



MyCelx Technologies Corporation 2012 Preliminary Results

Investor Presentation

March 13, 2013

Strategic Overview

- Leverage success in Middle East
- Build on the success of the complimentary leasing model
- Allocate resources and develop other key markets
- Additions to professional staff and office/warehouse locations to grow sales and support projects
- Expansion of manufacturing and distribution capabilities
- Prudent use of cash

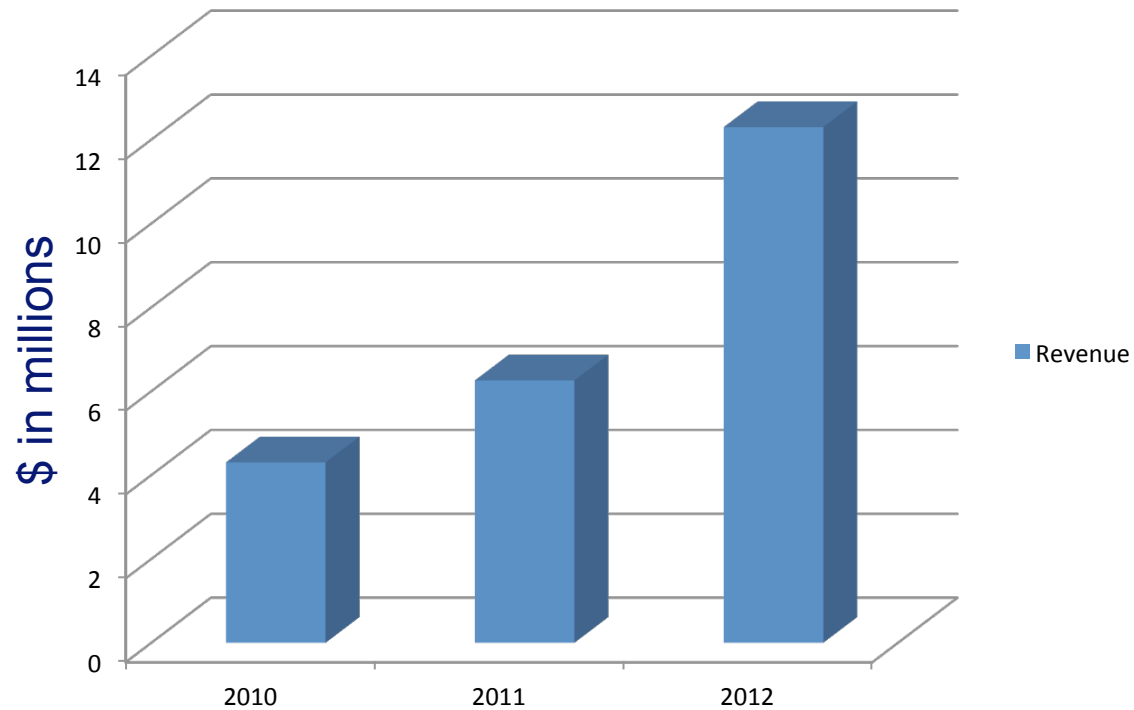
Financial Highlights

- Revenues up 96% to \$12.3 million (2011: \$6.3 million)
- Gross Profit up 123% to \$6.6 million (2011: \$2.9 million)
- Gross Profit margin increased to 53% (2011: 47%)
- EBITDA breakeven in H2 2012
- PBT positive on a monthly basis in 4th quarter 2012
- Contracted Order Book of \$11.3 million (\$10.1 million in 2013)
- 80% of 2013 revenue projection from contracted order book plus installed base (renewals of current leases & recurring revenue) as of March 4, 2013

Income Statement

(in millions)	<u>2012</u>	<u>2011</u>	% ▲
Revenue	\$ 12.30	\$ 6.26	96%
Gross Profit	\$ 6.56	\$ 2.94	123%
EBITDA	\$ (1.38)	\$ (2.52)	45%
Expenses	\$ 8.16	\$ 5.79	41%
Loss before Income Taxes	\$ (1.60)	\$ (2.85)	44%
Net Loss	\$ (1.98)	\$ (2.76)	28%

Revenue Growth

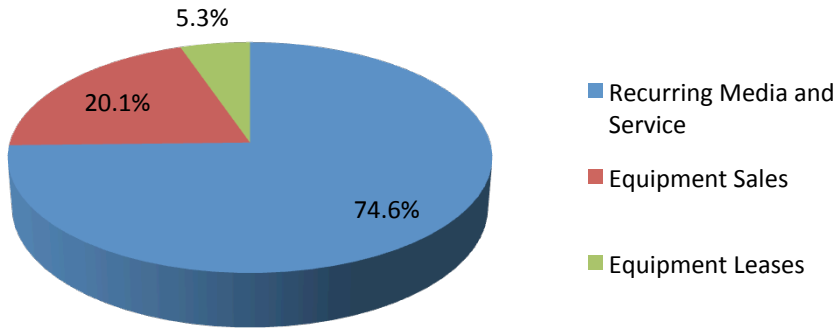


Revenue Breakdown

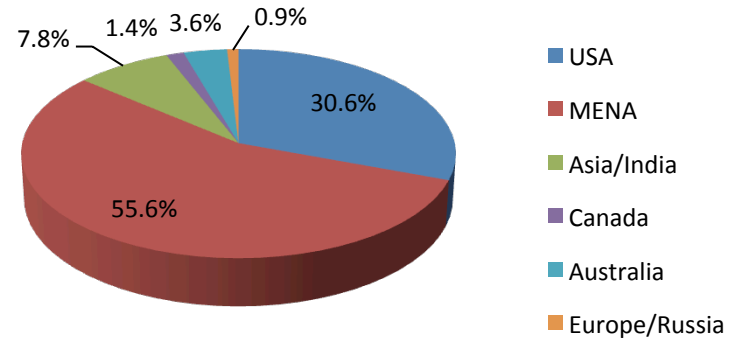
By Revenue Type

By Geography

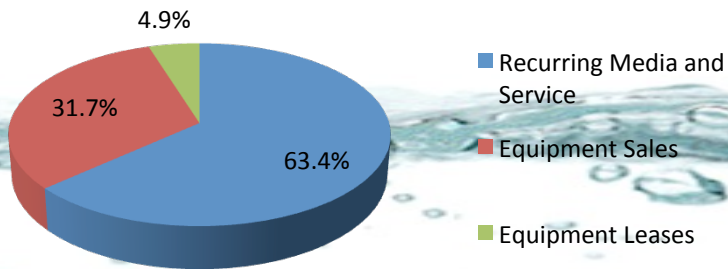
2012



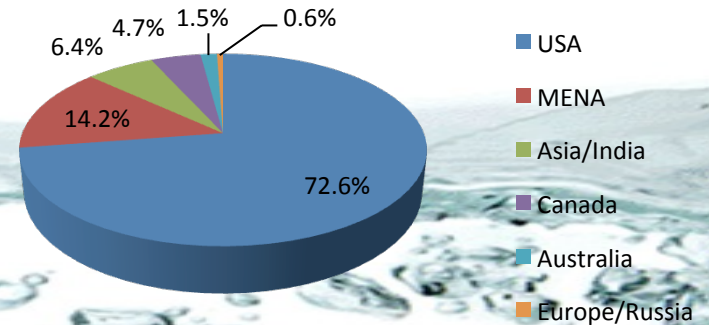
2012



2011



2011

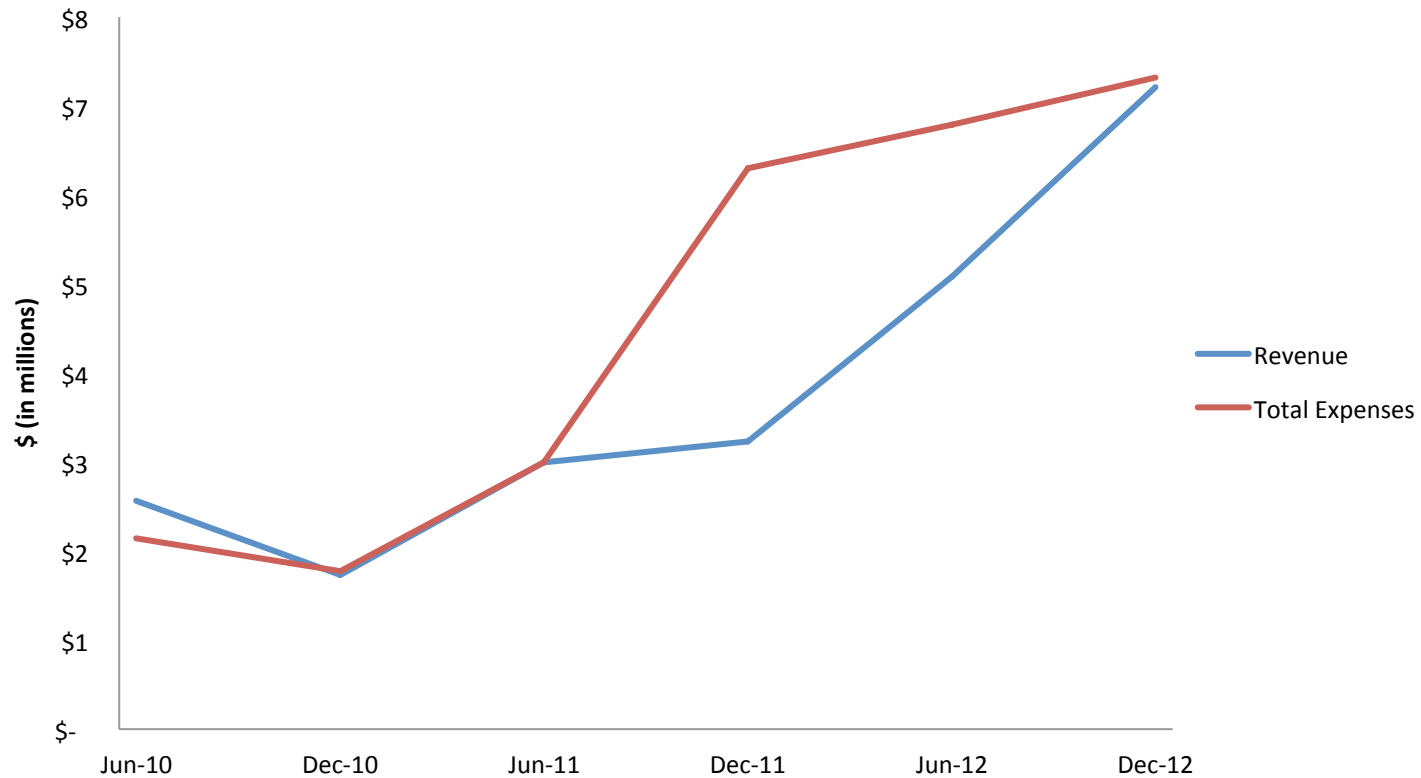


Profitability

In millions - US Dollars	H1 2011	H2 2011	H1 2012	H2 2012
Revenue	3.03	3.23	5.09	7.21
Cost of Goods Sold	1.55	1.77	2.87	2.87
Gross Profit	1.48	1.46	2.22	4.34
<i>Gross Margin %</i>	<i>49%</i>	<i>45%</i>	<i>44%</i>	<i>60%</i>
Operating Expenses	1.32	4.32	3.76	4.39
Operating Profit (Loss)	0.16	(2.86)	(1.54)	(0.05)
Operating Profit %	5%	-89%	-30%	-1%
EBITDA	0.23	(2.74)	(1.38)	0.00
<i>EBITDA margin (%)</i>	<i>8%</i>	<i>-85%</i>	<i>-27%</i>	<i>0%</i>
Total other expense	0.13	0.21	0.16	0.06
Profit (Loss) before taxes PBT	0.10	(2.95)	(1.54)	(0.06)

Profitability

Revenue and Total Expenses



Balance Sheet

(in millions)

	<u>2012</u>	<u>2011</u>		<u>2012</u>	<u>2011</u>
ASSETS			LIABILITIES		
Cash	\$ 9.16	\$15.09	Payables	\$ 1.80	\$ 1.16
Receivables	\$ 2.63	\$ 1.20	Accrued Expenses	\$ 0.78	\$ 0.26
Inventory	\$ 2.91	\$ 1.27	Deferred Revenue	\$ 0.32	\$ 0.10
PP& E	\$ 3.83	\$ 1.05	Other Obligations	\$ 0.08	\$ 0.05
Patents	\$ 0.48	\$ 0.41			
Other	<u>\$ 0.42</u>	<u>\$ 0.11</u>	Stk Equity	<u>\$16.45</u>	<u>\$17.58</u>
Total Assets	\$19.43	\$19.13	Total Liab & Stk Eq	\$19.43	\$19.13

Cash Flow

(in millions)	<u>2012</u>	<u>2011</u>
Beginning Cash	\$15.09	\$ 0.18
Net Loss	\$ (1.98)	\$ (2.76)
Depreciation & Amortization	\$ 0.41	\$ 0.19
Stock Compensation	\$ 0.85	\$ 1.09
Receivables	\$ (1.43)	\$ (0.71)
Inventory	\$ (1.64)	\$ (0.71)
Payables & Accruals	\$ 1.17	\$ 0.96
Property, Plant & Equipment	\$ (3.11)	\$ (0.83)
Intangibles	\$ (0.14)	\$ (0.06)
Proceeds from Stock Offering	\$ -	\$16.51
Notes & Line of Credit	\$ (0.01)	\$ 1.20
Other	<u>\$ (0.05)</u>	<u>\$ 0.05</u>
Ending Cash	\$ 9.16	\$15.09

2012 Operational Highlights

- New Contracts, contract extensions, and purchase orders signed
 - Oil and Natural Gas Corporation of India, SABIC
 - Major US-based pipeline and terminal operating company
 - Global E&P company for offshore project in Australia
 - UAE with national gas producer and first project
- New locations opened or expanded for business development or technical service and support
 - Al-Jubail Industrial City, Saudi Arabia service and support center
 - Houston, Texas global engineering and sales office and demonstration center
 - London, United Kingdom expanded business development in Southeast Asia and Europe
- Successful trials completed
 - Alberta
 - Saudi Arabia
 - Qatar
 - Australia

Post Period End Events

- SABIC contract extension worth \$2.5M (included in contracted order book)
- New contract for second installation at existing customer plant adding \$1.2M in revenue (included in contracted order book)
- Awarded contract for produced water treatment system in Albania valued at \$1.0M most of which will be recognized in 2014
- Install and operation of offsite waste water treatment project in Saudi Arabia (included in 2013 revenue)
- Nominated for Industrial Water Sustainability Award for Global Water Summit 2013

2013 Focus and Strategy

- Middle East expansion
 - Leverage and promote SABIC successes globally within SABIC corporate
 - Add emergency response systems and go to market with service partner
 - Use SABIC success for references in Oman and Qatar to secure 2013-2014 projects
- Develop additional projects in India
 - Many refinery upgrades underway
 - New installations of Effluent Treatment Plants (EFTs)
 - Use of membranes for water treatment provides great opportunity
- Grow sales in North America and SE Asia
 - Developing pipeline and terminal marketing strategy with successful project references
 - Revival of Gulf of Mexico projects post 2010 oil spill
 - Focus London team on SE Asia with focus on offshore Malaysia
 - Complete Alberta trials and secure reference project