td>
<td>▲ 50%</td>
</tr>
<tr>
<td>Instruments Sold</td>
<td>37</td>
<td>▲ 32%</td>
</tr>
<tr>
<td>Average Instrument Price</td>
<td></td>
<td>▲ 21%</td>
</tr>
<tr>
<td>Recurring Revenue</td>
<td>$1.9m</td>
<td>▲ 23%</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>$1.1m</td>
<td>▲ 44%</td>
</tr>
</tbody>
</table>
## More detail on accounts

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gross Margin</strong></td>
<td>56%</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td>6.9m</td>
<td>▲ 60%</td>
</tr>
<tr>
<td><strong>Income Tax Expense</strong></td>
<td>(2.3m)</td>
<td>▲ 455%</td>
</tr>
<tr>
<td><strong>Net Profit</strong></td>
<td>$3.3m</td>
<td>▲ 190%</td>
</tr>
<tr>
<td><strong>Cash</strong></td>
<td>$5.5m</td>
<td>▲ 361%</td>
</tr>
<tr>
<td><strong>Net Current Assets</strong></td>
<td>$11.3m</td>
<td>▲ 194%</td>
</tr>
</tbody>
</table>
## More highlights

<table>
<thead>
<tr>
<th>Highlights</th>
</tr>
</thead>
<tbody>
<tr>
<td>We raised $7.5m giving us the resources to increase our rate of growth</td>
</tr>
<tr>
<td>New CFO – Nicole Robinson</td>
</tr>
<tr>
<td>New People Manager – Caro Esterhuizen</td>
</tr>
<tr>
<td>Due to ongoing success we will employ a Senior Sales Manager and Operations Manager</td>
</tr>
<tr>
<td>Opened offices in Germany, South Korea, and United States</td>
</tr>
<tr>
<td>Large scale customers that continue to order. Many new large scale customers</td>
</tr>
</tbody>
</table>
Our most valuable asset is our people

- Recruiting focus:
  - Senior Sales Manager
  - Operations Manager
  - Senior Technical People
  - More sales staff

- Develop more robust structure in HR
  - More structured review process with metrics
  - Proper reporting structures
  - Remuneration benchmarking
  - Training
  - Syft Global

![Full Time Staff Graph]

![Pie Chart: 29 Different Nationalities]

NZ born | Foreign Born
We are introducing more robust structure in accounts

Syft is rapidly increasing in size resulting in a much more complex business. As a result we are improving our internal processes and structure.

- **Introduced new NAV accounting system:**
  - Better inventory control
  - Robust enough to deal with the size of business

- **Introduced more robust structure in accounts:**
  - More metrics for better cost control
  - Cost reduction through better internal processes
  - Better sales reporting to improve revenue
Syft continues to add more large scale customers and new applications

Syft continues to acquire more large scale customers and new applications, creating more customer advocates for Syft and SIFT-MS.

At the same time we continue to sell more instruments to existing customers like Samsung, validating our technology.

Our focus therefore is to increase awareness of Syft as well as aggressively expanding our sales team as well as improving our sales and marketing processes.
Our focus is to create a direct sales force

Historically Syft had a distributor only model. To drive faster growth, our route to market is now a combination of direct and distributors.

We have dramatically increased the size of our sales team. The team is broken primarily into market application, with a secondary regional focus.

As Syft continues to expand, and as it places greater emphasis on the direct route, we expect to have more people overseas, so they are in market.
Syft is taking over staff from Korean operations

Our Korean distribution partner has been very successful opening up the market in South Korea in Semiconductors and a range of environmental applications.

Due to difficulties with getting adequate resourcing to meet the market growth Syft has taken over this experienced sales and support team and we will now operate a direct office in South Korea.

This team will be lead by Ji Hoon Lee who has more than 10 years experience as a sales manager and whom we have worked with for 8 years.
The biggest issues Syft face are:
1. Lack of awareness
2. Enough comfort to buy

For this reason we have invested heavily in marketing:
1. Webinars (50 events)
2. Roadshows (20 events)
3. Vehicle Emissions Symposium

As a result we have generated a huge number of leads as well as significantly increasing awareness and comfort.

Next 12 months – more of the same
Vehicle industry update

We are focussing on 3 application areas:

1. Odour Analysis
2. Chinese 8 compounds
3. Shed Testing

We are working with multiple parties to validate Syft’s tool against conventional tools:

1. International standards groups for SYFT acceptance.
2. Multiple large OEM’s throughout the world.
3. Multiple contract labs and Material suppliers
Semiconductor industry update

Key advantage of SIFT-MS: Speciation

- Started with fenceline monitoring and now moving into other applications.
- Currently working with multiple customers on multiple sites in US, Singapore, Taiwan, Japan and Europe to make SIFT-MS the global reference tool for semiconductor manufacture.
- Multiple developments underway to deeply integrate SIFT-MS into industry requirements through collaboration with established solution providers.
- This application is driving Syft development: Improvements to sample delivery, sensitivity, software and additional compounds.
Production – We have had issues as we have ramped up production numbers

Cost of production went up due to:
1. Better reporting of actual cost
2. Extra labour to fix problem modules.
3. New people in production to meet volume requirements.

New mindset: How do we build 1,000 instruments/year

These are being addressed by:
1. Engaged a very senior operations manager on a part time basis to undertake an improvement process.
2. Focused development of problem modules.

Our strategy remains to out-source all production.
Research & Development

Rapid growth causes us to constantly evolve. Given the size of our team now, and the greater demands by customers, we have had to take a hard look at our processes.

Our current instrument development focus is on:
1. Buildability
2. Scalability
3. Reliability

Syft’s ambition to be the world’s best drives us to collaborate globally with our customers and leading academics.
Sales into new industries are driving Syft to meet higher and higher standards. This is great for all development and makes Syft a better business.

A large part of our development focus is on new inlets and software tools to expand the use of Syft's products.

Interacting with these demanding customers has also helped us improve instrument performance e.g. sensitivity and background.

**This cooperation drives Syft’s evolution to a great business.**
World Class Development

Syft is the world expert and integrator of the analytical technique: SIFT-MS

We’re engaging the best companies, universities, experts throughout the world to develop individual parts:

1. Ion Optics
2. Fluid Dynamics
3. Mass Spectrometry

The result will be Syft “Project Managing” parts of development as it is more cost effective and will ensure greater diversity of thought.
Who We Are

Rhett Bentley
SVP, Western Regional Sales Manager at Bibby Financial Services

Amanda Rothstein
Chief of Staff, Digital Business at Disney Parks & Resorts
Global Access Program

- **What:** 3rd year capstone project
- **Format:** 6 months (June through December)
- **Overview:** Consult an international company looking to enter or expand within the American market
- **Process:**
  - ✓ Meet with executives to align on project goals
  - ✓ Conduct secondary research
  - ✓ Conduct primary research (150 first-person interviews)
  - ✓ Travel to visit company HQ and to applicable trade shows (domestic and abroad)
  - ✓ Create a strategic plan (in this case: sales & marketing)
  - ✓ Finalize and present to faculty leadership, industry judges, and company execs
(Y)our Team

Rhett Bentley  
SVP, Western Regional Sales Manager at Bibby Financial Services

Michael Khoda  
Market Manager at Jaguar Land Rover North America

Amanda Rothstein  
Chief of Staff, Digital Business at Disney Parks & Resorts

Edytte Arakelyan  
Data Analytics and Strategy Team Western Region Launch Leader

Robb Wilson  
Director, Operations and Maintenance at sPower Services

Jonathan Low  
Medicinal Chemist at Amgen
Project Goals

1. Understand how Syft instruments are being **utilized and valued** through discussions with current customers, lost sales opportunities, distributors, Syft employees, industry experts, and more.

2. Assess several **potential target industries**, evaluating the existing applications within each, and recommend 1-2 areas of focus for initial phase.

3. Develop a **sales and marketing strategy** for expansion within the U.S. market.
# Progress To Date

<table>
<thead>
<tr>
<th>Months 1 &amp; 2</th>
<th></th>
<th>Months 3 - 6</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Interviews Conducted</td>
<td><strong>24</strong></td>
<td>Interviews Remaining with Customers, Distributors, Lost Sales, and Industry Experts</td>
<td><strong>126</strong></td>
</tr>
<tr>
<td>Current Customers &amp; Distributors Contacted</td>
<td><strong>59</strong></td>
<td>Trade Shows Planned</td>
<td><strong>3</strong></td>
</tr>
<tr>
<td>Trade Show Attended</td>
<td><strong>1</strong></td>
<td>Target Industries Identified</td>
<td><strong>~2</strong></td>
</tr>
<tr>
<td>Industries Evaluated</td>
<td><strong>8</strong></td>
<td>Sales &amp; Marketing Plan Developed</td>
<td><strong>1</strong></td>
</tr>
<tr>
<td>Employee Interviews Scheduled</td>
<td><strong>18</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Thank you.

If you haven’t introduced yourself yet, please come find us and say hi!

Or if you’re shy:

amanda.rothstein.2019@anderson.ucla.edu
thomas.bentley.2019@anderson.ucla.edu
Forecast
The underlying economics of the business and the capital raise

The underlying principles of our strategy:
1. Addressable market for Syft is US$4b.
2. Large Gross Margin, that will grow higher with volume.
3. Defendable market position through entry barriers.
The underlying economics of the business and the capital raise

The underlying principles of our strategy:
1. Addressable market for Syft is US$4b.
2. Large Gross Margin, that will grow higher with volume.
3. Defendable market position through entry barriers.

In the capital raise last year, our pitch was:
In 7 years time Syft will do:
1. $100m in revenue
2. $47m in profit (before tax)
3. 2% Market share

The defining assumptions in our model:
1. Each sales person will sell 2 instrument/year
2. We will add 15 sales people/year
How did our FY2018 results compare to our forecast?

<table>
<thead>
<tr>
<th>Metric</th>
<th>Forecast</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$12.8m</td>
<td>$12.4m</td>
</tr>
<tr>
<td>Gross Margin</td>
<td>64%</td>
<td>57%</td>
</tr>
<tr>
<td>Expenses</td>
<td>$6.1m</td>
<td>$6.8m</td>
</tr>
<tr>
<td>Profit before Tax</td>
<td>$2.0</td>
<td>$1.1</td>
</tr>
<tr>
<td>Sales/Sales Person</td>
<td>2</td>
<td>3.7</td>
</tr>
</tbody>
</table>
Our FY2019 forecast

<table>
<thead>
<tr>
<th>Metric</th>
<th>Forecast</th>
<th>Guidance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$25.5</td>
<td>$22.3m</td>
</tr>
<tr>
<td>Gross Margin</td>
<td>73%</td>
<td>69%</td>
</tr>
<tr>
<td>Expenses</td>
<td>$8.1</td>
<td>$9.9m</td>
</tr>
<tr>
<td>Profit before Tax</td>
<td>$10.6</td>
<td>$6.3m</td>
</tr>
<tr>
<td>Sales/Sales Person</td>
<td>2</td>
<td>2.44</td>
</tr>
</tbody>
</table>
Major risk factors to this result

<table>
<thead>
<tr>
<th>Number and price of sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Timing of sales</td>
</tr>
<tr>
<td>Set up of Korean office</td>
</tr>
<tr>
<td>FX rate</td>
</tr>
</tbody>
</table>
Syft’s objective – long term profitability

Revenue and Profitability

- Revenue up 80%
- Profit up 473%

- FY2015
- FY2016
- FY2017
- FY2018
- FY2019

Millions

- Revenue
- Profit
The way we roll at Syft!

Get Shit Done.