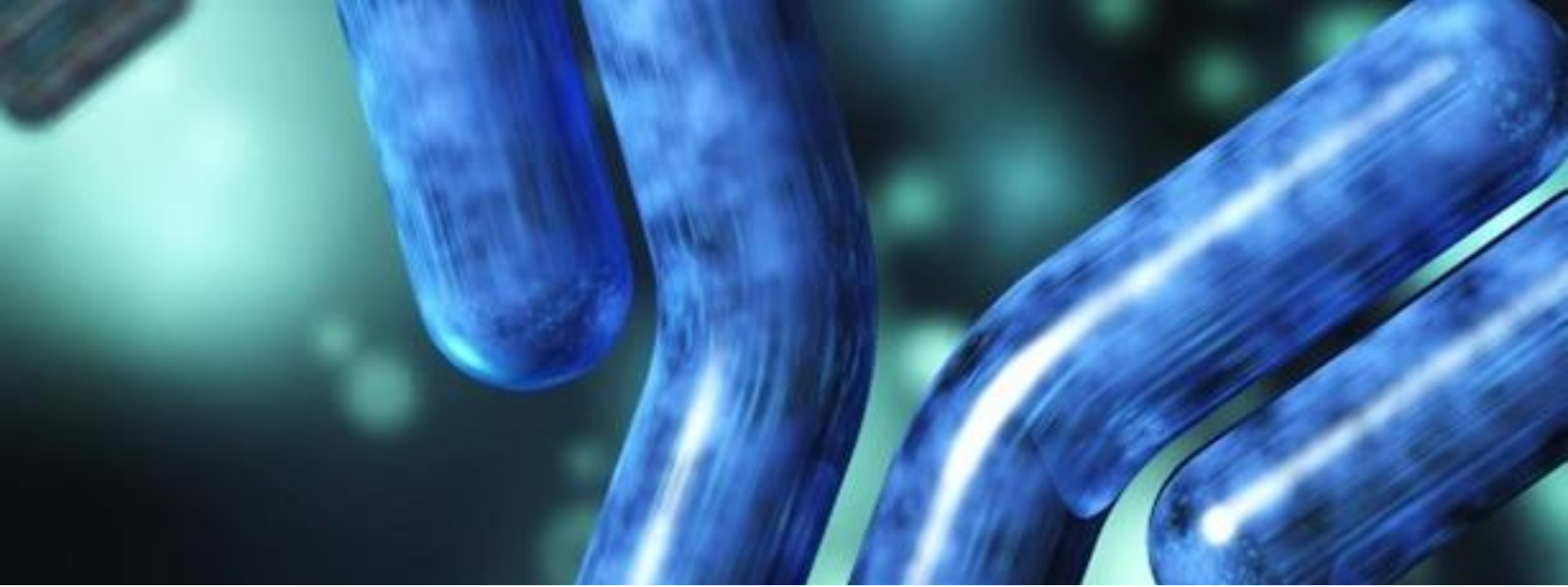


Precision Results for Precision Medicine

May 2021

Dave Dingott, CEO
ddingott@swordbio.com
Cell: 301.467.7654

Precision Medicine Driving Factor in Growth

- More Trials/ Smaller Populations
- >50% fail due to drug efficacy

Tests Lack → ***Precision*** → ***Accuracy*** → ***Sensitivity***

- Testing Technology

>50-years old

SWORD BIO

The Next Gen Immunoassay Technology

Sword Precision Test Kits

Precise
Accurate
Sensitive

- Resonance Raman Spectroscopy (RRS)
- Easy Adoption
  - **NO** new equipment
  - **NO** new Procedures

Real Customer Example:

1 KIT:

ANNUAL REVENUE =$150,000

COG's (Parts/ Labor) = $16,250

Gross Margin: 89%

<u>IN FDA SUBMISSION:</u>

LIKELY USED FOR LIFE OF DRUG

SWORD BIO

Sword Investment Profile

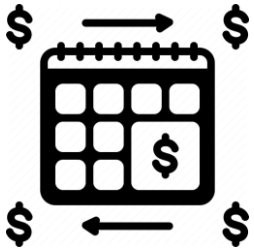
Includes Largest Pharma Companies

>80% Product Gross Margin

Pharma High Willingness to Pay

No Regulatory Risk

Easily Adopted



Annuity Revenue Model

Critical to Growing Pharma Market

10 Issued Patents & Trade-Secrets

SWORD BIO

Example Customers

new NOVARTIS 3 TOP

TEVA 20 TOP

new novo nordisk® 20 TOP

ADMA BIOLOGICS

new ARCTURUS therapeutics

REPERTOIRE™ immune medicines

Management & Board

Roche

BioAgilytix

Abbott

LabCorp Laboratory Corporation of America

BECKMAN COULTER

gsk GlaxoSmithKline

Medtronic

Luminex

SWORD BIO

Competitive Landscape

Standard Immunoassays	Customers Require	SWORD BIO	Quanterix	MSD Meso Scale Discovery
✗	Precision	✓	✗	✗
✗	Accuracy	✓	✗	✗
✗	Sensitivity	✓	✓	✓
✓	Simplicity	✓	✗	✗
✓	Runs on Standard Equipment	✓	✗	✗

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Case Study 1:
Top 20 Pharma Company
Stage: Discovery & Pre-Clinical

Degenerative Neurologic Diseases & Migraines

Problem: Inconclusive Test Results

- Effectiveness crossing blood-brain barrier
- Could not resolve with Quanterix and MSD

Solution:

- Sword provided needed Precision and Accuracy

Case Study 2: High Throughput Testing

Case Study 2:
Top 3 Pharma Company
Stage: Discovery -
High Volume Screening

- **Sword chosen by global leadership as test for key breast cancer targets**
- **Projected to be Sword's largest customer by year end 2021**

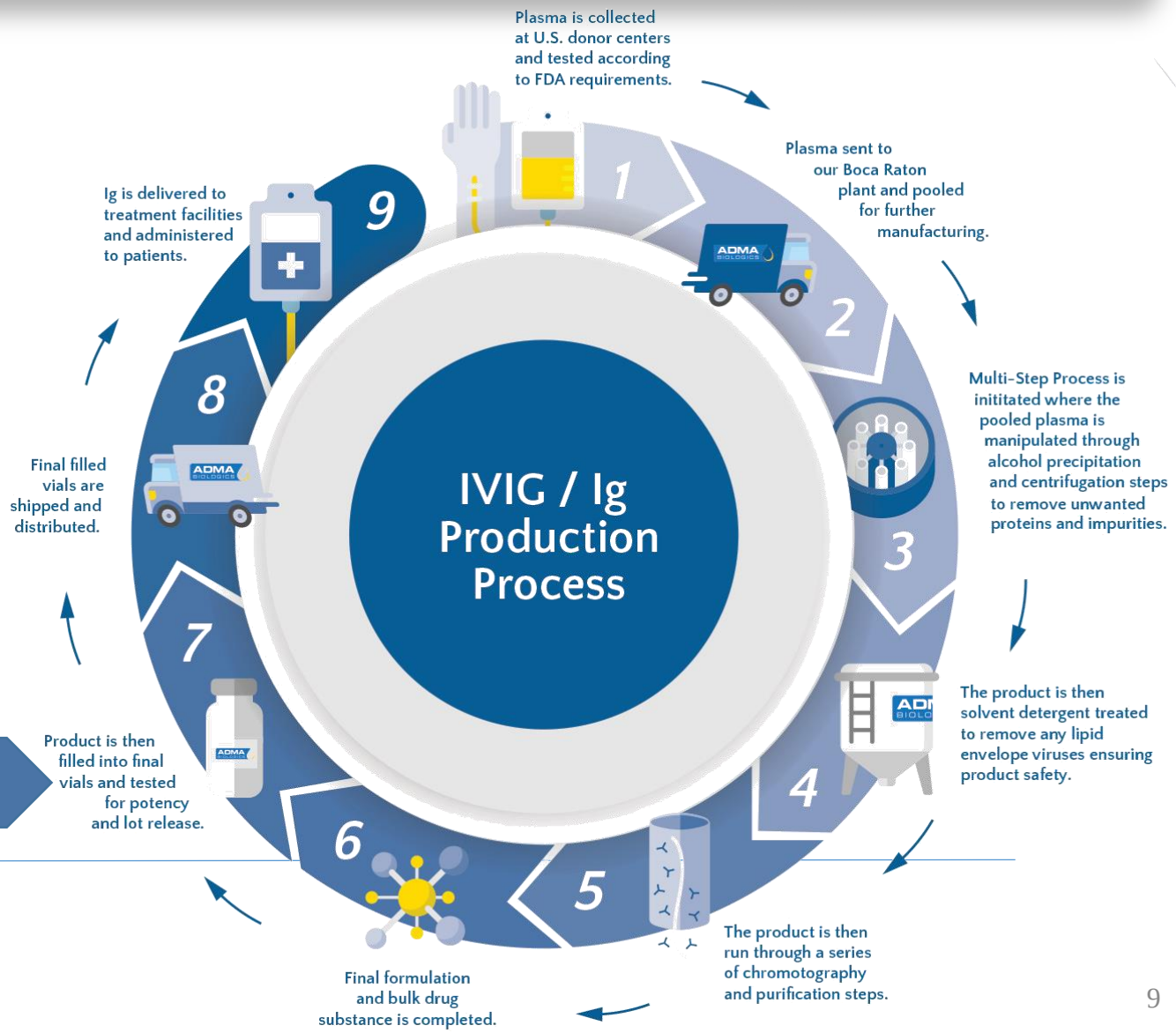
Breast Cancer

SWORD BIO

Case Study 3: Lot Release

- **Immune Deficiency**
  - **6 Million People**
  - **Lifelong treatment**

- **5 Sword tests**
  - **Drug Concentration**
  - **Contaminants**



Sword Tests

Sword's – Sales / EBIT Projections ($000s)

	2020 Actual	2021 PF	2022 PF
Total Revenue	$684	$1,700	$5,800
Gross Profit	$421	$1,200	$4,400
Expenses	$1,442	$1,600	$3,400
EBITDA	($850)	($200)	$1,200

- Target EOY 2022
- **run rate ~$10M/ Yr**

- Positions Sword to begin working exit.

- <u>COMP</u>

-QTRX Market Cap valued at 12 to 20X Revenue

-(25%) EBITDA

Achieve Cash Flow Positive in 2021

SWORD BIO

Comparable Exits

Raising $1,500,000

- Accelerate Sales & Delivery
- CEO investing $100,000 into round

<u>EXIT STRATEGY</u>

- Begin Process in 24 Months
- Acquisition Most Likely
- Potential for IPO
  - Path of Quanterix and Luminex

<u>IPO Dec '17)</u>
Quanterix
(NASDAQ: QTRX)
USD 1.7 Billion
market cap

Luminex
(NASDAQ: LMNX)
USD 1.7 Billion
market cap

<u>June 2017</u>
DiscoverX
Acquired by
Eurofins
for USD 180M

Contact Information

David Dingott, CEO
ddingott@swordbio.com
(800) 403-7075 x104 (office)
(301) 467-7654 (cell)