

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,	
	2017	2016	2017	2016
Revenue				
Product	\$ 10,422	\$ 9,293	\$ 18,808	\$ 17,431
Service.....	15,698	9,861	28,817	18,833
Total revenue	26,120	19,154	47,625	36,264
Cost of revenue				
Product	4,094	3,512	7,339	6,805
Service.....	8,398	5,094	15,650	9,966
Total cost of revenue	12,492	8,606	22,989	16,771
Gross profit.....	13,628	10,548	24,636	19,493
Operating expenses:				
Research and development	3,948	3,284	7,753	6,305
Sales and marketing.....	10,041	9,391	19,681	17,871
General and administrative.....	7,990	5,151	14,866	9,734
Change in fair value of contingent purchase price consideration.....	(238)	57	(2,595)	112
Settlement expense	9,635	—	9,635	—
Total operating expenses	31,376	17,883	49,340	34,022
Loss from operations	(17,748)	(7,335)	(24,704)	(14,529)
Other income (expense):				
Interest expense, net	(807)	(17)	(1,630)	(34)
Foreign exchange (losses) gains	(547)	874	(653)	1,237
Other (expense) income.....	(122)	29	(262)	(137)
Loss before income taxes.....	(19,224)	(6,449)	(27,249)	(13,463)
Income tax benefit (expense)	2,458	3	2,411	(32)
Net loss.....	\$ (16,766)	\$ (6,446)	\$ (24,838)	\$ (13,495)
Net loss per share attributable to ordinary shareholders—basic and diluted.....	\$ (0.74)	\$ (0.29)	\$ (1.10)	\$ (0.60)
Weighted-average shares used to compute net loss attributable to ordinary shareholders—basic and diluted.....	22,805,379	22,351,645	22,670,206	22,318,019

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

(in thousands)	Three months ended June 30,		Six months ended June 30,	
	2017	2016	2017	2016
Net loss.....	\$ (16,766)	\$ (6,446)	\$ (24,838)	\$ (13,495)
Income tax expense (benefit)	(2,458)	(3)	(2,411)	32
Interest expense, net	667	17	1,341	34
Depreciation and amortization of intangible assets.....	990	624	1,993	1,205
Accretion and amortization of loan fees.....	140	—	289	—
EBITDA	(17,427)	(5,808)	(23,626)	(12,224)
Reconciling items:				
Share-based compensation expense.....	1,434	1,355	2,760	2,459
Unrealized exchange losses (gains).....	319	(896)	281	(1,418)
Change in fair value of contingent purchase price consideration.....	(238)	57	(2,595)	112
Settlement expense	9,635	—	9,635	—
Adjusted EBITDA	\$ (6,277)	\$ (5,292)	\$ (13,545)	\$ (11,071)

⁽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)	June 30, 2017	December 31, 2016
Assets		
Current assets:		
Cash and cash equivalents	\$ 36,713	\$ 59,110
Accounts receivable, net.....	18,016	13,265
Inventory, net.....	9,480	7,437
Prepaid expenses and other assets	2,907	2,390
Total current assets	67,116	82,202
Restricted cash, non-current	200	200
Property and equipment, net.....	8,786	7,793
In-process research and development.....	16,170	16,170
Goodwill.....	3,967	3,822
Other intangible assets, net.....	10,410	11,017
Deferred tax asset.....	6,133	2,630
Other assets.....	145	178
Total assets	<u>\$ 112,927</u>	<u>\$ 124,012</u>
Liabilities and shareholders' equity		
Current liabilities:		
Accounts payable	\$ 3,874	\$ 3,201
Accrued liabilities.....	15,734	14,282
Settlement liability.....	2,317	—
Contingent purchase price consideration	880	882
Deferred income	43	41
Current portion of loans payable	87	84
Total current liabilities	22,935	18,490
Long-term portion of loans payable	29,670	29,601
Settlement liability.....	7,472	—
Contingent purchase price consideration	—	2,593
Other liabilities	364	364
Total liabilities.....	<u>60,441</u>	<u>51,048</u>
Shareholders' equity:		
Ordinary shares, £0.006705 nominal value; 36,183,293 shares authorized at June 30, 2017 and December 31, 2016, and 23,014,032 and 22,635,431 shares issued and outstanding at June 30, 2017 and December 31, 2016, respectively	247	243
Additional paid-in capital	251,989	249,128
Accumulated deficit.....	(193,494)	(168,656)
Accumulated other comprehensive loss	(6,256)	(7,751)
Total shareholders' equity	<u>52,486</u>	<u>72,964</u>
Total liabilities and shareholders' equity.....	<u>\$ 112,927</u>	<u>\$ 124,012</u>