



Diagnostics for life

EKF Diagnostics Holdings plc

Financial results for six months ended 30 June 2018

19 September 2018

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Agenda

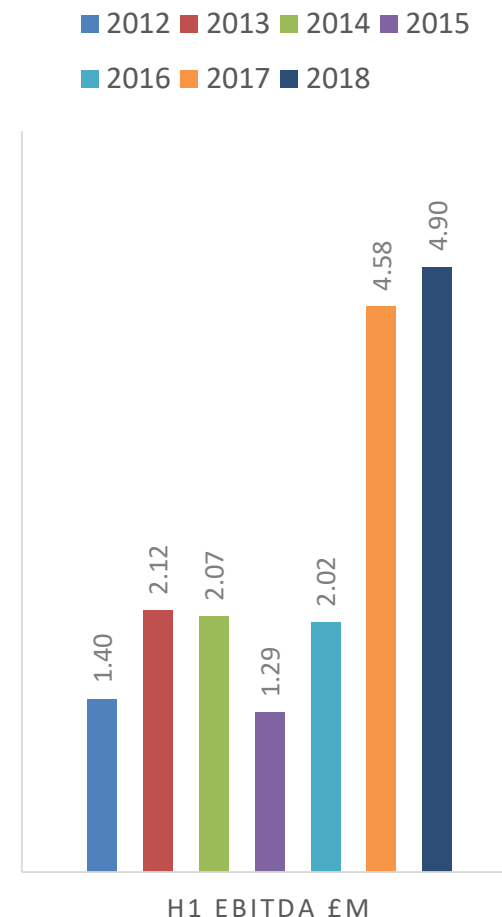
Slide no.

4. Financial highlights
5. Operational highlights
6. Income statement: Extract
7. Statement of financial position: Extract
8. Outlook

Financial Highlights

- ▶ Adjusted EBITDA* up 7% to £4.90m (H1 2017: £4.58m)
- ▶ Revenues in-line year-on-year on a constant currency basis at £21.20m (H1 2017: £21.50m)
 - Reported revenues of £20.36m, impacted by exchange rates
- ▶ Strong cash generation from operations of £4.35m (H1 2017: £5.07m)
 - Despite significant investments in enzyme facility of £0.71m , plus investment in Renalytix AI of £0.33m
- Net cash £8.82m (30 June 2017: £4.44m), (31 December 2017: £7.00m)

* Before exceptional items and share based payments



Operational Highlights

- ▶ DiaSpect Tm has received FDA 510k CLIA clearance
- ▶ OEM contract with McKesson – Surgical Inc.
 - Exclusive rights for distribution of DiaSpect Tm in all US markets except blood banks, driving further US sales growth following November 2018 product launch
 - Substantial revenue and EBITDA contribution expected in 2019 and onwards
- ▶ Significant investment in EKF Life Sciences' Elkhart facility to increase capacity
- ▶ Multi-million dollar enzyme contract with Orogenics Inc. expected to support further US revenue growth over the next 2-3 years
- ▶ Exclusive US distribution contract with Asahi Kasei Pharma Corporation for their FDA cleared Glycated Albumin products
- ▶ Quo-Test® submitted for FDA clearance
- ▶ Spin-out of sTNFR technology through RenalytixAI proceeding
 - Intention to distribute EKF's residual interest to its shareholders by way of a dividend in specie



Income Statement: Extract

	H1 2018 £k	H1 2017 £k	+/- £k
Revenue	20,357	21,498	(1,141)
Gross profit	10,991	11,839	(848)
GM %	54%	55%	(-1%)
Admin. costs	(9,099)	(10,163)	1,064
Other income	21	19	2
Operating profit	1,913	1,695	218
AEBITDA	4,897	4,577	320

Statement of Financial Position: Extract

	H1 2018 £k	H1 2017 £k	+/- £k
Intangible assets	42,624	45,165	(2,541)
Property, plant, equipment	12,329	12,096	233
Investments	152	152	-
Inventories	5,563	5,638	(75)
Trade / other receivables	7,896	9,366	(1,470)
Cash and cash equivalents	9,925	5,719	4,206
Deferred tax assets	12	13	(1)
Borrowings	902	1,275	(373)

H2 and 2019 Outlook

- ▶ Growth opportunities from new registrations, new products and customers:
 - McKesson OEM of DiaSpect Tm. First shipments Q4 2018
 - Incremental growth from Life Sciences following capital investment in additional fermenters and strong order book
 - Launch of Lactate Scout 4.0 in Q1 2019
 - Launch of Glycated Albumin in USA under exclusive licensing with Asahi Kasei Pharma Corp. Q1 2019
 - Quo-Test FDA submission underway. 510(k) anticipated Q1 2019
 - Regulatory approval for B-HB in Mexico and Colombia, and DiaSpect Tm in India
- ▶ Positive start to H2 with organic revenue and EBITDA improving year-on-year
 - The actions above, with new contracts and strong order book, will lead to further progress over the final months of current year and beyond
 - Strong order book

Thanks for your attention

EKF

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