

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

(in thousands, except share and per share data)	Three months ended December 31,		Year ended December 31,	
	2018	2017	2018	2017
Revenue				
Product	\$ 14,451	\$ 11,186	\$ 54,687	\$ 48,899
Service.....	916	1,423	5,066	5,834
Total revenue	15,367	12,609	59,753	54,733
Cost of revenue				
Product	3,675	2,545	13,668	13,864
Service.....	281	1,093	3,158	4,606
Total cost of revenue	3,956	3,638	16,826	18,470
Gross profit.....	11,411	8,971	42,927	36,263
Operating expenses:				
Research and development	2,153	2,743	8,122	10,835
Sales and marketing.....	5,845	6,878	26,500	29,053
General and administrative.....	6,603	5,994	25,952	25,450
Change in fair value of contingent purchase price consideration.....	—	—	—	(3,475)
Impairment charges	879	7,236	879	18,300
Settlement expense	214	197	2,193	10,028
Total operating expenses	15,694	23,048	63,646	90,191
Operating loss from continuing operations	(4,283)	(14,077)	(20,719)	(53,928)
Other income (expense):				
Interest income (expense), net	214	(694)	(1,797)	(3,105)
Loss on extinguishment of debt.....	(2,105)	—	(2,105)	—
Foreign exchange gains (losses).....	417	(573)	111	(1,850)
Other (expense) income.....	(29)	53	(271)	(209)
Litigation settlement income	—	27,500	—	27,500
(Loss) income from continuing operations before income taxes.....	(5,786)	12,209	(24,781)	(31,592)
Income tax benefit (expense) from continuing operations	39,521	(3,823)	38,339	(1,634)
Income (loss) from continuing operations.....	33,735	8,386	13,558	(33,226)
Discontinued operations:				
Income from discontinued operations before income taxes ...	1,831	414	1,727	341
Gain on disposition.....	145,982	—	145,982	—
Income tax expense	(39,992)	—	(39,992)	—
Income from discontinued operations	107,821	414	107,717	341
Net income (loss)	\$ 141,556	\$ 8,800	\$ 121,275	\$ (32,885)
Net income (loss) per ordinary share—basic:				
Income (loss) from continuing operations.....	\$ 1.28	\$ 0.33	\$ 0.52	\$ (1.40)
Income from discontinued operations	4.10	0.02	4.15	0.01
Net income (loss).....	\$ 5.38	\$ 0.34	\$ 4.67	\$ (1.38)
Net income (loss) per ordinary share—diluted:				
Income (loss) from continuing operations.....	\$ 1.25	\$ 0.31	\$ 0.51	\$ (1.40)
Income from discontinued operations	3.99	0.02	4.05	0.01
Net income (loss).....	\$ 5.23	\$ 0.33	\$ 4.56	\$ (1.38)
Weighted-average shares used to compute net income (loss) per ordinary share—basic.....	26,326,419	25,532,152	25,982,809	23,757,902
Weighted-average shares used to compute net income (loss) per ordinary share—diluted	27,054,822	26,828,912	26,568,075	23,757,902

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

(in thousands)	Three months ended December 31,		Year ended December 31,	
	2018	2017	2018	2017
Net income loss	\$ 141,556	\$ 8,800	\$ 121,275	\$ (32,885)
Income from discontinued operations	107,821	414	107,717	341
Income (loss) from continuing operations.....	33,735	8,386	13,558	(33,226)
Income tax (benefit) expense	(39,521)	3,823	(38,339)	1,634
Interest (income) expense, net.....	(214)	553	1,376	2,535
Loss on extinguishment of debt.....	2,105	—	2,105	—
Depreciation and amortization of intangible assets.....	704	365	1,658	1,618
Accretion and amortization of loan fees.....	—	141	421	570
EBITDA	(3,191)	13,268	(19,221)	(26,869)
Reconciling items:				
Share-based compensation expense.....	955	1,542	4,507	5,671
Unrealized exchange (gains) losses	(900)	72	(1,617)	686
Change in fair value of contingent purchase price consideration.....	—	—	—	(3,475)
Intangible assets impairment charges	879	7,236	879	18,300
Settlement expense	214	197	2,193	10,028
Litigation settlement income	—	(27,500)	—	(27,500)
Transaction expenses.....	888	—	3,333	—
Adjusted EBITDA	\$ (1,155)	\$ (5,185)	\$ (9,926)	\$ (23,159)

⁽¹⁾ EBITDA and Adjusted EBITDA are non-GAAP measures that we calculate as net 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.

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

Oxford Immunotec Global PLC
Condensed consolidated balance sheets
(unaudited)

(in thousands, except share and per share data)	December 31,	
	2018	2017
Assets		
Current assets:		
Cash and cash equivalents	\$ 192,844	\$ 90,332
Accounts receivable, net.....	9,158	6,021
Other receivable	4,500	—
Inventory, net.....	7,767	7,137
Prepaid expenses and other assets	2,539	2,711
Current assets of discontinued operations	—	14,281
Total current assets.....	216,808	120,482
Restricted cash, non-current	100	200
Other receivable	4,500	—
Property and equipment, net.....	7,144	2,764
Goodwill.....	2,483	2,483
Other intangible assets, net.....	61	1,036
Deferred tax asset	1,055	2,486
Noncurrent assets of discontinued operations	—	14,785
Total assets	\$ 232,151	\$ 144,236
Liabilities and shareholders' equity		
Current liabilities:		
Accounts payable	\$ 2,801	\$ 5,552
Accrued liabilities.....	10,343	7,807
Settlement liability	4,106	4,342
Deferred income	125	36
Current portion of loans payable	85	78
Current liabilities of discontinued operations.....	—	4,630
Total current liabilities	17,460	22,445
Long-term portion of loans payable	106	29,856
Settlement liability	—	3,894
Other liabilities	—	364
Noncurrent liabilities of discontinued operations.....	—	48
Total liabilities.....	17,566	56,607
Shareholders' equity:		
Ordinary shares, £0.006705 nominal value; 38,978,604 and 36,183,293 shares authorized at December 31, 2018 and 2017, respectively, 26,439,334 and 25,661,634 shares issued and outstanding at December 31, 2018 and 2017, respectively.....	276	269
Additional paid-in capital.....	303,015	294,613
Accumulated deficit.....	(80,266)	(201,541)
Accumulated other comprehensive loss	(8,440)	(5,712)
Total shareholders' equity	214,585	87,629
Total liabilities and shareholders' equity.....	\$ 232,151	\$ 144,236