

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,	
	2017	2016	2017	2016
Revenue				
Product.....	\$ 9,714	\$ 9,286	\$ 40,522	\$ 36,430
Service	15,312	14,419	62,558	49,648
Total revenue	25,026	23,705	103,080	86,078
Cost of revenue				
Product.....	2,428	3,535	13,794	13,956
Service	8,146	7,663	32,937	25,516
Total cost of revenue.....	10,574	11,198	46,731	39,472
Gross profit.....	14,452	12,507	56,349	46,606
Operating expenses:				
Research and development	4,481	4,044	16,701	13,881
Sales and marketing	8,842	8,299	38,016	34,964
General and administrative	7,359	6,981	30,366	23,181
Change in fair value of contingent purchase price consideration	—	(1,380)	(3,475)	(1,208)
Intangible assets impairment charges	7,236	1,765	18,300	1,765
Settlement expense	197	—	10,028	—
Total operating expenses.....	28,115	19,709	109,936	72,583
Loss from operations	(13,663)	(7,202)	(53,587)	(25,977)
Other income (expense):				
Interest expense, net.....	(694)	(776)	(3,105)	(864)
Foreign exchange (losses) gains	(573)	(343)	(1,850)	1,364
Other income (expense).....	53	(403)	(209)	(646)
Litigation settlement income	27,500	—	27,500	—
Income (loss) before income taxes.....	12,623	(8,724)	(31,251)	(26,123)
Income tax (expense) benefit.....	(3,823)	3,866	(1,634)	3,774
Net income (loss).....	\$ 8,800	\$ (4,858)	\$ (32,885)	\$ (22,349)
Net income (loss) per ordinary share:.....				
Basic	\$ 0.34	\$ (0.22)	\$ (1.38)	\$ (1.00)
Diluted	\$ 0.33	\$ (0.22)	\$ (1.38)	\$ (1.00)
Weighted-average shares used to compute net income (loss) per ordinary share:				
Basic	25,532,152	22,412,691	23,757,902	22,353,713
Diluted	26,828,912	22,412,691	23,757,902	22,353,713

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

(in thousands)	Three months ended December 31,		Year ended December 31,	
	2017	2016	2017	2016
Net loss	\$ 8,800	\$ (4,858)	\$ (32,885)	\$ (22,349)
Income tax (benefit) expense.....	3,823	(3,866)	1,634	(3,774)
Interest expense, net	553	776	2,535	864
Depreciation and amortization.....	1,125	1,027	4,240	3,094
Accretion and amortization of loan fees	141	—	570	—
EBITDA.....	14,442	(6,921)	(23,906)	(22,165)
Reconciling items:				
Share-based compensation expense	1,598	1,192	5,864	5,019
Unrealized exchange (gains) losses	72	110	686	(1,880)
Change in fair value of contingent purchase price consideration	—	(1,380)	(3,475)	(1,208)
Intangible asset impairment charge	7,236	1,765	18,300	1,765
Settlement expense	197	—	10,028	—
Litigation settlement income.....	(27,500)	—	(27,500)	—
Adjusted EBITDA.....	\$ (3,955)	\$ (5,234)	\$ (20,003)	\$ (18,469)

⁽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,	
	2017	2016
Assets		
Current assets:		
Cash and cash equivalents	\$ 90,332	\$ 59,110
Accounts receivable, net	16,981	13,265
Inventory, net	10,142	7,437
Prepaid expenses and other assets	3,027	2,390
Total current assets	120,482	82,202
Restricted cash, non-current	200	200
Property and equipment, net	9,067	7,793
In-process research and development	—	16,170
Goodwill	3,967	3,822
Other intangible assets, net	7,849	11,017
Deferred tax asset	2,486	2,630
Other assets	185	178
Total assets	\$ 144,236	\$ 124,012
Liabilities and shareholders' equity		
Current liabilities:		
Accounts payable	\$ 6,842	\$ 3,201
Accrued liabilities	11,134	14,282
Settlement liability	4,342	—
Contingent purchase price consideration	—	882
Deferred income	36	41
Current portion of loans payable	91	84
Total current liabilities	22,445	18,490
Long-term portion of loans payable	29,904	29,601
Settlement liability	3,894	—
Contingent purchase price consideration	—	2,593
Other liabilities	364	364
Total liabilities	56,607	51,048
Shareholders' equity:		
Ordinary shares, £0.006705 nominal value; 36,183,293 shares authorized at December 31, 2017 and December 31, 2016, and 25,661,634 and 22,635,431 shares issued and outstanding at December 31, 2017 and 2016, respectively	269	243
Additional paid-in capital	294,613	249,128
Accumulated deficit	(201,541)	(168,656)
Accumulated other comprehensive loss	(5,712)	(7,751)
Total shareholders' equity	87,629	72,964
Total liabilities and shareholders' equity	\$ 144,236	\$ 124,012