

## DeepVerge plc

(‘DeepVerge’)

### Stock Data

Share Price:	24.90p
Target Price	94.70p
Market Cap:	£53.57m
Shares in issue:	215.16m
52 week high/low:	42.0p/19.0p

### Company Profile

Sector:	Healthcare
Ticker:	DVRG
Exchange:	AIM

[www.deepverge.com](http://www.deepverge.com)

## Microsaic Systems plc

(‘Microsaic’)

### Stock Data

Share Price:	0.20p
Market Cap:	£12.15m
Shares in issue:	6,076m
52 week high/low:	0.65p/0.08p

### Company Profile

Sector:	Electr. Equip.
Ticker:	MSYS
Exchange:	AIM

[www.microsaic.com](http://www.microsaic.com)

Past performance is not an indication of future performance.

### Turner Pope contact details

Tel: 0203 657 0050  
Email: [info@turnerpope.com](mailto:info@turnerpope.com)  
Web: [www.turnerpope.com](http://www.turnerpope.com)

Andrew Thacker  
Corporate Broking & Sales

Barry Gibb  
Research Analyst

TPI acts as sole broker to DeepVerge

TPI acts as joint broker to Microsaic

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# DeepVerge Microsaic Systems

News updates from both DeepVerge and Microsaic have been released this morning. Modern Water, a division of DeepVerge, announced a total of £2.2m of new orders for its enhanced monitoring equipment, including a contribution from Microsaic mass spectrometer products for monitoring ‘forever chemicals’ and contaminants of emerging concern. Following a recent software upgrade, second-generation real-time pandemic response units with fully integrated facilities for SARS-CoV-2 detection are being shipped to the UK, India and China in order to meet customer and partner obligations for delivery in this financial year. With over £9m finance available at the interim stage, DeepVerge remains well-resourced to fund not only its planned move into high volume production of its Microtox® PD range in both China and Ireland, but also expand processing capacity for its Skin Trust Club’s home test kits in response to surging demand while it progresses ongoing joint venture negotiations with China Resources. Recognising the scale of the opportunities being presented and in expectation of a number of significant news releases prior to the year end, on 3 August 2021 TPI updated its forecasts and financial model for DeepVerge, resulting in an increased share price target of 94.7p (up from 84.8p that was previously).

(Please note that TPI’s valuation is based on financial modelling and there is no guarantee that such a valuation will ever be realised, therefore please do not base investment decisions on this valuation alone. Also please note that past performance is not a reliable indicator of future results.)

## Second generation pandemic response units

The shipments announced today include new, upgraded models of the Microtox® PD range for SARS-CoV-2 and other pathogen monitoring, as well as five Microsaic mass spectrometer units for identification of polyfluoroalkyl substances (‘PFAS’), or so called ‘forever chemicals’ and contaminants of emerging concern that do not break down naturally. They are of growing concern to governments and their agencies, due to the fact that they accumulate in animals, including humans, and are linked to cancer, birth defects, liver disease, thyroid disease, decreased immunity, hormone disruption and a range of other serious health problems resulting in higher mortality rates amongst both mothers and their young that are exposed to the chemicals.

With technical support from Rinocloud, new software, data management capability, dashboards, encryption and AI models have been fully integrated to facilitate bespoke customer solutions across a range that now offers three defined levels of surveillance:

1. Traditional pollution, including toxicity and heavy metals
2. Pandemic surveillance
3. PFASs

## New product development facility in Cork, Ireland

Up and running for some six months now, these second-generation units are one of the early successes of DeepVerge’s new product development facility in Cork. They are fully automated self-calibrating devices, fitted with robotics to ensure that no manual chip insertion is required. Coming with enhanced data generation capability and AI learning,

Modern Water’s surveillance solution now permits added-value extrapolation of data to be delivered in real-time. The facility also controls final assembly and QAQC as well as providing a world serving logistics centre covering the EU, China, and India for delivery of products/services to national/provincial government and state-controlled utilities. This will provide vital support to the global supply chain being developed with existing partners and for prospective new manufacturing alliances in China. Although this particular output was assembled manually in Cork, the products are now considered to be just one final generation from moving into automated mass production, which is scheduled to commence in April 2022 in both China and Ireland. Today’s news also confirms that DeepVerge’s collaboration agreement with Microsaic has successfully opened potentially significant international distribution channels for it.

While the software solution that is incorporated into this generation of the Microtox® PD range is packaged and commercially available ‘off the shelf’, all data generated through the equipment by in-country customers and partners is encrypted to military grade standard and always remains strictly within national borders in recognition of the domestic customer/sovereign-state ownership. This is a significant issue given that national health data is increasingly regarded by governments as a bio security matter and is clearly something that would raise additional barriers to entry against competitors seeking to operate in the same space.

<p><u>Microsaic Systems plc: Activities</u></p> <p>Founded in 2001, Microsaic Systems plc (‘MSYS’, ‘the Company’) is a high technology company which develops point-of-need mass spectrometers, designed to improve the efficiency of chemical and biological workflows</p>	<p><u>DeepVerge plc: Activities</u></p> <p>DeepVerge plc (‘DVRG’, ‘the Group’), (formerly Integumen plc) is an environmental and life science group of companies that develops and applies AI and IoT technology to analytical instruments for the analysis and identification of bacteria, viruses and toxins.</p>
<p><u>Microsaic Systems plc share price chart since 22 October 2018</u></p>  <p style="text-align: right;"><i>Source: <a href="#">ProQuote</a></i></p>	<p><u>DeepVerge plc share price chart since 17 May 2017</u></p>  <p style="text-align: right;"><i>Source: <a href="#">ProQuote</a></i></p>

**Please note: Past performance is not an indication of future performance.**

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