



Enabling scientific advances *to positively impact human health*
Your genes. Your health.

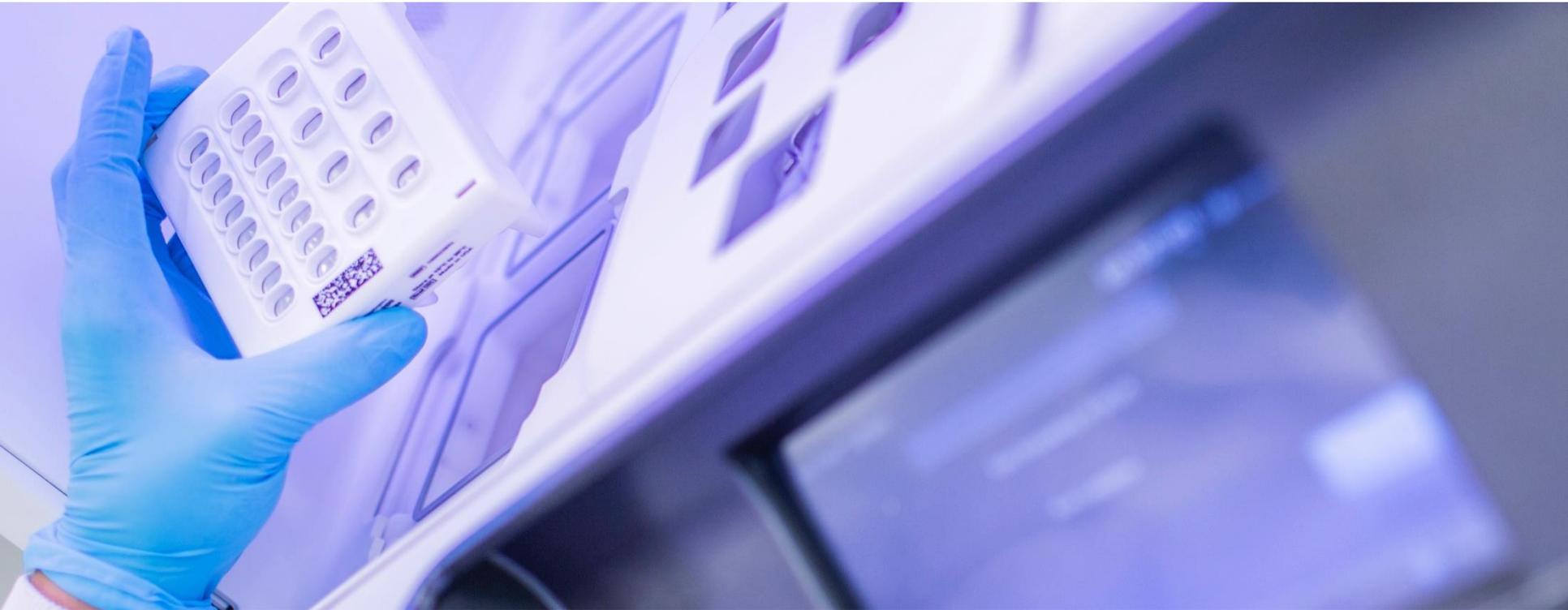
Yourgene Health plc
Interim Results

2 December 2019



Business Update

Lyn Rees, CEO





Yourgene Health

Key highlights

- **International molecular diagnostics group** developing and commercialising genetic screening products and services
 - **First forays into US market via new Yourgene Health Inc**
- **Proprietary DNA analysis technology** used to develop safer and improved non-invasive screening tests
- **Acquired Elucigene Diagnostics** in April 2019 for an enterprise value of £8.9m
 - **Integration proceeding very well, strong cultural alignment and synergy savings >£0.5m pa**
- **Group has a suite of leading CE-IVD NGS & PCR products** focused on **reproductive health** including non-invasive prenatal screening (NIPT), Cystic Fibrosis and invasive prenatal aneuploidy screening
- **Pipeline of innovative diagnostic solutions** in development for reproductive health and **oncology** including DPYD - **the Group's first oncology product**
- **Positive H1 results** demonstrating commercial momentum and financial progress towards profitability
- Technology agreements with **Thermo Fisher** and **Illumina**, market leaders in NGS and PCR instrumentation



A leading NIPT test **over 99% accurate**⁽¹⁾

A **comprehensive** menu of Reproductive Health assays

Strengthening research and oncology offering



56% organic growth year on year



Revenues £7.8 million for the six months to 30 September 2019, **up 97%**

First **EBITDA**⁽²⁾ of **£0.3m**



Sales in **over 60 countries, now including US**



Global partnerships



Interim Highlights

Results to 30 September 2019

Financial Highlights

- Revenues increased by 97% to £7.8m
 - *Organic growth of 56%*
- Gross profit up 141% to £4.7m
- Adj EBITDA* of £0.3m (vs loss of £2.5m)
- Operating loss reduced by 50% to £1.3m
 - *(£0.7m) before one-off costs*
- Oversubscribed £11.8m gross fundraise
 - *£6.3m used for acquisition cash consideration*
- Cash/cash equivalents at 30.09.19 of £4.1m
- Net cash of £3.6m (vs net debt of £12.8m)

Operational Highlights

- Acquisition of Elucigene
- Launch of first oncology product
- First US revenues / Yourgene Health Inc
- Development of Illumina-based IONA® test progressing well and on schedule
- European quality accreditation transferred to BSI Netherlands
- Non-Executive Appointments
- Launch of Yourgene *Flex*™ Analysis Software (Post-period end)

** Adjusted EBITDA is the operating profit/(loss) before interest, tax, depreciation, amortisation and acquisition-related expenses shown separately disclosed on the face of the Income Statement*



Strategic priorities for growth

Organic

Inorganic

Product penetration

Sell More in Existing Channels

Drive worldwide sales of NIPT, Cystic Fibrosis and other Reproductive Health products and services by targeting further expansion through direct and key distribution channels

Geographic expansion

Sell into New Territories

Expand directly and through distributors into new geographies, including those opened up by Illumina licence agreement

Product expansion

New Product Lines and Content

Leverage our technical and regulatory expertise and partnerships to extend our genetic testing offering

Support diagnostic majors and bioinformatics specialists with IVD product contract development partnerships

M&A

Consolidator in the Market

Delivering integration benefits of the Elucigene acquisition, creating a strong platform for future M&A activity

Considering additional selective synergistic M&A opportunities

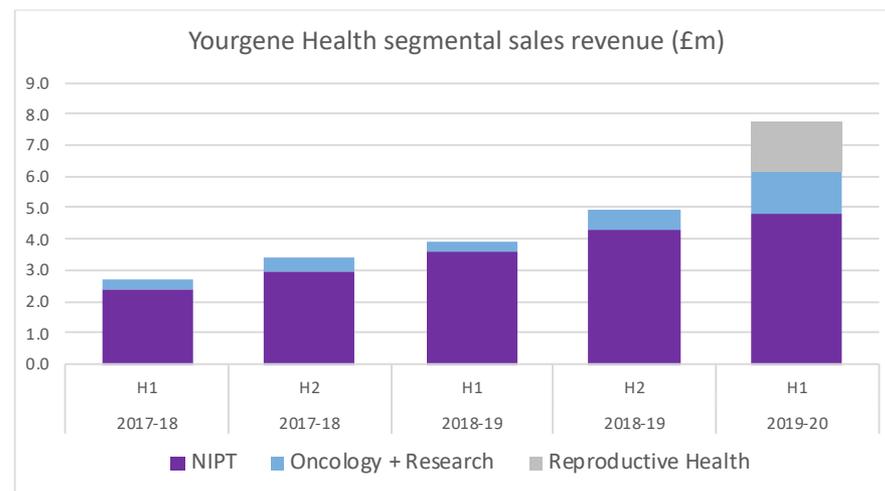
Fragmented market with minimal medium-sized entities, presents opportunity for consolidation



Product penetration

Sell more in existing channels

- H1 organic growth of 56%, with non-Elucigene revenues of £6.1m (H1 2018-19: £3.9m)
- NIPT sales through existing channels up 35% with 5 new distributors appointed
- UK / Europe NIPT growth steady – reflecting anticipation for the launch of the IONA[®] test on the Illumina platform
- Continued expansion of our NIPT footprint in India with over 20 lab customers
- Solid growth in Middle East - additional contracts secured in KSA and beneficial impact of clinical marketing events
- Strong growth across Asia, and in particular in South East Asia and Japan, an area where we hope to secure further technology partnerships to drive sales in this region



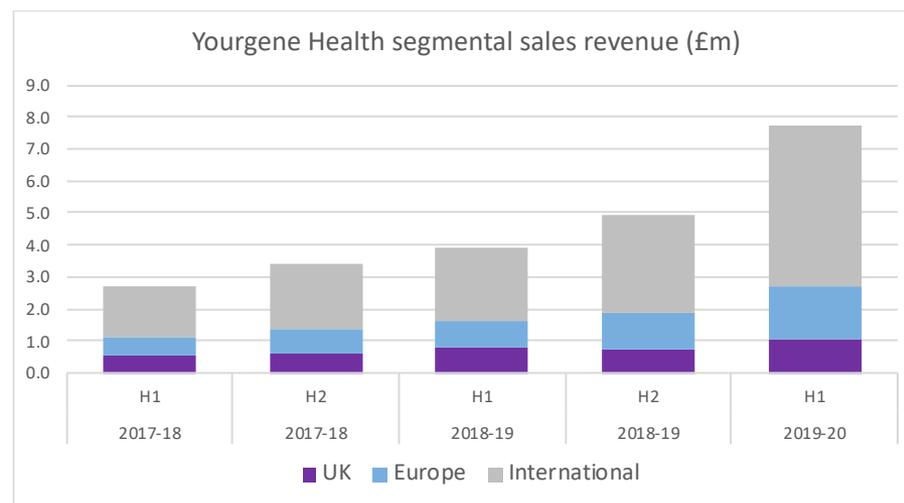
	H1 2019-20 £'000	% of Total	H1 2018-19 £'000	% of Total
Revenue by product segment	£'000		£'000	
NIPT	4,783	62%	3,594	91%
Reproductive Health	1,633	21%	-	0%
Oncology & Research	1,351	17%	346	9%
Total	7,767		3,940	



Geographic expansion

Sell into new territories

- Increasing geographic coverage via Elucigene acquisition – now selling into +60 countries
- First US revenues and establishment of Yourgene Health Inc. - attendance at first key US industry events
- Development of Illumina-based IONA® test progressing well - final stages of testing with regulatory submission expected early 2020
- Transfer of European quality accreditation to BSI Netherlands
- Contract wins for NIPT in South East Asia, Eastern Europe and the Middle East
- New distributor in Oman and new customers in Turkey
- Continue to look for long term opportunities and evaluating potential partners in China



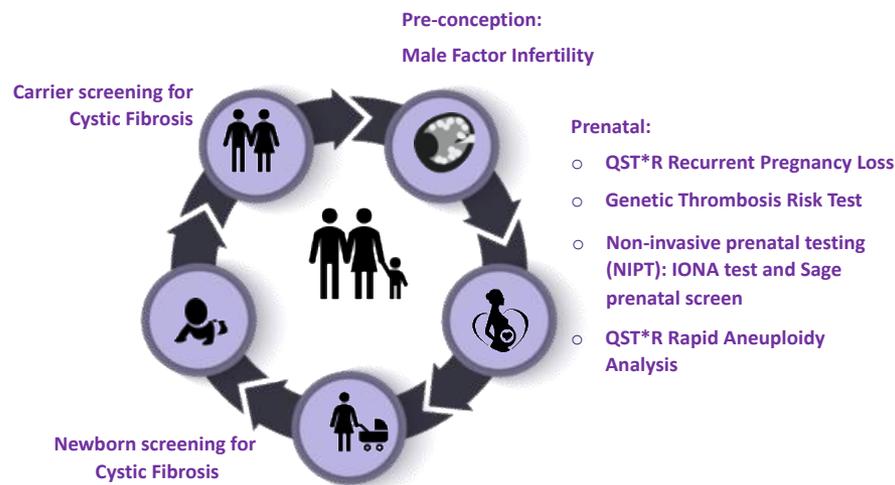
	H1 2019-20	% of Total	H1 2018-19	% of Total	Growth %
Revenue by geography	£'000		£'000		
UK	1,095	14%	818	21%	+34%
Europe	1,602	21%	842	21%	+90%
International	5,070	65%	2,280	58%	+122%
Total	7,767		3,940		



Product expansion

New Product Lines and Content

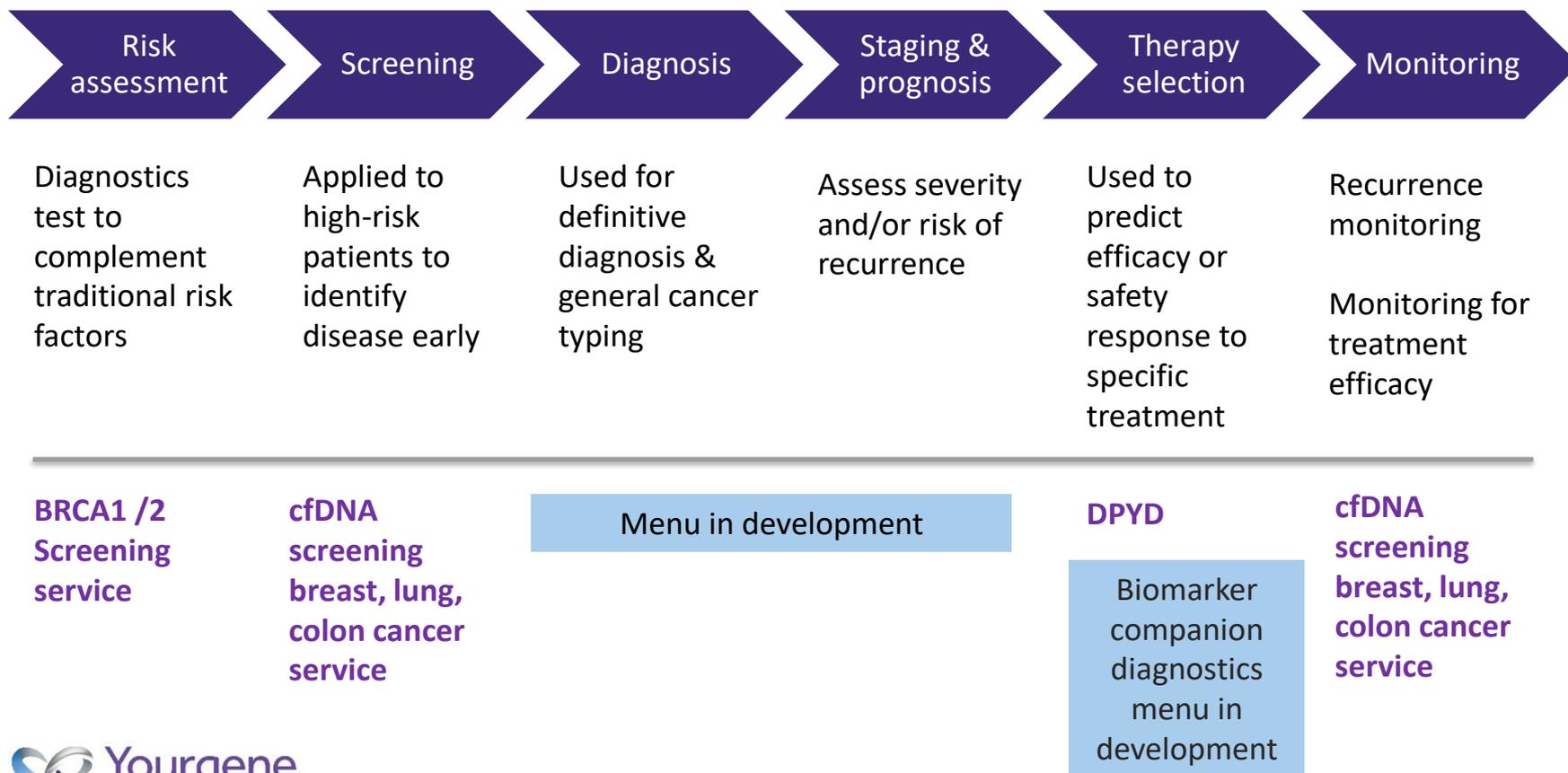
- Elucigene acquisition brings additional reproductive health products and already seeing benefits of range-selling opportunities
- First oncology product launched, the Elucigene DPYD assay, a new chemotoxicity diagnostic assay - first UK contract secured with an NHS Trust
- Launch of Yourgene *Flex*TM Analysis Software to enable closer collaboration with product development partners to customise our analysis platform beyond NIPT
- Oncology service franchise from Taipei has delivered significant revenue growth - entering oncology market through a key partnership (revenue and profit generating) without the normal development costs associated with this market.





Oncology testing

Areas for future growth





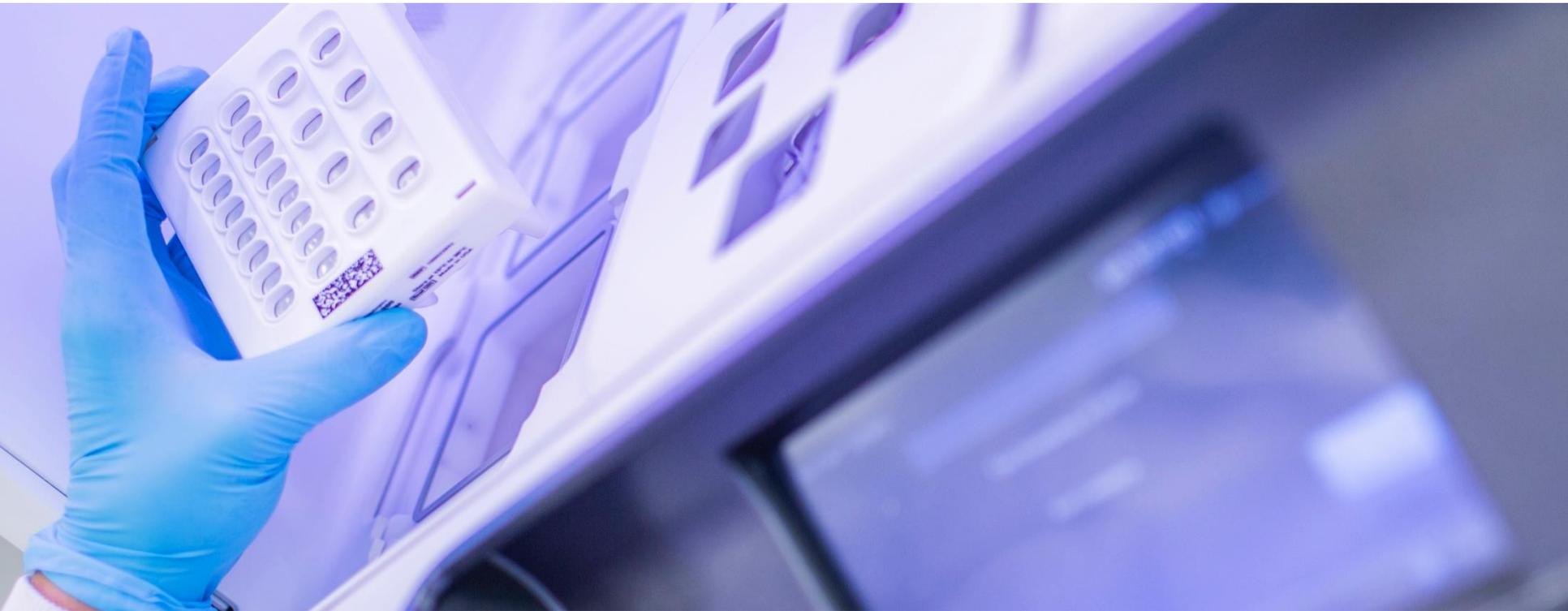
Acquisitive growth

Consolidator in the Market

- April 2019 - equity fundraise, raising gross proceeds of £11.8m and completed the acquisition of Elucigene for an enterprise value of £8.9m, represented by £6.3m cash and £3.0m equity:
 - Highly complementary acquisition and immediately accretive to earnings, with additional synergies of over £0.5m per annum
 - Integration of the business has helped to accelerate our overall pathway to profitability and free cash flow generation
 - Adding strong organic sales growth that brings with it a wider portfolio of complementary products and a sales network reaching into a wider range of geographic territories.

Interim results

Barry Hextall, CFO





Income Statement

- Revenue growing +97% vs prior year
 - Organic growth +56%
 - Elucigene acquisition +£1.6m
- Gross profit +141% and margins up 11%
- Admin expenses up 22% due to Elucigene cost base, with synergies starting to crystallise
- First ever positive EBITDA⁽¹⁾ of £0.3m
- Operating loss 50% lower at £1.3m
 - £0.7m before acquisition-related expenses
- Net financing expenses were significantly lower at £0.1m (H1 2018-19: £0.9m)
 - 12 months to March 2019 included £9.4m debt cancellation
- Total comprehensive loss for the period reduced to £1.4m (H1 2018-19: £3.4m).

Consolidated Statement of Comprehensive Income

	Unaudited 6 months to 30-Sep-19 £'000	Unaudited 6 months to 30-Sep-18 £'000	Audited 12 months to 31-Mar-19 £'000
Revenue	7,767	3,940	8,882
Cost of sales	(3,056)	(1,987)	(4,272)
Gross profit	4,711	1,953	4,610
Gross margin	61%	50%	52%
Other operating income	46	21	26
Administrative expenses			
General administrative expenses	(5,524)	(4,511)	(9,419)
Costs associated with the acquisition of subsidiary	(195)	-	-
Acquisition integration expenses	(315)	-	-
Total administrative expenses	(6,034)	(4,511)	(9,419)
Operating loss	(1,277)	(2,538)	(4,783)
Financing income	10	18	9382
Financing expenses	(75)	(936)	(1,210)
Profit / (loss) on ordinary activities before tax	(1,342)	(3,456)	3,389



Balance Sheet

- Intangible assets and PPE reflects Elucigene acquisition
- Modest capital expenditure requirements
- IFRS 16 adoption creates right of use asset and lease liability
- Cash at the end of the period was £4.1m, reflecting April 2019 equity fundraise

Consolidated Statement of Financial Position

	Unaudited 6 months to 30-Sep-19 £'000	Unaudited 6 months to 30-Sep-18 £'000	Audited 12 months to 31-Mar-19 £'000
Assets			
Non-current assets			
Goodwill	10,806	7,014	7,014
Intangible assets	6,378	1,307	1,229
Property, plant and equipment	1,937	1,534	2,054
Right of Use Asset	2,969	-	-
Total non-current assets	22,089	9,855	10,298
Current assets			
Inventories	1,128	428	739
Other short-term assets	-	64	-
Trade and other receivables	4,050	2,271	2,833
Tax asset	777	761	478
Cash and cash equivalents	4,073	226	1,250
Total current assets	10,028	3,749	5,300
Total assets	32,117	13,604	15,598
Equity and liabilities attributable to equity holders of the company			
Total equity	23,231	(3,005)	10,700
Total current liabilities	4,785	3,252	4,249
Non-current liabilities			
Borrowings	139	12,907	209
Deferred tax liability	1,195	248	233
Lease Liability	2,691	-	-
Long term provisions	76	201	206
Total non-current liabilities	4,101	13,357	649
Total equity and liabilities	32,117	13,604	15,598



Cashflow

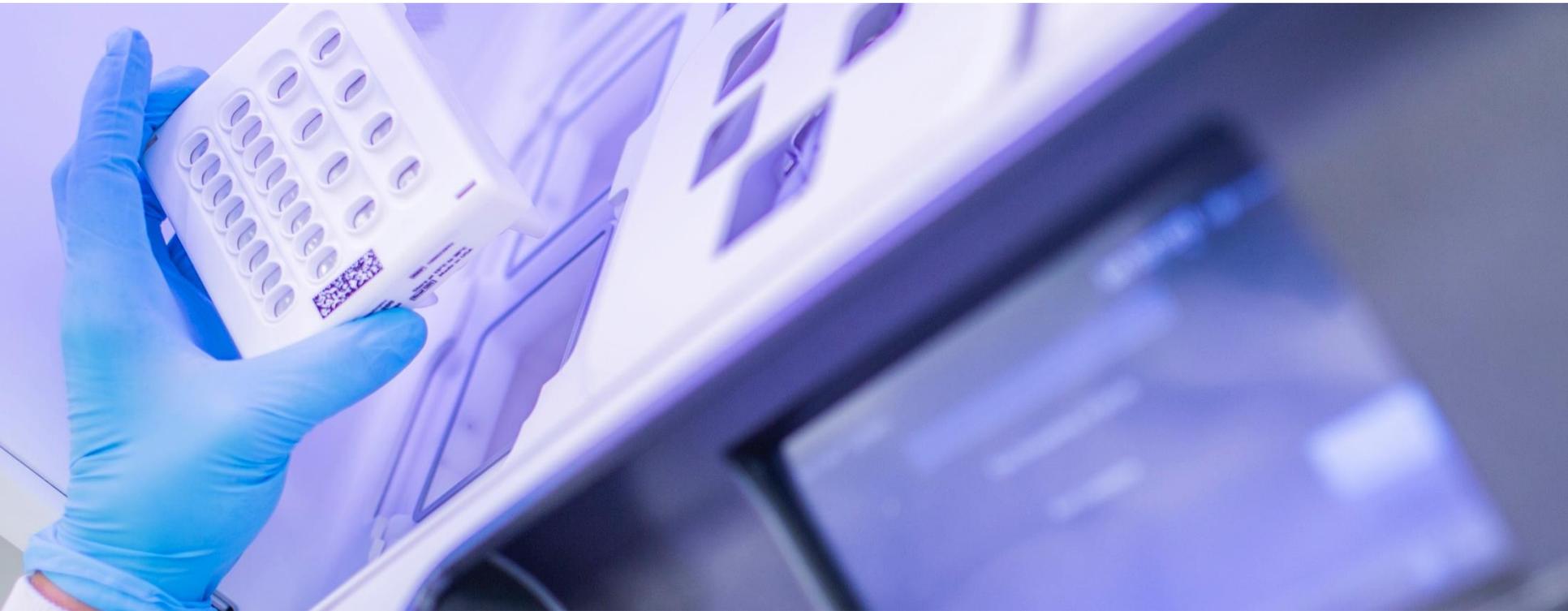
- £2.8m increase in cash to £4.1m
- First EBITDA achieves neutral trading cashflows
- Working capital movements are cyclical (payables and tax) or growth-related (receivables)
- Investing outflow of £6.0m is Elucigene net cash consideration
- Equity fundraise and IFRS 16 property rentals net off to +£10.4m financing inflows

Consolidated Statement of Cash Flows

	Unaudited 6 months to 30-Sep-19 £'000	Unaudited 6 months to 30-Sep-18 £'000	Audited 12 months to 31-Mar-19 £'000
Cash flows from operating activities			
Profit/(loss) for the year after tax	(1,422)	(3,441)	3,389
P&L add backs:	1,270	1,146	(7,086)
Movements in working capital:			
(Increase)/decrease in inventories	51	(151)	(462)
(Increase)/decrease in trade and other receivables	(567)	(204)	(911)
Increase/(decrease) in trade and other payables	(612)	(973)	380
Decrease/(increase) in tax asset	(362)	398	654
Cash used by operations	(1,643)	(3,225)	(4,035)
Tax paid / (received)	20	(0)	(13)
Net cash (used in)/generated from investing activities	(5,956)	341	(591)
Financing activities			
Net proceeds from issue of shares	10,878	2,893	9,627
Proceeds from borrowings	-	129	129
(Increase)/decrease in lease liability	(163)	-	-
Repayment of Lease liability obligations	(152)	-	-
Repayment of borrowings	(96)	(190)	(4,139)
Interest paid	(65)	(5)	(10)
Net cash generated from financing activities	10,401	2,827	5,607
Net increase/(decrease) in cash and cash equivalents	2,823	(57)	968
Cash and cash equivalents at beginning of period	1,250	282	282
Cash and cash equivalents at end of period	4,073	225	1,250

Outlook – *Raising the Bar*

Lyn Rees, CEO





Board changes

Adding exceptional experience



Dr John Brown CBE - Senior Independent Director

- Over 20 years' capital markets experience in the healthcare and life sciences sector
- Currently a Senior Independent Director of BioCity and Acacia Pharma and is Chairman of Cell Therapy Catapult and Synpromics.
- Previous significant board experience with roles including Chairman of Axis-Shield, Chairman of BTG, Non-executive Director of Vectura and Chief Executive Officer of Acambis



Jonathan Seaton – Non-executive Director

- Considerable experience working for leading global life sciences and diagnostic companies
- >40 M&A transactions as well as strategic and commercial development activities
- Previously Head of Corporate and Business Development and Government Affairs at Illumina
- Based in the US



Positive outlook

Raising the bar in 2020

- The business has been transformed, providing a strong foundation for rapid growth which is already delivering results.
- Firmly on target to deliver full year results in-line with market expectations - consensus forecasts of c. £17m revenues for the y/e 31 March 2020
- A wider portfolio of first-class products that are leading the way in the growing genetic testing market creating range selling opportunities.
- The business is excited for the launch of the IONA[®] test on the Illumina platform – a key driver of future growth
- Large commercial and geographic footprint into 60 territories with many significant new markets still available, including the US
- Leveraging strong technical capabilities to develop more content and offer additional products and services to more customers as the adoption of genetic testing becomes more widespread.



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