

# TYRATECH

PUTTING NATURE TO WORK. ™



## Our Business



### Technology

**TyraTech Nature's proprietary Technology effectively controls insects and parasites while providing a new level of safety for people, animals and the environment**

### Commercialisation

**TyraTech has successfully begun to commercialise multiple products through a number of significant blue chip distribution partners**

## Recent Equity Fundraising



- **Equity Fundraising of £2.2M**
- **Directors subscribed 25% of raise**
- **Fundraising has:**
  - **Given a new confidence to our existing partners**
  - **Facilitated development of partnerships**
  - **Improved negotiating power with new partners**
  - **Improved value for shareholders longer term**
  - **Provided security for the future**

# TyraTech Strategy



## → Key Competencies

- Scientific Development – continuous strengthening and/or additions to the platform
- Productisation – formulation development, packaging and presentation
- Commercialisation
- Partnering

## → Focus

- Technology platform exploitation and extension
- Answering customer/partner challenges with speed and precision

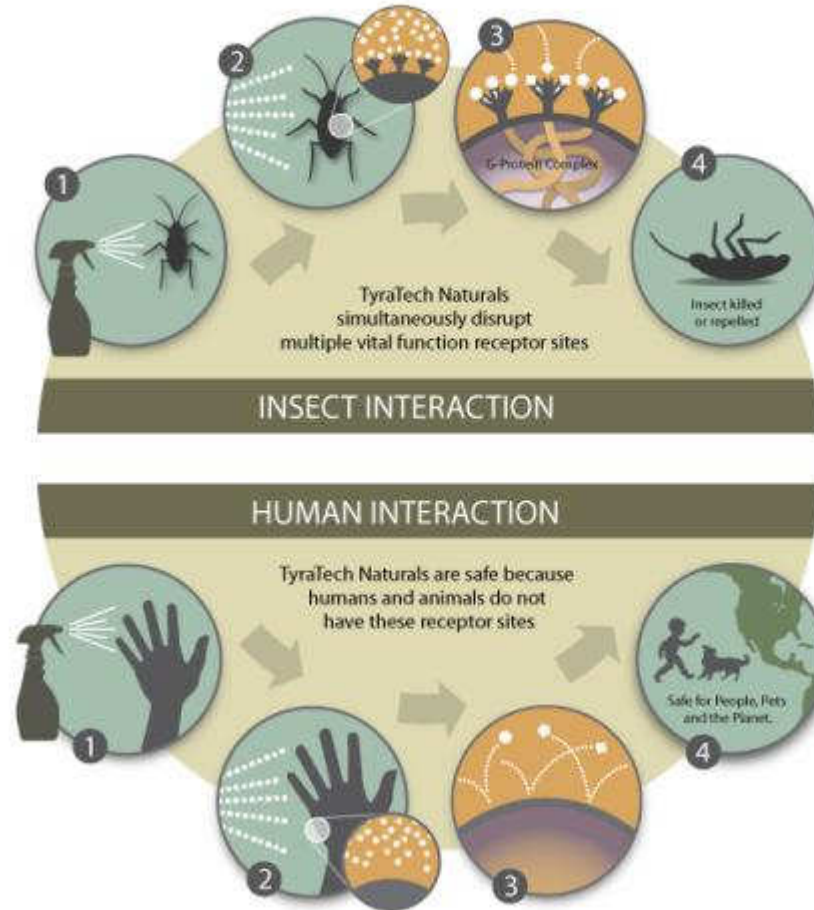
## → Commercial development:

- In Human Nutraceuticals and in Commercial Agricultural / Horticultural markets with global partners
- In all other markets through geographic partners or, in selected markets, D2C

# How The Technology Works



Targets Invertebrate Nerve Centers not found on humans and animals



## During The Past Two Years



- **The potential of the technology platform has been confirmed and has delivered:**
  - **Substantial increases in potency – leading to improved products and decreases in costs**
  - **Breakthroughs in odour, taste and product aesthetics**
  - **Confirmed opportunities to create future value in key markets:**
    - **consumer and service provider pest control**
    - **both endo and ecto parasites in human and animal health**
    - **effective safe solutions for agriculture and the home and garden markets**
  
- **All within an advantageous regulatory environment**

# Routes To Market



**TECHNOLOGY  
IP**



**KRAFT FOODS**

**TERMINIX**

**ARYSTA LIFE SCIENCES**



**HUMAN  
NUTRACEUTICALS**



**ANIMAL HEALTH**



**CONSUMER &  
SERVICE PROVIDER**

**HOME &  
GARDENS**



**AGRICULTURAL**

## TyraTech today



- **Proven discovery platform**
- **Strong partnerships**
  - **Consumer and Pest Control Service Provider**
  - **Consumer Retail**
  - **Human Nutraceuticals**
- **Revenue generation, multiple streams and visibility for the future**
  - **Working with partners for whom we are a route to revenue growth**
- **Streamlined, focussed on partners**
- **Exciting and cost effective growth opportunities**
  - **Levering developed products into new markets and geographies**

### Next Phase

- **Agriculture**
- **Animal Health**
- **Home & Gardens**



## 2009 Unaudited Financial Results



## Financials – Summary



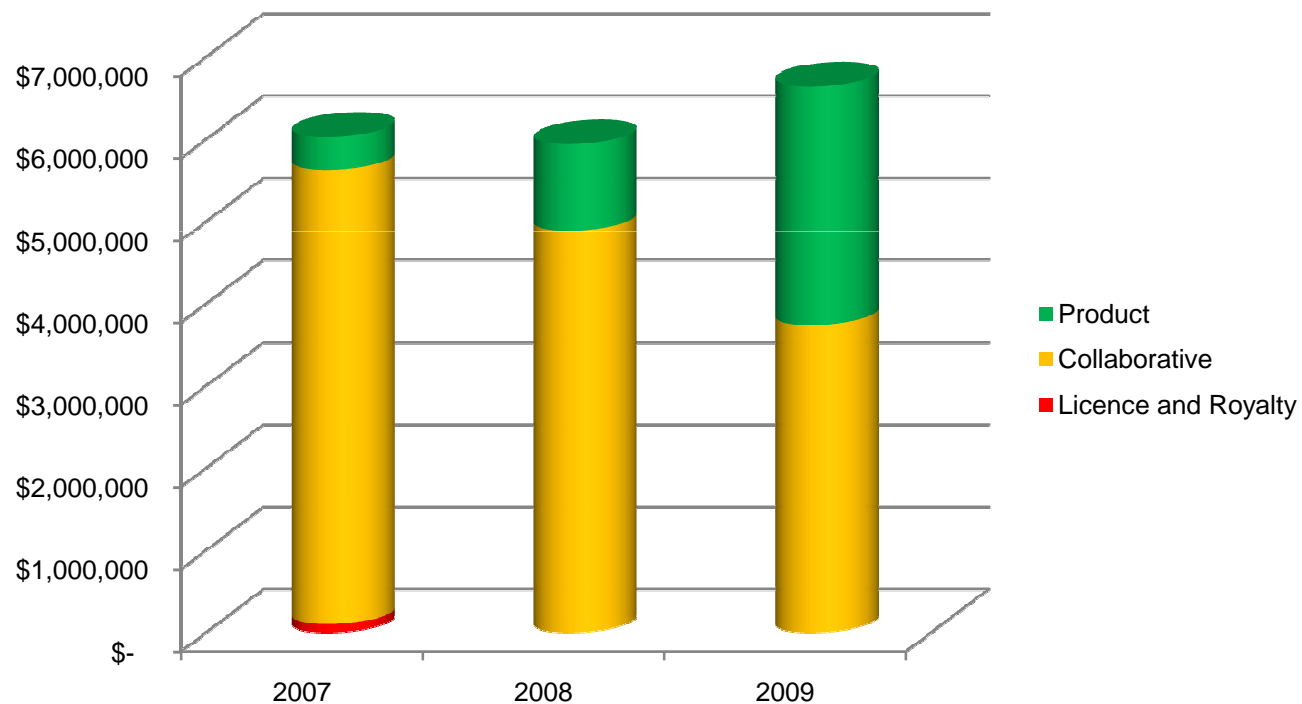
- Significant growth in product revenues of 178%
- Collaborative revenues focused on Kraft
- Improving product margins to 46% from 11%
- Large inventory write off from Sustainable Solutions with closure
- Significant reduction in operating cash expense in 2009
- Cash balance reduced to \$1.3m
- Cash used in operations declining significantly
- New partnership agreements include funding for working capital investments

US\$000's	2009	2008	2007
<b>Revenue</b>	\$ 6,642	5,939	6,030
<b>Gross Margin</b>	\$ 277	1,530	3,107
<b>OpEx</b>			
Total	\$ 14,171	20,370	18,863
Cash	\$ 10,324	15,799	14,019
<b>Operating Loss</b>	\$ (13,894)	(18,840)	(15,755)
<b>PBT</b>	\$ (13,881)	(17,405)	(16,538)
<b>Cash Balance</b>	\$ 1,265	9,176	14,889
<b>Cash used in operations</b>	\$ (7,884)	(17,885)	(10,291)
Operations	\$ (8,113)	(12,241)	(11,282)
Working Capital	\$ 229	(5,644)	991

# Revenue Analysis



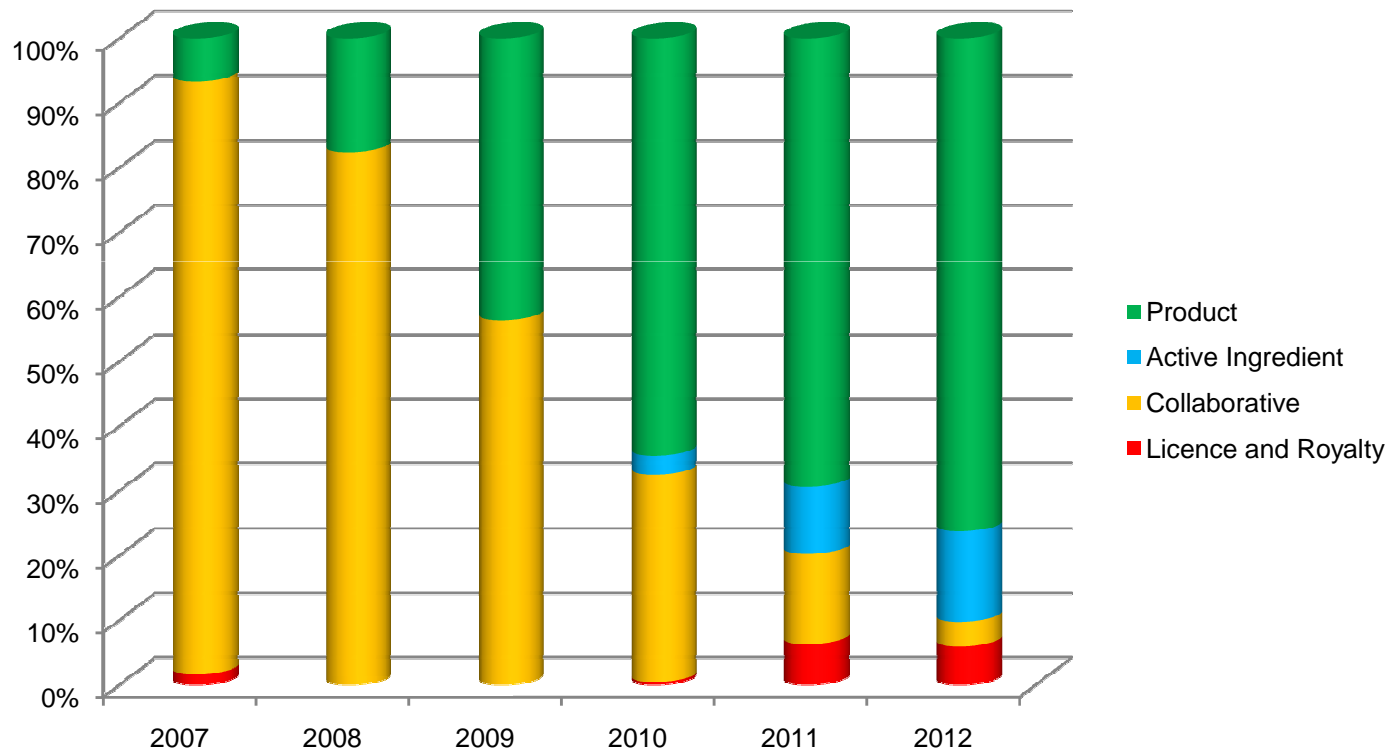
- Revenue growing over the last three years
- Product revenues growing and will be a larger proportion of our revenue
- Milestones revenues declining with Kraft contract change



## Revenue Mix Evolution



- Products revenues are forecast to be a greater share of future revenue growth
- Milestone revenues reduce with completion of Kraft development



## Margin Analysis



- **Product margins improving year on year with Terminix margins at 48%**
- **Milestone margins declining with increase in costs of project – revised contract moved to a cost reimbursement model**
- **Large inventory write off – largely of Sustainable Solutions items**

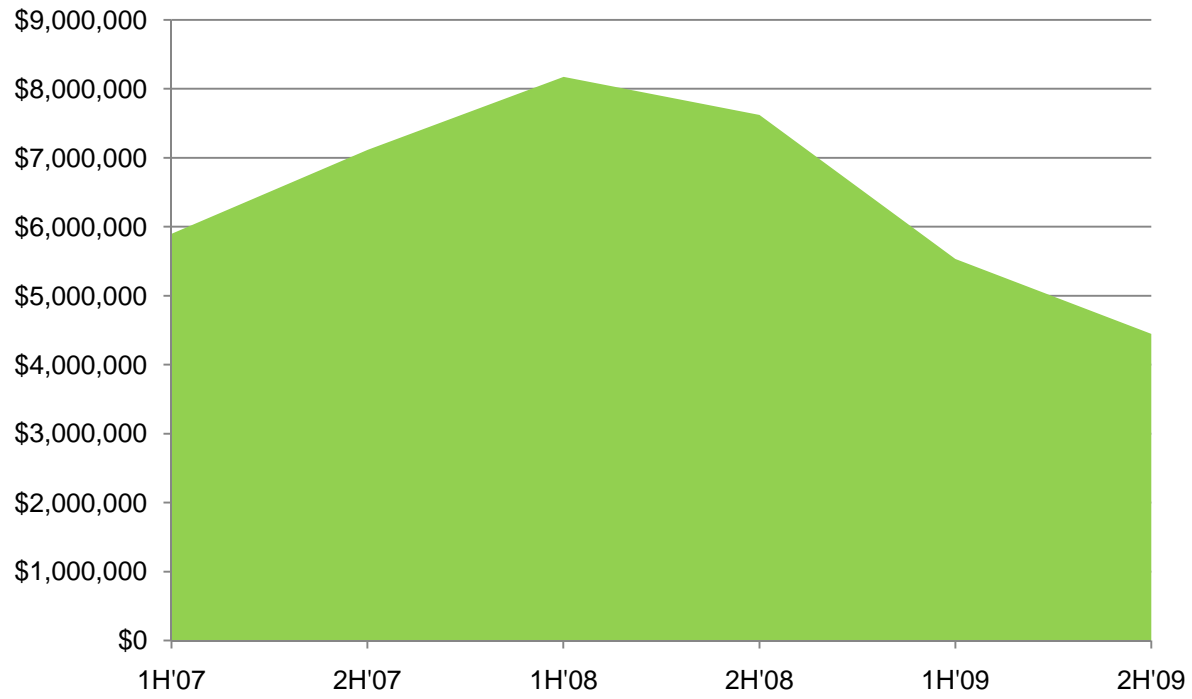
US\$000's	2007	2008	2009
Product Margin	(898.3)	51.8	1,019.7
Collaborative Margin	4,125.0	2,190.3	1,179.9
Licence Fee Margin	100.0	-	
Inventory Write-off	(219.2)	(712.3)	(1,922.4)
	\$ 3,107.5	1,529.8	277.2

# Operating Expenses



- Cash operating expenses have been cut extensively over the last year
- Streamlining of organisation and focus on profitable business lines

### Cash Opex



## Molecular Securities Litigation



- **As announced in our Interim statement in September 2008**
- **Molecular Securities' claim for \$2.8 million is still being contested in court and we expect that this will be resolved in 2010**
- **We continue to believe that the claim has no merit and we are confident that TyraTech will prevail, though the outcome of court cases are inherently uncertain**

# Summary



- **Proven and highly productive technology platform**
- **Strong partnerships with long term contracts generating revenue**
- **Growth potential from existing partners and new opportunities**
- **Strengthened management team with a record of success in industry**
- **Organisation focussed on customer satisfaction**
- **Fundraising allows cash sufficiency to fully exploit growth opportunities**
- **Anticipate move to positive cash generation in first half 2011**