



# EKF Diagnostics Holdings plc

**2021 – 2024 Growth Strategy**

Investor Presentation w/c 7 June 2021

**[ekfdiagnostics.com](https://ekfdiagnostics.com)**

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EKF Diagnostics 2021



Investment into the business



Leverage internal expansion opportunities



Significant revenue and EBITDA growth by 31 December 2024

# Growth plan 2021 - 2024

## Invest in fueling growth

1. Investment in existing core business (enzymes and contract manufacturing) to drive aggressive organic growth
2. Exploit newly expanded capabilities to meet the demand for contract manufacturing services
3. Seek out complementary, earnings-enhancing acquisitions with key strategic value to the core business
4. Investment into Point of Care business to maximise distribution network and diversify existing product portfolio
5. Continue to create additional value for EKF shareholders from our agreement with Mount Sinai Innovation Partners (MSIP)
6. Continue a progressive dividend policy and generate enhanced shareholder returns

# 1. Investment in existing core business (enzymes and contract manufacturing) to drive aggressive organic growth



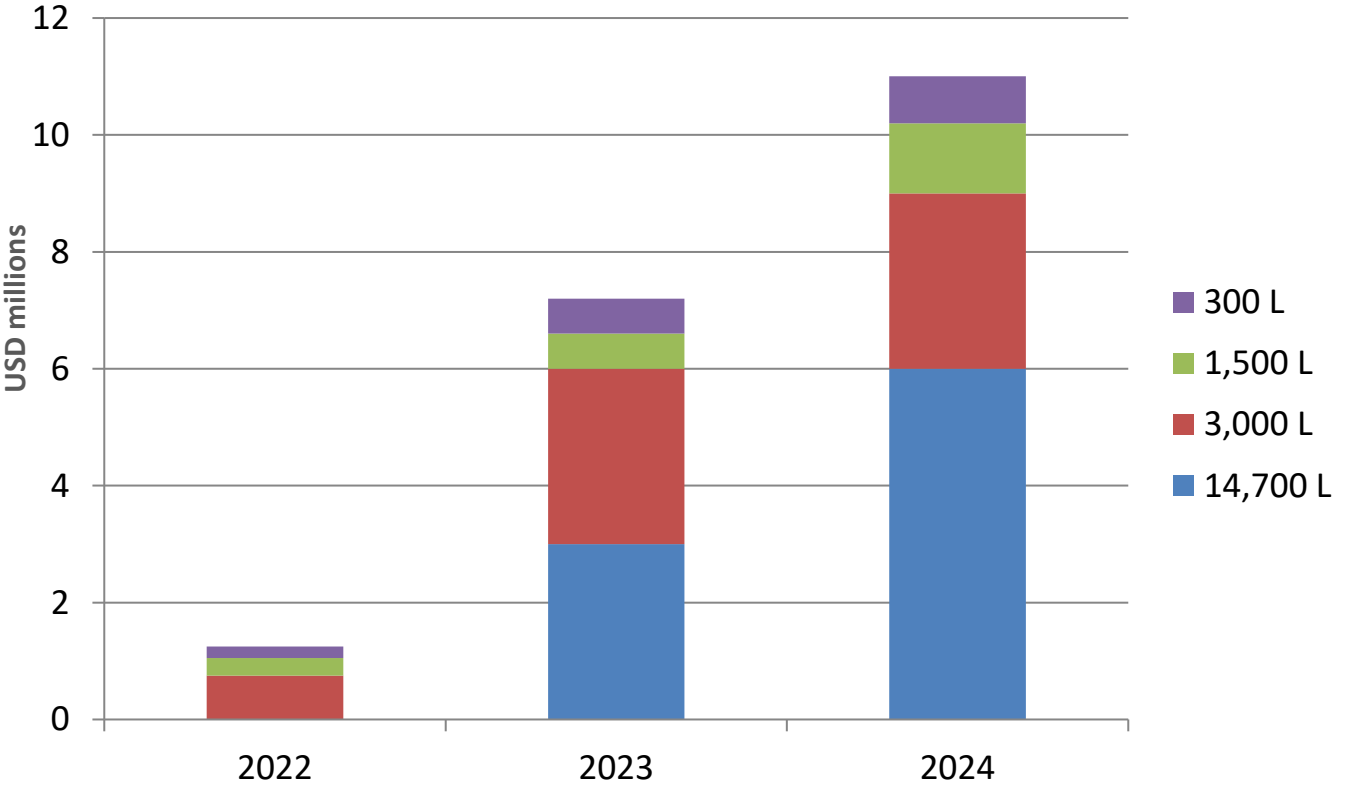
## Life Sciences

- ▶ Increase fermentation capacity through installation of 3,000 and 14,700 litre fermenters in South Bend facility
- ▶ Investment objective is to increase capacity to take on larger opportunities (examples listed below)
- ▶ Investment: \$9.7m
- ▶ Fermentation capabilities in South Bend also provide business continuity and security of supply for existing customers

<b>Company 1</b>	Focused on next generation natural ingredients
<b>Company 2</b>	Large US based company interested in E.coli fermentation and down stream processing
<b>Company 3</b>	Molecular enzyme manufacturing. POC commencing in July
<b>Company 4</b>	IVT enzymes
<b>Orogenics</b>	Building on current product pipeline

# Conservative potential revenue from increased fermentation capacity

Assumptions: 1,500 L and 3,000 L fermenters on line Q3 2022  
14,700 L fermenter on line Q1 2023



Sale price assumptions:

- ▶ 14,700 litre fermentation @ \$250k - \$600k
- ▶ 3,000 litre fermentation @ \$150k to \$250k
- ▶ 1,500 litre fermentation @ \$80k to \$150k
- ▶ 300 litre fermentation @ up to \$100k



## 2. Exploit newly expanded capabilities to meet the demand for contract manufacturing services

Leverage relationship with private sector partner to support their diagnostics strategy

- ▶ EKF currently makes kits for their COVID sample collection product in USA, UK and Germany
- ▶ Customer is the largest distribution business in the world
- ▶ Leveraging distribution business to move into 'home diagnostics'
- ▶ EKF perfect partner due to manufacturing capabilities in US, Europe and UK
- ▶ EKF also a key regulatory partner
- ▶ Collaborating on new molecular enzyme product to be made in Elkhart
- ▶ Reliant on EKF for all diagnostic advice
- ▶ Increasing demand for kit manufacturing
- ▶ Substantial revenue and EBITDA growth opportunity





# 3. Seek complementary earnings-enhancing acquisitions with key strategic value to the core business

## Three growth areas identified

### ▶ CLIA lab for diagnostic tests

- Further area of partnership with global private sector partner
- Potential to link to Trellus, Renalytix and Verici
- Move into \$4bn US diagnostic testing market which has forecast CAGR of 13% from 2021 to 2027

### ▶ Molecular assay and platform

- Plug and play assays providing simplified workflows and cost-effective logistics
- In-house molecular assays and development of assays for major platform providers
- Potential Point Of Care (POC) molecular instrument

### ▶ Expansion of kitting capabilities

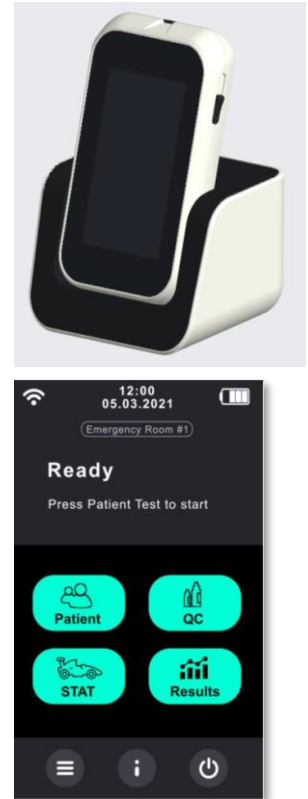
- Contract manufacturing for existing diagnostics companies
- Adding to our existing capabilities in USA, UK and Germany

# 4. Investment into Point of Care business to maximise distribution network and diversify existing product portfolio

## 4a. Brand extensions and new product development

Launch *EKF Response* aimed at sepsis testing in critical care settings

- ▶ Multi-parameter device based on next generation Lactate Scout sensor
- ▶ Target US market. Parallel launch in US and Europe. Limited competition and high demand for fast, accurate testing
- ▶ Point-of-Care platform technology for use in critical care settings with additional development plans into obstetrics and primary care
- ▶ Lactate for use in patient pathway determination in suspected sepsis cases
- ▶ Addresses unmet need in a \$620m sepsis diagnostics market space that is expected to grow 10% YoY. US market for sepsis in critical care is \$49m
- ▶ Delivery late 2022



# 4. Investment into Point of Care business to maximise distribution network and diversify existing product portfolio

## 4a. Brand extensions and new product development

### ▶ Launch DiaSpect Tm Mk II

- New functions including memory and LIS (laboratory information system) connectivity
- Launch Q4 2021

### ▶ Introduction of EKF Link connectivity software

- Allows connection of EKF analysers to LIS
- Improved patient management and quality control
- Open source allows third party devices to be added; white label version available for licensing



### ▶ Launch Quo-Test A1c Mk II

- Built on existing technology platform with enhanced usability and features. Connectivity wireless and LAN
- Re-engineered casing to reduce effect of dust and temperature extremes
- Launch 2022

### ▶ Identify new POC acquisition targets that complement portfolio

- Active discussions underway

# 4. Investment into Point of Care business to maximise distribution network and diversify existing product portfolio

## 4b. Maximise the value of existing distribution network

- ▶ Cardinal Health: Diabetes strategy ( $\beta$ -HB, WB meter, Glycated Albumin)
- ▶ Fisher: Private label  $\beta$ -HB
- ▶ Ortho Clinical: Continue private label  $\beta$ -HB expansion
- ▶ McKesson: Displace HemoCue (Danaher) with DiaSpect Tm
- ▶ VWR: Biosen into research market in US
- ▶ US blood banks: DiaSpect Tm approved by FDA Center for Biologics Evaluation and Research (CBER)
- ▶ Build distribution and product strategy for RoW



## 5. Continue to create additional value for EKF shareholders from our agreement with Mount Sinai Innovation Partners

- ▶ Considerable value already delivered through RenalytixAI, Verici Dx and Trellus Health
- ▶ Relationship will be led by Julian Baines as Non-Executive Deputy Chairman
- ▶ Continue to be in conversations with MSIP over future initiatives
- ▶ Update at Interim Statement, September 2021

## 6. Continue a progressive dividend policy and generate enhanced shareholder returns

- ▶ First ever dividend of 1p per ordinary share paid 1 December 2020
- ▶ Intention to pay a second dividend of 1.1p on 1 December 2021
- ▶ Plan to follow progressive dividend policy and continue to provide enhanced returns by distributions of investments at the appropriate time

**Thanks  
for your attention**