

Abcam plc

Investor Presentation

H1 FY2021

March 2021

abcam



Disclaimer

Abcam plc ("Abcam", "us" or "we") has filed a registration statement (including a preliminary prospectus) on Form F-1 with the Securities and Exchange Commission (the "SEC") for the offering to which this communication relates. The registration statement has not yet become effective. The securities to which this communication relates may not be sold, nor may offers to buy be accepted, prior to the time the registration statement becomes effective. Before you invest, you should read the preliminary prospectus in that registration statement and the other documents Abcam has filed with the SEC for more complete information about Abcam and this offering. You can obtain these documents for free by visiting EDGAR on the SEC website at www.sec.gov. Alternatively, copies of the preliminary prospectus may be obtained from Morgan Stanley & Co. LLC, Attention: Prospectus Department, 180 Varick Street, 2nd Floor, New York, NY 10014; or from BofA Securities, Attention: Prospectus Department, 200 North College Street, 3rd Floor, Charlotte, North Carolina 28255-0001, or by email at dg.prospectus_requests@bofa.com. This presentation shall not constitute an offer to sell or the solicitation of an offer to buy these securities, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

Forward-looking statements

This presentation contains forward-looking statements, which are based upon current expectations and assumptions regarding anticipated developments and other factors affecting Abcam. In some cases, you can identify forward-looking statements by the following words: "may," "might," "will," "could," "would," "should," "expect," "plan," "anticipate," "intend," "seek," "believe," "estimate," "predict," "potential," "continue," "contemplate," "possible" or the negative of these terms or other comparable terminology, although not all forward-looking statements contain these words. They are not historical facts, nor are they guarantees of future performance. Forward-looking statements are subject to many risks and uncertainties, including (1) the impact of a regional or global health pandemic, including COVID-19; (2) challenges in implementing our strategies for revenue growth, developing new products and enhancing existing products, adapting to significant technological change and responding to the introduction of new products by competitors to remain competitive; (3) failure to successfully identify or integrate acquired businesses or assets into our operations or fully recognize the anticipated benefits of businesses or assets that we acquire; (4) any discontinuation or reduction in our customers' spend on research, development, production or other scientific endeavors; (5) failure to successfully use, access and maintain information systems and implement new systems to handle our changing needs; (6) cyber security risks; (7) failure to successfully manage our current and potential future growth; (8) any significant interruptions in our operations; (9) failure of our products to satisfy applicable quality criteria, specifications and performance standards; and (10) failure to maintain our brand and reputation; among other risks. Because these forward-looking statements involve risks and uncertainties, there are important factors that could cause actual results to differ materially from those expressed or implied by these forward-looking statements. These forward-looking statements speak only as of the date of this presentation and accordingly you should not place undue reliance on such statements. Moreover, new risks emerge from time to time, and it is not possible for Abcam to predict all risks, nor can it assess the impact of all factors on its business or the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statements Abcam may make. Abcam cautions readers against relying on these forward-looking statements. Neither Abcam, nor its advisors nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. Neither Abcam nor its advisors undertakes any obligation to update any forward-looking statements for any reason after the date of this presentation to conform these statements to actual results of changes in expectations except as may be required by law. Abcam's actual future results, performance and events and circumstances may be materially different from these expectations.

Non-IFRS Measures

This presentation contains certain financial measures that are not presented in accordance with the International Financial Reporting Standards ("IFRS"), including, but not limited to, Adjusted Operating Profit, Adjusted Operating Profit Margin, Return on Capital Employed ("ROCE") and Free Cash Flow. These non-IFRS financial measures are not measures of financial performance in accordance with IFRS and may exclude items that are significant in understanding and assessing Abcam's financial results. Therefore, these measures should not be considered in isolation or as an alternative to profit for the year, cash flows from operations or other measures of profitability, liquidity or performance under IFRS. Abcam's presentation of these measures may not be comparable to similarly titled measures used by other companies. Please see the appendix to this presentation for a reconciliation of these measures to the closest comparable IFRS measure.

Third party data

Unless otherwise indicated, information contained in this presentation concerning our industry, competitive position and the markets in which we operate is based on information from independent industry and research organizations, other third-party sources and management estimates. Management estimates are derived from publicly available information released by independent industry analysts and other third-party sources, as well as data from our internal research, and are based on assumptions made by us upon reviewing such data, and our experience in, and knowledge of, such industry and markets, which we believe to be reasonable. In addition, projections, assumptions and estimates of the future performance of the industry in which we operate and our future performance are necessarily subject to uncertainty and risk due to a variety of factors, including those described above. These and other factors could cause results to differ materially from those expressed in the estimates made by independent parties and by us. Some information contained herein has been obtained from other third party sources and has not been independently verified by Abcam. While Abcam believes that its internal assumptions are reasonable, the sources relied on may be based on a small sample size and may fail to accurately reflect market opportunities. Moreover, no independent source has verified such assumptions, and Abcam did not commission any of the market and industry data presented herein. Industry publications, research, surveys, studies and forecasts generally state that the information they contain has been obtained from sources believed to be reliable but that the accuracy and completeness of such information is not guaranteed.

The trademarks included herein are the property of the owners thereof and are used for reference purposes only. Such use should not be construed as an endorsement of the products or services of Abcam or the proposed offering.

Contents

1. Business overview

2. H1 FY21 Highlights

Additional Information

- i. Product cohort data and FX splits
- ii. Non-IFRS Reconciliations
- iii. American Depositary Receipt (ADR) Information

1. Business Overview



Our mission

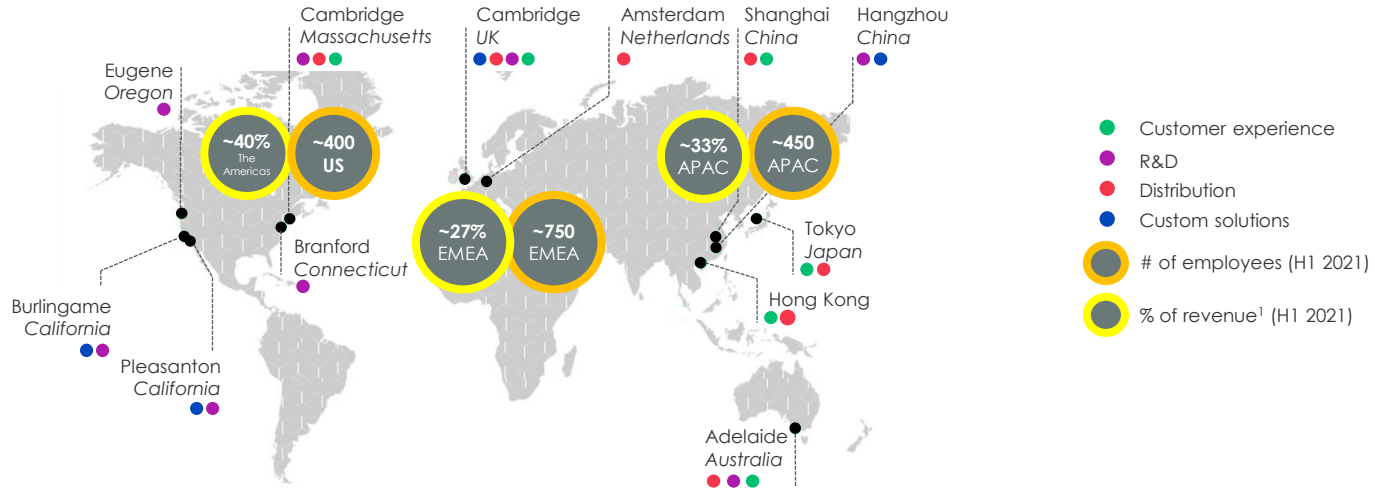
Our mission is to provide life science researchers with **highly validated products and services** to advance biological research and **achieve their goals faster**

A leading brand
for research use antibodies worldwide

Providing **antibodies, reagents and tools** to help researchers study biological pathways since 1998

1 Share of global antibody citations in science research journals for 2019⁽¹⁾

Abcam today – a high-growth, global platform



\$8Bn TOTAL
Addressable Market

130+ COUNTRIES
Served Since 2001

~100,000 PRODUCTS
Available online with >300k SKUs

~20,000 IN-HOUSE
Recombinant products

~7,000 PRODUCTS
Shipped per week

~750k CUSTOMERS
Life science researchers

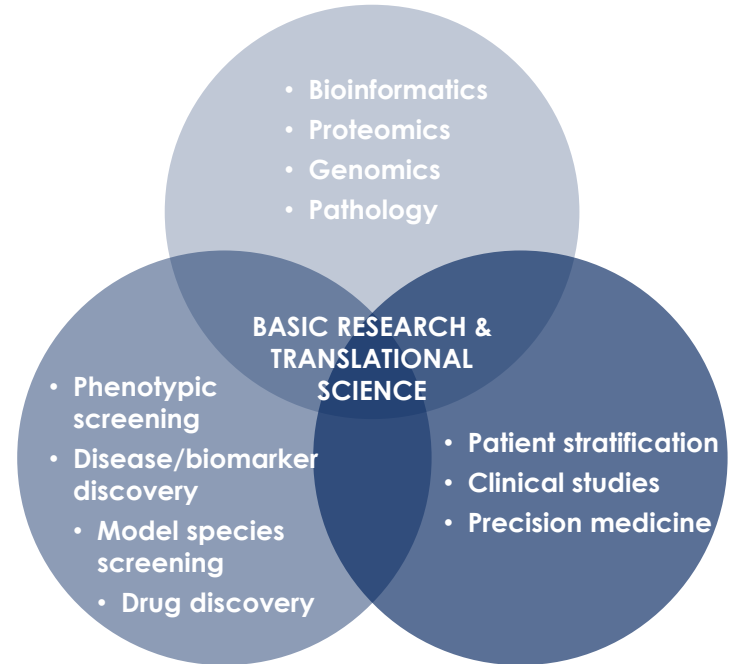
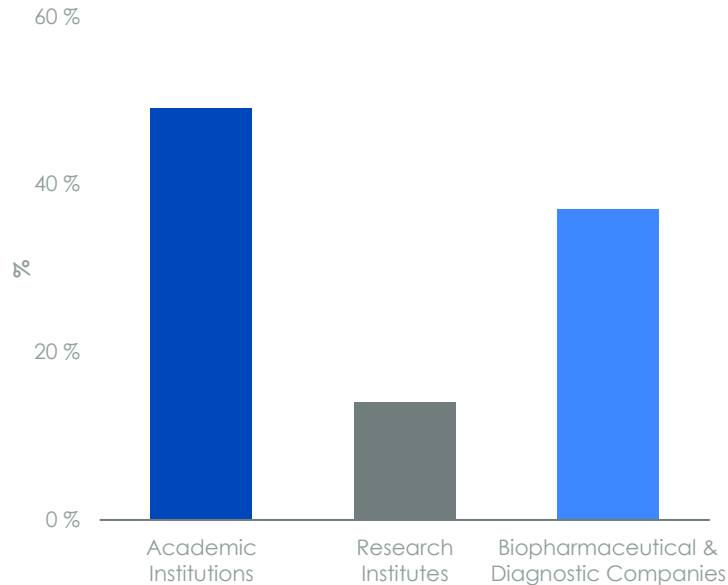
>50% REVENUE¹
From in-house products

24-48 hrs TIME TO SHIP
Most products

1. Split of total revenue. APAC includes China, Japan and Rest of Asia

Life scientists, researchers and biotechs all depend on Abcam

Split of FY20 Catalogue Revenue by Customer Type



Abcam's differentiated value proposition

Our customer-centric innovation allows us to identify breakthrough opportunities

- We are a **leading brand in research use only antibodies**
- We anticipate and **serve customer needs faster** through our:
 - Data analytics and distinctive insights
 - Powerful data-driven innovation platform, driving antibody discovery
- **Customers trust us** due to our:
 - High-quality products, ensuring conclusive, consistent and repeatable experiments
 - Extensive product validation
 - Personalized and swift global customer service



>200k³

Antibody citations¹



>2,000⁴

Custom projects undertaken with partners²



Products

In Clinical Applications

Global R&D



Clinical Breakthroughs

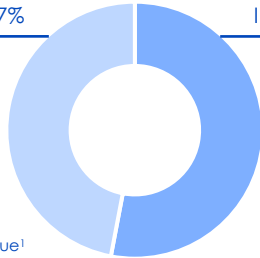
We offer customers a range of catalogue products and customized solutions...

Catalogue, 94%

Catalogue Revenue Split²

Third Party, 47%

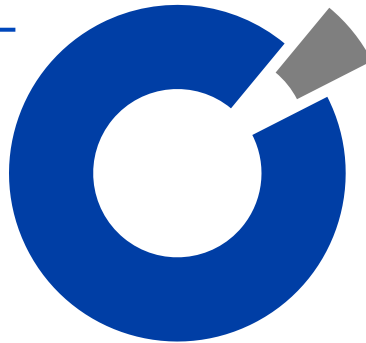
In-house, 53%



~100,000
products in catalogue¹

- Primary and secondary antibodies
- Conjugated antibodies and kits
- Singleplex and multiplex immunoassays
- Proteins and peptides
- Engineered cell lines and lysates

H1 21 Revenue Split

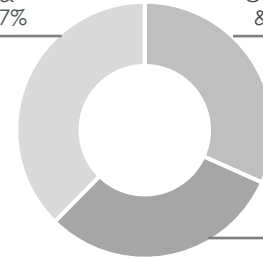


Custom Products and Licensing (CP&L), 6%

CP&L Revenue Split

Royalties & Licenses, 37%

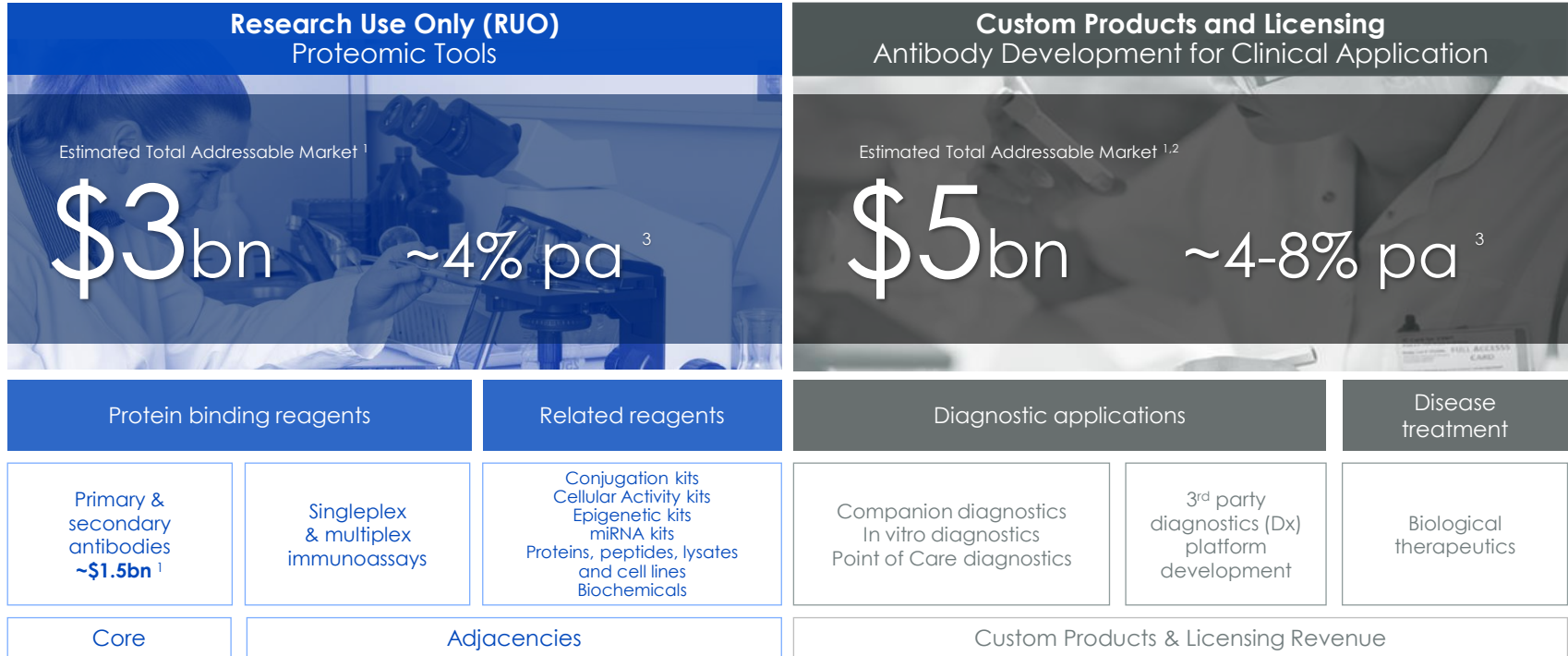
Custom Products & Services, 32%



IVD, 31%

- Custom antibody development
- Offering based on in-house developed products

...serving large and growing markets



1. As of 2019

2. Total Addressable Market relates to the potential value attributable to the initial antibody development for use by diagnostic and biopharmaceutical partner organisations which result in clinical products, including in-vitro diagnostics (IVD), companion diagnostics, immunoassays and biological therapeutics

3. Excluding the impact from COVID-19

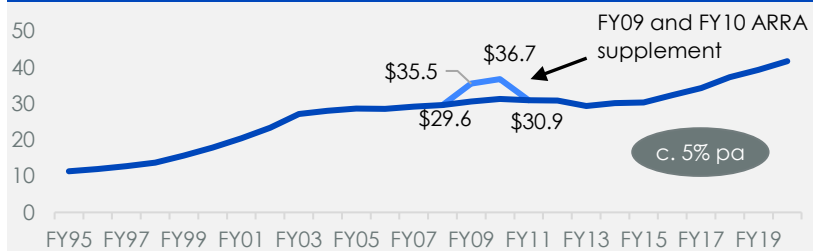
Our market growth is driven by secular trends

Research Use Proteomic Tools

Long-term estimated market growth: ~4%^{1,2}

- ↑ Research funding (largely government)
- ↑ Population of scientists who can do the work
- ↑ Productivity
- ↑ Like-for-like price inflation

National Institute of Health (NIH) annual budget, \$bn



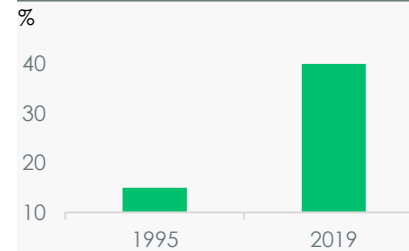
Source: NIH

Antibody Development for Clinical Application

Long-term estimated market growth: ~4-8%^{1,2}

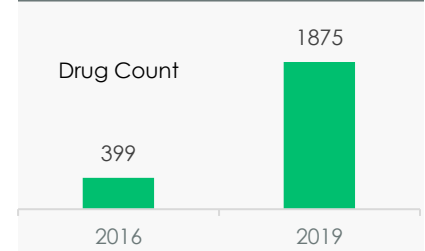
- ↑ Biopharma R&D spending
- ↑ Move to large-molecule biologics
- ↑ Rise of precision medicine
- ↑ Trend toward industry outsourcing

Biological drugs as % of global drugs pipeline



Source: Pharmaprojects, January 2019

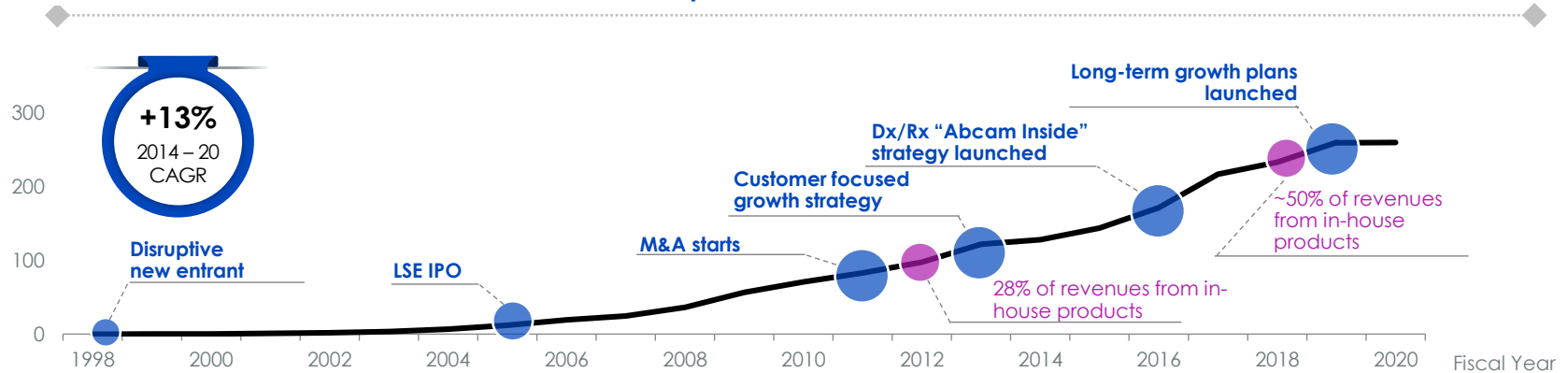
Rise of immuno-oncology as a therapeutic strategy for cancer



Source: Pharmaprojects, January 2019

We have **gained share every year since inception**, with revenue growth **~3x¹** the estimated annual market growth **over the last 6 years**

Global Reported Revenue, £m



"ABCAM 1.0"

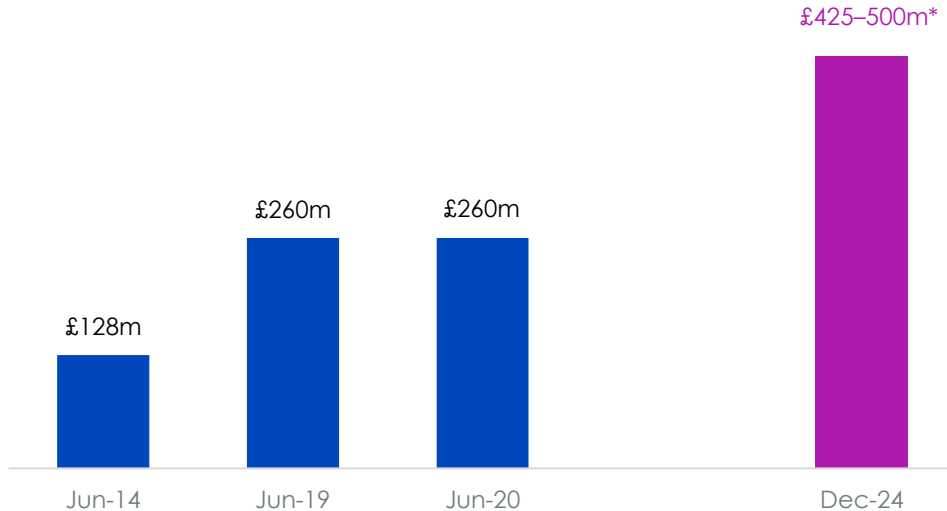
- Disruptive e-commerce platform revolutionizing the purchase of antibodies
- Extensive, open and transparent performance data
- Value-added distributor of third-party products

"ABCAM 2.0"

- Innovation engine
- Multiple technologies
- Increasing scale and throughput

1. Based on total addressable market estimates shown on slide 10

Our goal is to drive an incremental ~£200m+ in profitable revenue by Dec-2024



REVENUE DRIVERS

- Continued global R&D funding
- Further market share gains in RUO antibodies
- Growth from adjacent product lines
- Successful "Abcam Inside" relationships
- More capacity and capabilities to deliver

* At current exchange rates. These are not projections; they are goals and are forward-looking, subject to significant business, economic, regulatory and competitive uncertainties and contingencies, many of which are beyond the control of Abcam and its management, and are based upon assumptions with respect to future decisions, which are subject to change. Actual results will vary, and those variations may be material. Nothing in this presentation should be regarded as a representation by any person that these goals will be achieved and Abcam undertakes no duty to update its goals.

Our six strategic priorities to sustain growth



1.

Extend leadership in
RUO antibodies



2.

Remove innovation
constraints and
launch new lines



3.

Be a leading
discovery
partner for bio-
pharmaceutical
organisations



4.

Be a leading digital
company



5.

Remove scalability
constraints and
sustain value



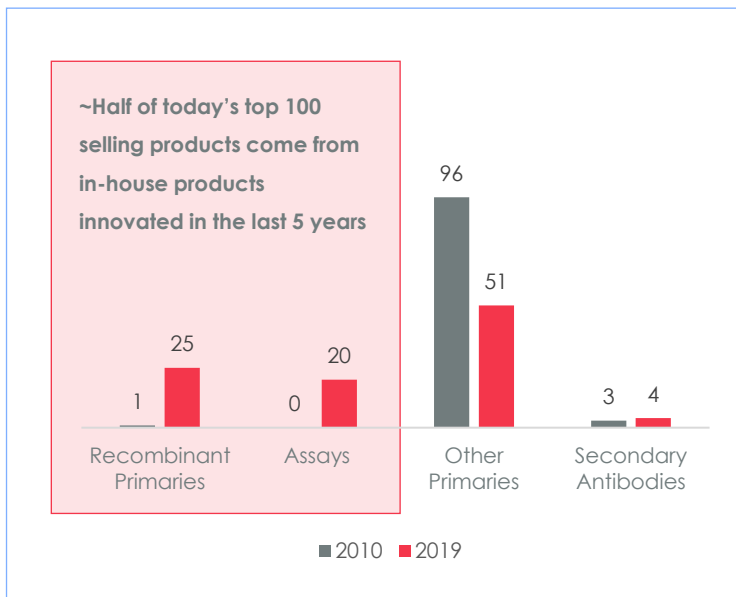
6.

Add new
content and
capabilities through
acquisitions and
partnerships

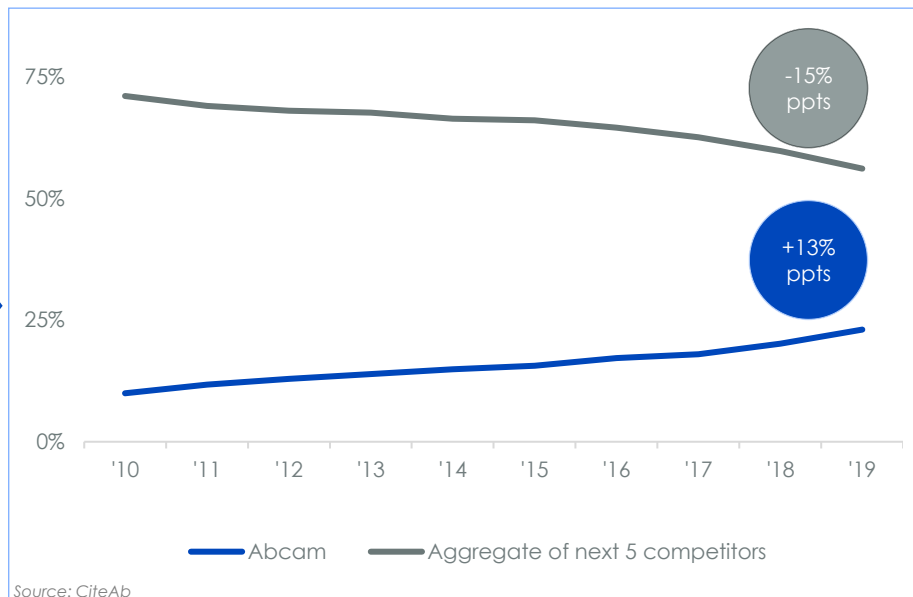


Our business model has evolved from an online distributor to an innovative partner for life scientists, sustaining our share gains

Top 100 Products by Type: 2010 vs. 2019



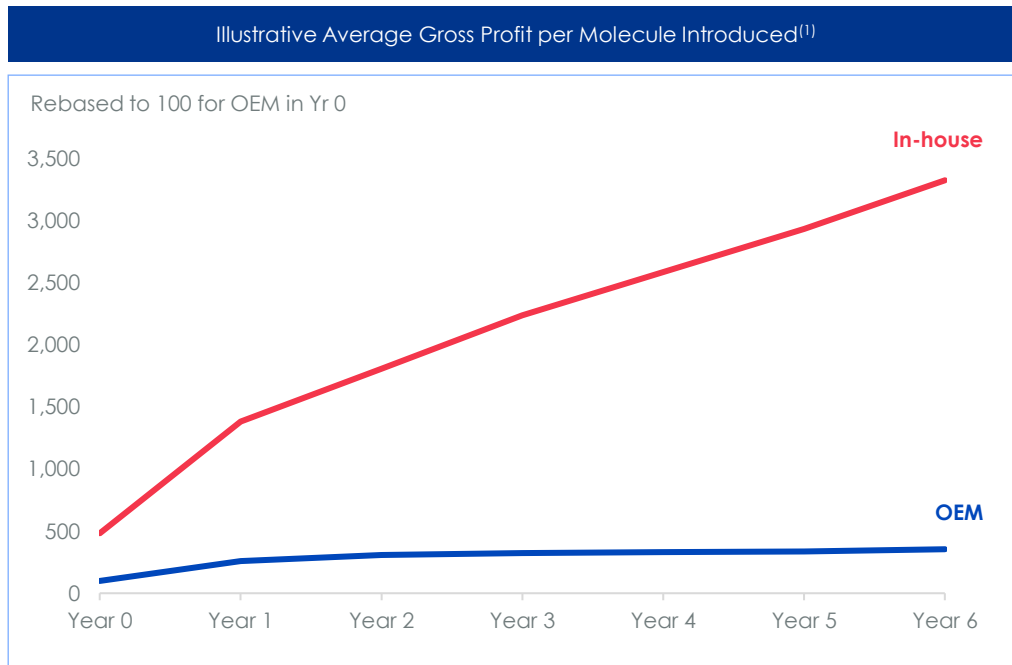
Global Share of Antibody Citations in Research





Attractive return on capital from the transition of supplying OEM products to innovating our own in-house products

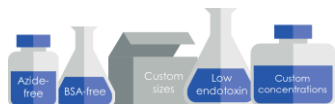
- Better rate of growth per molecule from own products using our data
- Significantly higher gross margins from own products
- Longer duration of revenue, as it moves from early stage research through to downstream uses



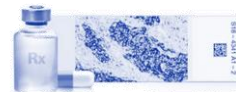


In-house antibodies unlock multiple avenues of growth by serving an increasing range of customer needs

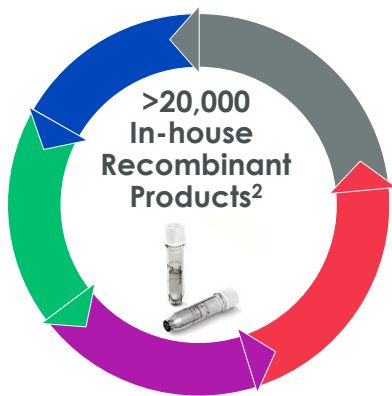
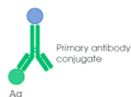
1. New formulations and applications



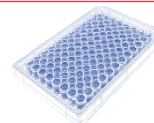
5. Out-license for potential Dx/Rx¹



2. Primary conjugated antibodies



4. Content for platform partners¹



3. Antibody pairs and Immunoassays





We are now pushing faster into in-house platform innovation to deliver more quality at scale

Antibody development innovation:

1. ENHANCED DISCOVERY

- Differentiated antibody discovery platform:
 - B-cell cloning
 - In vitro engineering
 - Next Generation Sequencing
- Higher innovation success rates

2. SCALE VALIDATION

- Largest knockout CRISPR gene editing program in the industry
 - Over 3,500 products¹
- Performance quality assured

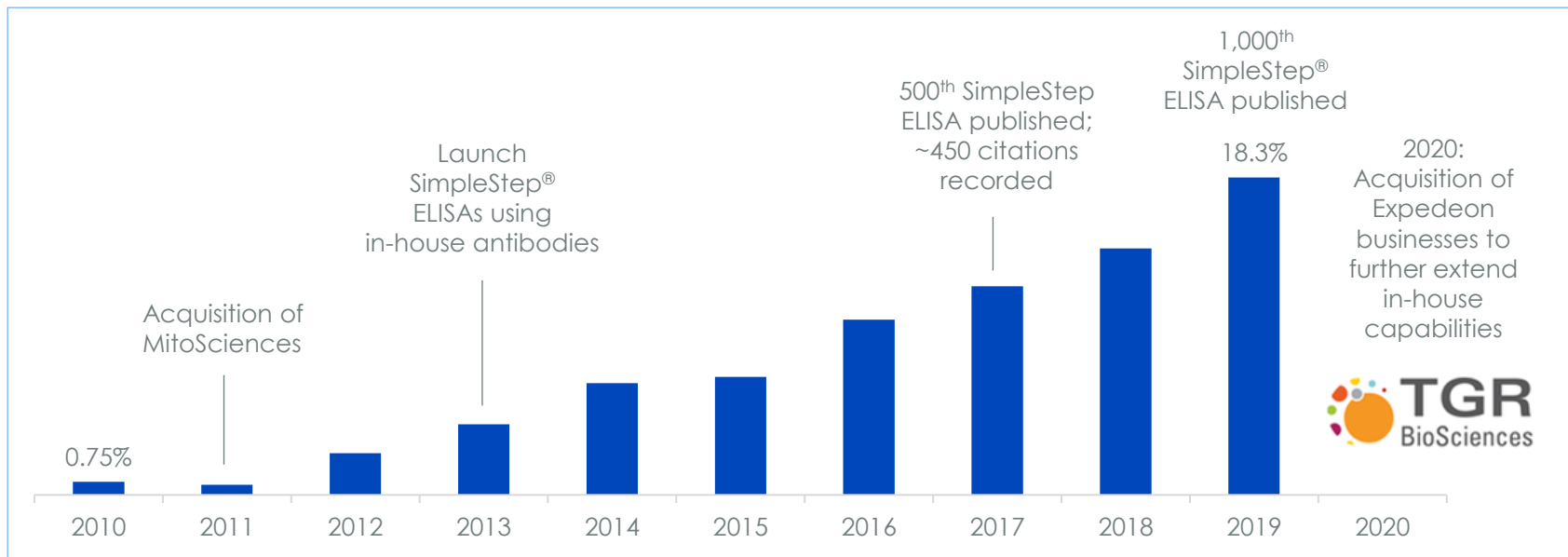
3. NPD THROUGHPUT

- 2-3k in-house products added pa¹
- Increasing efficiency and speed



Our immunoassay portfolio has developed over several years

Abcam, Share of Global ELISA¹ Citations, %

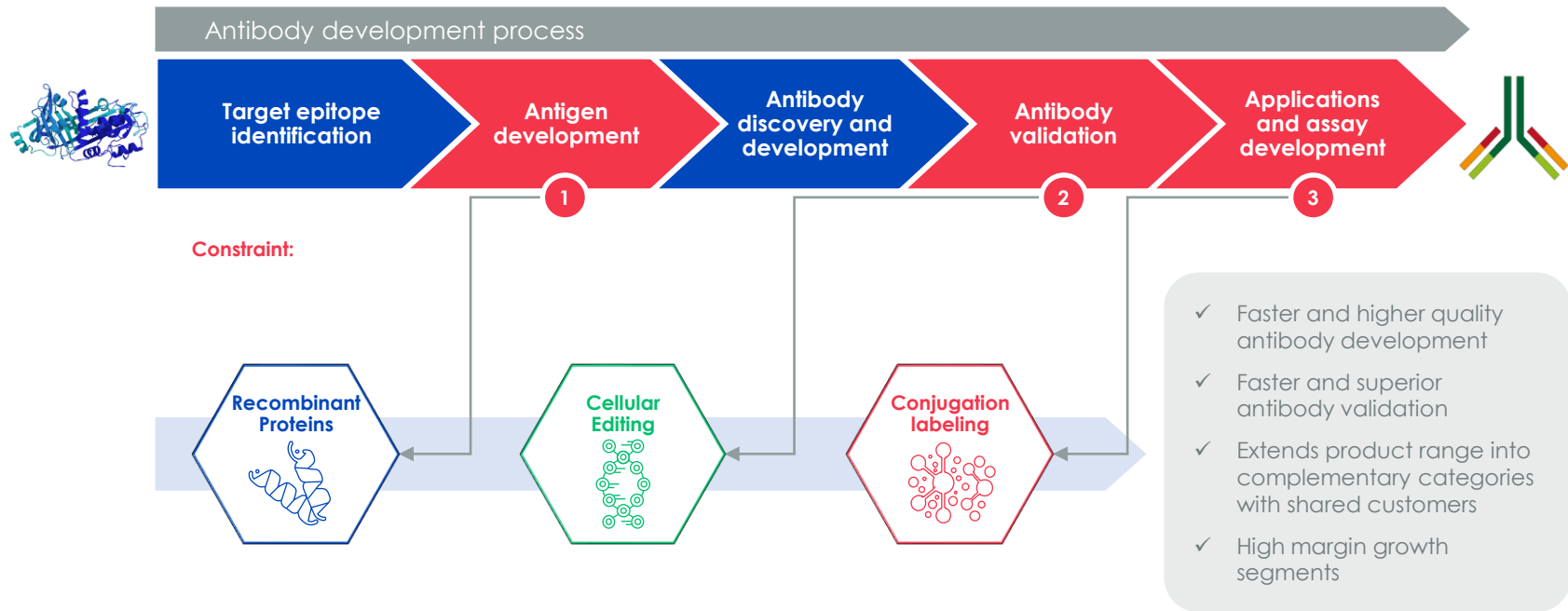


1. Enzyme-Linked Immunosorbent Assay (ELISA) is a common immunoassay test performed to detect the presence of a protein in a biological liquid sample



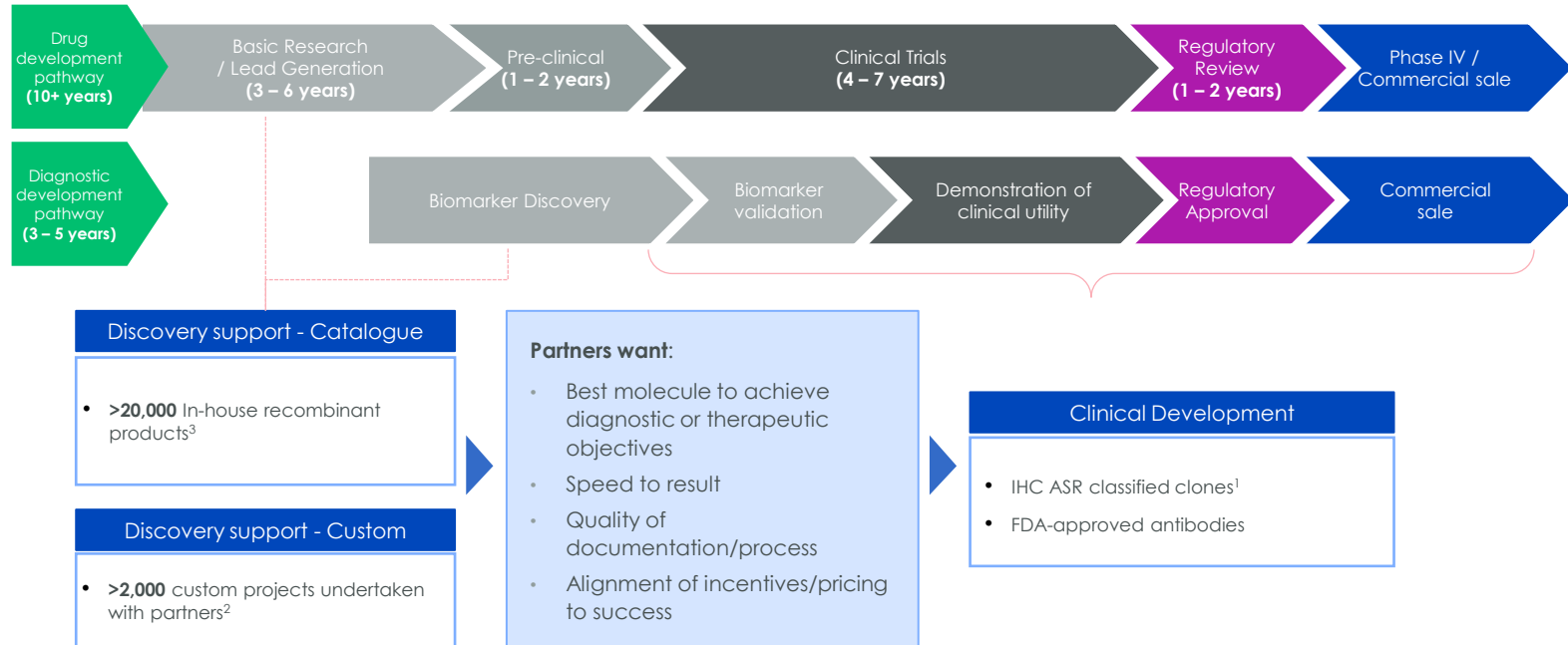
Remove innovation constraint and launch new lines

We are moving into logical new business areas to further accelerate our innovation





Helping accelerate the transition from early discovery to clinical use through partnership with diagnostic and biopharma organizations





Opportunity to access multi-year agreements in clinical applications

- Opportunity to earn **multi-year revenue streams** from each completed project
- **Multiple framework agreements** put in place over last 3 years with **leading pharmaceutical and diagnostic companies**
- **Growing pipeline** of projects under new terms with Dx/Rx partners
- Allowing Abcam to secure **long-term royalties and greater customer exposure**



1. If generated as a custom product (vs. out-licensing of an existing catalogue product)



Be a leading digital company

Our digital goals:

- A highly personalized, digital relationship with customers
- A device agnostic, cloud-based platform, driven by artificial intelligence
- Enhanced ability to understand and anticipate researchers' needs



Our goal is to develop a personalized, intuitive, frictionless digital experience



We see opportunity to change the customer experience, driving increased engagement, conversion and sales



Investing to remove constraints to our growth and to ensure the scalability of our business



In-house innovation capabilities

- New labs, equipment and teams



Digital experience and e-commerce

- Reinvention of our digital channel
- Personalization of the browsing and shopping experience
- Upgraded buying experience
- Scaling up Data/Analytics/AI



Operational capacity and efficiency

- Expanding and improving global facilities
- New infrastructure and supply chain network improvements
- New engineering, technology and system enhancements



Other legacy IT

- Transforming our enterprise systems and processes
- Cloud based ERP replacing IT legacy systems

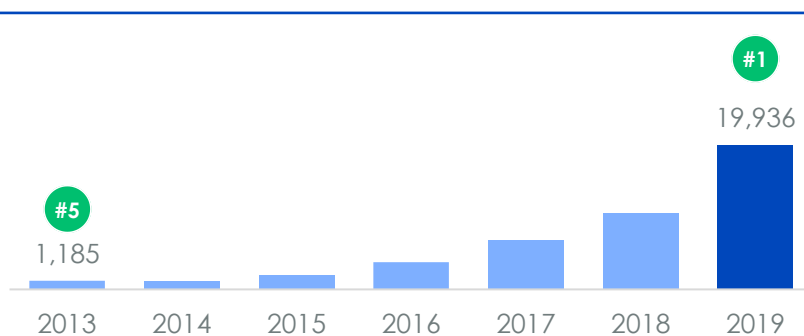
Strengthening global teams across all areas



Investing in China to extend leadership

- More opportunities to get closer to customers
- Enhanced content localization
- Improved digital experience
- Complex sales enablement
- Enhanced facilities

Abcam's number of citations in China⁽¹⁾



New Shanghai office, opened March 2021

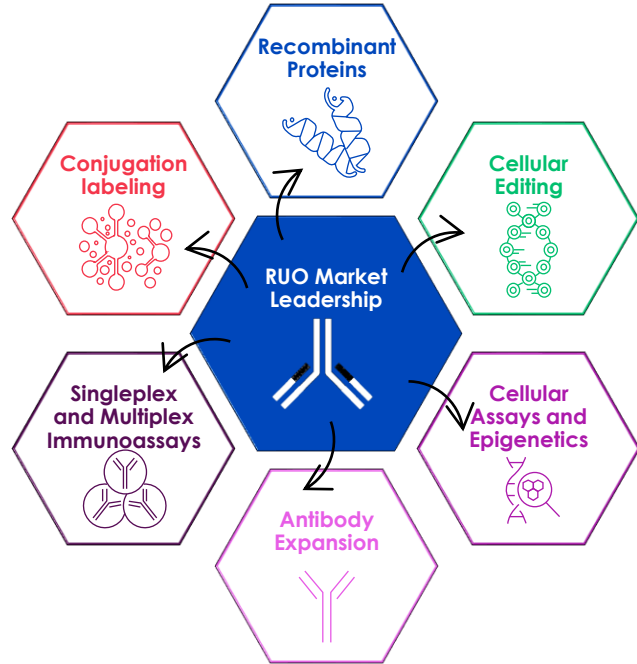


WeChat Educational Series



Add new content and capabilities through acquisitions and partnerships

We focus on bolstering our organic strategy with strategic opportunities in related markets



Acquisition Criteria



High-quality biological portfolio



Focus on breakthrough innovation opportunities in areas where there are either few or no tools

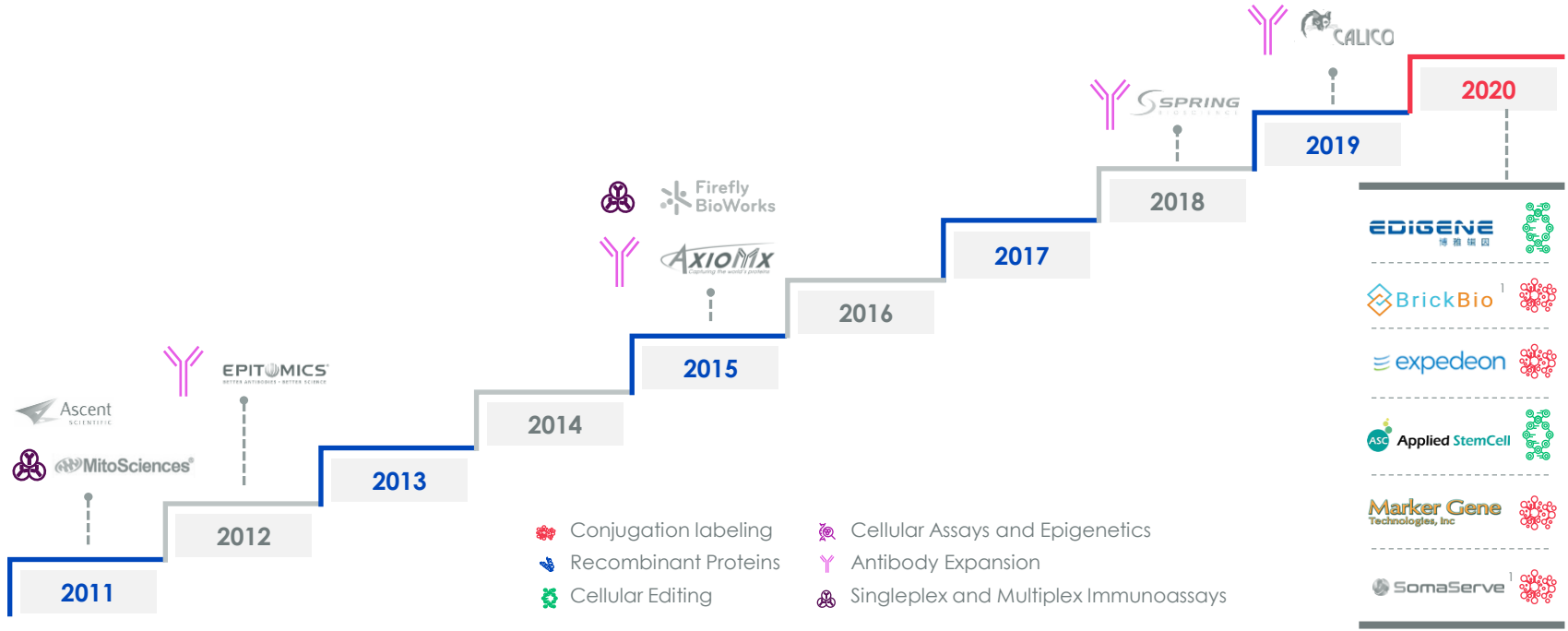


Pursue opportunistic acquisitions in our existing and adjacent customer segments to accelerate our growth, expand geographic coverage and augment our capabilities and workflow solutions



Add new content and capabilities through acquisitions and partnerships

Strong track record of M&A discipline and integration



1. Equity investment

We are prioritizing Opex investments to support growth

Growth Strategy

- 1 In-house innovation and R&D capabilities for faster and broader innovation
- 2 Selectively pursue acquisitions
- 3 Operational capacity and efficiency
- 4 IT transformation to upgrade legacy systems
- 5 Investment in people

Margin Normalization Driven by Growth Strategy

- 1 Expansion of revenues through operations in high growth and high value markets
- 2 Improving operating leverage
- 3 Growth in portfolio of in-house products with better margin profile due to expansion of in-house innovation and R&D capabilities

Capital allocation strategy remains focused on generating long-term value

- 1** Reinvestment in business to drive long term growth
 - Invest in existing, core growth businesses:
 - Best-in-class antibodies
 - Differentiated, proprietary research reagents
- 2** Capex in foundations to support scalable growth
 - Increase scalability of core platform – automation/footprint
 - IT transformation: aiming to provide best-in-class customer experience and business systems
 - Infrastructure improvements to better serve the customer base
- 3** Selective acquisitions aligned to core strategy
 - Complementary portfolios of high-quality products
 - Acquisitions that support or accelerate core growth strategy
- 4** Capital discipline
 - Disciplined, long-term investment approach to organic and inorganic investment
 - Maintain a robust balance sheet
 - Continued focus on ROCE

We are committed to building a sustainable enterprise

Our Impact 2020
Creating sustainable value

Sustainability Performance Measures

Products
Customer NPS: +56
In-house product revenue as % of total catalogue: 47.1%
Product satisfaction rate (12-month rolling): 98.68%

People
Lost days due to Health & Safety: 2

Planet
Carbon emissions (Scope 1 & 2, Global): 4,752 tCO₂e
Waste to landfill: 77.5 tonnes

Our 10 long-term sustainability commitments

Our strategic model for sustainable social and financial value creation

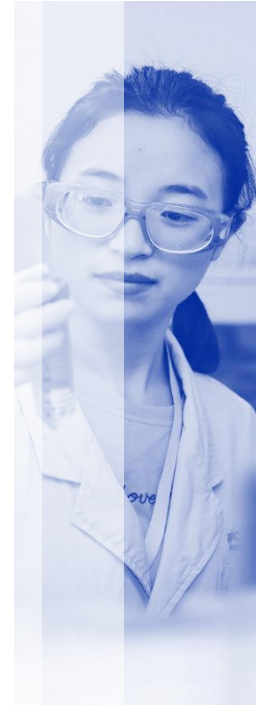
Our 10 long-term sustainability commitments

- PRODUCTS**
1. Increase product quality to **reduce wasted R&D resources** and **accelerate the transition of early-stage research to impact on society**
2. Ensure **ethical production** across our supply chain and **reduce animal use**
3. Provide **exceptional product support**
- PEOPLE**
4. **Attract, retain & develop** talent to enable growth
5. Promote **diversity, inclusion and gender equality**
6. **Protect data and privacy**
7. **Inspire the next generation of scientists** and promote access to STEM careers
- PARTNERS**
8. **Increase our impact** through long term, mutually beneficial **relationships based on trust**
9. **Uphold ethical standards** across our value chain
- PLANET**
10. **Reduce our environmental impact**

Summary Investment Case

Durable mission and financial value creation

- Clear purpose and vision, with a talented team and strong culture
- Growth opportunities within a total addressable market of approximately \$8bn
- A strong business model – well placed to extend our leading position in research use antibodies and related markets
- Appealing business fundamentals – profitable and cash generative, providing capital to invest
- Disciplined organic investment plans developed to sustain and increase growth potential with attractive return profile, build the enterprise and deliver shareholder-value creation



2.

H1 FY2021 Highlights



Operational plans on track; return to revenue growth driven by in-house products

- › Returned to growth against backdrop of reduced lab activity due to COVID-19
- › Continued focus on supporting teams and customers through the pandemic
- › Made operational and strategic progress – on track with investment plans that position the company for durable growth going forward
- › Long-term business fundamentals remain positive – attractive markets, profitable and cash generative business, providing capital to invest

| Strategic Performance Indicators | | |
|----------------------------------|--|---|
| | In-house product revenue growth ^{1,2} | transactional Net Promoter Score (tNPS) |
| H1 2020 | +13.8% | +52% |
| H1 2021 | +25.6% | +59% |

H1 FY2021 Highlights

Financial Highlights

| 6 months ended 31 December 2020 (£m) <i>Adjusted Results</i> ¹ | H1 2021 | H1 2020 |
|--|--------------|--------------|
| Revenue | 147.5 | 138.2 |
| <i>Gross profit margin</i> | <i>70.9%</i> | <i>69.7%</i> |
| Operating costs excl. non-cash costs | 62.7 | 48.1 |
| Non-cash costs ³ | 18.3 | 14.8 |
| Total operating costs | 81.0 | 62.9 |
| Operating profit | 23.6 | 33.4 |
| <i>Operating profit margin</i> | <i>16.0%</i> | <i>24.2%</i> |
| Earnings per share (diluted) | 8.1p | 13.0p |
| Net cash inflow from operating activities | 33.9 | 39.6 |
| Net cash | 211.9 | 88.5 |

- Total revenue up 6.7% on a reported basis and 8.3% on a constant exchange rate (CER²) basis
- Gross margin up 120 basis points, benefitting from higher contribution of in-house products
- Adjusted operating profit margin of 16.0%, reflecting planned investments to support long-term strategy and the impact of COVID-19
- Strong net cash position of £211.9m reflects cash generation and net proceeds of £126.5m US Nasdaq IPO in October 2020
- Board continues to prioritise reinvestment to sustain growth and maximise long-term value creation

1. Adjusted figures exclude system and process improvement costs, acquisition costs, integration and reorganisation costs, amortisation of acquisition related intangible assets, the tax effect of adjusting items and certain individually significant tax items. Such excluded items are described as "adjusting items"

2. Constant exchange rate (CER)

3. Total non-cash items including depreciation and amortisation and share-based payments

Revenue growth driven by in-house innovation

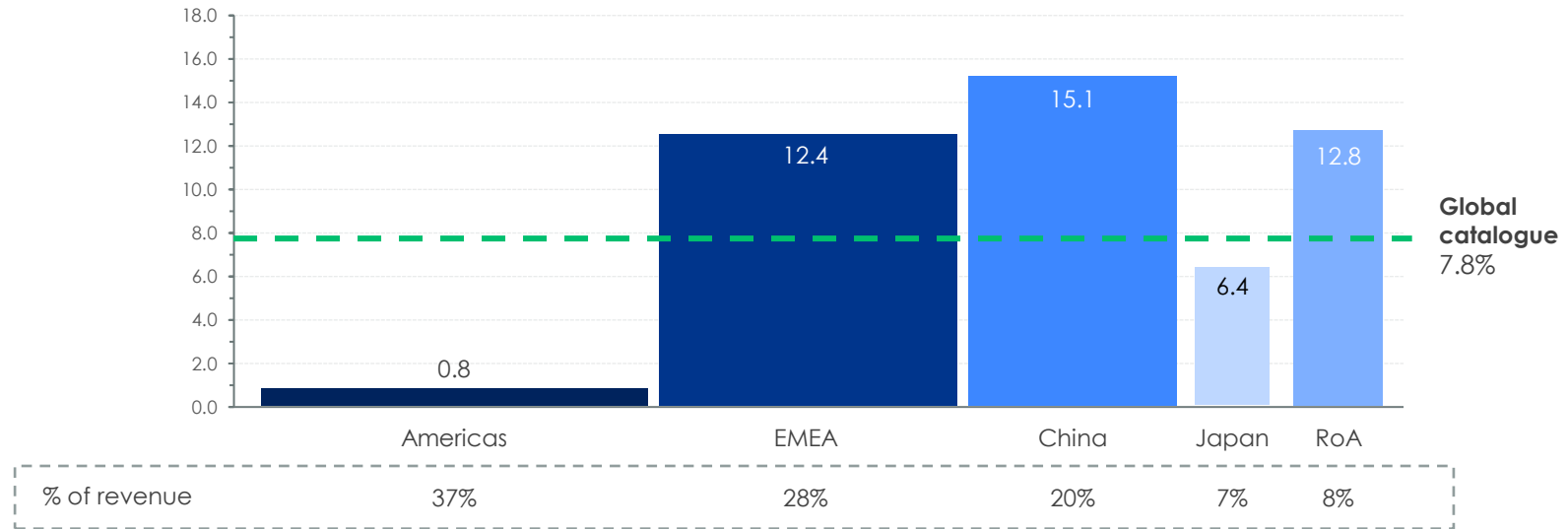
| 6 months ended 31 December (£m) | H1 2021 | H1 2020 | % Change | |
|---|--------------|--------------|--------------|------------------|
| | | | Reported | CER ¹ |
| Catalogue | | | | |
| In-house | 73.3 | 59.1 | 24.0% | 25.6% |
| Third-party | 65.7 | 71.5 | (8.1%) | (7.0%) |
| Catalogue sub-total | 139.0 | 130.6 | 6.4% | 7.8% |
| Custom Products & Services | 2.7 | 3.3 | (18.2%) | (16.7%) |
| IVD | 2.6 | 1.4 | 85.7% | 94.2% |
| Royalties and Licenses | 3.2 | 2.9 | 10.3% | 15.6% |
| Custom Products and Licensing (CP&L) sub-total | 8.5 | 7.6 | 11.8% | 15.9% |
| Total revenue | 147.5 | 138.2 | 6.7% | 8.3% |

- Growth driven by sales of proprietary in-house products, which increased 25.6% (CER)
 - contributed 53% of total catalogue revenue, up 8% pts (H1 2020: 45%)
- Including CP&L, in-house product revenue contributed 55% of total revenue (H1 2020: 48%)
- Strong growth in IVD revenue after impact of delayed orders in prior year
- Positive performance from royalties and licenses

1. Constant Exchange Rate (CER)

Regional revenue performance reflects COVID-19 dynamics

Catalogue CER¹ revenue growth rate, %



1. Catalogue revenue growth at constant exchange rates (applying prior period's exchange rates to this period's results)

Cash flow analysis

Cash generation and strong cash position support reinvestment in growth

6 months ended 31 December 2020 (£m)

| | H1 2021 | H1 2020 |
|---|--------------|--------------|
| Operating cash flows before w/c | 38.9 | 41.3 |
| Change in working capital | (5.2) | 4.2 |
| Cash generated from operations | 33.7 | 45.5 |
| Tax paid | 0.2 | (5.9) |
| Investing activities | (22.8) | (18.8) |
| Financing activities | 15.0 | 83.6 |
| Net change in cash and term deposits | 26.1 | 104.4 |
| Effect of FX | (1.5) | (1.6) |
| Opening cash and term deposits | 187.3 | 87.1 |
| Closing cash and term deposits | 211.9 | 189.9 |
| Debt at period end | - | 101.4 |
| Free Cash Flow¹ | 6.6 | 20.0 |
| Cash conversion ratio² | 97% | 105% |
| Capex to revenue | 17.0% | 12.4% |

- **Main investing activities:**

- Capex of £25.1m (H1 2020: £17.1m), including:
 - Global footprint enhancements: £8.5m
 - Product development: £4.5m
 - ERP/Digital: £8.2m
- Capex expected to moderate as % of revenue from next fiscal year

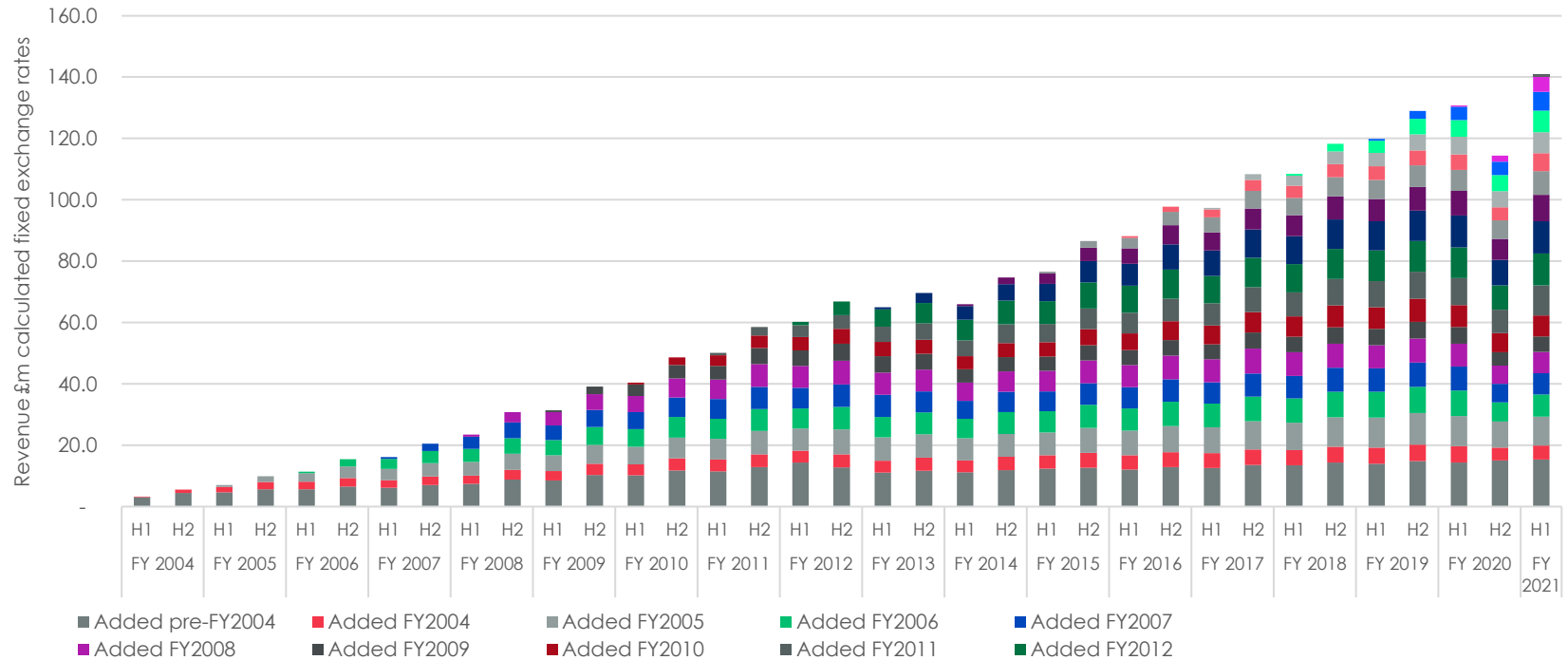
- **Main financing activities:**

- RCF repayment of £107.0m
- Issue of new shares in conjunction with Nasdaq IPO in October, raising £126.5m

Additional Information

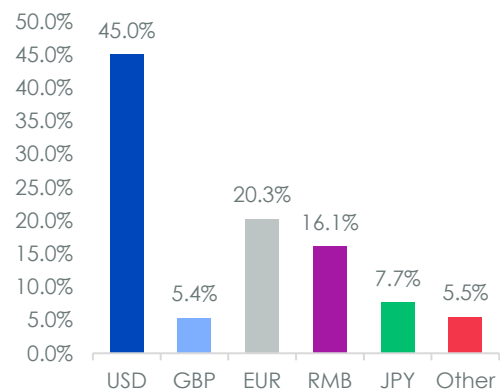
i. Product Cohort Data and FX splits

Cohort catalogue revenue by financial year



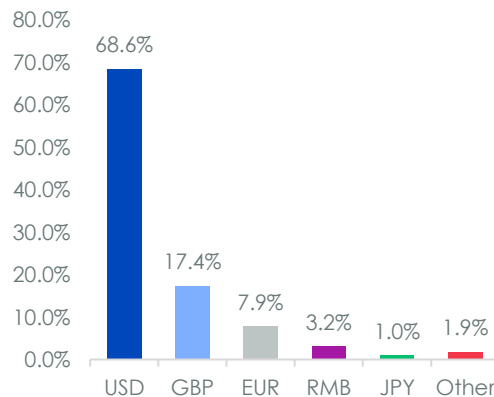
H1 FY2021 breakdown by currency

Revenue



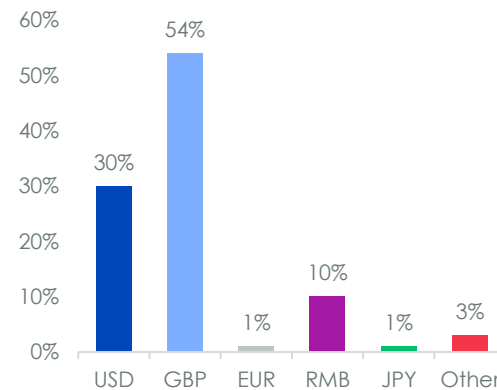
■ USD ■ GBP ■ EUR ■ RMB ■ JPY ■ Other

Cost of sales



■ USD ■ GBP ■ EUR ■ RMB ■ JPY ■ Other

Expenses



■ USD ■ GBP ■ EUR ■ RMB ■ JPY ■ Other

ii. IFRS Reconciliations

Adjusted Operating Profit Reconciliation

| | H1 2021 £m | H1 2020 £m |
|--|---------------|---------------|
| Profit for the year | 11.7 | 26.1 |
| Tax (credit)/charge | 2.1 | (0.1) |
| Finance Income | (0.2) | (0.5) |
| Finance costs | 1.9 | 1.1 |
| System and process improvements costs ^(a) | 1.8 | 2.1 |
| Integration and reorganisation costs ^(b) | 1.9 | - |
| Acquisition costs ^(c) | - | 1.3 |
| Amortisation of acquisition intangibles ^(d) | 4.4 | 3.4 |
| Adjusted Operating Profit ⁽¹⁾ | 23.6 | 33.4 |
| Adjusting items: | | |
| Systems and process improvement costs (ERP) | (1.8) | (2.1) |
| Integration and reorganisation costs | (1.9) | - |
| Acquisition related costs | - | (1.3) |
| Amortisation of acquisition intangibles | (4.4) | (3.4) |
| Reported Operating Profit | 15.5 | 26.6 |

a) Comprises costs of the ERP implementation which do not qualify for capitalisation. Such costs are included within selling, general and administrative expenses.

b) Integration and reorganisation costs relate partly to the integration of the acquired Expedeon business (comprising mainly retention and severance costs as well as employee backfill costs for those involved in the integration and consultancy costs) and reorganisation costs in respect of alignment of the Group's operational structure and geographical footprint to its strategic goals. Included within these costs are £0.6m of depreciation costs. Such costs are included within selling, general and administrative expenses.

c) Comprises legal and other professional fees associated with the acquisition of the Expedeon business. Such costs are included within selling, general and administrative expenses.

d) £3.2m (2019: £2.2m) of amortisation of acquisition intangibles is included within research and development expenses, with the remaining £1.2m (2019: £1.2m) included within selling, general and administrative expenses.

Free Cash Flow Reconciliation

| | H1 2021 £m | H1 2020 £m |
|--|---------------|---------------|
| Net cash inflow from operating activities | 33.9 | 39.6 |
| Purchase of property, plant and equipment | (11.5) | (7.9) |
| Purchase of intangible assets | (13.6) | (9.2) |
| Transfer of cash from / (to) escrow in respect of future capital expenditure | 0.4 | 0.1 |
| Reimbursement of leasehold improvement costs | 1.7 | - |
| Principal and interest in respect of lease obligations | (4.3) | (2.6) |
| Free Cash Flow ^(a) | 6.6 | 20.0 |

a) Free Cash Flow comprises net cash inflow from operating activities less net capital expenditure, transfer of cash from/(to) escrow in respect of future capital expenditure and the principal and interest elements of lease obligations. Free Cash Flow is included in this presentation because it is a key metric used internally to assess our liquidity. Free Cash Flow is not an IFRS measure of our financial performance and should not be considered as an alternative to net cash inflow from operations as a measure of liquidity, or as an alternative to any other performance measure derived in accordance with IFRS.

iii. American Depositary Receipt (ADR) Information

American Depositary Receipt (ADR) Programme

- Abcam offers investors the opportunity to invest through its American Depositary Receipt (ADR) programme
- Abcam's ADRs are listed on Nasdaq:

| | |
|------------------------|-------------------|
| ADR Symbol | ABCM ¹ |
| CUSIP | 000380204 |
| Ratio | 1:1 |
| DR ISIN | US0003802040 |
| Underlying ISIN | GB00B6774699 |
| Depository bank | Citi |

- Note: Due to Abcam's AIM listing, Stamp Duty Reserve Tax (SDRT) is not payable on the conversion of Ordinary Shares to ADRs
- For questions about creating Abcam ADRs, please contact Citi:

New York

Michael O'Leary

michael.oleary@citi.com

+1 212 273 4483

London

Michael Woods

michael.woods@citi.com

+44 (0) 20 7500 2030

Contact

James Staveley, VP Investor Relations
james.staveley@abcam.com

corporate.abcam.com/investors

Abcam plc
Discovery Drive
Cambridge Biomedical Campus
Cambridge
CB2 0AX
UK