

Oxford Immunotec Global PLC
Condensed consolidated statements of operations
(unaudited)

(in thousands, except share and per share data)	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Revenue	\$ 5,835	\$ 19,588	\$ 19,746	\$ 34,377
Cost of revenue	2,170	5,400	5,774	9,628
Gross profit	3,665	14,188	13,972	24,749
Operating expenses:				
Research and development	2,462	2,089	5,119	4,413
Sales and marketing	5,479	7,485	12,688	13,764
General and administrative	5,558	5,491	12,582	10,699
Settlement expense	—	104	—	203
Total operating expenses	13,499	15,169	30,389	29,079
Operating loss from continuing operations	(9,834)	(981)	(16,417)	(4,330)
Other income (expense):				
Interest income	86	1,162	705	2,362
Foreign exchange gains (losses)	(124)	291	839	(593)
Other income	32	42	32	42
Income (loss) from continuing operations before income taxes	(9,840)	514	(14,841)	(2,519)
Income tax benefit (expense) from continuing operations	136	76	(73)	1,613
Income (loss) from continuing operations	(9,704)	590	(14,914)	(906)
Discontinued operations:				
Income from discontinued operations before income taxes	—	—	147	—
Income tax benefit (expense) from discontinued operations	19	—	(945)	—
Income (loss) from discontinued operations	19	—	(798)	—
Net income (loss)	<u>\$ (9,685)</u>	<u>\$ 590</u>	<u>\$ (15,712)</u>	<u>\$ (906)</u>
Net income (loss) per ordinary share—basic:				
Income (loss) from continuing operations	\$ (0.37)	\$ 0.02	\$ (0.57)	\$ (0.03)
Income (loss) from discontinued operations	—	—	(0.03)	—
Net income (loss)	<u>\$ (0.37)</u>	<u>\$ 0.02</u>	<u>\$ (0.60)</u>	<u>\$ (0.03)</u>
Net income (loss) per ordinary share—diluted:				
Income (loss) from continuing operations	\$ (0.37)	\$ 0.02	\$ (0.57)	\$ (0.03)
Income (loss) from discontinued operations	—	—	(0.03)	—
Net income (loss)	<u>\$ (0.37)</u>	<u>\$ 0.02</u>	<u>\$ (0.60)</u>	<u>\$ (0.03)</u>
Weighted-average shares used to compute net income (loss) per ordinary share—basic	<u>25,888,006</u>	<u>26,625,572</u>	<u>26,014,265</u>	<u>26,571,025</u>
Weighted-average shares used to compute net income (loss) per ordinary share—diluted	<u>25,888,006</u>	<u>26,889,232</u>	<u>26,014,265</u>	<u>26,571,025</u>

Reconciliation of net income (loss) to Adjusted EBITDA (1)

(unaudited)

The below table presents a reconciliation of net income (loss), the most comparable U.S. GAAP measure, to EBITDA and Adjusted EBITDA for each of the periods indicated.

(in thousands)	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Net income (loss)	\$ (9,685)	\$ 590	\$ (15,712)	\$ (906)
Income (loss) from discontinued operations	19	—	(798)	—
Loss from continuing operations	(9,704)	590	(14,914)	(906)
Income tax (benefit) expense	(136)	(76)	73	(1,613)
Interest income, net	(86)	(1,162)	(705)	(2,362)
Depreciation and amortization expense	460	430	926	900
EBITDA	(9,466)	(218)	(14,620)	(3,981)
Reconciling items:				
Share-based compensation expense	610	846	1,567	1,691
Unrealized exchange gains	(70)	(780)	(1,057)	(231)
Settlement expense	—	104	—	203
Adjusted EBITDA	\$ (8,926)	\$ (48)	\$ (14,110)	\$ (2,318)

(1) EBITDA and Adjusted EBITDA are non-GAAP measures that we calculate as net income (loss), adjusted for the impact of earnings or charges resulting from matters that we consider not to be indicative of our ongoing operations. We believe that these measures provide useful information to investors in understanding and evaluating our operating results in the same manner as our management and Board of Directors. Our presentation of these measures is not made in accordance with U.S. GAAP, and our computation of these measures may vary from others in the industry. Our use of these measures has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our results as reported under U.S. GAAP.

Oxford Immunotec Global PLC
Condensed consolidated balance sheets
(unaudited)

(in thousands, except share and per share data)	June 30, 2020	December 31, 2019
Assets		
Current assets:		
Cash and cash equivalents	\$ 165,489	\$ 181,270
Accounts receivable, net	4,677	13,669
Other receivables	184	4,660
Inventory, net	12,824	11,096
Prepaid expenses and other assets	3,775	5,186
Total current assets	186,949	215,881
Restricted cash	100	100
Property and equipment, net	8,561	7,095
Lease right-of-use assets	6,638	7,443
Goodwill	2,483	2,483
Other intangible assets, net	72	87
Deferred tax asset	1,744	2,163
Other assets	59	—
Total assets	<u>\$ 206,606</u>	<u>\$ 235,252</u>
Liabilities and shareholders' equity		
Current liabilities:		
Accounts payable	\$ 1,658	\$ 2,420
Accrued liabilities	8,089	10,396
Current portion of lease liability	1,031	984
Deferred income	34	19
Total current liabilities	10,812	13,819
Long-term portion of lease liability	6,869	7,710
Other liabilities	32	32
Total liabilities	<u>17,713</u>	<u>21,561</u>
Shareholders' equity:		
Ordinary shares, £0.006705 nominal value; 39,068,071 and 39,824,703 shares authorized at June 30, 2020 and December 31, 2019, respectively, and 25,955,508 and 26,419,961 shares issued and outstanding at June 30, 2020 and December 31, 2019, respectively	272	276
Additional paid-in capital	300,231	304,909
Accumulated deficit	(101,335)	(84,033)
Accumulated other comprehensive loss	(10,275)	(7,461)
Total shareholders' equity	<u>188,893</u>	<u>213,691</u>
Total liabilities and shareholders' equity	<u>\$ 206,606</u>	<u>\$ 235,252</u>