



Financial results for six months ended 30th June 2016

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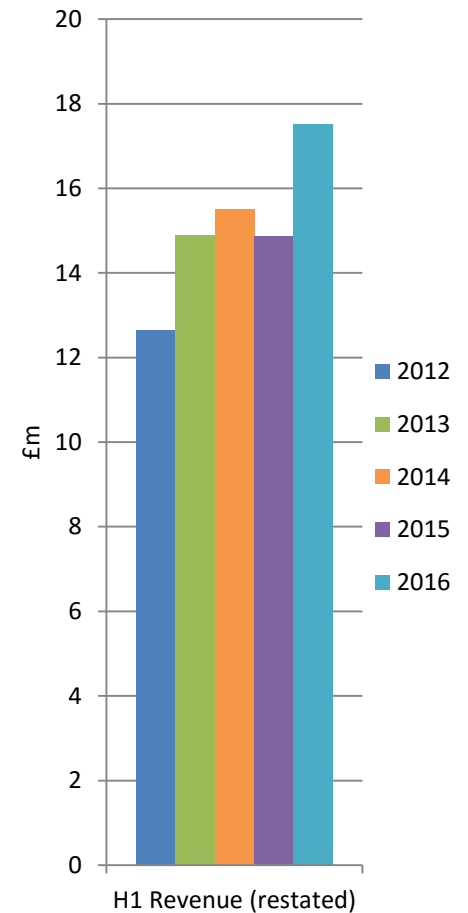
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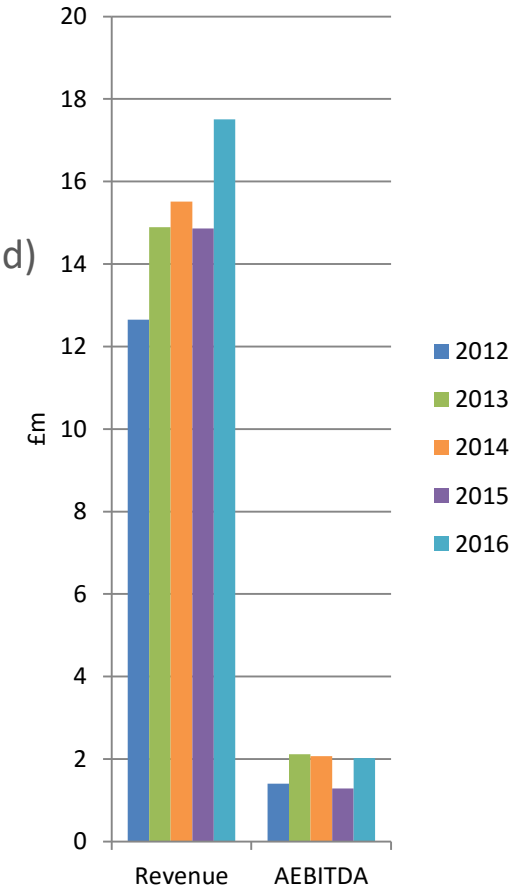
H1 Highlights

- Revenues up 18% to £17.51m (2015 restated: £14.86m)
 - Sold 7,029 analysers and 35.33m tests
- On track to reach higher end of AEBITDA FY forecast of £3.5-£4.0m
- Benefits of restructuring starting to pull through
- Restructuring of the group:
 - Closure of Dublin facility and disposal of biomarker products
 - Transfer of STI manufacturing to Stanbio complete
 - Reduced headcount by 104 to 299 FTEs
 - Quotient closure complete
 - DiaSpect transfer on-going
- Restructured board:
 - Christopher Mills, Non-Executive Chairman
 - Two Executive Directors and two other Non-Executive Directors
 - Senior management performance related incentive packages



H1 Financial performance

- Gross profit up 10% to £8.42m (2015 restated: £7.67m)
- AEBITDA up 57% to £2.02m (2015 restated: £1.29m)
- Cash and cash equivalents: £3.24m (2015: £2.08m)
- Cash generated from operations: £1.4m (2015 restated: £2.1m used)
- Net debt of £4.3m (2015: £8.8m)
- £4.5m net Placing in June
- FX upside c. £1.0m



Business Unit performance

	H1 2016 £k	H1 2015 £k	+/- %
Hematology	5,182	4,283	21%
Diabetes	4,816	3,979	21%
Maternal Health	1,390	1,218	14%
Central Laboratory	5,699	4,609	24%
Other	420	775	
	17,507	14,864	

Geographical divisional split

H1 revenue	H1 2016 £'000	H1 2015 £'000	2016 v 2015
APAC	1,956	2,129	-8%
EMEA	6,459	5,098	27%
EKF LS	984	1,011	-3%
LATAM	1,636	1,396	17%
USCAN	6,471	5,230	24%
	17,507	14,864	18%

H2 Challenges

Regulatory	<ul style="list-style-type: none">• Re-registration of QDL products following transfer of production• Complexity and duration of FDA and CFDA submissions for DiaSpect Tm• New IVDR come into effect 2016/17. Significant resources required to comply
Connectivity	<ul style="list-style-type: none">• Increasing requirement to meet individual country connectivity demands
Global economy	<ul style="list-style-type: none">• Impact of international conflict – Ukraine, Turkey• Currency depreciation
Competition	<ul style="list-style-type: none">• Asian manufacturers developing low cost POC analysers and tests within hematology, diabetes and lactate

Summary

- H1 growth built on 'back to basics' approach
- Reduced cost base through centralised manufacturing and reduced headcount
- Sales growth from key markets:
 - USA: Relaunch of HemoPoint H2 and B-HB
 - Middle East: Only significant tender win in year to date
 - South east Asia: Growing penetration of hemoglobin and diabetes ranges
- FY revenue target of over £30.0m
- On track to reach higher end of AEBITDA FY forecast of £3.5-£4.0m



Appendix 1

Financial report

Income statement: Extract

	H1 2016 £'000	H1 2015 £'000	+/- £'000
Revenue	17,507	14,864	2,643
Gross profit	8,416	7,674	742
GP %	48%	52%	(4%)
Admin. costs	(9,358)	99	(9,457)
Other income	32	129	(97)
Operating (loss)/profit	(910)	7,902	(8,812)
AEBITDA	2,019	1,289	730
Overheads	6,831	6,951	(120)
Exceptional items	(387)	9,740	(10,127)
Depreciation / amortisation	(2,487)	(3,018)	531
Finance costs / income	(304)	(1,218)	914
Tax	(230)	147	377
Loss for the year cont. operations	(1,422)	6,832	(8,254)

Balance Sheet / Cashflow: Extract

	June 2016 £'000	Dec 2015 £'000	+/- £'000
Intangible assets	46,778	42,927	(3,851)
PPE	11,978	10,680	1,298
Inventories	7,915	8,234	(319)
Trade / other receivables	8,137	7,242	895
Cash and cash equivalents	3,242	2,017	1,225
Borrowings	7,517	10,842	(3,325)
Net (debt) / cash	(4,275)	(8,825)	4,550
Deferred considerations	505	485	20
Trade / other payables	7,914	8,331	(417)

Cashflow

H1 2016 £'000	
Cash at beginning of period	2,017
Cash generated in operating activities	1,354
Cash used in investing activities	(1,129)
Cash generated by financing activities	736
Net increase in cash	961
Exchange gains	264
Cash at end of period	3,242



Appendix 2

Business unit performance

Point-of-Care

Hematology

- Revenues up £898k (21%)
- Transition of H2 sales in USA from Alere to EKF USA 1st June
- Hemo Control/H2 up 35% YoY
- DiaSpect Tm/CompoLab up 31% YoY
- H2 2016 strategy to focus on:
 - Consolidate H2 distribution strategy in USA
 - Market share in India through DiaSpect Tm
 - Growth in south east Asia through DiaSpect Tm
 - Registration of DiaSpect Tm in USA



Hematology range

- DiaSpect Tm
- Hematastat II
- Hemo Control
- HemoPoint H2
- STAT-Site Hgb
- UltraCrit & UltraCrit+



	H1 2016 £k	H1 2015 £k	+/- £k	+/- %
Hematology analysers and tests	5,182	4,283	898	21%

Point-of-Care

Diabetes



- Revenues up £837k (21%) YoY
- Quo-Test and Quo-Lab up 72%
- STAT-Site M BHB up 68%
- Biosen down 11%
- H2 2016 strategy to focus on:
 - Driving revenue from Quo-Lab OEM agreements
 - SSM BHB following-on from growth in BHB reagent
 - Slow re-emergence of Biosen in China following re-registration

Diabetes range

- Biosen C-Line
- Biosen S-Line
- Quo-Lab A1c
- Quo-Test A1c
- STAT-Site M β -HB



	H1 2016 £k	H1 2015 £k	+/- £k	+/- %
Diabetes analysers and tests	4,816	3,979	837	21%

Point-of-Care

Maternal & Women's Health



- Revenues up £172k (+14%) YoY
- Ten-fold increase in unit sales of Creamatocrit
- Lactate Scout+ up 19%
- Pregnancy kits up 7%
- 2016 strategy to focus on:
 - Increase revenues from Lactate Scout+ through price increase of sensors
 - Identify other volume markets to drive incremental sales of Creamatocrit
 - Investment in clinical trials in Bristol to obtain CE mark for SensPoint



	H1 2016 £k	H1 2015 £k	+/- £k	+/- %
Analysers, sensors and tests	1,390	1,218	172	14%

Central Laboratory

Clinical chemistry, centrifuges and enzymes



- Total central laboratory sales +£1,090k (+24%):
 - Beta-Hydroxybutyrate Liquicolor reagent up 72%
 - Incremental sales from launch of Altair 240 clinical chemistry analyser
 - Small increase (£90k) in sales of chemistry
 - Sales of centrifuges and consumables flat
- 2016 strategy to focus on:
 - Continue to drive B-HB in USA
 - Build the market for PCT. First customer acquired in H1 Turkey
 - Launch of Altair 240 automated chemistry analyser to drive further increases in sales of chemistry outside of USA
 - Discontinuation of SlidePrep and PlasmaPrep centrifuges

Central Laboratory range

Centrifuges
 Clinical chemistry
 Contract fermentation
 Enzymes
 Liver & kidney biomarkers



	HY 2016 £k	HY 2015 £k	+/- £k	+/- %
Central Laboratory	5,699	4,609	1,090	24%

Thank you